5.1. Proposed Special Variation to Rates and Minimum Rates

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ATTACHMENTS	1. Long Term Financial Plan updated 22 Dec 2025 [**5.1.1** - 91 pages] 2. Productivity and Improvement Plan [**5.1.2** - 32 pages] 3. Delivery Program 2025-2029 & Operational Plan 2025-2026 [**5.1.3** - 128 pages] 4. Capacity to Pay report [**5.1.4** - 56 pages] 5. 'North Sydney - Towards a sustainable future' community engagement report [**5.1.5** - 69 pages] 6. Phase 1 Demographic Community Survey Service Level Asset Management [**5.1.6** - 105 pages] 7. Phase 1 Opt-In Community Survey Service Levels Asset Management [**5.1.7** - 79 pages] 8. Phase 2 Demographic Community Survey [**5.1.8** - 52 pages] 9. Phase 2 Business Survey [**5.1.9** - 51 pages] 10. SRV Submissions [**5.1.10** - 34 pages] 11. Communication collateral and engagement activities [**5.1.11** - 40 pages]
CSP LINK	**Outcome 8 – An effective, accountable and sustainable Council that serves the community** G1. Develop clear goals, create a plan to achieve them, and track progress with transparency and honesty G4. Manage risks and maintain independent oversight in business operations and decision-making G6. Commit to efficiency and value for money in service delivery G8. Manage Council's finances through robust long-term planning and ongoing financial management

PURPOSE:

The purpose of this report is to support Council's consideration of measures required to achieve long-term financial sustainability, including an application for a Special Rate Variation to permissible income and an increase to the minimum rate. In doing so, the report presents the Draft Long-Term Financial Plan (Attachment 1 to this report), the Addendum to the *Delivery Program 2025–29* (Attachment 3), and the outcomes of phases one and two of Council's community engagement plan (Attachments 6-9), to inform Council's decision-making.

EXECUTIVE SUMMARY:

- On 28 July 2025, North Sydney Council endorsed a comprehensive two-phase community engagement plan titled *North Sydney – Towards a Sustainable Future*. The engagement was designed to inform decision-making on Council's long-term financial sustainability, service levels, and infrastructure investment, and to support transparency and community understanding of Council's financial challenges.

- Phase 1 of the engagement was undertaken in August 2025 and focused on understanding community expectations regarding service levels and infrastructure condition, as well as community sentiment towards potential financial strategies, including borrowing and increased revenue. The outcomes of this phase informed the development of a new Draft Long-Term Financial Plan (LTFP).

- On 27 October 2025, Council considered the Draft LTFP, which included three rating pathway options. At that meeting, Council resolved to undertake Phase 2 community engagement between 29 October and 3 December 2025 on the Draft LTFP, proposed Special Rate Variation (SRV) options, and an increase to minimum rates. Council was presented with the Draft LTFP, the Productivity and Improvement Plan, and the Phase One community engagement results.

- Phase Two engagement commenced with the launch of a dedicated 'Your Say' webpage outlining Council's financial position and the three rating options under consideration. The webpage provided accessible and easy-to-understand resources, including fact sheets, a rates calculator, explanatory videos, frequently asked questions, and key strategic documents. The 'Your Say' page attracted 8,814 page views, with 498 unique visitors downloading key documents, and 268 unique visitors viewing fact sheets.

- Phase 2 engagement was extensive and included six pop-up information sessions across the local government area (including local markets, Stanton Library, and community centres), five 'Ask the Executive' sessions, a letterbox drop to all 44,100 ratepayers, information distributed through 17 newsletters, the North Sydney News, and various media channels.

- More than 1,260 community responses were received through surveys and submissions. Key themes included strong support for maintaining services and infrastructure, interest in improved service and infrastructure outcomes, ongoing concerns regarding the North Sydney Olympic Pool project and financial management, and mixed views on rate increases. While some respondents recognised the need for a rate increase to address long-term sustainability, others expressed a preference for limiting increases to the rate peg.

- A survey conducted by the independent market research company Micromex Research found that support for an SRV at North Sydney Council is comparatively stronger than in other recent council consultations, with preferences approaching an even split rather than the 40/60 distribution observed elsewhere.

- A Capacity to Pay analysis was undertaken to assess the potential impact of the proposed SRV options. The analysis concluded that, having regard to the socio-economic profile of the local government area, the proposed increases would be reasonable, with existing hardship provisions available to support those experiencing financial difficulty.

- Council has continued to strengthen governance and accountability through the adoption of a Governance Strategy and key policies, including the *Restricted Reserves Policy* and the *Financial Hardship Policy*.

- Council has also maintained a strong focus on improving administration and service delivery through service reviews, process improvement, organisational realignment, and other initiatives aimed at reducing risk, improving productivity, containing costs, and enhancing customer service. This improvement journey commenced in early 2023 and is documented in the Productivity and Improvement Plan (Attachment 2 to this report).

- While productivity and improvement initiatives have reduced the scale of potential rate increases by an estimated 14.9 per cent, they are not sufficient on their own to address Council's structural funding gap or ensure long-term financial sustainability.

- Minor amendments have been made to the Draft Long-Term Financial Plan 2026–2036 to reflect updated information available since public exhibition, and to support the formation of a recommended SRV option.

- Having considered Council's legislative responsibilities, financial position, community expectations and engagement outcomes, capacity to pay, alternative funding strategies, and demonstrated productivity and improvement efforts, Option 3 is recommended as the preferred pathway for a Special Rate Variation and associated minimum rate increase.

RECOMMENDATION:

1. THAT Council receive and note the contents of the Special Rate Variation Community Engagement Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV) and increase of minimum rates.

2. THAT Council approve the Addendum to the 2026-2029 Delivery Program as attached.

3. THAT Council adopt the revised Draft 2026-36 Long-Term Financial Plan (LTFP) as attached and proceed with Option 3 as a strategy to improve Council's financial strength and sustainability.

4. THAT Council 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 2026. The SRV would permanently increase total ordinary rates over three years and remain in perpetuity, as follows:

a) a 23 per cent increase for the 2026-27 financial year (inclusive of the 4 per cent rate peg determined by IPART for the year);
b) a 14.58 per cent increase for the 2027-28 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year); and
c) a 8.32 per cent increase for the 2028-29 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year);

5. THAT Council make an application to the Independent Pricing and Regulatory Tribunal to set its minimum residential and business rates in accordance with Section 548(3) of the Local Government Act 1993, as follows:

a) $970.72 for the 2026-27 financial year;
b) $1,116.32 for the 2027-28 financial year; and
c) $1,216.79 for the 2028-29 financial year.

The minimum rate will change by the rate peg from 2029-30.

Background

As previously reported, North Sydney Council's financial position is unsustainable, and is facing several critical challenges including:

1. Ongoing operating deficits: Maintaining current service levels and meeting legislative obligations will continue to result in structural operating deficits.

2. Underfunded infrastructure renewal: Over the next ten years, funding for infrastructure renewal is projected to meet only 69 per cent of the minimum required investment, leading to further deterioration of community assets.

3. Escalating Infrastructure Backlog: The current renewal backlog of $157 million could substantially increase within a decade, intensifying pressure on the operating budget as more reactive maintenance is required to ensure public safety.

4. No Funding for New Infrastructure: Council lacks the financial capacity to invest in new infrastructure or provide co-contributions toward priority projects as identified in the Development Contributions Plan.

5. Low Financial Resilience: Council holds low levels of unrestricted cash and investments, leaving it vulnerable to financial shocks or unplanned expenses. Council's financial challenges have been consistently documented in Council reports and in the previous Long-Term Financial Plan. Following a year of liquidity measures and further reductions to asset renewal funding in the 2025-26 Budget, a detailed assessment of the current financial position is included in the Draft 2026-36 Long-Term Financial Plan.

A special variation to rates will be required if Council intends to continue to meet community expectations, deliver existing services and service levels, and improve its financial strength and sustainability.

In February 2025, Council applied to IPART for a special variation to rating income to strengthen Council's weak financial position, address infrastructure concerns, and support long-term strategic plans.

In addition, the application aimed to achieve greater equity in rating through:

- increasing the minimum rate to improve equity between high, medium, and low-density residential assessments; and
- absorbing special levies into ordinary income to improve equity between residential and business assessments.

The application was rejected in full by IPART which, while acknowledging Council's poor financial position, concluded that the community's understanding in relation to the need and purpose for special variation was not clear, and that the level of increase did not represent a reasonable impact on ratepayers based upon the two-year increase proposed.

IPART noted that most objectors raised concerns in relation to the North Sydney Olympic Pool redevelopment project, along with confusion regarding the project's contribution to the special rate variation proposed.

IPART agreed that Council demonstrated a rationale for increasing minimum rates and that there is a case for Council to address the inequity in its rating structure between ad valorem and minimum rate ratepayers. However, IPART considered the impact of large increases to the minimum rate over a short period of time, on the population that IPART considered most vulnerable (apartment owners) to rate increases, was not reasonable.

Response to IPART decision

In refusing the application, IPART made the following recommendations which Council has now addressed:

1. Complete a service level review with the community:
   Council has undertaken a service level review through research consultants Micromex Research. The report concluded that there was little appetite for reduced service levels, with most residents wanting services/infrastructure to be maintained, if not improved. Refer to Attachments 6 and 7.

2. Consider various alternatives to a SV including a reduction in services or considering higher levels of debt:
   Improved documentation of consideration made in relation to various alternatives to an SV, including higher levels of debt have been made and are detailed within the Draft Long-Term Financial Plan. Specific new or increased revenue opportunities have been included within the forecasts as opposed to percentage assumptions.

3. Develop an on-going framework to identify and implement productivity and efficiency savings:
   Council developed and commenced the implementation of a performance improvement framework and pathway in 2023; however, it is acknowledged that this work was not sufficiently detailed within the SV application submitted. In response, a detailed Performance and Improvement Plan (Attachment 2) has been developed which details Council's considerable efforts towards improvement over the past three years. This plan outlines productivity, cost containment, and revenue opportunities. The plan demonstrates that, without improvement actions being taken, an additional 14.9 per cent in cumulative rating increases over three years would be required.

4. Reconsider the extent and timing of the increase to minimum rates:
   A reduced minimum rate over three years has been included for consideration in this plan.

5. Improvement of Council's Financial Hardship Policy*:*
   A revised *Financial Hardship Policy* has been developed and publicly exhibited. The Policy was adopted by Council on 27 October 2025.

Other actions taken

In addition to the above, the following actions were taken to manage Council's immediate financial challenges and strengthen Council's application for a special variation:

Council's *Delivery Program 2025 – 2029 and Operational Plan 2025 – 2026* were updated to adjust priorities to accommodate the limited financial constraints. These plans included a $6 million financial repair target which would require additional income, service reduction, and further productivity improvements. Current projections suggest that $3 million of this target may be achievable in 2025-26 in the absence of service reductions (excluding continued short-term cost containment measures).

1. To address liquidity concerns in the absence of an SV, infrastructure renewal budgets were reduced for a third year, and cost-cutting initiatives were implemented including holding workforce vacancies, leave management plans, and general spending restraint. While some ongoing savings have been identified, the scale of reduction in expenditure is not sustainable and has increased operational risk.

2. Council proceeded with the approval of an additional $10 million loan to support the North Sydney Olympic Pool project.

3. Council's Draft Long-Term Financial Plan has been extensively reviewed and redeveloped.

4. New rating options have been developed. These options provide a medium-term strategy and are primarily focused on infrastructure renewal and improvement, with some support for new infrastructure. To support service delivery and improved decision-making, new corporate systems are also recommended in the SV options.

5. Included within the rating options presented is a clearly labelled baseline scenario which will provide the community with an option to reduce services and infrastructure.

6. To address confusion regarding the North Sydney Olympic Pool project, the plan acknowledges the commitments made in relation to the project regardless of a Special Variation. All costs associated with the North Sydney Olympic Pool will be funded through existing revenue in all options. The special variation funding will be primarily focused on restoring the sustainability of services and infrastructure, while providing a modest contribution to new service and infrastructure needs. Commentaries in relation to the financial impacts of the project are included within the Draft LTFP.

7. A *Restricted Reserves Policy* has been adopted following public exhibition to improve governance, control, and transparency of Council's cash and investment reserves.

8. The Capacity to Pay report (Attachment 4) has been reviewed and redeveloped based upon the three special variation options and proposed changes to minimum rates.

At its meeting of 27 October 2025, Council considered the Draft 2026-36 Long-Term Financial Plan including three rate path options, two of which included special variation to rates. In response, it was resolved to undertake community consultation between 29 October and 3

December 2025. This consultation was the second phase of consultation from Council's *North Sydney – Towards a Sustainable Future* community engagement plan adopted by Council on 28 July 2025.

Report

This report focuses on financial sustainability - an integral component of Council's broader commitment to strengthening governance and administrative capability.

Effective local government governance is founded on a clear, accountable, and integrated policy, strategic, and decision-making framework. Such a framework supports informed and transparent decision-making, ensures compliance with legislative and regulatory obligations, and enables Council to responsibly manage financial, operational, and strategic risks.

Strong governance is essential to maintaining long-term financial sustainability and ensuring the equitable, efficient, and reliable delivery of services and infrastructure to meet the needs of the community, both now and into the future.

To be effective, governance must be supported by a capable and well-resourced administration. This includes appropriate staffing and skills, fit-for-purpose systems and controls, efficient and consistent business processes, sound data and information management, and timely, accurate, and meaningful reporting. Together, these elements provide the foundation for accountability, continuous improvement, and confident decision-making by Council.

Over the past three years, North Sydney Council has undertaken a structured and systematic approach to improvement. During this period, Council has implemented a focused program to strengthen governance, administrative practices, and internal controls. These initiatives have made good progress in improving financial management, efficiency, accountability, and overall organisational maturity.

While delivering meaningful progress, elements of the organisation continue to operate in a largely reactive environment, with elevated risk exposure driven by ongoing resourcing constraints and limitations in corporate systems. These constraints limit Council's ability to plan proactively, maintain assets at optimal levels, and respond effectively to emerging community needs.

The full benefits of improvement reforms cannot be realised without a stable and adequate revenue base to support appropriate staffing levels, modern systems, and effective asset and risk management.

In determining an appropriate improvement pathway, Council must consider a range of factors, including its legislative responsibilities, technical information, independent research, and community engagement outcomes.

As elected representatives, councillors receive induction, training, and access to professional advice to support informed and balanced decision-making. This enables Council to weigh community feedback alongside technical evidence and statutory obligations, including the

requirement to consider intergenerational equity, and to act in the overall long-term interests of the community.

Community consultation and engagement play an important role in informing Council's decisions. Feedback provides valuable insights into community priorities, concerns, and values. At the same time, local government decision-making - particularly in relation to long-term financial sustainability - can be complex and highly technical. While Council provides a range of information to support community understanding, including fact sheets, detailed reports, and explanatory videos, engagement data indicates that a relatively small proportion of households engage deeply with the full financial detail prior to providing feedback.

For this reason, there is an inherent expectation within the local government framework that councillors, as elected decision-makers, will consider community views alongside technical advice, legislative requirements, and long-term financial impacts when making decisions on behalf of the whole community.

Decisions such as a permanent rate increase, particularly when linked to long-term financial and asset management plans, are therefore challenging. They require Council to balance immediate community concerns with the responsibility to ensure the ongoing financial sustainability of the organisation and the fair provision of services and infrastructure for both current and future generations.

Rating Path Options

The Draft Long-Term Financial Plan provides three rating pathways. Two of the pathways require a special variation to permissible income. A proposal to increase minimum rates has also been included within the SV options, as varying permissible income without adjusting minimum rates would create significant inequity.

Rates are determined based upon unimproved land value. This can create inequity between apartment owners and owners of lower density dwellings in an area like North Sydney, as the market value of many apartments may exceed the market value of some low-density dwellings. However, this is not the case for all apartment owners, many of whom are single-person households.

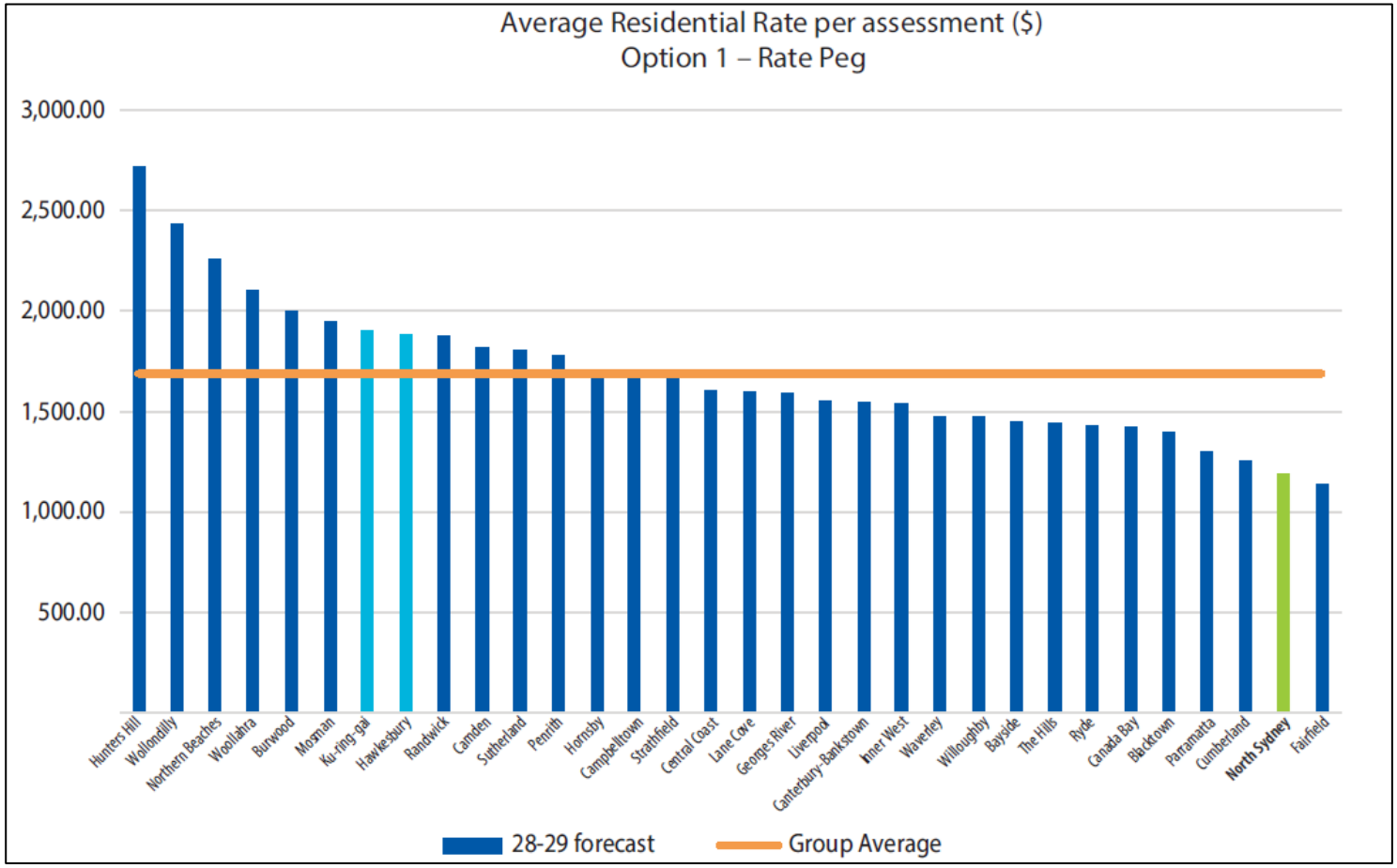
With 77.5 per cent of residential assessments paying the minimum rate, equity between units and single dwellings continues to be of some concern. The level of proposed increase for minimum rates was guided by metropolitan average minimum rates and IPART's 2025 assessment which suggested that, in their view, those paying minimums had less capacity to pay.

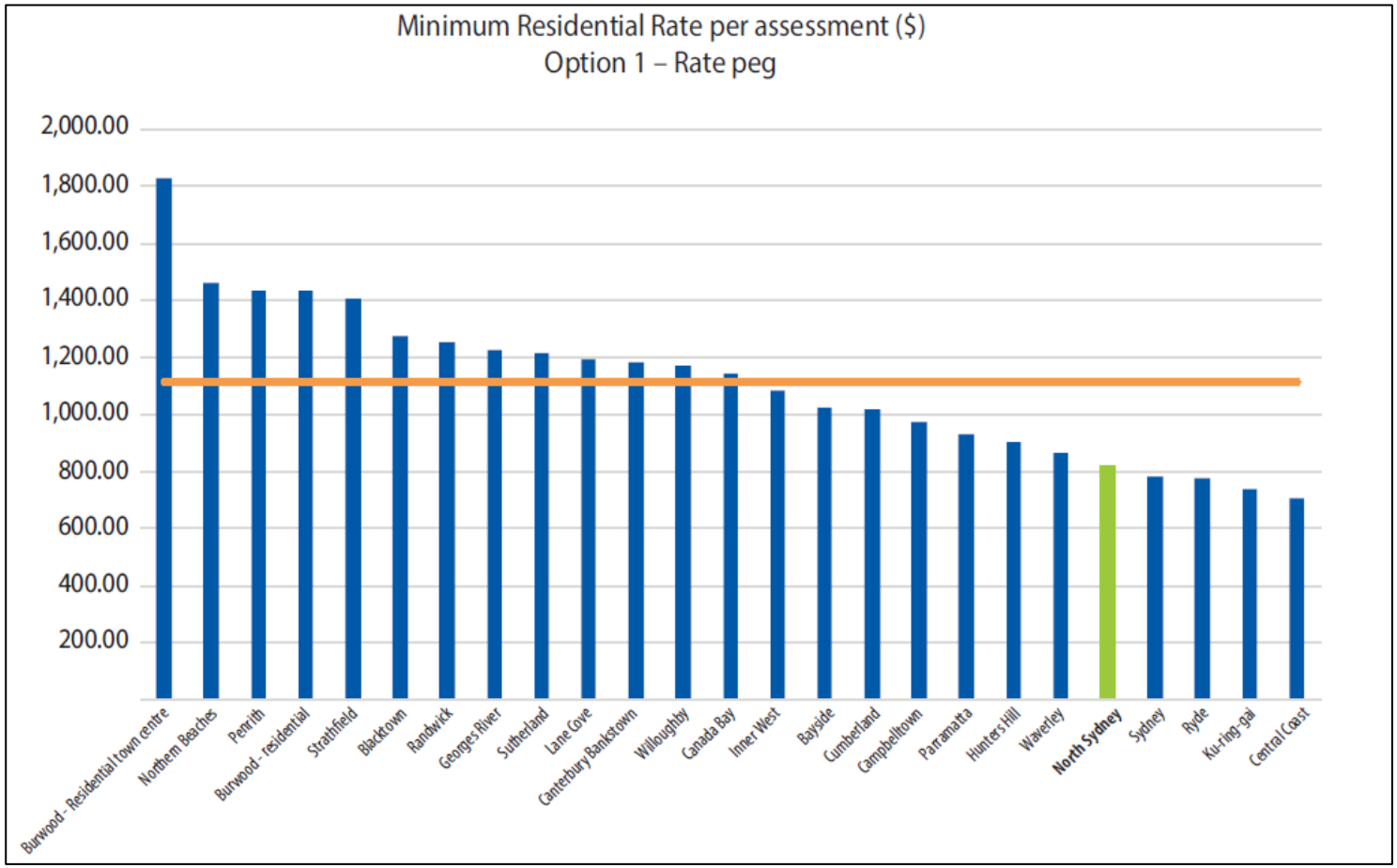
Comparative average and minimum residential rates under each of the options are presented below. It is noted that Ku-ring-gai and Hawkesbury Councils have resolved to apply for special variation for the 2026-27 round.

Option 1: Rate peg only

Cumulative 10.33 per cent over three years.

Minimum rate increase by the rate peg - 4 per cent in 26-27, 3 per cent in 27-28, 3 per cent in 28-29.

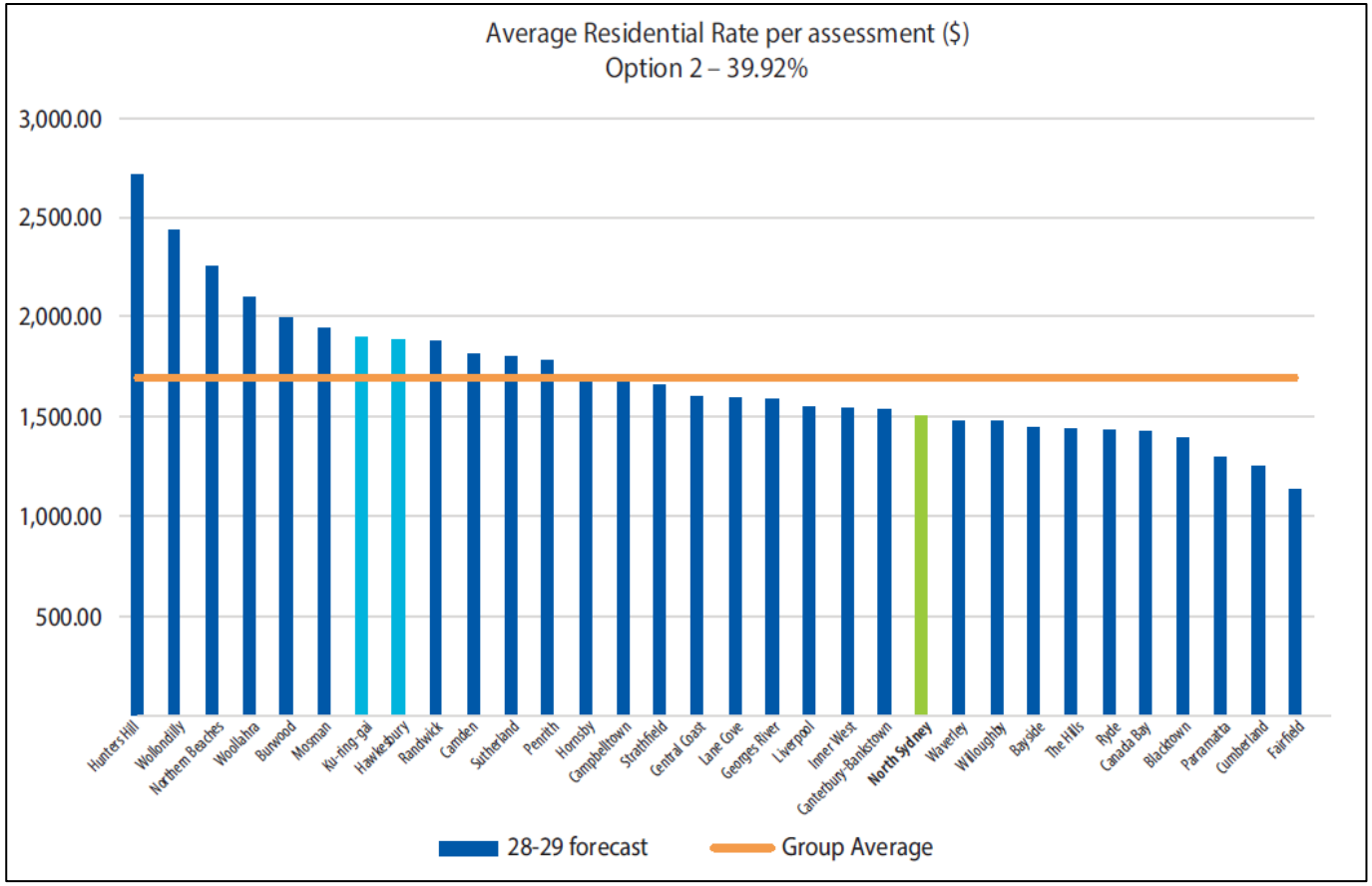


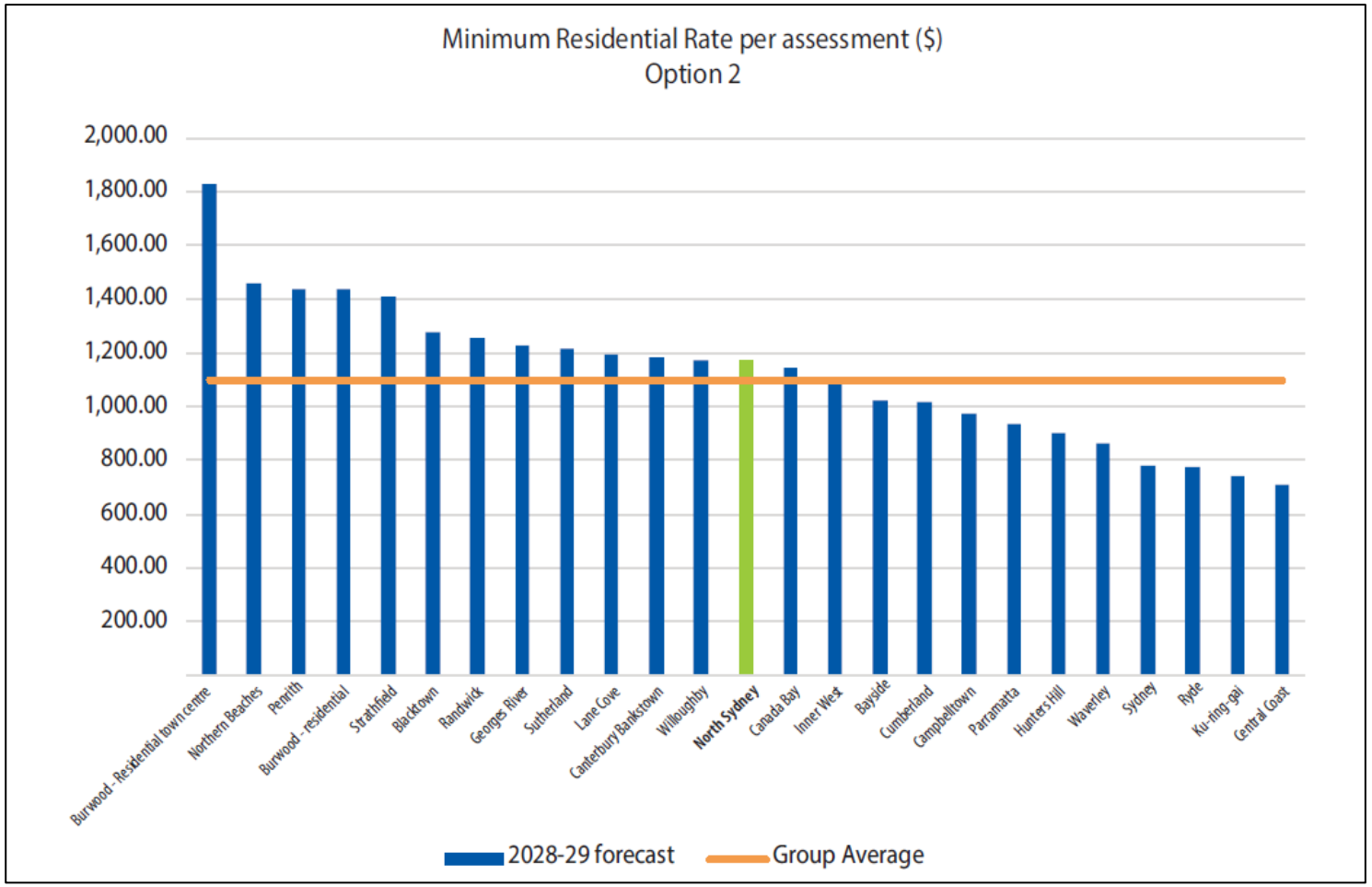

Minimum Residential Rate per assessment ($)
Option 1 – Rate peg
2,000.00
1,800.00
1,600.00
1,400.00
1,200.00
1,000.00
800.00
600.00
400.00
200.00
Burwood - Residential town centre
Northern Beaches
Penrith
Burwood - residential
Strathfield
Blacktown
Randwick
Georges River
Sutherland
Lane Cove
Canterbury Bankstown
Willoughby
Canada Bay
Inner West
Bayside
Cumberland
Campbelltown
Parramatta
Hunters Hill
Waverley
North Sydney
Sydney
Ryde
Ku-ring-gai
Central Coast

Option 2: Special Variation

Cumulative 39.92 per cent over three years (20 per cent in 26-27, 10 per cent in 27-28 and 6 per cent in 28-29). This option is 29.59 per cent higher than anticipated rate peg increases.

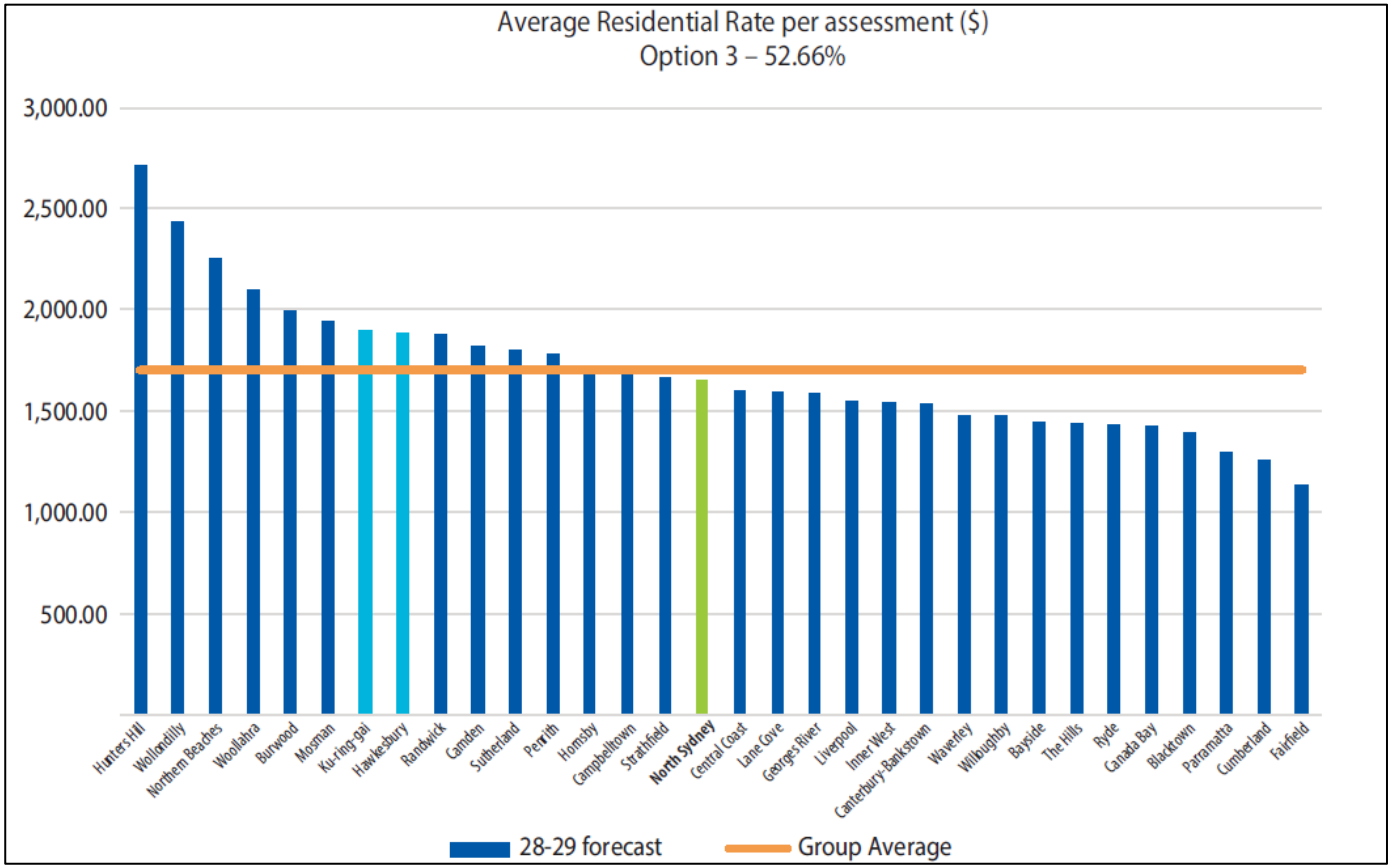
Minimum rate increase – 30 per cent in 26-27, 13 per cent in 27-28, 7 per cent in 28-29.

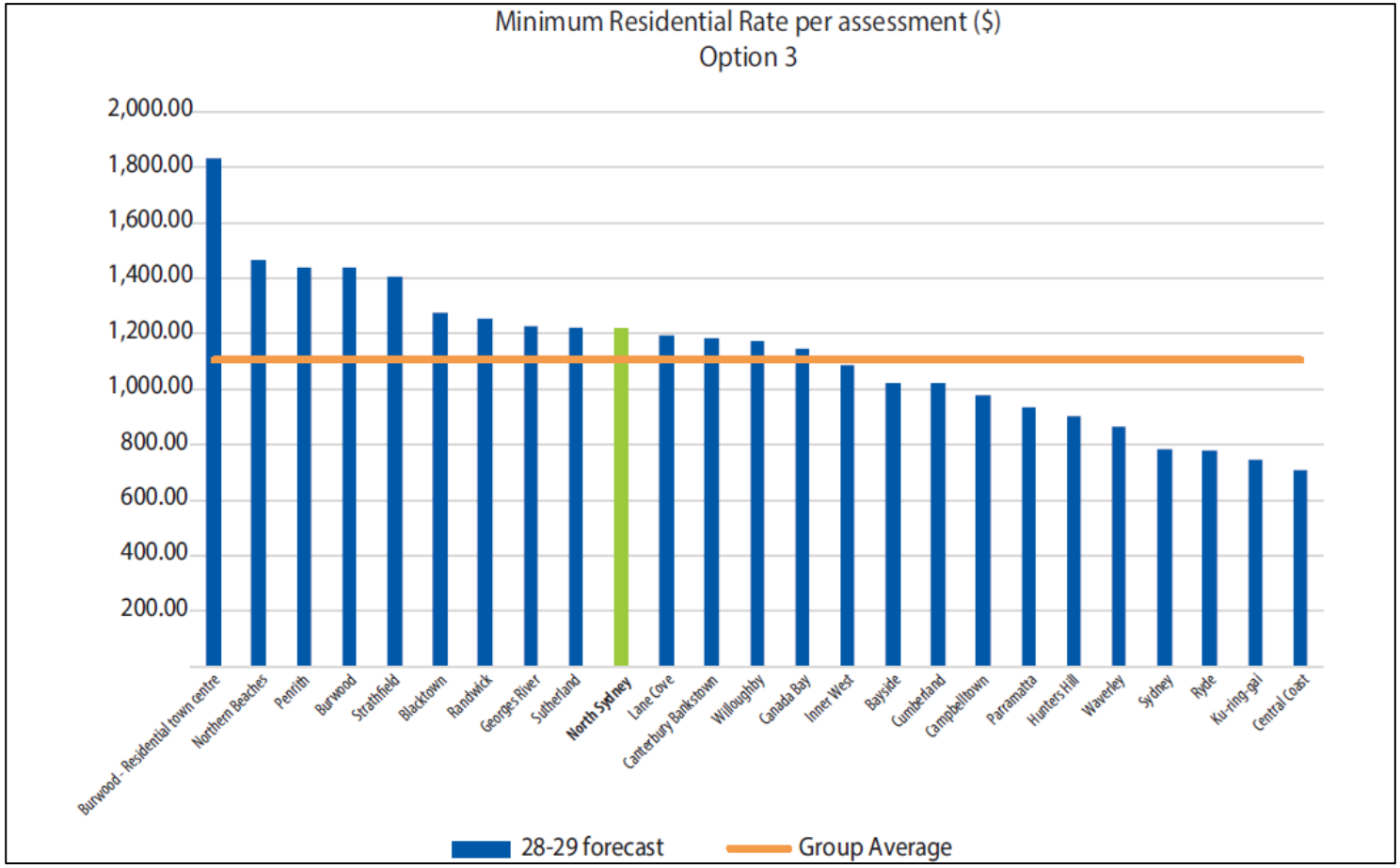



Minimum Residential Rate per assessment ($)
Option 2
2,000.00
1,800.00
1,600.00
1,400.00
1,200.00
1,000.00
800.00
600.00
400.00
200.00
Burwood - Residential town centre
Northern Beaches
Penrith
Burwood - residential
Strathfield
Blacktown
Randwick
Georges River
Sutherland
Lane Cove
Canterbury Bankstown
Willoughby
North Sydney
Canada Bay
Inner West
Bayside
Cumberland
Campbelltown
Parramatta
Hunters Hill
Waverley
Sydney
Ryde
Ku-ring-gai
Central Coast
2028-29 forecast
Group Average

Option 3: Special Variation

Cumulative 52.66 per cent over three years (23 per cent in 26-27, 14.58 per cent in 27-28, 8.32 per cent in 28-29).
This option is 42.33 per cent higher than anticipated rate peg increases.
Note: Option 3 was exhibited as 54.18 per cent and has now been adjusted to 52.66 per cent due to rounding corrections made to the cumulative calculation. The value of the SV Income remains the same.
Minimum rate increase – 30 per cent in 26-27, 15 per cent in 27-28, 9 per cent in 28-29.




Minimum Residential Rate per assessment ($)
Option 3
2,000.00
1,800.00
1,600.00
1,400.00
1,200.00
1,000.00
800.00
600.00
400.00
200.00
Burwood - Residential town centre
Northern Beaches
Penrith
Burwood
Strathfield
Blacktown
Randwick
Georges River
Sutherland
North Sydney
Lane Cove
Canterbury Bankstown
Willoughby
Canada Bay
Inner West
Bayside
Cumberland
Campbelltown
Parramatta
Hunters Hill
Waverley
Sydney
Ryde
Ku-ring-gai
Central Coast
28-29 forecast
Group Average

Business rate comparison

While comparison of average business rates is a standard section in Capacity to Pay reports prepared for special rate variation applications, it is important to highlight that comparing average business rates across councils, or even across suburbs within the same council, is not meaningful.

This is because business rate assessments can vary significantly, especially in CBD-like areas. For example, some business properties, such as large office buildings without strata, are rated on extremely high land values (sometimes around $100 million), whereas similar-sized buildings next door that are strata-titled may pay only the minimum rate per office and per assessment. As a result, using averages in this way does not necessarily provide an accurate picture of the real-world impacts on businesses.

It is also important to note that the majority of large office buildings within the CBD are owned or occupied by major corporations with financial capacity to absorb increases in business rates. In fact, 5.04 per cent of total business assessments within the North Sydney LGA pay 57.31 per cent of the total business rating revenue. This highlights that the application of average business rates across the sector does not necessarily reflect the differing financial resilience of businesses, particularly between large corporate occupiers and smaller commercial operators.

In North Sydney, of the 3,431 business assessments:

- 1,129 or 33 per cent will pay the minimum rate;
- 2,302 or 67 per cent will pay the ad valorem rate based upon unimproved land value;
- 5.04 per cent or 173 business assessments of business ratepayers will pay $14.1M or 57.31 per cent of the total business rate, and 59.53 per cent of the total business ad valorem rate.

While business averages can be difficult to compare, for comparison purposes, the most appropriate for North Sydney would be councils with a CBD.

For 2025-26, North Sydney's average business rate remains notably below the average for councils with a CBD. With the proposed Special Variation, the average business rate for 2028-29 is projected to remain below the CBD-council average.

North Sydney's minimum business rates are currently significantly below the metropolitan average, ranking as the third lowest out of 21 councils. The projected minimum rates for 2028-29, inclusive of a Special Variation, indicate that North Sydney's business rates will remain below the metropolitan average.

Community Awareness and Engagement

On 28 July 2025, North Sydney Council endorsed a comprehensive two-phase community engagement plan: *North Sydney – Towards a Sustainable Future*. The purpose of the community engagement plan was to actively consult residents and stakeholders in

discussions around the current levels of service and the condition of local infrastructure, with the aim of informing Council's decision-making.

By seeking community input through this engagement plan, Council seeks to balance the financial realities with public expectations, priorities, and willingness to support service levels, especially where ageing infrastructure may require increased investment.

The community engagement plan is designed to ensure transparency and help build trust as Council considers resourcing needs, develops financial strategies, including rating increases, and plans for a sustainable future.

The engagement focused on understanding and aligning financial sustainability with community expectations across four key areas:

- service levels – including whether Council should do less, the same or more.
- infrastructure conditions – including desired standards of infrastructure.
- community willingness to pay for service and infrastructure outcomes; and
- other financial strategies.

The engagement was conducted in two stages:

- Stage 1: Service levels and infrastructure; and
- Stage 2: Consideration of a revised Long-Term Financial Plan and rating options.

The plan was developed in compliance with Council's *Community Engagement Strategy 2025-2029* (CES) as well as the International Association for Public Participation (IAP2) Australasia Quality Assurance Standard. Two phases were undertaken in accordance with the plan:

- Phase 1 (Aug 2025):
  - raised awareness of Council's financial position and the impacts on services and infrastructure assets;
  - explored community expectations in relation to service levels and infrastructure asset conditions; and
  - explored community sentiment towards financial strategies to reduce the need for a rate rise, including additional revenue sources and loan funding.
- Phase 2 (Oct–Dec 2025):
  - raised awareness in relation to Council's financial position and the impact of this on infrastructure condition, technology, service levels, and responsiveness to current and emerging challenges;
  - explored community sentiment towards Council's new Draft Long-Term Financial Plan and associated Special Variation options;
  - explored community sentiment towards the sale of Council property.

Information, communication, and engagement activities were designed and delivered internally using a mix of digital, print, and face-to-face channels to ensure cost-effective implementation while maximising community reach. Community sentiment was

independently measured by research consultancy Micromex, providing transparency and methodological rigour. Micromex conducted statistically representative surveys of residents and businesses, with identical surveys also made available for voluntary participation via Council's 'Your Say' platform.

The results of the community engagement plan are detailed in the attached Community Engagement Report, with further detail contained in attachments to that report including independent research, submissions, and communication collateral portfolio.

The two-phase engagement aimed to strengthened community understanding of Council's financial challenges and options and provides a sound evidence base for Council's decision-making. While views differ on the preferred SV level, the community broadly recognises the need for long-term financial sustainability and ongoing investment in essential services and infrastructure.

The campaign generated strong visibility across the community. Phase 2 results indicate that 49 percent of resident survey respondents were aware that Council was seeking community feedback on a potential application for Special Rate Variation. Overall, the campaign reach included:

- Phase 1: 4,464 'Your Say' page views; 1,982 unique visitors
- Phase 2: 8,814 page views; 3,809 unique visitors

Survey participation provided both representative and opt-in completion:

- Phase 1 representative – service levels and financial strategies: 605 residents (greatest margin of error +/- 4.0 per cent)
- Phase 1 representative follow up survey – informed response infrastructure: 302 residents (greatest margin of error +/- 5.6 per cent)
- Phase 1 opt-in – combined service levels, financial strategies, and asset conditions: 433 completions
- Phase 2 representative: 403 residents (greatest margin of error +/- 4.9 per cent)
- Phase 2 representative: 104 businesses (greatest margin of error +/- 10 per cent)
- Phase 2 opt-in: 661 residents + 11 businesses

Key findings from the independent research are outlined below:

Community Priorities (Phases 1 and 2)

- Strong support for maintaining or improving service levels despite financial pressures.
- Recognition of infrastructure renewal needs, particularly for roads, stormwater, and footpaths.

Special Rate Variation preferences

- 48 per cent of residents support some level of SRV (Options 2 or 3).
- Business sentiment is evenly split between the rate-peg only and an SRV.

Preferences were influenced by continued concerns regarding Council's financial management (the North Sydney Olympic Pool project), cost-of-living concerns, the need for improvement in the area, opportunity for faster progress and better outcomes, along with general service expectations. A survey conducted by the independent market research company Micromex Research found that support for an SRV at North Sydney Council is comparatively stronger than in other recent council consultations, with preferences approaching an even split rather than the 40/60 distribution observed elsewhere.

Minimum Rate

- Views were divided, but a majority of residents supported increasing the minimum rate to assist in addressing equity concerns.
- Almost two thirds of business respondents supported Council increasing the business minimum rate.

Financial Sustainability

- 87 per cent of residents rated infrastructure maintenance as important or very important.
- Most residents opposed selling assets unless proceeds were reinvested for long-term benefit.
- 47 per cent do not support increased debt, with the underlying expectation being that Council should take a cautious approach to using loans.
- Strong support for exploring alternative revenue sources (e.g., naming rights, event hire, commercial fees).

Phase 2 Submissions

Council received 73 submissions during the Phase 2 exhibition period plus an additional nine captured soon after, to allow for precinct responses. Submissions included commentary from residents, precincts, and several major organisations (e.g., Arkadia, Lendlease, Stockland).
These submissions have been reviewed, coded, and categorised into themes within the Community Engagement Report.

Impact on ratepayers

There is no doubt that any increase in household costs has an impact on residents. The purpose of a Capacity to Pay analysis is to understand the level of impact across the community, taking into consideration a range of factors.

In using this analysis for the purpose of decision-making, consideration should also balance the level of household impact due to rate increases against the impacts (of not increasing rates as proposed) on service delivery and infrastructure provision.

Findings of the analysis conclude:

- North Sydney's residential community is among the most socio-economically advantaged in Australia, with all suburbs ranking in the top 1–2 per cent nationally. The majority of households fall into the top half of NSW's income distribution, and unemployment is low. Pensioner rebate uptake is low (4 per cent), and only 2.5 per cent of residents require daily assistance, indicating minimal financial stress. Mortgage and rental stress levels are significantly below Greater Sydney averages, and rates arrears are low, with most being recent balances.

- Given the area's high incomes, low debt stress, and strong payment history, the report concludes that North Sydney's residential ratepayers have the capacity to pay the proposed rate increases, with Council's hardship provisions ensuring equity and support where needed.

- North Sydney's business sector is financially robust, supported by a thriving local economy. The area is dominated by high-income, resilient industries such as professional services, technology, and finance. Commercial rents are among the highest in Greater Sydney, and all business precincts rank in the top 1 per cent nationally for socio-economic advantage. Business rate arrears are low (under 4 per cent), and most businesses pay on time, indicating strong capacity and willingness to meet financial obligations.

- The rate base is skewed towards large landholders - just 5 per cent of business accounts contribute over 57 per cent of total business rates. These entities typically have the financial strength to absorb increases, noting that rates expenses within North Sydney are likely to be immaterial when compared to overall global/national company costs. The proposed minimum rate for business is low compared with metropolitan benchmarks. Given tax deductibility, the net impact on rates increase on most businesses is modest.

Council's *Financial Hardship Policy* is available for isolated cases, but the overall financial indicators such as low arrears, strong growth, and high-value property holdings, support the conclusion that North Sydney's business community is well-positioned to absorb the proposed rate increases without significant strain.

Financial need

A financially sustainable council is one that generates sufficient revenue to fund the delivery of services and infrastructure, while maintaining the capacity to respond to emerging challenges, take advantage of opportunities, and manage unforeseen financial pressures over the long term.

As the governing body, the elected Council is responsible for upholding the legislative principles of sound financial management set out in section 8B of the Local Government Act 1993. These principles require that:

- Council spending is responsible and sustainable, with an appropriate alignment between revenue and expenditure;
- investment in infrastructure is responsible, sustainable, and delivers long-term benefits to the community;
- effective financial and asset management practices are in place, supported by sound policies and processes for performance management, asset maintenance and enhancement, funding decisions, and risk management; and
- decisions give proper consideration to intergenerational equity, including the financial impacts on future generations, and ensuring that the cost of today's services is not unreasonably deferred to tomorrow's ratepayers.

As widely documented, Council's financial sustainability is weak, which means Council is not in the position to maintain services at current levels or renew infrastructure as required. The Draft Long-Term Financial Plan (attached, pages 36 – 46) details Council's assessment of financial need.

The primary purpose of both special variation options is financial sustainability - maintaining service delivery and managing infrastructure obligations.

It should be noted that Option 1, which provides for rate peg only, has been modelled based on maintaining liquidity. In turn, this requires ongoing reductions in infrastructure renewals, which will lead to additional operating/maintenance costs, public safety concerns, and/or closure of infrastructure due to failure. This is not sustainable, and likely to require service reductions in order to reallocate funds to address infrastructure needs. This would result in a continuation of reactive management practices.

In addition to the Option 1 rate peg pathway, there are two special rate variation options included within Council's Draft Long-Term Financial Plan.

The two SV options are outlined below. Tables in following pages provide a breakdown of financial need/purpose along with each service/infrastructure priority's contribution to the special variation option.

Column 1: The 10-year special rate variation income and forecast expenditure allocation.

Column 2: The three-year (*Delivery Program*) special rate variation income and forecast expenditure based on a three-year cumulative SV increase.

Column 3: Indicative distribution of the average annual residential three-year cumulative rate increase. This column provides an indication of the increase in contribution per average annual residential rating assessment towards the service/infrastructure need over the three-year period of Council's *Delivery Program*. For example: the forecast cumulative increase in

average annual rates over a three-year period to ensure infrastructure is renewed at the equivalent of 100 per cent depreciation is $200.48 per average residential assessment under Option 2.

Column 4: The indicative attribution of the percentage rate increases attributable to each service/infrastructure need over the first three years of the forecast. This period is the remainder of Council's *Delivery Program* period. This column provides an indication of the impact of each of the service/infrastructure needs on the overall rate increase for the purpose of applying to IPART for a Special Variation. For example: the forecast expenditure over three-year for new corporate systems requires a 5.88 per cent rate increase under Option 2.

This provides an understanding of the possible difference in rating increase should a listed priority be included or removed from one of the options, noting that any change to the SV could also change the timing of delivery of other priorities.

Should Council wish to amend Option 2 or 3, this should be done by identifying service reductions and/or projects and priorities to remove.

OPTION 2

Cumulative 39.92 per cent over three years (20 per cent in 26-27, 10 per cent in 27-28, and 6 per cent in 28-29).

This Option is 29.59 per cent higher than anticipated rate peg increases and would raise $190 million in additional income over a ten-year period. Under this option, the average residential cumulative increase above the rate peg over three years would be $319.00.

	Column 1	Column 2	Column 3	Column 4
	10 Year forecast ($,000)	**3 Year forecast ($,000)**	**Average 3-year cumulative rate increase**	**Attribution of rate 3-year cumulative rate increase**
			$319.00	29.59%
FINANCIAL NEED-PURPOSE			Indicative allocation:	Indicative attribution:
Infrastructure				
Restoring minimum annual infrastructure renewals (100% annual depreciation)	99,166	28,070	$200.48	18.60%
Contribution towards infrastructure backlog	51,692	6,173	$44.09	4.09%
New Infrastructure	Nil	Nil	Nil	Nil
Co-funding for infrastructure projects within Developer Contribution Plans	Nil	Nil	Nil	Nil
Upgrades required to maintain service levels e.g. drainage in parks, site stabilisation works	Nil	Nil	Nil	Nil
Reserve for new infrastructure to support projects within developer contributions plans	17,431	Nil	Nil	Nil

	Column 1	Column 2	Column 3	Column 4
Operational expenditure – funding existing service levels				
Enterprise resource planning system (new corporate systems)	17,910	8,877	$63.41	5.88%
Access, social inclusion and cohesion programs	20	20	$0.14	0.01%
Open space and infrastructure maintenance	2,880	657	$4.69	0.44%
Open space and infrastructure planning	205	205	$1.46	0.14%
Affordable housing	513	351	$2.51	0.23%
Transport management	Nil	Nil	Nil	Nil
Governance	Nil	Nil	Nil	Nil
Operational expenditure – new/enhanced service levels				
Access, social inclusion and cohesion programs	Nil	Nil	Nil	Nil
Planning	60	60	$0.43	0.04%
Economic development	Nil	Nil	Nil	Nil
Property and Infrastructure Planning	250	250	$1.79	0.17%
Sustainability	Nil	Nil	Nil	Nil
Transport management	Nil	Nil	Nil	Nil

Table 1: Option 2 financial need and purpose

OPTION 3 (adjusted)

Cumulative 52.66 per cent over three years (23 per cent in 26-27, 14.58 per cent in 27-28, 8.32 per cent in 28-29).

This option is 42.33 per cent higher than anticipated rate peg increases and would raise $278 million in additional income over a ten-year period. Under this option, the average residential cumulative increase above rate peg over three years would be $452.00.

Note: Option 3 was exhibited as 54.18 per cent and has now been adjusted to 52.66 per cent due to rounding corrections made to the cumulative calculation. The value of the SV Income remains the same.

	Column 1	Column 2	Column 3	Column 4
	10 Year forecast ($,000)	**3 Year forecast ($,000)**	**Average 3-year cumulative rate increase**	**Attribution of rate 3-year cumulative rate increase**
			$452.00	42.33%
FINANCIAL NEED-PURPOSE			Indicative allocation:	Indicative attribution:
Infrastructure				
Restoring minimum annual infrastructure renewals (100 per cent annual depreciation)	99,360	27,525	$201.54	18.87%

	Column 1	Column 2	Column 3	Column 4
Contribution towards infrastructure backlog	86,900	12,645	$92.59	8.67%
New Infrastructure including: - Active transport - Walking paths - Expanding stormwater harvesting and water reuse - Signage - Improvements to parks e.g. shading - Recreational facilities - Blues Point Road traffic management	11,401	4,081	$29.88	2.80%
Co-funding for infrastructure projects within Developer Cont. Plans	2,191	1,702	$12.46	1.17%
Upgrades required to maintain service levels e.g. drainage in parks, site stabilisation works	3,362	300	$2.20	0.21%
Reserve for new infrastructure to support projects within developer contributions plans	40,051	Nil	Nil	Nil
Operational expenditure – funding existing service levels				
Enterprise resource planning system (new corporate systems)	17,910	8,877	$65.00	6.09%
Access, social inclusion and cohesion programs	1,264	289	$2.12	0.20%
Open space and infrastructure maintenance	4,258	863	$6.32	0.59%
Open space and infrastructure planning	268	268	$1.96	0.18%
Affordable housing	513	351	$2.57	0.24%
Transport management	254	254	$1.86	0.17%
Governance	102	59	$0.43	0.04%
Operational expenditure – new/enhanced service levels				
Access, social inclusion and cohesion programs	3,642	942	$6.90	0.65%
Planning	60	60	$0.44	0.04%
Economic development	2,957	565	$4.14	0.39%
Property and Infrastructure Planning	3,507	2,693	$19.72	1.85%
Sustainability	356	133	$0.97	0.09%
Transport management	123	123	$0.90	0.08%

Table 2: Option 3 financial need and purpose

Financial Need - Infrastructure renewal

Council's infrastructure portfolio is subject to periodic revaluation, in accordance with accounting standards and industry code. This process updates unit rates for the renewal or replacement of infrastructure assets based on prevailing market prices at the time of revaluation and considers asset condition in determining any adjustments to useful lives. Council's asset valuations and depreciation calculations are independently reviewed as part

of the annual external audit conducted by the NSW Audit Office, providing assurance regarding the accuracy and integrity of the data used for financial planning.

Depreciation represents the systematic allocation of the cost of infrastructure over its useful life and is a key mechanism for supporting intergenerational equity, by ensuring that each generation contributes to the renewal of the assets that it uses and benefits from. Independent research undertaken by Micromex in August 2025 tested this principle within the community, with 72 per cent of respondents agreeing that each generation should contribute to renewing community infrastructure, and only seven per cent disagreeing.

Over the past three years, infrastructure renewal funding has been reduced in response to significant and escalating costs associated with the North Sydney Olympic Pool redevelopment. During this period, Council has also had no available reserves to supplement renewal funding. As a result, the capacity to address asset deterioration across the broader infrastructure portfolio has been constrained.

As of 30 June 2025, Council's infrastructure backlog was recorded at $157 million, primarily within the buildings, stormwater, and other infrastructure asset classes. This backlog is increasingly evident across Council's operational and community buildings, where structural and component failures continue to occur, accelerating asset deterioration. The situation has developed over an extended period, with average renewal expenditure historically well below required levels, including renewal spending of approximately 24 per cent of forecast depreciation in 2025 since 2020.

Community research indicates strong expectations regarding the condition of Council's built assets. Micromex found that only three per cent of respondents considered poor or very poor building infrastructure to be acceptable, with 69 per cent expecting buildings to be maintained in fair condition, and 28 per cent expecting good or very good condition. Importantly, 62 per cent of respondents indicated support for paying higher rates to fund building maintenance and improvements.

While the condition of the stormwater network is less visible, recent improvements in inspection technology, including CCTV assessments, together with the 2025 asset revaluation, have provided greater insight into its condition and performance. The data indicates that without increased investment and a more proactive renewal and maintenance approach, the likelihood of service failures will increase over time. Community expectations are similarly high, with 52 per cent of respondents expecting stormwater assets to be maintained in fair condition, and 45 per cent expecting good or very good condition. 66 per cent of respondents supported paying higher rates to maintain and improve stormwater infrastructure.

Under Option 2, $150.9 million is allocated to infrastructure renewal. This includes restoring annual renewal funding to 100 per cent of depreciation and providing up to $51.6 million over ten years to address existing infrastructure backlogs. Under Option 3, $186.0 million is allocated to infrastructure renewal, including restoration of renewal funding to 100 per cent of depreciation, and up to $86.9 million over ten years to reduce backlogs. The extent of backlog reduction achieved under each option is subject to sensitivity, including construction cost escalation and asset condition outcomes.

It is important to note that depreciation funding supports like-for-like replacement of infrastructure components based on asset values at a point in time. Depreciation does not provide for asset upgrades or enhancements. In practice, many infrastructure assets - particularly buildings and public domain assets - require some level of upgrade at the time of renewal to ensure they remain fit for purpose, compliant with current standards, and responsive to contemporary community needs.

Asset useful lives, and therefore depreciation, are determined based on technical service standards rather than community service expectations. For example, a community hall may remain technically serviceable and therefore not trigger renewal, even though its layout or functionality no longer meets current community needs. In such cases, renewal and upgrade decisions are driven by broader service outcomes rather than technical asset condition alone.

Infrastructure asset useful lives vary significantly across asset classes, ranging from short-lived components to assets with lives extending many decades. Council's Draft Long-Term Financial Plan and Special Variation modelling are based on general assumptions regarding inflation and cost escalation. While these assumptions may be reasonably reliable in the short term, they are inherently uncertain over longer timeframes. Historical data demonstrates significant inflation volatility over the past seven decades, reinforcing the importance of maintaining adequate financial capacity and flexibility to manage future cost pressures.

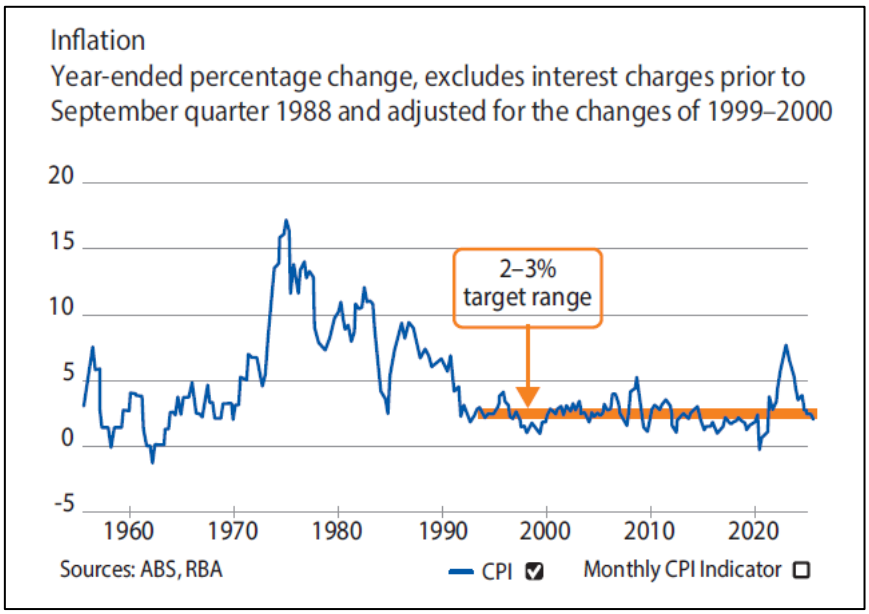


Figure 1: Historical Inflation

Finally, infrastructure renewal funding is supported by a range of revenue sources in addition to rates. Any further decline or volatility in key non-rate revenues, such as car parking income, would reduce Council's capacity to fund planned infrastructure renewals, increase financial and asset management risk, and place additional pressure on future budgets.

Financial Need - New Infrastructure

To moderate the level of the proposed rate increase, Option 2 includes no additional rate funding for new infrastructure, while Option 3 provides a modest allocation of $17 million. This represents a significant reduction when compared with the $98 million in new and upgraded infrastructure included in the 2025 Special Variation application.

As North Sydney's population continues to grow, new and upgraded infrastructure will be required not only to accommodate additional demand, but also to maintain existing service levels as the intensity of asset use increases. In many cases, this need relates to making better use of existing assets rather than expanding the overall infrastructure footprint. Open space provides a clear example, with 80 per cent of respondents to the Micromex survey indicating that Council should prioritise maximising the use and functionality of existing open spaces.

The $17 million allocated under Option 3 is targeted to projects that respond directly to community engagement outcomes and identified service challenges. These projects are intended to deliver practical improvements that enhance the performance, accessibility, and sustainability of existing infrastructure, including:

- maximising the use and functionality of existing open space;
- improving disability access and supporting social inclusion;
- reducing emissions and improving environmental performance;
- enhancing stormwater reuse and water efficiency; and
- improving traffic management and community safety.

Financial Need - Reserve for New Infrastructure

Council's *Development Contributions Plan* identifies a range of infrastructure projects required to support a growing and changing community. The total unindexed estimated cost of these projects is $399 million, of which $179 million is expected to be funded through developer contributions, and $220 million through Council funding.

While a small number of projects within the Contributions Plan require little or no Council co-funding, the majority rely on a financial contribution from Council. Over the remaining three years of the current *Delivery Program*, Council intends to prioritise delivery of those projects requiring minimal co-funding, allowing Special Variation (SV) income during this period to be directed primarily towards essential infrastructure renewals.

From 2029–30 to 2035–36, Option 3 proposes allocating $40 million of total SV income to a dedicated reserve to support delivery of additional projects identified in the *Development Contributions Plan* that require Council co-funding. Under Option 2, the corresponding allocation would be $17 million. Establishing a reserve provides greater financial capacity and flexibility to progress some of these projects.

It should be noted that neither Option 2 nor Option 3 alone provides sufficient funding to fully meet Council's future co-funding obligations under the *Development Contributions Plan*. Additional funding sources or future financial adjustments will therefore be required to

ensure Council can deliver the full program of growth-related infrastructure in a timely and sustainable manner.

Council has a statutory obligation to apply development contributions within a reasonable timeframe following their receipt. Without additional funding, Council will be unable to meet this obligation, resulting in the continued accumulation of unspent external reserves and delays in delivering infrastructure needed to support growth.

Financial Need - New Corporate Systems

North Sydney Council's information and technology environment comprises a range of legacy systems that have developed incrementally over many years. Many of these systems are outdated, poorly integrated, and no longer aligned with contemporary service delivery, governance, or security standards. This fragmented environment limits Council's ability to operate efficiently, leverage data effectively, and provide timely, reliable services to both the community and internal users.

Investment in new and upgraded corporate systems is therefore a critical enabler of improved governance, financial management, asset planning, and service delivery. For this reason, funding for new corporate systems has been included in both Special Variation options, reflecting their essential role in supporting Council's transition to a more proactive, resilient, and financially sustainable operating model.

Financial Need - Operational Funding (Existing Services)

Option 3 provides $6.7 million in additional operational funding for existing services over the 10-year forecast period, compared with $3.6 million under Option 2.

Under Option 2, operational funding is primarily directed towards open space maintenance and housing affordability initiatives. Option 3 expands this focus to include access and social inclusion initiatives, as well as funding for a comprehensive review of car parking across the local government area. These priorities have been informed by community engagement and are supported by recent independent community research.

In both options, the majority of operational funding is allocated to the maintenance of existing open space assets and committed open space sites, including locations such as Wendy Whiteley's Secret Garden and Berrys Bay. This represents $2.9 million (approximately 80 per cent) of the total operational funding in Option 2, and $4.3 million (approximately 64 per cent) in Option 3. The higher operational allocation in Option 3 reflects the ongoing maintenance and operating costs associated with new and upgraded infrastructure included in that option.

Community research undertaken by Micromex identified strong support for maximising the use of existing open space and maintaining or improving open space infrastructure. The research also indicated that 39 per cent of respondents would like to see improvements in housing affordability initiatives, while car parking remains a priority issue across both community and business surveys.

Overall, the additional operational expenditure required to support existing services represents a relatively small proportion of the proposed rate increase - approximately 1.9 per cent under Option 2 and 2.4 per cent under Option 3 - while contributing to the ongoing maintenance, accessibility, and effective use of community assets and services.

Financial Need - Operational Funding (New)

Option 3 includes $10.6 million in operational funding over the 10-year forecast period to support new services and projects, compared with $0.31 million under Option 2, which is limited to minor planning-related initiatives.

The additional funding provided under Option 3 supports both service enhancements and the delivery of new initiatives across key areas, including access and social inclusion, strategic planning, economic development, sustainability, and transport. These investments are designed to respond to emerging community needs, strengthen local economic resilience, and improve the effectiveness, coordination, and long-term sustainability of Council services.

In addition, the master planning process establishes a structured pathway to identify, prioritise and support the future funding of infrastructure required to accommodate population growth and changing community needs. Realising value from Council's property portfolio was raised in multiple engagement processes over the past 12 months. To ensure best value is achieved for the community, it is important that priority is first given to planning.

Option 3 allocates $2.96 million over ten years to economic development initiatives. In its summary of the business survey, Micromex reported strong support for Council maintaining or improving its economic development role, with little appetite for service reductions. At least three-quarters of surveyed businesses supported maintaining or enhancing services such as town centre promotion, events and festivals, public domain quality, and business support initiatives. Council does not currently have a dedicated economic or business support resource, and the proposed Special Variation funding would enable this capability to be established.

Access and social inclusion will remain increasingly important as the community grows, ages, and changes. Initiatives that foster participation, connection, and a sense of belonging are particularly critical in high-density areas such as North Sydney, where there is an ageing population and a high proportion of single-person households. Micromex research found that 32 per cent of respondents overall, including 43 per cent of those aged 18–34, believe Council should improve programs supporting disadvantaged groups and accessibility.

Option 3 also includes $3.5 million to support master planning initiatives aimed at unlocking greater community, social, and economic value from Council-owned land located near the North Sydney and Crows Nest Metro stations, as well as at key open space sites. Community support for this approach is strong, with 67 per cent of Micromex survey respondents agreeing that Council should utilise public land near Metro stations for social and economic benefit, and 65 per cent supporting the development and consultation of master plans for parks and foreshores.

Overall, the additional operational expenditure required to support new and enhanced services represents a relatively small proportion of the proposed rate increase - approximately 0.16 per cent under Option 2 and 3.83 per cent under Option 3 - while enabling Council to respond proactively to growth, demographic change, and community priorities.

Financial Need – Permanent rate increase

Council's financial sustainability challenges are ongoing, not temporary, and are expected to intensify as the population grows. The proposed Special Rate Variation options are focused primarily on maintaining current service levels rather than addressing growth infrastructure needs. Forecasts are subject to a number of sensitivities which are likely to impact the medium to long-term forecast.

As the SRV options do not provide for the infrastructure required to support population growth, the financial pressure is unlikely to diminish and may in fact increase over time. To ensure Council has the capacity to meet future demands, a comprehensive review of the *Long-Term Financial Plan* and overall financial strategy should be undertaken in four - five years, following the implementation of new corporate systems and the completion of master planning and property strategy initiatives.

Integrated Planning and Reporting

Over the past year, Council has comprehensively redeveloped its *Integrated Planning and Reporting (IP&R) Framework*, including the adoption of a new *Community Strategic Plan*, eight supporting informing strategies, a revised *Delivery Program* and *Operational Plan*, and an updated *Asset Management Strategy*, *Long-Term Financial Plan* and *Workforce Strategy*. Together, these documents provide a clear and integrated foundation for strategic decision-making, service delivery, and financial management.

Following the refusal of Council's 2025 Special Rate Variation application, Council reviewed and revised its *Delivery Program* and *Operational Plan* to reflect its reduced financial capacity. This revised framework acknowledged the need to consider service reductions, identify additional revenue opportunities, pursue productivity and efficiency improvements, and continue the process of financial repair to support long-term sustainability. As part of this reset, operational actions and the capital works program were scaled back to align with Council's prevailing financial constraints.

While the adopted *Delivery Program* retained key actions, it clearly identified those that remain unfunded and noted that their delivery is contingent on securing additional funding through mechanisms such as increased rates, grant funding, or further efficiencies. To provide transparency and clarity, an Addendum has been prepared and is attached to this report for Council's consideration. The Addendum identifies the actions that would be delivered should the recommended Special Rate Variation be approved.

In parallel, and informed by community consultation and engagement, Council has redeveloped its Draft Long-Term Financial Plan, which is presented to Council for adoption alongside this report.

Productivity and cost-containment

There are several areas within Council's administration and operations where improvement is required to reduce risks associated with legislative compliance, financial sustainability, asset management, and business continuity. Addressing these risks is essential to strengthening organisational resilience and supporting effective, accountable local government.

In response, Council has pursued a structured program of organisational improvement aimed at enhancing decision-making, productivity, and operational effectiveness. These initiatives have delivered direct cost savings, increased revenue, and productivity gains that allow Council to maintain or improve service outcomes while containing overall expenditure growth.

In 2023, Council commenced an ambitious and ongoing improvement journey focused on lifting productivity and organisational capability through targeted projects and reforms. This program has already delivered significant savings and efficiency gains, with further benefits projected over the forward years. Notwithstanding these achievements, modelling indicates that the underlying funding gap will continue to widen without a Special Variation to increase rates.

Council's Productivity and Improvement Plan (attached) outlines the key productivity achievements delivered to date and identifies further initiatives planned over the next ten years. The Plan demonstrates to the community, IPART, and the Office of Local Government that Council has made sustained and genuine efforts to minimise the impact of a Special Variation by pursuing internal reforms before seeking additional revenue.

Over the 10-year period, the Plan identifies $52 million in cumulative savings and additional income, comprising:

- $23 million in reduced expenditure, including employee benefits and on-costs, materials and services, and other expenses; and
- $29 million in increased income, including user fees and charges and other revenue sources.

These savings and income measures have been incorporated into the Draft 2026–2036 Long-Term Financial Plan.

In addition to the measures reflected in the Draft LTFP, Council has identified ongoing cost containment of approximately $43 million over the next ten years, as well as one-off cost containment of around $0.8 million in 2024-25. These figures represent expenditure that has been avoided rather than reduced, through changes to service delivery, deferral of non-essential activities, and tighter financial controls.

While cost containment does not appear as a reduction in the budget, it reflects costs that would otherwise have been incurred and which would have required higher rates to fund. The *Productivity and Improvement Plan* demonstrates that, in the absence of these improvement actions, cumulative rate increases of an additional 14.9 per cent over three years would have been required.

Recommendation

Having regard to Council's legislative obligations, financial position, infrastructure renewal needs, service expectations, and the outcomes of community engagement, it is recommended that Council proceed with Option 3.

Option 3 provides the most balanced and sustainable pathway to addressing Council's structural financial challenges while meeting its responsibilities as a governing body. It enables Council to restore infrastructure renewal funding to sustainable levels, begin addressing critical infrastructure backlogs, and reduce long-term asset, service delivery, and financial risk. Importantly, Option 3 supports intergenerational equity by ensuring that the current community contributes appropriately to the cost of maintaining and renewing the assets and services from which it benefits.

In addition to infrastructure renewal, Option 3 allows for modest and targeted investment in new and enhanced services that respond directly to community priorities identified through engagement and independent research. These include access and social inclusion initiatives, economic development, strategic planning and master planning, sustainability, and transport-related projects. Together, these investments support liveability, economic resilience, and effective service delivery in a growing and changing community.

Option 3 also provides greater capacity to manage financial and operational risk. It strengthens Council's ability to respond to cost pressures, revenue volatility, and emerging challenges, while supporting continued improvements in governance, systems, productivity, and organisational capability. While Council has made significant efforts to contain costs, improve productivity, and pursue financial repair, the analysis demonstrates that those measures alone are insufficient to close the funding gap or ensure long-term financial sustainability.

While Option 2 reduces the immediate impact on rates, it limits Council's capacity to address infrastructure backlogs, invest in essential systems and services, and meet future obligations. Over time, this would increase risk, defer costs to future generations, and constrain Council's ability to respond to community needs.

For these reasons, Option 3 represents the most prudent and responsible option, balancing affordability with sustainability, risk management, and the long-term interests of the North Sydney community.

Next Steps

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.

If Council resolves to submit an application, the indicative timeline for the SV application process would be as follows:

1. following Council's decision: Council lodges the special rate variation and minimum rates application (subject to above decision) by 2 February 2026.
2. between March and April 2026: IPART invites submissions from the community and evaluates the application.
3. May/June 2026: IPART makes its determination and advises Council.
4. June 2026: Council makes the rates and adopts the Operational Plan and Budget for 2026-27.

Council will continue to inform the community in relation to the proposed special rate variation and increase to minimum rates.

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

Consultation requirements

The consultation and engagement program met all six OLG Special Variation criteria by:

- demonstrating financial need through surveys and clear communication;
- ensuring broad awareness via diverse engagement methods;
- clearly outlining the impacts of proposed rate changes and hardship support;
- exhibiting IP&R documents for the required period;
- demonstrating cost-containment and productivity improvements; and
- addressing community concerns and enabling genuine two-way communication.

Financial/Resource Implications

This report and recommendation address Council's poor financial position and builds 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.

Legislation

As the governing body, the elected Council is responsible for upholding the legislative principles of sound financial management set out in section 8B of the Local Government Act 1993. These principles require that:

- Council spending is responsible and sustainable, with an appropriate alignment between revenue and expenditure;

- investment in infrastructure is responsible, sustainable, and delivers long-term benefits to the community;
- effective financial and asset management practices are in place, supported by sound policies and processes for performance management, asset maintenance and enhancement, funding decisions, and risk management; and
- decisions give proper consideration to intergenerational equity, including the financial impacts on future generations and ensuring that the cost of today's services is not unreasonably deferred to tomorrow's ratepayers.

DRAFT
LONG-TERM FINANCIAL PLAN



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INTRODUCTION

North Sydney Council is committed to continuous improvement and sound governance, striving for best practice in the delivery of services and infrastructure. Our goal is to ensure services and infrastructure are fair, equitable and sustainable – delivering long-term value for both current and future generations.

For decades, the North Sydney community has benefited from high-quality services, well-maintained infrastructure, and strong civic participation. Council has worked in close partnership with local volunteers, Precinct Committees, Community Centres, Bushcare groups, Streets Alive and Community Gardens to support a thriving, connected community.

However, the environment in which Council operates has changed significantly. Population growth and increased urban density have placed additional pressure on our assets and services. Much of our infrastructure is ageing, and community expectations are evolving. Advances in technology, the long-term impacts of COVID-19 pandemic, and the transformative opening of the new Metro have all reshaped how we live, work and travel.

These changes bring both exciting opportunities and growing demands. To meet them, Council requires a resilient financial framework that enables us to plan ahead, invest wisely and deliver the services our community value most.

Council acknowledges and shares the community's concern regarding financial management and is committed to rebuilding trust through improved governance, systems, administration and decision-making, even if at times these decisions are difficult. This improvement journey began in recent years and is now formalised in a Performance and Improvement Plan, developed to support this LTFP and to recognise the commitment of our workforce during what has been a particularly challenging period.

Council's current financial position is no longer sufficient to sustain the level of service and infrastructure that our community has historically enjoyed. A range of structural and external factors have contributed to this challenge:

- A long-standing minimum rate has constrained revenue growth, despite increasing population density and service demand;
- The cost of the North Sydney Olympic Pool redevelopment has significantly limited our capacity to invest in critical asset renewal, increased debt levels, placed pressure on reserves and operational capacity;
- Revenues from non-rating sources – such as parking, advertising and rental income – has not kept pace with inflation or rising operational costs.
- Cost-shifting and legislative changes from other levels of government continues to place additional burdens on Council resources without corresponding funding.

These financial pressures are compounded by two critical and intersecting sustainability challenges: ageing infrastructure and population growth. Many of our assets are reaching the end of their useful, and current asset management systems are outdated. This has resulted in reactive decision-making and constrained funding for both renewal and new infrastructure – leaving little or no capacity to deliver on the priorities identified in Council's strategic plans.

With the NSW Government housing reforms targeting an additional 5,900 dwellings in the medium term, pressure will be placed on infrastructure and services and Council must move its current reactive position to planning for this change. A strengthened financial position is critical to this.

This Long-Term Financial Plan provides a pathway towards financial sustainability and service resilience. It outlines a series of reforms designed to address our structural challenges while balancing the community's capacity to pay. Although this plan will not resolve all challenges, it represents an important step towards restoring financial strength and aligning our resources with the expectations and needs of a growing and evolving community.

PART 1 STRATEGIC AND POLICY CONTEXT

FINANCIAL PRINCIPLES

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.

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.

- Council spending should be responsible and sustainable, aligning general revenue and expenses.
- Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- Councils should have effective financial and asset management, including sound policies and processes for the following:
  - performance management and reporting,
  - asset maintenance and enhancement
  - funding decisions
  - risk management practices
- Councils should have regard to achieving intergenerational equity, including ensuring the following:
  - policy decisions are made after considering their financial effects on future generations,
  - the current generation funds the cost of its services.

COMMUNITY CONSULTATION

Council has undertaken a range of consultations throughout 2024 and 2025 to understand community needs and aspirations.

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 eight (8) Informing Strategies to inform Council's new Community Strategic Plan. This plan 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.

In August 2025, Council undertook further consultation to understand service and infrastructure expectations, along with alternate revenue opportunities. 605 demographically selected participants and 433 'opt in' community completed the survey. Key findings from the research were as follows:

- Strong recognition of shared responsibility/intergenerational equity: 72% agree every generation should contribute to renewing infrastructure.
- There is little appetite for 'less' – the majority of residents want services/infrastructure to at least be maintained, if not improved – even knowing that maintaining/increasing services will require an increase in rates.
- There is high endorsement of alternate revenue sources, including partnerships, corporate/private event hire of North Sydney Olympic Pool, new fees and charges for use of public parks, naming rights.

In September 2025, Council received the results of the 2025 Australian Liveability Census for North Sydney. 354 members of the North Sydney community participated and shared that the general condition of public open space (street trees, footpaths, parks etc) was most important to them in their ideal neighbourhood. North Sydney ranked well compared with other Local Government Areas across the country, ranking equal sixth in the country for liveability. However, this is not a reflection of our youth, with the net promoter score for the under 25-year age group being -23, lower than the Australian score of -11, indicating that there may be more we can do to support our youth

Connectivity, sense of personal safety, access to neighbourhood amenities, the natural environment and overall visual character of the neighbourhood were North Sydney's top 5 liveability metrics.

Range of housing prices and tenures and ease of driving and parking ranked lower than the Australian average. Cultural and/or artistic community was also an area considered one of our top 5 poorest performing liveability metrics, alongside social services such as aged, disability, childcare, medical and support services.

These community values emphasise the important role Local Government plays in place making and liveability.

Community engagement on the Long-Term Financial Plan, which included the proposed options for a special variation to rates, was undertaken between 29 October 2025 and 3 December 2025.

The results of this engagement are included within the Community Engagement Report to be considered by Council alongside this document. The results of consultation indicate a high level of awareness, with 49% of demographically selected survey respondents aware that Council is exploring applying for a special rate variation. The survey also indicated overall 48% of residents prefer Council to proceed with some level of rate increase. Research company Micromex has indicated that this is stronger support than preferences observed through other Council SV consultations in recent years. The results are reflective of the sentiment from the August 2025 services and infrastructure research. While increasing household costs are not welcomed, the results indicate that when balanced with service level expectations, there is a preference that services and infrastructure are maintained.

CLEAR STRATEGIC DIRECTION

A clear and coherent strategic direction is fundamental to sound financial planning. In local government, where demands are growing and resources are finite, it is essential that funding decisions are driven by strategic priorities – not the other way around.

Leading research, including work by McKinsey & Company, highlights that high-performing organisations align their resources to a well-defined strategy, rather than allowing short-term financial pressures to dictate long-term direction. Councils that invest time in setting strategic goals with clarity and purpose are better equipped to allocate resources effectively, respond to change, and deliver outcomes that reflect the aspirations of their communities.

This Long-Term Financial Plan is guided by the principle that strategy must lead resourcing. It aligns financial decisions with Council's broader strategic objectives – ensuring that funding is directed toward areas of greatest impact, and that trade-offs are made transparently and purposefully.

Without a strategic anchor, financial planning risks becoming reactive, fragmented, and short-sighted. Instead, by putting strategy at the centre, Council can build a financially sustainable future while staying focused on long-term community wellbeing, service delivery, and infrastructure renewal. In this way, financial planning becomes an enabler of vision, not just a constraint.

Integrated Planning and Reporting Framework

In early 2025, North Sydney Council adopted a new strategic framework developed in accordance with the *Integrated Planning and Reporting (IP&R) Framework* issued by the NSW Office of Local Government (OLG).



Figure 1: Integrated Planning and Reporting Framework

This framework provides a structured approach to planning, ensuring that Council's strategies and actions are informed by community priorities, evidence-based research, and long-term trends. The strategic direction outlined within it draws on a consolidation of previous plans, policies, and strategies, alongside comprehensive community consultation. This approach ensures both continuity and adaptability – recognising the lessons of the past while addressing current and emerging challenges.

The insights gathered through this process – combined with detailed research in key areas such as infrastructure, housing, sustainability, and demographics – have informed a suite of eight (8) Informing Strategies and directly contributed to the development of Council's new *Community Strategic Plan*.

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

Community Strategic Plan

The Community Strategic Plan (CSP) is the highest-level plan within the Integrated Planning and Reporting Framework, providing the long-term vision, goals, and priorities for the North Sydney local government area over the next ten years. Developed in close consultation with the community and guided by the principles set out by the NSW Office of Local Government, the CSP reflects the aspirations, values, and expectations of residents, businesses, and stakeholders. It sets out the outcomes the community wants to achieve across key areas such as environment, economy, infrastructure, community wellbeing, and civic leadership. The CSP serves as the foundation for all other strategic planning processes, including the Long-Term Financial Plan, Delivery Program, and Operational Plan. By articulating a clear direction and shared vision, the CSP ensures that Council's policies, services, and investment decisions are aligned with community priorities, promoting transparency, accountability, and long-term sustainability.

Long-Term Financial Plan

The Long-Term Financial Plan (LTFP) is a critical component of Council's strategic framework. It serves as a financial roadmap, guiding Council's decision-making over the next ten years to ensure the sustainable delivery of services, infrastructure, and community initiatives.

More than a budgeting tool, the LTFP is designed to align Council's financial capacity with its strategic priorities – ensuring that available resources are used effectively to meet the evolving needs and expectations of the community. It provides a forward-looking view of Council's financial sustainability, identifying key pressures, risks, and opportunities, and enabling informed decisions that balance short-term demands with long-term goals.

Asset Management Planning

Asset Management Planning plays a critical role in ensuring the long-term sustainability of Council's infrastructure and service delivery. It provides a structured approach to managing Council's diverse portfolio of assets – including roads, buildings, parks, stormwater, and community facilities – so they continue to support community needs now and into the future.

Asset Management Plans directly inform the Long-Term Financial Plan by identifying future funding requirements and helping Council to prioritise resources in a way that supports sustainable service delivery and intergenerational equity.

Workforce Management Strategy

The Workforce Management Strategy ensures that Council has the organisational capacity and capability to deliver on its strategic objectives both now and into the future. Developed in accordance with the guidelines set out by the NSW Office of Local Government, the strategy identifies the current and future workforce needs of Council, taking into account factors such as service demand, technological change, financial constraints, and demographic shifts.

The Workforce Management Strategy directly informs the Long-Term Financial Plan by identifying the human resource investments required to support sustainable service delivery.

CHALLENGES AND OPPORTUNITIES

The eight informing strategies developed for the North Sydney Local Government Area provide a comprehensive framework for addressing both current and emerging challenges and opportunities. These strategies recognise the legacy of past Council commitments that remain unfunded, while also identifying new possibilities to enhance the wellbeing of the community – both now and into the future.

Together, they reflect a balanced approach to financial planning, ensuring that the needs of today's residents are met without compromising the ability of future generations to thrive. Some of the key challenges and opportunities considered across these strategies are outlined below.

For more detail, the informing strategies and independent research are contained on Council's website at Informing Strategies and Studies – North Sydney Council.

Housing and Population Growth

In mid-2024, the NSW Government released new dwelling completion targets for each local government area. North Sydney has been allocated a target of 5,900 dwellings to be delivered between 2024 and 2029.

Of this target, 2,630 dwellings are already planned, with existing approvals in place or located in areas where rezonings have occurred. The remaining 3,270 dwelllings are expected to be delivered through the NSW Government's Transport Oriented Development (TOD) program (Crows Nest precinct) and through low and mid-rise housing reforms.

These government-led reforms, aimed at accelerating housing supply, will result in significant operational and infrastructure pressures for Council. As the population grows and changes, existing infrastructure will face increased demand, and new infrastructure will be needed to support future communities.

As construction activity increases across designated development areas, local communities are likely to experience a range of impacts, including increased noise, traffic congestion, reduced access to public spaces, and general disruption to daily life. These changes can affect community amenity and place additional stress on existing infrastructure and services.

At the same time, the acceleration of housing delivery – driven by state-led planning reforms – places significant pressure on Council staff, who must manage a higher volume of complex development applications, provide timely assessments, and respond to growing community concerns. This increased workload stretches Council's resources and can impact its ability to maintain service quality, meet statutory timeframes, and engage meaningfully with residents during the planning and construction phases.

Council's Development Contributions Plan provides a framework for funding new or upgraded infrastructure in response to this growth. However, contributions collected through development alone are insufficient to fully fund the required infrastructure. Additional funding from Council is necessary to bridge this gap. As Council has not yet built financial reserves for this purpose, the use of these contributions will be limited in the short to medium term.

Master planning for Council-owned sites near Metro stations in Crows Nest and North Sydney presents a strategic opportunity to meet evolving community needs, including expanding library, community and/or recreational and social needs.

Council's current financial position does not provide sufficient capacity to maintain existing services and infrastructure while also preparing for future demands. Under Option 3 of this plan, approximately $5 million would be made available over the next ten years to support the master planning of key sites and the development of new public infrastructure to meet the needs of a growing population.

Open Space and Recreation

North Sydney features a network of well-maintained parks and recreational facilities that serve as vital community hubs, many of which are situated in picturesque harbourside locations. These spaces offer residents opportunities for leisure, structured sports, informal exercise and social interaction, significantly enhancing the community's overall wellbeing. However, the local government area (LGA) faces a considerable open space deficit, estimated at around 45 hectares, which is expected to increase as the population grows.

With 89% of residents living in high and medium-density housing, ensuring an adequate supply of accessible public open spaces is essential. Limited land availability and high land prices severely restrict the ability to acquire new open space. Therefore, it is crucial to explore innovative strategies to maximise the use of existing resources. This includes design modifications and the potential repurposing of civic and 'grey' spaces, such as roads and car parks, for recreational use.

To address this open space deficit and deliver the desired outcome of being an active community with space for everyone to exercise and enjoy the outdoors, Council developed an Open Space and Recreation Strategy.

While the new rating options do not provide the level of funding required to achieve all opportunities within the strategy, Option 3 provides some funding for initiatives that will maximise the use of existing open spaces. This includes new capital projects to improve drainage, increase multi-purposing, and making smaller enhancements to open spaces.

The recent demographically selected Micromex survey confirmed support for open space and recreation, with 80% of respondents agreeing that Council should maximise the use of existing open space through initiatives such as better drainage, multi-use fields and other adjustments. 65% of respondents agree masterplans should be prepared for parks/foreshores and 50% would like to see more open space and recreational facilities created – which was considered more important for 18–34 year-olds, with 63% wanting more.

Ageing Infrastructure

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 renewal ratio is a commonly used measure to assess how effectively local councils are funding infrastructure renewals. It compares annual spending on asset renewals to the total depreciation expense for the year. While this ratio provides a useful benchmark, it has notable limitations. It is inherently retrospective and can be influenced by external factors such as inflation, evolving community expectations, and changes in service standards. As such, relying solely on depreciation as an indicator of future renewal needs can be misleading. Depreciation should be viewed as a baseline, with actual long-term renewal requirements likely to exceed this minimum over time.

As of 30 June 2025, Council's infrastructure, property, plant, and equipment holdings were valued at $2.21 billion, with accumulated depreciation amounting to $516 million. The net carrying value after depreciation was $1.7 billion.

Investment is crucial to effectively manage this infrastructure and ensure it meets community expectations. This includes:

- Timely completion of asset renewals
- Upgrades to meet modern standards and evolving community needs
- Provision of new infrastructure to accommodate a growing population

When renewals are not undertaken in a timely manner, infrastructure backlogs are created. Where funds are available and renewals are not undertaken, cash and investment reserves should be created to fund these works in the future. This ensures intergenerational equity.

The recent Micromex survey highlighted the community's value of intergenerational equity. When asked about 'each generation contributing to the renewal of community infrastructure they have used and benefited from' 72% agreed and only 7% disagreed.

Current Infrastructure Backlog'

Current estimates of infrastructure backlog demonstrate 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 2025, provide an assessment of infrastructure managed by Council.

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	Net carrying amount $,000	Accumulated depreciation $,000	Total cost to bring to 'Satisfactory' standard $,000
Buildings	$347,616	$197,457	$150,159	$69,398
Other structures	$1,147	$958	$189	$Nil
Roads	$413,217	$314,541	$98,676	$12,241
Footpaths	$155,620	$108,866	$46,754	$7,593
Stormwater drainage	$247,247	$170,668	$76,579	$55,893
Open space and recreational assets	$41,031	$25,346	$15,685	$912
Other infrastructure assets	$310,958	$207,149	$103,809	$11,001
Total	$1,516,836	$1,024,985	$491,851	$157,038

The two areas of most concern are **buildings and stormwater**. The issue has become more pronounced in recent years due to reduced renewal funding. Community centres, council administration and operational buildings, bus shelters, community centres and sporting facilities are experiencing failing structures or building components.

A review of funding since 2020 shows the total investment in new and renewal works for buildings has reached an annual average of only 24% based on the forecast depreciation for 2025 – highlighting a significant shortfall. While the stormwater network is less visible, recent advancements in technology, including CCTV inspections and the recent 2025 asset revaluation, have provided greater insight into its condition. The data indicates that without adequate investment and a proactive maintenance and renewal strategy, the network is likely to experience increasing failures in the years ahead.

Given Council's current financial position – even when factoring in anticipated increases to the rate peg – renewal funding levels are projected to remain below the required threshold. When combined with the existing infrastructure backlog, this funding gap highlights an unsustainable trajectory.











Social Inclusion and Cohesion

North Sydney is a vibrant and diverse community, characterised by a highly mobile population, a large proportion of lone-person households, and a growing ageing demographic. These distinct features present both challenges and opportunities for fostering social connection and community engagement. In this context, the risks of social isolation and loneliness are significant – particularly among older residents and young people – making social inclusion a critical foundation for individual and community wellbeing.

Since 2007, the Scanlon Foundation has conducted a long-running survey tracking social cohesion in Australia. This research measures social cohesion across five key domains:

- Belonging – the sense of pride and connectedness people feel in their communities;
- Worth – emotional and material wellbeing;
- Social inclusion and justice – perceptions of economic fairness and trust in government;
- Participation – involvement in political, civic, and community life;
- Acceptance and rejection – attitudes toward diversity, support for minorities, and experiences of discrimination.

While North Sydney consistently performs above the national average in these areas, survey results have shown a decline across all indicators since 2021, except for 'participation'. Social isolation remains a widespread issue, with approximately one in four older people estimated to be socially isolated and between 5–15% of adolescents experiencing loneliness.

Targeted initiatives that strengthen social inclusion, build community connection, and foster cohesion are essential for creating resilient, inclusive, and thriving communities. Council's Social Inclusion Strategy outlines key objectives and actions to support and enhance social cohesion as the LGA continues to grow and evolve. Complementing this, the Culture and Creativity Strategy promotes diversity, inclusion, and community wellbeing through cultural initiatives and creative engagement.

The estimated operational cost of implementing the full suite of initiatives in the Social Inclusion Strategy averaged $0.75million per year for the first four years of the plan, excluding master planning initiatives. This included expanded library services, enhanced community events, operating expenditure associated with 'Woodley's Shed' and access and inclusion initiatives.

The estimated operational cost of implementing the full suite of initiatives in the Culture and Creativity Strategy averaged $0.92 million per year for the first four years of the plan. This included festival partnerships, digital storytelling, First Nations collaboration and support, a central "What's On" platform, and operational costs associated with a new culture and creativity hub at St Leonards.

The options within this Long Term Financial Plan do not provide for all opportunities within these strategies, however some funding is included within Option 3 to realise some progress towards long term objectives. Details of indicative initiatives are provided at Attachment 1 provided in Part 5.

Economic development

North Sydney boasts numerous strengths that establish it as a vibrant economic hub within Greater Sydney. With a Gross Regional Product of $23.37 billion and an impressively low unemployment rate of 2.6%, the area's economy is robust. Its strategic location, combined with a highly educated workforce – 66% of whom hold a bachelor's degree or higher – makes the area an attractive destination for investors and businesses alike. Despite these strengths, North Sydney faces challenges such as limited amenity in the CBD and increasing competition from neighbouring areas.

To remain competitive and foster a thriving business environment, it is essential to take strategic steps to enhance the appeal of our centres as places to work, visit, and stay.

Given the significant role North Sydney plays in the regional economy, identifying opportunities for data and information sharing, collaboration, and targeted support will be key to strengthening relationships across business and community sectors. Option 3 in this plan provides a modest but important investment in the resources needed to help deliver these outcomes.

Sustainability and Resources

In 2020, Council engaged with the community to create the North Sydney Environmental Sustainability Strategy 2030. This strategy established targets for both Council's operations and the broader community to meet various environmental goals, including responding to Council's climate emergency declaration, protecting native flora and fauna, safeguarding our waterways, reducing waste to landfill, and using resources efficiently.

The priorities and targets outlined in the 2030 Strategy align with the United Nations' Sustainable Development Goals, which serve as the international best practice standard for sustainability reporting and are used by all levels of government in Australia. The 2030 Strategy was reviewed in 2024 alongside the latest environmental data, and updated to address emerging issues, revise targets and ensure ongoing relevance.

This new strategy reaffirms our commitment to fostering a healthy environment with thriving ecosystems and strong climate resilience and remains underpinned by the United Nations' Sustainable Development Goals including SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production, SDG 13: Climate Action, and SDG 15: Life on Land.

Council currently levies an environment levy to support actions towards these goals; however, a modest amount of additional funding is required to maintain existing services and actions and complete key projects such as bushland walking tracks.

Other opportunities included within the strategy will be pursued through opportunities such as grant funding.

Technology

Technology presents a significant opportunity for local governments to enhance service delivery, improve efficiency, and strengthen community engagement. By adopting digital tools such as data analytics, online platforms, and smart infrastructure, local authorities can make more informed decisions, streamline internal processes, and offer more accessible and responsive services to residents. Additionally, technology enables greater transparency and participation through digital consultations and open data initiatives, helping build trust and collaboration between governments and the communities they serve.

North Sydney Council's IT environment consists of a diverse mix of legacy systems that have developed over many years. These systems are largely disconnected and often outdated, limiting the Council's ability to deliver efficient and effective services. A history of underinvestment has restricted opportunities to modernise, integrate, and improve the IT infrastructure. As a result, the Council faces challenges with operational efficiency, data quality, security, and overall user and customer experiences.

Part 5 provides an overview of the current state of information technology at North Sydney.

FINANCIAL STRATEGY

To achieve the objectives outlined in Council's strategic framework, the Long-Term Financial Plan has been developed around the following key strategic financial objectives over the ten-year planning horizon:

1. **Achieve Operating Surpluses**
   Maintain a fully funded operating position that delivers consistent surpluses, enabling Council to renew existing infrastructure, reduce asset backlogs, fund new infrastructure, and meet debt servicing requirements.
2. **Strengthen Financial Sustainability and Resilience**
   Build long-term financial stability through a strong cash position, sufficient assets to cover liabilities, reduced reliance on vulnerable revenue streams, and capacity to absorb future financial shocks.
3. **Maintain Existing Service Levels**
   Ensure current service levels are sustainably funded in all future budgets, with changes to service delivery made only following comprehensive community engagement and service reviews.
4. **Respond to Community Priorities**
   Align financial planning with the strategic directions identified in Council's Informing Strategies and the Community Strategic Plan, allowing flexibility to respond to evolving and changing community needs.
5. **Invest in Governance and Organisational Capability**
   Support effective decision-making and service delivery through funding for improved systems, processes, governance, and workforce development.
6. **Utilise Debt Strategically**
   Use debt responsibly to support intergenerational equity, expand infrastructure capacity, and seize strategic opportunities for growth.
7. **Fully Fund Annual Infrastructure Renewal**
   Ensure infrastructure renewal programs are funded at levels at least equivalent to annual depreciation, maintaining asset condition and service standards.
8. **Reduce Infrastructure Backlogs**
   Allocate targeted funding to reduce existing infrastructure backlogs and avoid shifting an undue burden onto future generations.
9. **Protect Council's Financial Legacy**
   Embed principles of prudence, responsibility, and long-term value in all financial decisions to safeguard the financial legacy of North Sydney Council.
10. **Increase Financial Education and Awareness**
    Local government decisions often have **long-term impacts** on infrastructure, environment, housing, and community wellbeing. Education and awareness among councillors and the community create a foundation for responsible, forward-thinking governance that respects the rights of future generations. This ensures that local government decisions are sustainable, equitable, and guided by a long-term vision – not just immediate needs.

The financial management objectives provide a strong foundation for the development of Council's Long-Term Financial Plan (LTFP), supporting consistent, transparent, and evidence-based decision-making. The LTFP is designed as a dynamic and adaptable tool, regularly updated through formal budget reviews, quarterly financial reporting, and ongoing monitoring of year-to-date performance. This continuous review process ensures the LTFP remains current and responsive – enabling Council to effectively adjust to changing circumstances, emerging risks, and evolving community priorities.

PART 2 SPECIAL VARIATION TO PERMISSIBLE RATING INCOME

RATING STRUCTURE

Council rates are levied based upon unimproved land values.

In New South Wales, councils use rating structures to calculate how much each ratepayer contributes towards local services. Two common structures are the *minimum rate* and the *base rate*. A **minimum rate** sets a fixed minimum amount that must be paid by all ratepayers, regardless of their land value. In contrast, a **base rate** sets a fixed charge that applies to all properties equally, but only for a portion of the total rate, with the remainder calculated based on land value (ad-valorem).

North Sydney Council levies ordinary rates, along with an environment levy and an infrastructure levy. Council uses a minimum rate structure for ordinary rates, and a base rate structure for its special levies.

Annual increases in total rating revenue received by councils are capped each year through the NSW Government rate peg framework.

The rate peg is a limit set each year by the Independent Pricing and Regulatory Tribunal (IPART) that controls how much a local council can increase its total general income from rates, regardless of changes in land values. This means that even if land values in a council area rise significantly, the total amount of money the council can collect from rates does not automatically increase. Instead, councils must adjust the rate in the dollar downward to stay within the rate peg. Therefore, the rate peg restricts overall revenue growth from rates, ensuring that councils do not receive windfall gains simply due to rising property values.

The increase in revenue achieved through rate peg only supports increased costs (inflation) associated with existing services. It does not provide for new or emerging community needs.

To ensure sufficient funding for council services and infrastructure, a council can increase its rating revenue above the rate peg by applying for a Special Variation under section 508(2) or 508A of the Local Government Act 1993. This process is regulated by the Independent Pricing and Regulatory Tribunal (IPART) and allows councils to raise additional revenue beyond the annual rate peg limit.

Council's long-term financial sustainability and service planning are influenced by a range of changing factors, such as inflation, infrastructure needs, and community expectations. To respond to these changes, councils may sometimes need to increase their rates income beyond the limit set by the annual rate peg. However, applying for a Special Variation is a complex and often sensitive process that requires detailed planning, community consultation, and approval from the Independent Pricing and Regulatory Tribunal (IPART).

Because of this, councils tend to apply for Special Variations less frequently, and when they do, the increases are usually larger to cover multiple years or long-term needs – rather than making smaller, more flexible adjustments each year.

Impact of the minimum rate structure

Council's current rating structure for ordinary rates is based on a minimum rate, with each property paying a minimum of $744. Of the 37,347 residential assessments, 77.48% 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.

2025-26 SPECIAL VARIATION SUBMISSION

in February 2025, Council applied to IPART for an increase in permissible rating income of 87% over two years. In summary, this application aimed to provide a long-term financial strategy and included:

- Undertaking immediate repair to liquidity challenges
- An increase in revenue from new development through increased minimum rates
- Capital and operational funding to achieve environmental, social, economic, open space and recreation, culture and creativity, integrated transport, housing and governance objectives
- An increase in borrowing by $10 million
- Funding to achieve environmental, social, economic, open space and recreation, culture and creativity, integrated transport, housing and governance objectives
- Funding annual infrastructure renewals
- Reduction of infrastructure backlogs
- Improved financial strength (including ability to contribute to projects within development contribution plan)
- Replacement of outdated corporate systems.

In addition, the application aimed to achieve greater equity in rating through:

- Increasing the minimum rate to improve equity between high, medium and low-density residential assessments
- Absorbing special levies into ordinary income to improve equity between residential and business assessments

This application was rejected in full by IPART, who while acknowledging Council's poor financial position, raised concerns in relation to the community's understanding of the need and purpose for special variation, the community's capacity to pay and the Council's performance and improvement submission.

IPART noted that most objectors raised concerns in relation to the North Sydney Olympic Pool redevelopment project, along with confusion regarding the projects contribution to the special rate variation proposed.

IPART agreed that the council demonstrated a rationale for increasing minimum rates and that there is a case for the council to address the inequity in its rating structure between ad valorem and minimum rate ratepayers. However, it considered the impact of large increases to the minimum rate over a short period of time, on the population considered most vulnerable to rates increases was not reasonable.

RESPONSE TO IPART DECISION

In refusing the application, IPART made the following recommendations which Council has now addressed:

1. **Complete a service level review with the community**: Council undertook a service level review through research consultants Micromex Research. The report concluded that there was little appetite for reduced service levels, with the majority of residents wanting services/infrastructure to at least be maintained, if not improved. The detailed results of this survey are available at Attachment 2 of this plan.
2. **Consider various alternatives to an SV including a reduction in services, or considering higher levels of debt**: Improved documentation of consideration made in relation to various alternatives to an SV have been made and are detailed within this plan. Specific new or increased revenue forecasts have been included within the plan as opposed to a percentage assumption above forecast inflation.
3. **Develop an on-going framework to identify and implement productivity and efficiency savings:** Council developed a performance improvement framework and pathway in 2023; however, it is acknowledged that this work was not sufficiently detailed for the purpose of SV. In response, a new Performance and Improvement Plan has been developed which details Council's considerable efforts towards improvement over the past three years and also considers new productivity, cost containment and revenue opportunities. This plan is available at Attachment 1 of this plan.
4. **Reconsider the extent and timing of the increase to minimum rates**: A reduced minimum rate over three years has been included for consideration in this plan.
5. **Improvement of Council's Hardship Policy:** A new Hardship Policy was developed and publicly exhibited. This policy was adopted by Council on 27 October 2025.

OTHER ACTIONS TAKEN

In addition to the above, the following actions were taken to manage Council's immediate financial challenges:

1. Council's Delivery Program and Operational Plan were updated to adjust priorities to accommodate the limited financial constraints. These plans included a $6 million financial repair target which would require additional income, service reduction and further productivity improvements. Current projections suggest that $3 million of this target may be achievable in 2025-26 in the absence of service reductions (excluding continued short-term cost containment measures).
2. To address liquidity concerns in the absence of an SV, infrastructure renewal budgets were reduced for a third year, and cost cutting initiatives were implemented including holding workforce vacancies, leave management plans, and general spending restraint. While some ongoing savings have been identified, the scale of reduction in expenditure is not sustainable and has increased operational risk.
3. Council proceeded with the approval of an additional $10 million loan to support the North Sydney Olympic Pool project.
4. Council's Long Term Financial Plan has been reviewed and redeveloped.
5. New rating options have been developed. These options are primarily focused on infrastructure renewal and improvement, with some support for new infrastructure. To support improved governance, administration and customer support, new corporate systems are also recommended in the SV options.
6. Included within the rating options presented is a clearly labelled baseline scenario for exhibition which will provide the community with an option to reduce services and infrastructure.
7. To address confusion regarding the North Sydney Olympic Pool project, this plan acknowledges the commitments made in relation to the project regardless of special variation. All costs associated with the North Sydney Olympic Pool must be funded through existing revenue. The special variation funding will be primarily focused on improving the sustainability of services and infrastructure, while providing a modest contribution to new service and infrastructure needs.

The special variation options are considered a medium-term strategy. They will not provide for the delivery of growth infrastructure such as expanded library facilities, new community facilities or major upgrades to sporting facilities, open space and foreshore areas. Further, they will not provide sufficient co-funding for projects outlined in Council's Development Contribution Plan. It is recommended that this plan be revisited in the future to incorporate these needs.

Medium term focus

The approval of a special variation will provide Council with the opportunity to make a positive difference in the medium term through opportunities such as:

- Improving systems, data and reporting
- Addressing critical infrastructure needs
- Ensuring the operational success of the North Sydney Olympic Pool
- Stabilising the workforce
- Reviewing Council's property portfolio
- Master planning key sites, including those adjacent to Metro locations
- Delivering renewal projects which have been delayed in recent years, including Cremorne Plaza and Langley Place
- Working with the NSW Government to deliver Hume Street Park.

RATING OPTIONS

This Long-Term Financial Plan provides three options for the future of services and infrastructure in North Sydney. These options include:

Option 1 – No change – deterioration of infrastructure

Under this option, ordinary rates would increase by rate peg (4% for 2026-27 and assumed 3% annually thereafter). This represents a cumulative increase of 10.33% over three years.

In the absence of significant service reduction, income would be insufficient to support annual renewals. Infrastructure backlogs would grow. Infrastructure management would continue to be reactive, and maintenance costs will increase.

Council is already feeling the pressure of ageing and failing infrastructure which presents both safety risks and disruption to service delivery. This has been exacerbated through a reduction in renewal funding over the past there years in response to the North Sydney Olympic Pool project.

This option covers only the minimum essential investment needed to ensure Council's IT environment remains operational, supported, and compliant. It is a direct response to years of underfunding and technical debt, intended to address the most urgent risks only.

Option 2 – Treading water – Restore renewal funding and address critical backlogs

Under this option, rating revenue would increase by a cumulative amount of 39.92% (29.59% above rate peg) over three years. 20% in 2026-27, 10% in 2027-28 and 6% in 2028-29. This would generate an additional $190 million in revenue over a ten-year period.

The primary focus of this option is to restore infrastructure renewal funding and address the critical backlog that has accumulated over the past three years due to the North Sydney Olympic Pool redevelopment. It does not fully resolve the broader, long-term infrastructure backlog challenge.

Over a ten-year period, $151 million or 79% of the total revenue generated would be directed towards infrastructure renewal. This would enable renewal investment to return to at least 100% of annual asset depreciation, ensuring that the backlog works do not continue to grow. Forecasts indicate a reduction in the infrastructure backlog from 14.04% in 2024-25 to 10.10% in 2034-25 allowing for indexation of costs.$17 million would be contributed to a reserve for new capital works.

To further support service delivery and enhance infrastructure management, this option includes the implementation of modern corporate systems. Building upon Option 1, it introduces a comprehensive suite of digital upgrades aimed at transforming Council operations. These initiatives will enhance staff productivity and satisfaction, improve service responsiveness, and better align with community expectations. Crucially, improved data management and reporting capabilities will strengthen decision-making and support more effective long-term planning.

Option 3 (preferred) – An eye on the future – Enhanced contribution to infrastructure investment and planning

Under this option, rating revenue would increase by a cumulative amount of 52.66% (42.33% above rate peg) over three years. 23% in 2026-27, 14.58% in 2027-28 and 8.32% in 2028-29. This would generate an additional $278 million in revenue over a ten-year period.

This option prioritises infrastructure investment, with 87% of all additional income raised over the ten-year period allocated specifically for this purpose.

$186 million towards infrastructure renewal would ensure funding restored to at least 100% of annual asset depreciation, while also providing greater capacity to address critical backlogs. Forecasts indicate a reduction in the infrastructure backlog from 14.04% in 2024-25 to 7.18% in 2034-25 allowing for indexation of costs.

In addition, this option creates capacity for new infrastructure to support the delivery of some priority projects, with a relatively modest investment of $57 million in new infrastructure over the ten-year period. With a strong focus on maximising the use of existing open space and recreation infrastructure, this option also provides co-funding towards projects outlined in the Council's Development Contributions Plan.

Beyond infrastructure delivery, this option provides some operational capacity, with $17 million for new and emerging priorities, such as master planning for key sites including those within proximity to Metro and foreshore locations.

To further support service delivery and enhance infrastructure management, this option includes the implementation of modern corporate systems. Building upon Option 1, it introduces a comprehensive suite of digital upgrades aimed at transforming Council operations. These initiatives will enhance staff productivity and satisfaction, improve service responsiveness, and better align with community expectations. Crucially, improved data management and reporting capabilities will strengthen decision-making and support more effective long-term planning.

Total increase in permissible income – including special variation options

The following table outlines the total revenue that would be levied under each of the options.

Note: The options provided all retain special levies for infrastructure and environment. The revenue split of 60% residential and 40% business is also maintained in all options.

	Ad-valorem income ($)	Minimum income ($)	Special levy income	Total permissible income	% increase year on year
OPTION 1 – Rate peg cumulative 10.33% *(2026-27 rate peg 4%, with forecast of 3% for 2027-29)*					
FY 25-26	37,033,842	22,364,832	5,459,679	64,858,353	
FY 26-27	38,515,195	23,259,425	5,678,066	67,452,687	4%
FY 27-28	39,670,651	23,957,208	5,848,408	69,476,267	3%
FY 28-29	40,860,771	24,675,924	6,023,861	71,560,556	3%
OPTION 2 – Special Variation cumulative 39.92% (incl. rate peg)					
FY 25-26	37,033,842	22,364,832	5,459,679	64,858,353	
FY 26-27	41,915,450	30,236,507	5,678,066	77,830,023	20%
FY 27-28	45,256,134	34,508,483	5,848,408	85,613,025	10%
FY 28-29	47,602,693	37,123,244	6,023,861	90,749,798	6%
OPTION 3 – Special variation cumulative 52.66% (incl. rate peg)					
FY 25-26	37,033,842	22,364,832	5,459,679	64,858,353	
FY 26-27	44,314,723	29,782,985	5,678,066	79,775,774	23%
FY 27-28	51,379,931	34,178,742	5,848,408	91,407,082	14.58%
FY 28-29	55,671,405	37,316,886	6,023,861	99,012,151	8.32%

Note: Special variation income in all models is being generated through the ordinary rate, with environment and infrastructure levies increasing in line with rate peg in all models. These levies are calculated using a base rate calculation and in the absence of absorbing these levies into ordinary rates, any change above rate peg will shift levy burden towards residential ratepayers.

Permissible income – residential

The following table outlines the forecast revenue which would be generated from residential assessments under each of the three options.

	Ad-valorem income ($)	Minimum income ($)	Special levy income	Total permissible income	% increase year on year
OPTION 1 – Rate peg cumulative 10.33% *(2026-27 rate peg 4%, with forecast of 3% for 2027-29)*					
FY 25-26	13,760,836	21,525,025	4,891,575	40,177,436	
FY 26-27	14,311,269	22,386,026	5,087,238	41,784,533	4%
FY 27-28	14,740,607	23,057,607	5,239,855	43,038,069	3%
FY 28-29	15,182,826	23,749,335	5,397,051	44,329,212	3%
OPTION 2 – Special Variation cumulative 39.92% (incl. rate peg)					
FY 25-26	13,760,836	21,525,025	4,891,575	40,177,436	
FY 26-27	14,250,599	29,040,575	5,087,238	48,378,412	20.41%
FY 27-28	14,715,723	33,143,047	5,239,855	53,098,625	9.76%
FY 28-29	15,182,704	35,652,854	5,397,051	56,232,609	5.90%
OPTION 3 – Special variation cumulative 52.66% (incl. rate peg)					
FY 25-26	13,760,836	21,525,025	4,891,575	40,177,436	
FY 26-27	15,847,304	28,611,321	5,087,238	49,545,863	23.32%
FY 27-28	18,501,633	32,833,571	5,239,866	56,575,071	14.19%
FY 28-29	19,944,759	35,848,215	5,397,080	61,190,054	8.16%

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 $14,880 in rating revenue ($744 x 20 units). If the site were redeveloped into an apartment block with 200 units, Council would then receive $148,800 in rating revenue – an increase of $133,920.

It is therefore important that the minimum rate is set at a level that ensures sufficient revenue for increased demand on services and infrastructure.

Average residential rate

The following table outlines the average residential rates under each of the three options.

	Option 1	Option 2	Option 3
FY 25-26	$1,076	$1,076	$1,076
Annual increase	*$43*	*$219*	*$251*
FY 26-27	$1,119	$1,295	$1,327
Annual increase	*$34*	*$127*	*$188*
FY 27-28	$1,153	$1,422	$1,515
Annual increase	*$34*	*$84*	*$124*
FY 28-29	$1,187	$1,506	$1,638
Total increase	*$111*	*$430*	*$563*
Total 3 year cumulative increase above rate peg	*$0*	*$319*	*$452*

Minimum residential rate

The following table outlines the minimum residential rate under each of the three options.

	Option 1	Option 2	Option 3
FY 25-26	$743.85	$743.85	$743.85
Annual increase	$29.75	$226.87	$226.87
FY 26-27	$773.60	$970.72	$970.72
Annual increase	$23.21	$124.26	$145.60
FY 27-28	$796.81	$1,094.98	$1,116.32
Annual increase	$23.90	$76.65	$100.47
FY 28-29	$820.71	$1,171.63	$1,216.79
Total increase	*$76.86*	*$427.78*	*$472.94*
Total 3 year cumulative increase above rate peg	*$0*	*$350.92*	*$396.08*

Ad valorem average rate

The following table outlines the average rates for those assessments paying ad valorem rates.

	Option 1	Option 2	Option 3
FY 25-26	$1,872.83	$1,872.83	$1,872.83
FY 26-27	$1,947.74	$2,175.47	$2,265.15
FY 27-28	$2,006.17	$2,348.83	$2,590.75
FY 28-29	$2,066.35	$2,475.35	$2,796.64

Minimum average rate (including special levies)

The following table outlines the average rates for those assessments paying minimum rates.

	Option 1	Option 2	Option 3
FY 25-26	$844.18	$844.18	$844.18
FY 26-27	$877.95	$1,076.81	$1,075.98
FY 27-28	$904.29	$1,204.98	$1,224.51
FY 28-29	$931.42	$1,285.30	$1,328.11

Permissible income – business

The following table outlines the forecast revenue which would be generated from business assessments under each of the three options.

	Ad-valorem income ($)	Minimum income ($)	Special levy income	Total permissible income	% increase year on year
OPTION 1 – Rate peg cumulative 10.33% *(2026-27 rate peg 4%, with forecast of 3% for 2027-29)*					
FY 25-26	23,273,006	839,807	568,104	24,680,917	
FY 26-27	24,203,926	873,399	590,828	25,668,154	4%
FY 27-28	24,930,044	899,601	608,553	26,438,198	3%
FY 28-29	25,677,945	926,589	626,810	27,231,344	3%
OPTION 2 – Special Variation cumulative 39.92% (incl. rate peg)					
FY 25-26	23,273,006	839,807	568,104	24,680,917	
FY 26-27	27,664,851	1,195,932	590,828	29,451,611	19.33%
FY 27-28	30,540,411	1,365,436	608,553	32,514,400	10.40%
FY 28-29	32,419,989	1,470,390	626,810	34,517,189	6.16%
OPTION 3 – Special variation cumulative 52.66% (incl. rate peg)					
FY 25-26	23,273,006	839,807	568,104	24,680,917	
FY 26-27	28,467,419	1,171,664	590,828	30,229,911	22.48%
FY 27-28	32,878,298	1,345,171	608,542	34,832,012	15.22%
FY 28-29	35,726,646	1,468,671	626,781	37,822,097	8.58%

Average business rate

The following table outlines the average business rates under each of the three options.

	Option 1	Option 2	Option 3
FY 25-26	$7,193	$7,193	$7,193
Annual increase	*$288*	*$1,390*	*$1,617*
FY 26-27	$7,481	$8,583	$8,810
Annual increase	*$244*	*$893*	*$1,341*
FY 27-28	$7,705	$9,476	$10,151
Annual increase	*$231*	*$583*	*$871*
FY 28-29	$7,936	$10,059	$11,022
Total increase	*$743*	*$2,866*	*$3,830*
Total 3 year cumulative increase above rate peg	*$0*	*$2,103*	*$3,087*

Minimum business rate

The following table outlines the minimum business rate under each of the three options.

	Option 1	Option 2	Option 3
FY 25-26	$743.85	$743.85	$743.85
Annual increase	$29.75	$226.87	$226.87
FY 26-27	$773.60	$970.72	$970.72
Annual increase	$23.21	$124.26	$145.60
FY 27-28	$796.81	$1,094.98	$1,116.32
Annual increase	$23.90	$76.65	$100.47
FY 28-29	$820.71	$1,171.63	$1,216.79
Total increase	*$76.86*	*$427.78*	*$472.94*
Total 3 year cumulative increase above rate peg	*$0*	*$350.92*	*$396.08*

COMPARISON WITH OTHER COUNCILS

Residential rates

In 2025-26, there were 37,347 residential rating assessments recorded, with the total rateable value (unimproved land value) of residential land in North Sydney being $36.19 billion.

77% of residential properties pay the minimum rates, and 23% of residential properties pay ad-valorem rates. 61% of total residential rating revenue is generated through minimum rate assessments, while 39% is generated through ad valorem assessments.

North Sydney Council's residential rate is low in comparison to other metropolitan councils. The average residential rate is calculated including special levies.

Option 1 – rate peg

	2025-26	2026-27	2027-28	2028-29
Average residential rate	$1,076	$1,119	$1,153	$1,187
Increase		4%	3%	3%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison councils in years 2027-28 and 2028-29.

Note: Ku-ring-gai and Hawkesbury Councils are currently considering an SV for 26-27.

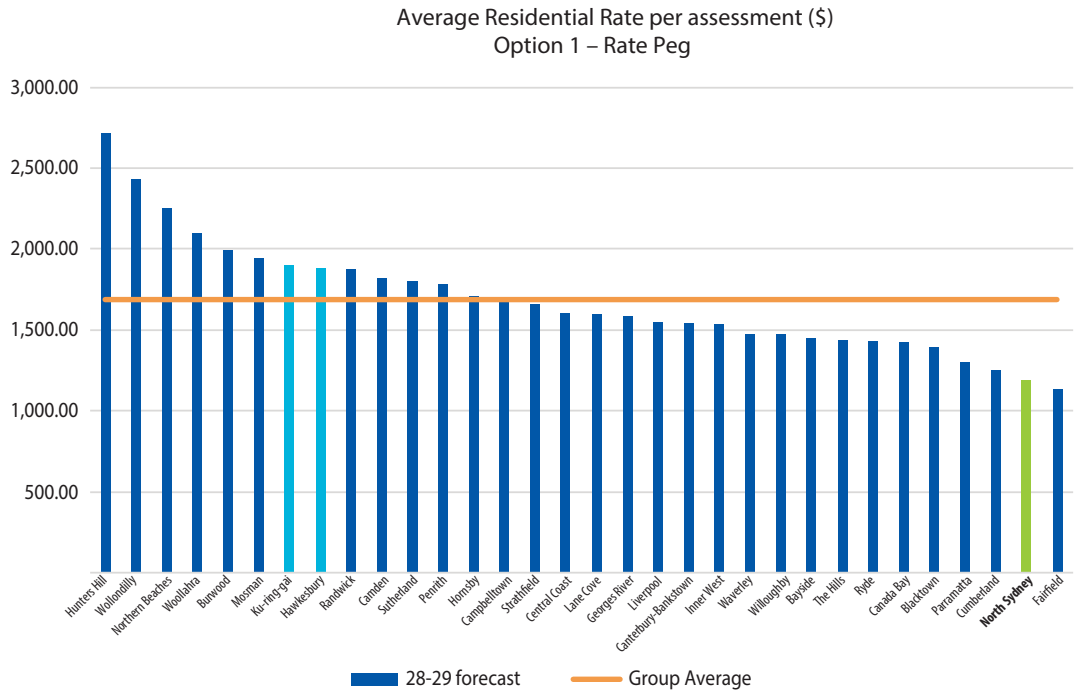


Chart 1: Average Residential Rate per assessment – Option 1

Option 2 – special variation (39.92% cumulative over three years)

	2025-26	2026-27	2027-28	2028-29
Average residential rate	$1,076	$1,295	$1,422	$1,506
Increase		20%	10%	6%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison council's in years 2027-28 and 2028-29.

Note: Ku-ring-gai and Hawkesbury Councils are currently considering an SV for 26-27.

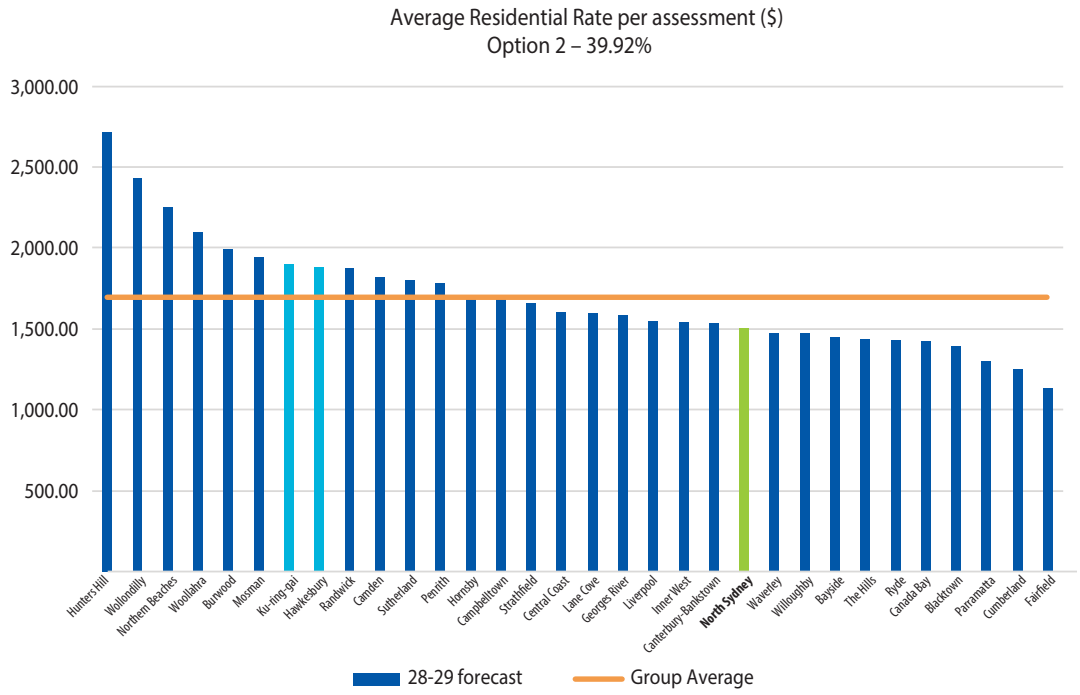


Chart 2: Average Residential Rate per assessment – Option 2

Option 3 – special variation (52.66% cumulative over three years)

	2025-26	2026-27	2027-28	2028-29
Average residential rate	$1,076	$1,327	$1,515	$1,638
Increase		23%	14.58%	8.32%

The following chart demonstrates a comparison with other councils at the end of the three year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all council's in years 2027-28 and 2028-29.

Note: Ku-ring-gai Council and Hawkesbury Council are currently considering an SV for 26-27.

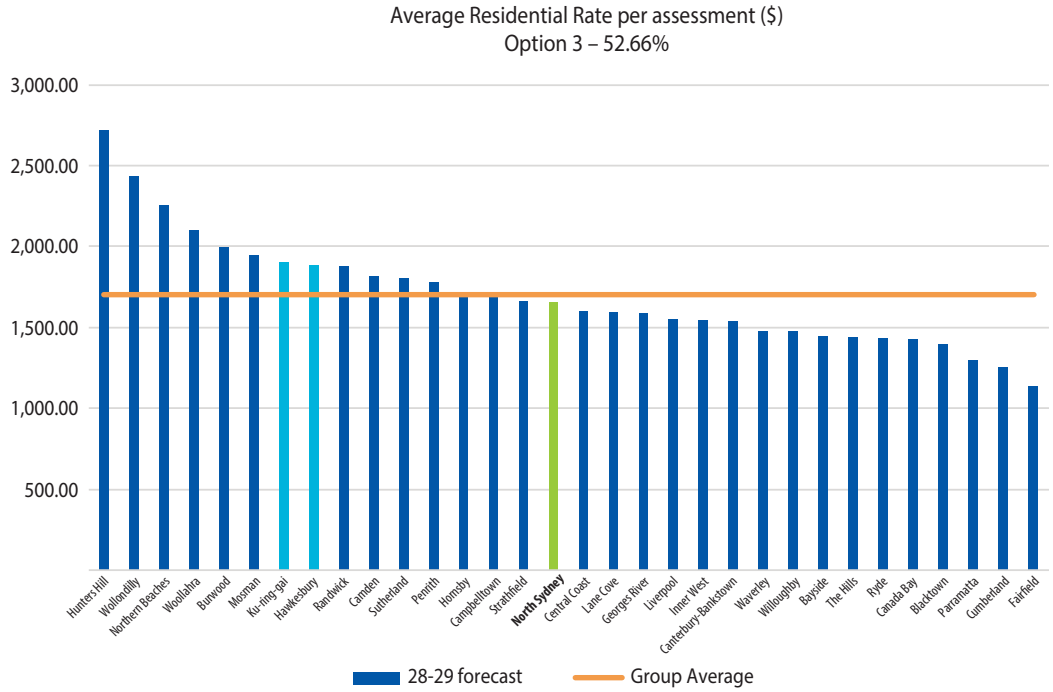


Chart 3: Average Residential Rate per assessment – Option 3

Option 1 – minimum rate increased by rate peg

	2025-26	2026-27	2027-28	2028-29
Minimum residential rate	$743.85	$773.60	$796.81	$820.71
Increase		4%	3%	3%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison council's in years 2027-28 and 2028-29.

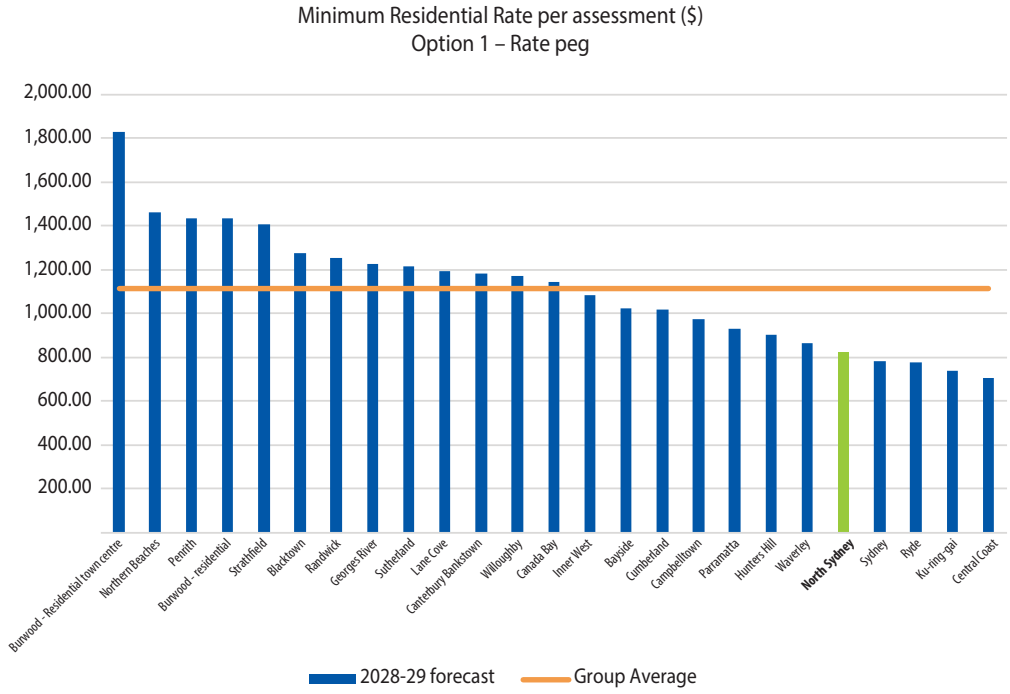


Chart 4: Minimum Residential Rate per assessment – Option 1

Option 2 – variation to minimum rate (as per below table)

	2025-26	2026-27	2027-28	2028-29
Minimum residential rate	$743.85	$970.72	$1,094.98	$1,171.63
Increase		30%	13%	7%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison council's in years 2027-28 and 2028-29.

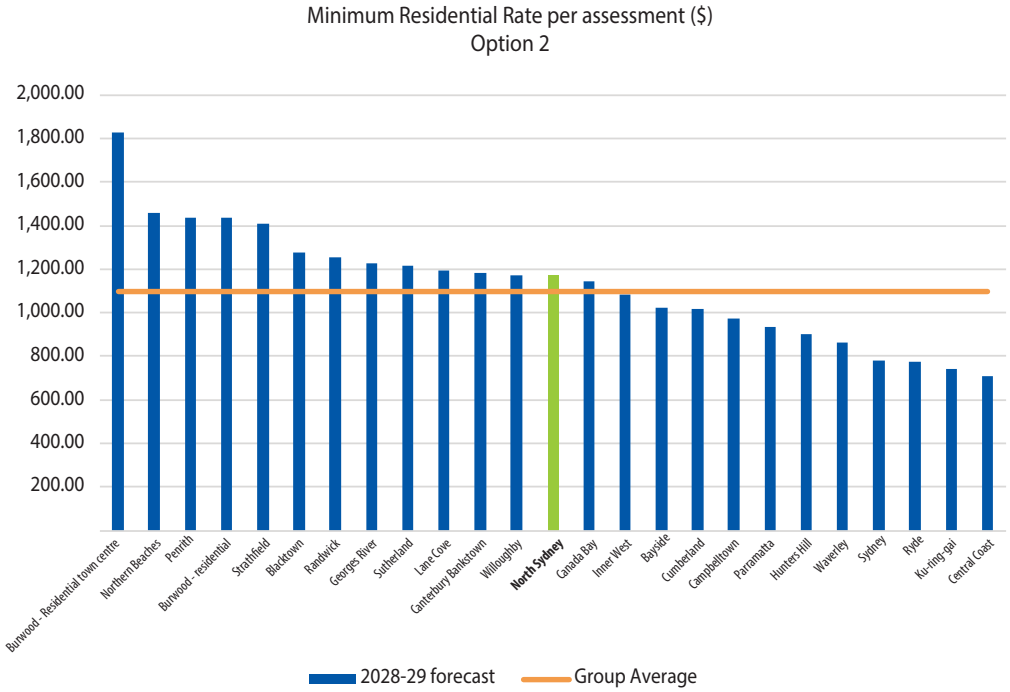


Chart 5: Minimum Residential Rate per assessment – Option 2

Option 3 – variation to minimum rate (as per below table)

	2025-26	2026-27	2027-28	2028-29
Minimum residential rate	$743.85	$970.72	$1,116.32	$1,216.79
Increase		30%	15%	9%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison councils in years 2027-28 and 2028-29.

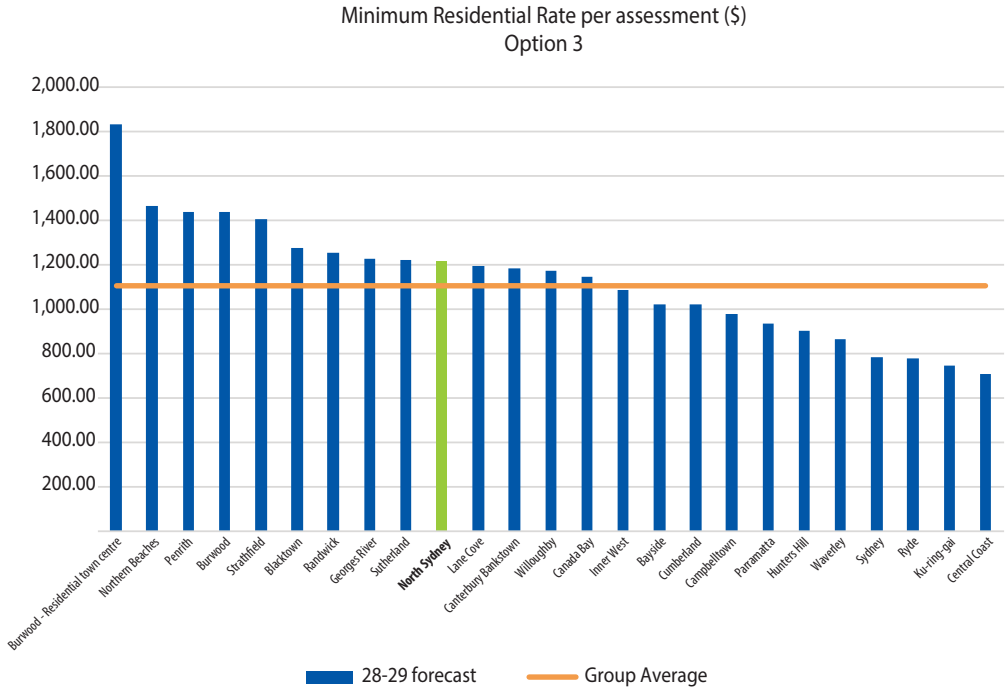


Chart 6: Minimum Residential Rate per assessment – Option 3

Business rates

In 2025-26, there were 3,431 business rating assessments recorded, with the total rateable value (unimproved land value) of residential land in North Sydney being $5.12 billion.

Comparing average business rates across different Local Government Areas (LGAs) can be challenging due to the varying size and character of landholdings. Those LGA's with high density property holdings owned individually will by nature have a higher average rate than those with smaller individual landholdings or strata developments.

33% of business assessments pay the minimum rates, and 67% of business assessments pay ad-valorem rates. 4% of total business rating revenue generated through minimum rate assessments, while 96% is generated through ad valorem rate assessments.

While there is no direct comparison to North Sydney, the closest comparison would be those councils with CBD locations. This includes Burwood, Parramatta, Strathfield and Sydney.

Average business rates

Council	2025-26	2026-27	2027-28	2028-29
Burwood	9,218	9,596	9,884	10,181
Parramatta	15,142	15,869	16,345	16,835
Strathfield	10,116	10,874	11,200	11,536
Sydney	15,030	15,872	16,348	16,838
Average	*12,376*	*13,053*	*13,444*	*13,847*
North Sydney Options				
Option 1	7,193	7,481	7,705	7,936
Increase		4%	3%	3%
Option 2	7,193	8,583	9,476	10,059
Increase		19%	10%	6%
Option 3	7,193	8,810	10,151	11,022
Increase		22%	15%	9%

Source: https://economy.id.com.au

Note: Comparative rates are calculated based on the averages included with the IPART Final Report – North Sydney 2025 for the 2024-25 year which is calculated using OLG's time series data as at 2023-24 (latest available). These rates have then been escalated by 2025-26 and 2026-27 rate pegs or special variation approvals for each council. The 2028-29 year has been escalated by an assumed rate peg of 3%.

Economic considerations

The following table provides economic comparative data for the above comparison group. Comparing local job numbers with local businesses provides an indication of the business size amongst the group. The data suggests Parramatta has a closer economic output, however the number of businesses and jobs may suggest that it has a larger number of smaller businesses within its LGA than North Sydney.

Council	2024 GRP (NEIR 2024)	Local jobs	Local businesses	Jobs as a % of businesses
Burwood	$2.98 billion	19,043	5,481	3.47
Parramatta	$30.97 billion	184,846	32,803	5.63
Strathfield – CBD	$4.01 billion	23,349	7,083	3.30
Sydney	$154.73 billion	683,472	82,636	8.27
North Sydney	*$23.93 billion*	*104,745*	*15,178*	*6.90*

Source: https://economy.id.com.au

Option 1 – business minimum rate increased by rate peg

	2025-26	2026-27	2027-28	2028-29
Business minimum rate	$743.85	$773.60	$796.81	$820.71
Increase		4%	3%	3%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison council's in years 2027-28 and 2028-29.

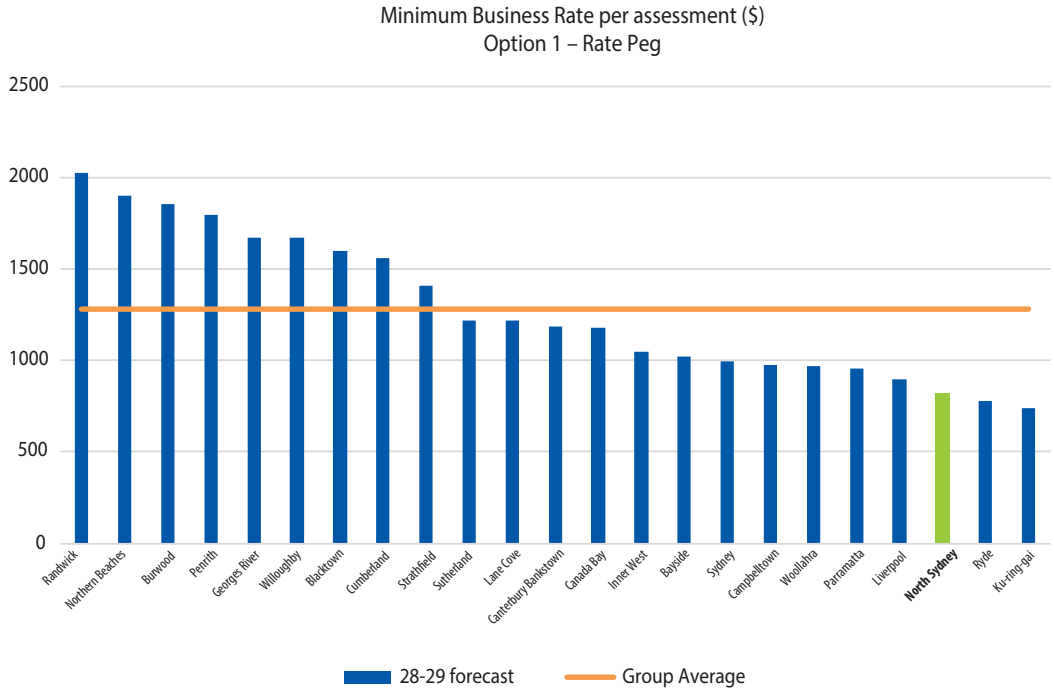


Chart 7: Minimum Business Rate per assessment – Option 1

Option 2 – variation to business minimum rate (as per below table)

	2025-26	2026-27	2027-28	2028-29
Business minimum rate	$743.85	$970.72	$1,094.98	$1,171.63
Increase		30%	13%	7%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison council's in years 2027-28 and 2028-29.

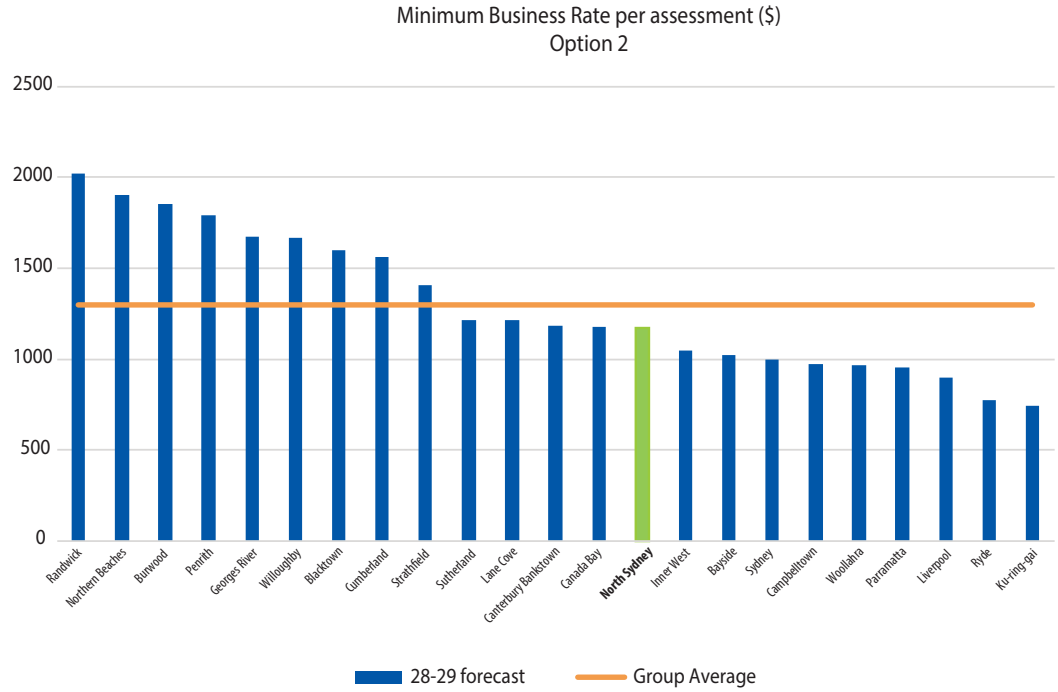


Chart 8: Minimum Business Rate per assessment – Option 2

Option 3 – variation to minimum rate (as per below table)

	2025-26	2026-27	2027-28	2028-29
Business minimum rate	$743.85	$970.72	$1,116.32	$1,216.79
Increase		30%	15%	9%

The following chart demonstrates a comparison with other councils at the end of the three-year period. This chart assumes announced rate peg and approved special variation increases for 2026-27, and a forecast 3% rate peg for all comparison council's in years 2027-28 and 2028-29.

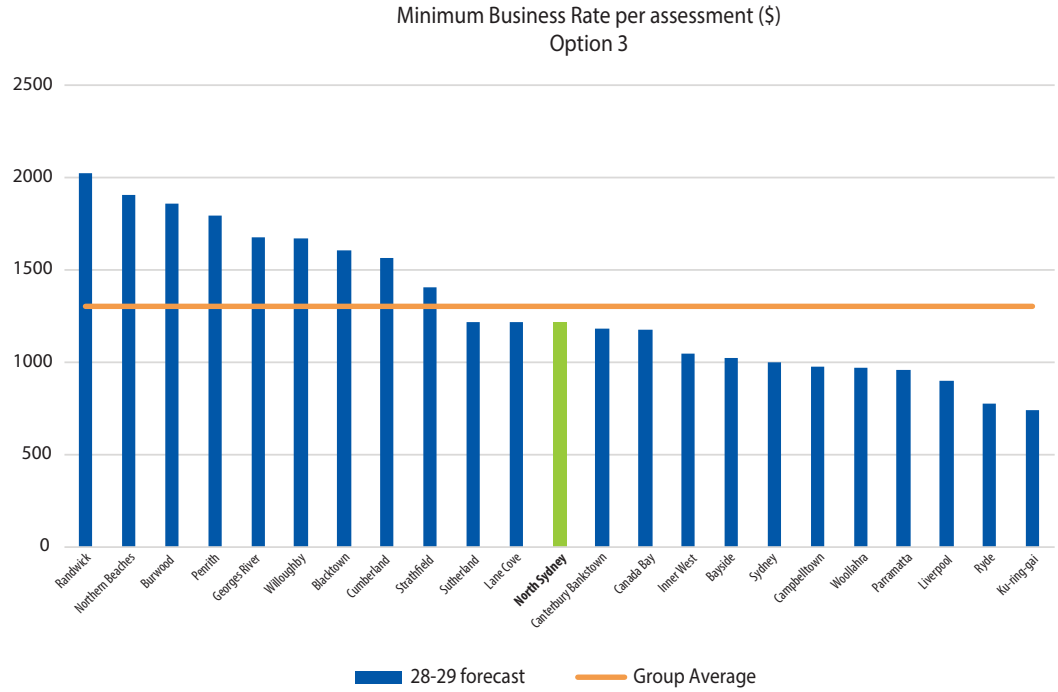


Chart 9: Minimum Business Rate per assessment – Option 3

PART 3 FINANCIAL NEED

PRIMARY PURPOSE

The primary purpose of the special variations presented in this plan is to maintain service delivery and manage infrastructure obligations. This includes investment in new corporate systems.

The options provide some provision for new infrastructure; however, these levels are considered inadequate for a growing population and will require future consideration.

In addition, the special variation options provide an opportunity to contribute to strategic objectives. The options are considered modest in this regard, with an average of $0.39 million per annum funded within Option 2 and $1.7 million per annum funded through Option 3. This includes important planning work to inform future revisions of this Long Term Financial Plan, including master planning of key public sites adjacent to Metro to provide for future community needs.

A detailed indicative prioritisation of these funds is included in Part 5 of this plan.

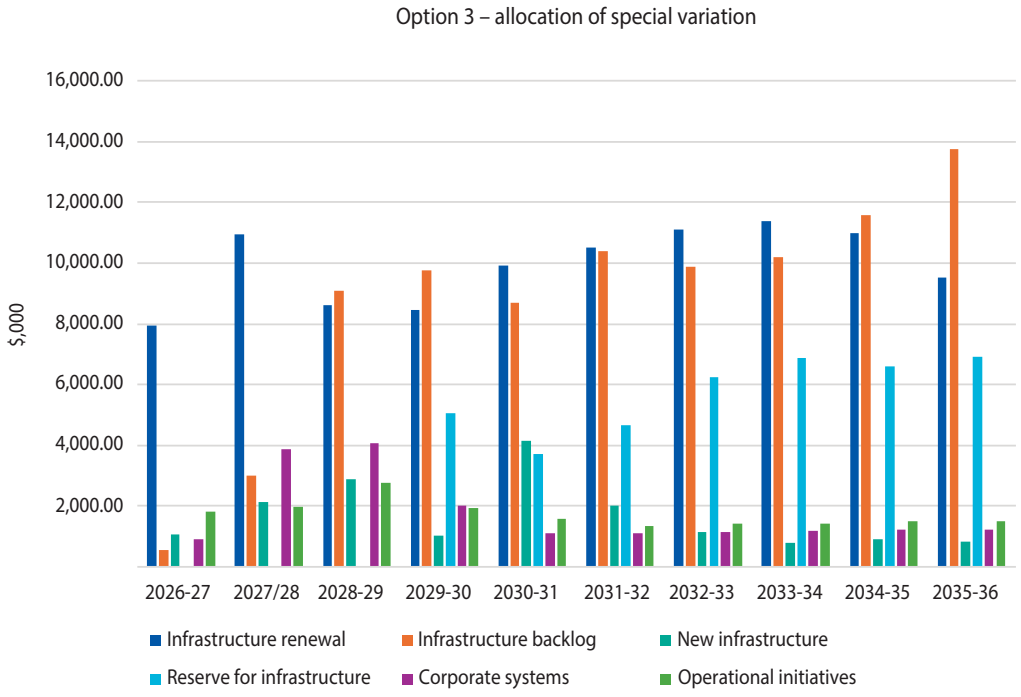


Chart 10: Option 3 – allocation of special variation

The medium term

The following table provides the special variation expenditure forecast for the first four years of the plan. Forecasts past this period become more sensitive to change.

	Option 1 ($,000)	Option 2 ($,000)	Option 3 ($,000)
Projected indexed Special variation income over first 4 years (above rate peg)	Nil	$63,647	$90,017
Achieving minimum annual infrastructure renewals and maintaining service levels	No	$37,223	$35,997
Infrastructure backlog reduction	No	$10,517	$22,405
New infrastructure	No	$0	$7,110
Reserve for new infrastructure to support development contribution plan	No	$3,000	$5,064
New corporate systems	No	$10,909	$10,909
Operating initiatives	No	$1,998	$8,532

Based upon the assumptions outlined within this plan, the ten-year special variation expenditure would be as follows, noting sensitivity to change in the medium to long term.

	Option 1 ($,000)	Option 2 ($,000)	Option 3 ($,000)
Projected indexed Special variation income over 10 years (above rate peg)	Nil	$190,126	$278,478
Achieving minimum annual infrastructure renewals and maintaining service levels	No	$99,166	$99,360
Infrastructure backlog reduction	No	$51,692	$86,900
New infrastructure	No	$0	$16,953
Reserve for new infrastructure to support development contribution plan	No	$17,431	$40,051
New corporate systems	No	$17,910	$17,910
Operating initiatives	No	$3,927	$17,304

Changes to the minimum rate would result in increased revenue through development of new properties. The following table demonstrates the additional cumulative income forecast based upon 300 new dwellings per year over the ten-year period. It is assumed that 50% of this funding will be priortised towards infrastructure and 50% towards operating costs.

	Growth income (10-year cumulative)
Option 1	$17.34 million
Option 2	$23.86 million
Option 3	$24.64 million

MEASURING FINANCIAL NEED

To assess Council's current financial performance and long-term sustainability, financial forecasts are developed over a ten-year horizon. These forecasts inform a detailed analysis of key financial indicators, including;

- Operating Performance Ratio
- Unrestricted Current Ratio
- Unrestricted Cash Expense Ratio
- and various Infrastructure Ratios.

Together, these measures provide a comprehensive view of Council's financial health – highlighting its capacity to fund services, maintain infrastructure, and respond to future challenges.

Council's current financial position is detailed in Option 1 of this LTFP and includes organisational improvement and increased income targets. These targets are estimates based on the available information at the time of developing this plan and are detailed in Part 5.

Based upon Council's current financial position, a special variation to permissible rating income is recommended. As outlined above, this increase is primarily focused on ensuring the sustainability of services and infrastructure, including the administration of these services through new corporate systems.

OPERATING PERFORMANCE RATIO

The Operating Performance Ratio (OPR) serves as a critical indicator of a council's financial health and sustainability.

It reflects whether ongoing operating revenue is sufficient to cover:

- Day-to-day operating expenditure
- Principal repayments on loans, and
- Non-grant funded infrastructure renewals and upgrades
- Reserves improvements to support future infrastructure upgrades (including co-contribution to developer contributions)

Traditionally, authorities such as the NSW Office of Local Government (OLG) have considered a benchmark OPR > 0% to indicate a council's ability to contain operating expenditure within its operating income. This threshold offers a straightforward assessment of short-term operational viability.

However recent financial sustainability guidance recognises that a simple "greater than zero" measure may not be universally appropriate. Councils exhibit varying balance sheet structures, infrastructure obligations, and borrowing requirements, which influence their capacity to fund critical renewals and service debt. As a result, more nuanced and context-sensitive benchmarks are now being developed.

The lower the OPR, the less capacity Council will have to address its infrastructure backlog. Council's current ten-year OPR forecast is as follows:

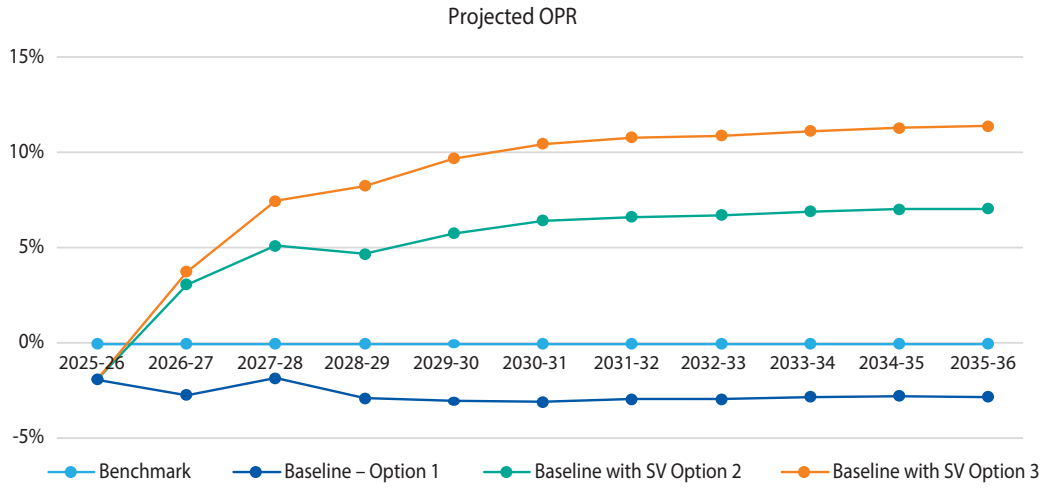


Chart 11: 2020 – 2035 actual and forecast operating performance ratio

	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35	35-36
Option1	(2.69%)	(1.81%)	(2.86%)	(3.01%)	(3.04%)	(2.91%)	(2.90%)	(2.78%)	(2.75%)	(2.80%)
Option 2	3.12%	5.16%	4.74%	5.82%	6.48%	6.68%	6.77%	6.97%	7.08%	7.12%
Option 3	3.97%	7.67%	8.47%	9.90%	10.65%	10.99%	11.09%	11.32%	11.48%	11.57%

Why is Council proposing an OPR of greater than 0%?

The operating performance ratio is calculated as follows:

net operating result for the year before capital grants and contributions

divided by:

income from continuing operations less capital grants and contributions

In simple terms, a 0% operating performance ratio would indicate the Council has an ability to fund its operations including renewal of infrastructure.

However, in practice, there are items of income and expenditure within the net operating result that are restricted and unable to be used for operational purposes and there are balance sheet obligations outside of standard renewals that require funding.

In addition to providing for operating expenditure, Council also has the following funding commitments and responsibilities above a 0% operating performance ratio:

1. Interest revenue associated with developer contributions cannot be used for operating purposes and must be transferred to an externally restricted reserve.
2. Surplus income from domestic waste management cannot be used for operating purposes and must be transferred to an externally restricted reserve.
3. Council has principal loan repayment obligations located on the balance sheet but must be funded from operating performance.
4. As at 30 June 2025, Council's recorded infrastructure backlog is $157 million. Reductions in this backlog must be funded from operating performance.
5. As a growth Council, new infrastructure will be required by the growing population. While some of this will be funded from developer contributions, Council is required to make a co-contribution to most of these projects. This capital expenditure must be funded from operating performance.

The following table provides indicative commitments over and above the 0% Operating Performance Ratio for Year 1 of each option.

Commitments requiring greater than 0% Operating Performance Ratio			
	Option 1 Base – Year 1 $,000	Option 2 – Year 1 $,000	Option 3 – Year 1 $,000
Interest income required to be restricted for development contributions reserve	$2,082	$2,082	$2,082
Domestic waste (DWM) surplus required to be transferred to DWM reserve	$2,221	$2,221	$2,221
Funding required to pay principal debt obligations	$5,077	$5,077	$5,077
Reduction in infrastructure backlog (above annual depreciation)	$0	$408	$561
New council funded infrastructure	$608	$608	$1,674
Total commitment	$9,988	$10,396	$11,615
% of income from continuing operations less capital grants and contributions	6.36%	6.21%	6.86%

As demonstrated in the above table, a minimum Operating Performance Ratio of above 6% is required in all three options in Year 1. This percentage increases in options 2 and 3 as the commitment to addressing infrastructure backlog and new infrastructure needs increases.

Currently Option 1 Operating Performance Ratio is forecast at -2.69% in Year 1 and averages -2.75% over the 10 year period, this suggests that without a ten-year special variation to increase rating revenue, the council would continue be unable to fund annual infrastructure renewals, reduce infrastructure backlogs or provide infrastructure for the growing population. This would not be financially sustainable over the long term if the council is to deliver the services and infrastructure in its adopted plans.

UNRESTRICTED CURRENT RATIO

The unrestricted current ratio is an indicator of a council's financial position. It indicates a council's ability to meet its short-term obligations as they fall due – liquidity. The industry benchmark for the ratio is 1.5 times.

As at 30 June 2025, Council's unrestricted current ratio was recorded as 1.5 times. This means that Council has $1.50 in unrestricted current assets to meet $1.00 of unrestricted current liabilities. A ratio of 1.5 or less is considered unsatisfactory.

A higher unrestricted current ratio would indicates that the council has saved funds for future infrastructure investment.

Based upon Council's current ten-year forecast (Baseline – Option 1), Council's unrestricted current ratio would range from 1.63 times to 1.98 times. This is considered acceptable for maintaining liquidity; however the ratio has been maintained by reducing infrastructure renewal expenditure at rates well below benchmark.

Low renewal ratios, combined with infrastructure backlogs are likely to result in reactive need for funding due to public safety or community demands. It is therefore possible that the forecast renewal budget in this Long-Term Financial Plan will be overspent which would lead to a decline in the unrestricted current ratio to unsatisfactory levels.

This suggests that without a special variation to increase rating revenue, the council would not have sufficient cash and investments to be financially sustainable if the council is to deliver the services and infrastructure in its adopted plans. Council could manage its liquidity, however under this scenario, infrastructure conditions and service levels would require reduction.

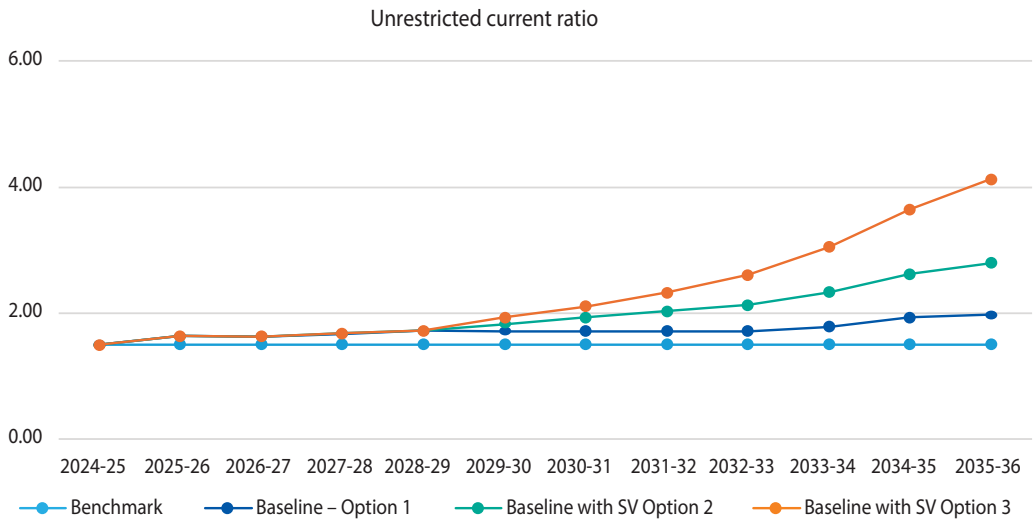


Chart 12: Forecast unrestricted current ratio

	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35	35-36
Option1	1.63	1.67	1.72	1.71	1.71	1.71	1.71	1.78	1.93	1.98
Option 2	1.63	1.68	1.72	1.83	1.93	2.03	2.13	2.33	2.62	2.80
Option 3	1.63	1.68	1.72	1.93	2.11	2.33	2.61	3.05	3.65	4.12

Note: the higher unrestricted current ratio in later years within option 3 is due to increased capital infrastructure reserves designed to support the delivery of priority projects including those within Council's Development Contribution Plan.

UNRESTRICTED CASH EXPENSE RATIO

The unrestricted cash expense ratio is an indicator of a council's financial position. It measures how many months a council can continue to operate without new cash inflows.

The industry benchmark for the ratio is greater than 3 months, which would indicate sufficient funds to cover immediate costs and act as a buffer for unexpected events or financial challenges.

As at 30 June 2025, Council's unrestricted current ratio was recorded as 2.53 months.

Based upon Council's current ten-year forecast (Baseline – Option 1), the council's unrestricted current ratio would range from 1.64 months to 1.98 months. This is considered unsatisfactory.

Low renewal ratios, combined with infrastructure backlogs are likely to result in reactive need for funding due to public safety or community demands. It is therefore possible that the forecast renewal budget in this Long-Term Plan will be overspent which would lead to further decline in the unrestricted cash expense ratio.

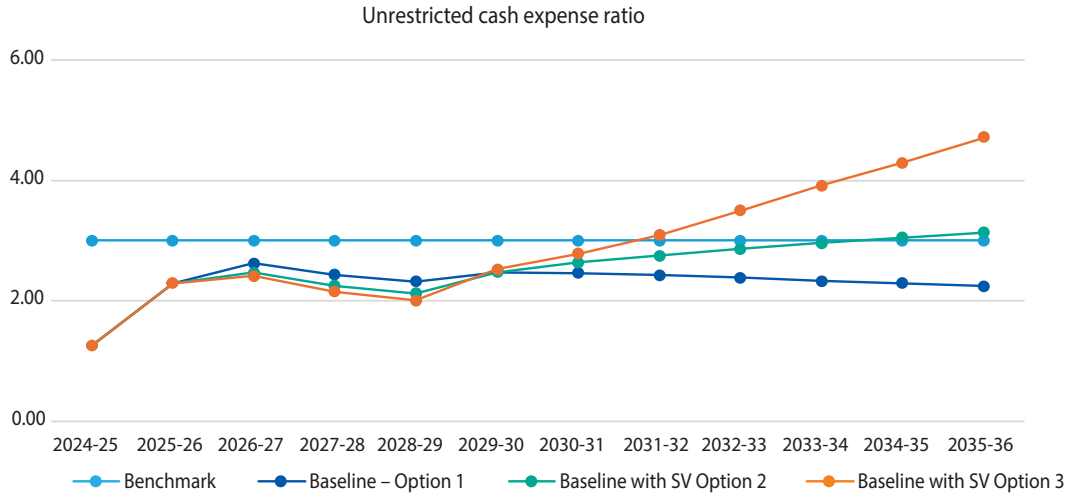


Chart 13: Forecast unrestricted cash expense ratio

	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35	35-36
Option1	2.62	2.43	2.32	2.47	2.46	2.42	2.38	2.33	2.29	2.24
Option 2	2.47	2.25	2.12	2.47	2.63	2.75	2.86	2.96	3.05	3.13
Option 3	2.36	2.15	2.00	2.38	2.61	2.89	3.24	3.61	3.97	4.34

Note: the higher unrestricted cash expense ratio in later years within option 3 is due to increased capital infrastructure reserves designed to support the delivery of priority projects including those within Council's Development Contribution Plan.

THE INFRASTRUCTURE BACKLOG RATIO

The infrastructure backlog ratio indicates whether the council has a need for additional revenue to maintain its infrastructure assets. It shows the infrastructure backlog as a proportion of the total value of a council's infrastructure. OLG's benchmark for the infrastructure backlog ratio is less than 2%.

Assets requiring renewal are those in condition 4 (poor) or 5 (very poor). Renewal values are indicative only and provide estimates for like renewal only and not for upgrade costs based on new community needs. Council manages infrastructure through technical service levels and community service levels.

Council's recent community research undertaken by Micromex Research concluded that the community expects infrastructure to be in fair condition as a minimum, with reasonable support for very good/good condition.

	What condition do you consider acceptable?		
Asset class	**Very good/good**	**Fair**	**Poor/Very poor**
Roads and Transport Infrastructure	45%	51%	4%
Bus shelters and street furniture	28%	62%	10%
Footpaths	35%	61%	4%
Parks, reserves and sportsfields	38%	59%	3%
Supporting infrastructure	27%	70%	3%
Buildings	28%	69%	3%
Stormwater	45%	52%	3%

As at 30 June 2025, Council's infrastructure backlog ratio was recorded as 14.04%. The total value of infrastructure condition 4 and 5 was $157 million. Assets in condition 5 (very poor) has increased from 2.9% to 4.6% of gross replacement cost in the past year and now total $69.77 million.

Typically, depreciation values are used as a minimum funding contribution to infrastructure renewals. Infrastructure is depreciated over the useful life of the asset, which ensures that each generation contributes to the use and enjoyment of the infrastructure each year.

Over the past five years, due to increased costs associated with the North Sydney Olympic Pool, insufficient funding has been available to fund renewals at 100%. The total un-indexed renewal deficit over this period has been $43 million.

Based upon Council's current ten-year forecast (Baseline – Option 1), continued underfunding of infrastructure renewals could lead to the ratio increasing to 31.56% or $339 million over the ten-year period. This forecast is calculated each year as follows:

commencing infrastructure backlog + annual depreciation – renewal budget

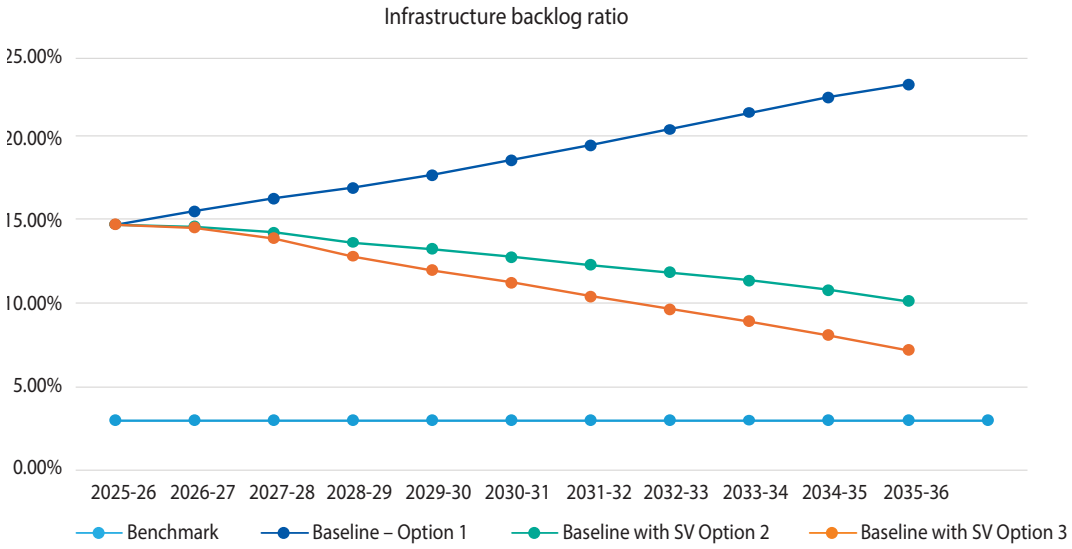


Chart 14: Forecast infrastructure backlog ratio

	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35	35-36
Option1	15.49%	16.25%	16.88%	17.66%	18.53%	19.44%	20.39%	21.36%	22.28%	23.07%
Option 2	14.56%	14.21%	13.62%	13.21%	12.75%	12.28%	11.82%	11.35%	10.79%	10.10%
Option 3	14.50%	13.85%	12.80%	11.97%	11.22%	10.38%	9.63%	8.89%	8.09%	7.18%

This indicates that without a special variation to increase rating revenue, Council's infrastructure backlog ratio will remain below the benchmark and continue to deteriorate over time.

With a special rate variation the ratio will still remain below benchmark, however the backlog will improve. Investment in new corporate systems, including asset management systems, will increase Council's asset management maturity and provide improved data to support funding prioritisation and inform future financial strategies.

THE INFRASTRUCTURE RENEWAL RATIO

The infrastructure renewal ratio measures the rate at which the council is renewing its infrastructure assets against the rate at which they are depreciating. OLG's benchmark for the infrastructure renewals ratio is greater than 100%.

Based upon Council's current ten-year forecast (Baseline – Option 1), the Council's infrastructure renewal ratio would average 69%.

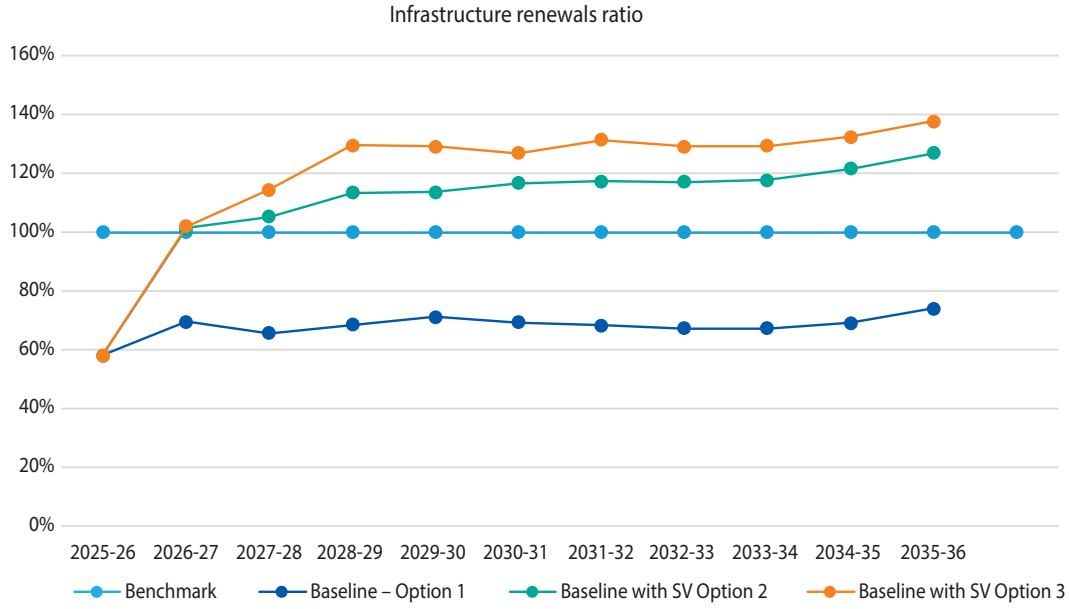


Chart 15: Forecast infrastructure renewal ratio

	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35	35-36
Option1	69%	66%	68%	71%	69%	68%	67%	67%	69%	74%
Option 2	101%	105%	114%	114%	117%	117%	117%	118%	122%	127%
Option 3	102%	114%	130%	129%	127%	131%	129%	129%	132%	138%

This indicates that without a special variation to increase rating revenue, the Council's infrastructure renewal ratio will remain below the OLG benchmark and continue to deteriorate over time.

Note: the results above 100% within option 2 and 3 reflect spending on infrastructure backlogs.

THE ASSET MAINTENANCE RATIO

The asset maintenance ratio compares actual versus required asset maintenance. OLG's benchmark for the asset maintenance ratio is greater than 100%.

Based upon Council's current ten-year forecast, (Baseline – Option 1), due to insufficient funding for infrastructure renewal, Council's asset maintenance ratio would reduce to 64% by Year 10.

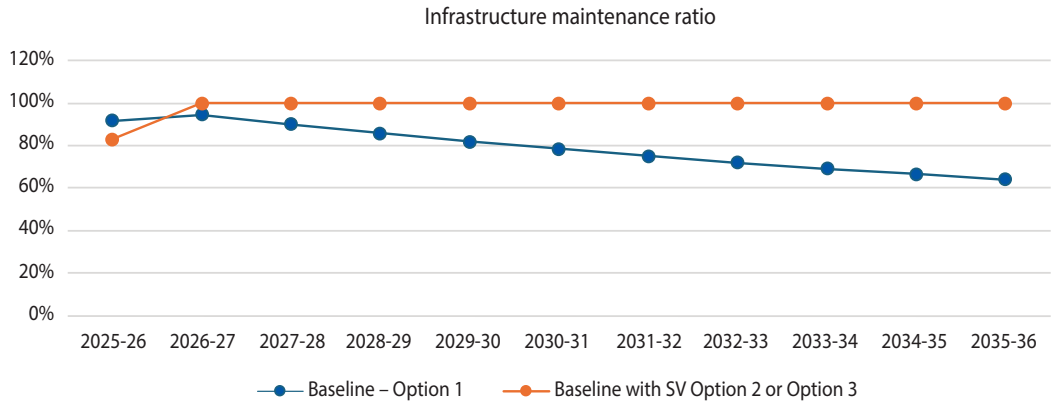


Chart 16: Forecast asset maintenance ratio

	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35	35-36
Option1	95%	90%	86%	82%	78%	75%	72%	69%	66%	64%
Option 2	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Option 3	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

This indicates that without a special variation to increase rating revenue, the council's asset maintenance ratio will remain below the OLG benchmark and continue to deteriorate over time.

ALTERNATIVES TO A RATE RISE

Before considering any increase to rates, Council has explored a range of alternative financial strategies to strengthen its financial position. In line with responsible financial management and community expectations, Council has examined opportunities to reduce costs, improve operational efficiency, increase non-rate revenue, and reprioritise capital and service expenditure. This section outlines the strategies assessed and actions taken to address the financial challenges facing Council, with the aim of reducing the impact of rating increases.

Reduction in service levels

In August 2025, Council commissioned an independent survey to understand the community's expectations regarding service levels. Specifically, whether the community would like to see a reduction in service levels, maintenance of service levels or an increase in service levels, with the understanding that to maintain or increase service levels, a rate rise would be required.

Within its 2025-2029 Delivery Program, Council included an annual financial repair target of $6 million, which would require new or increased income, productivity improvement and service level reductions. Engagement on this plan indicated a low appetite for service level reductions. To confirm this position, Council commissioned independent research company Micromex Research to undertake a demographically selected service level review with the community to determine opportunities for service reduction.

The methodology provided for a sample selection and maximum error rate as follows:

Community baseline measure: A total of N=505 resident interviews were completed via telephone, N=100 were completed via online community panels. A sample size of N=605 provides a maximum sampling error of plus or minus 4% at 95% confidence.

Informed community response: A total of N=302 residents completed Stage 2 of the research, all of whom had completed Stage 1 questionnaire. A total sample size of N=302 residents provides a maximum sampling error of plus or minus 5.6% at 95% confidence.

In addition to the demographic survey, the same survey was available to the community via council website. A total of N=433 completed the survey.

The research concluded that there is little appetite for 'less' – the majority of residents want services/infrastructure to at least be maintained, if not improved – even knowing that maintaining/increasing services will require an increase in rates. This was consistent in both the demographic survey and the opt in community survey.

Reduction in strategic funding

Following the full refusal of Council's last Special Rate Variation (SRV) application by IPART, careful consideration has been given to reducing both capital and operational budgets originally developed in response to research and community consultation for Council's eight key informing strategies.

These strategies address important priorities in the areas of environment, economic development, social inclusion, housing, culture and creativity, integrated transport, and open space and recreation. The initial budgets were designed to position Council to respond to both current and emerging challenges across these domains.

Original Proposal Overview

The previous SRV proposal included:

- $60.6 million in new operational expenditure,
- $97.9 million in new and upgraded infrastructure, and
- An increase of $67 million in unrestricted reserves to provide financial capacity for future infrastructure priorities, including projects under Council's Developer Contribution Plan.

Revisions in Current Special Variation Options

To reduce the impact of rate increases on the community, significant reductions have been made to the funding levels in both operational and capital budgets within the current SRV options.

Option 2 – Minimal Investment Focused on Corporate Systems

- $21 million in new operational expenditure, including:
  - $17.9 million allocated to new corporate systems.
- No direct funding for new infrastructure.
- $17 million reserved for future capital infrastructure priorities, including delivery of projects within the Developer Contribution Plan.

Option 3 – Moderate Investment with Infrastructure Support

- $35 million in new operational expenditure, including:
  - $17.9 million for new corporate systems.
- $16.9 million allocated to new capital infrastructure projects.
- $40 million reserved for future capital infrastructure priorities, again supporting the realisation of projects within the Developer Contribution Plan.

Reduction in infrastructure backlog commitment

Council's current infrastructure backlog is valued at $157 million and is expected to increase over time as infrastructure costs rise. Assuming no additional investment, and applying a conservative annual indexation of 2.5%, the backlog would grow to $338 million by Year 10. This projection also accounts for the currently low level of renewal funding in 2025-26.

- Council's previous Special Variation submission, $139.6 million was allocated to address infrastructure backlog and bring assets to a satisfactory standard. However, the revised Special Variation options now propose a reduced level of funding for backlog remediation.
- Option 2 allocates $51.7 million to infrastructure backlog reduction, addressing the renewal shortfall from the past three years. This investment is projected to deliver an 18% reduction in infrastructure backlog over the ten-year period.
- Option 3 includes a more substantial commitment of $86.9 million, projected to deliver a 21% reduction in the infrastructure backlog over the ten-year period.

While the total funding for backlog reduction has decreased compared to the earlier submission, both options include investment in modern corporate systems. These systems will improve asset data quality, enhance reporting capabilities, and support a stronger business case for future infrastructure investment.

Additional loan funding – North Sydney Olympic Pool

The North Sydney Olympic Pool project (still under construction at the time of writing) is expected to have a capital cost of $122 million. To date, Council has taken out $61 million in loan funding for this project. An additional $20.9 million has been sourced from grants and developer contributions.

As part of the community research undertaken by Micromex Research, community appetite for increased debt was measured.

- 47% do not support increased debt, while 17% were open to increased debt.
- 70% of respondents agree that reoccurring costs and renewals should be funded from annual revenue rather than loans.
- 65% of respondents agree that loans should be considered for infrastructure projects which will generate income to cover borrowing costs.
- 39% agree that loans should be considered to accelerate the delivery of new/upgraded infrastructure.

In considering increasing loan funding for the North Sydney Olympic Pool project above current levels, the following has been considered:

- Renewal cost vs new: The original North Sydney Olympic Pool (NSOP) was built nearly 90 years ago and was due for renewal. Currently, $61 million in loan funding has been secured for this project, in addition to $5.7 million in developer contributions, and $15 million in government grants. While the redevelopment provides an upgrade on the original swimming facility, a large part of the project relates to renewal works.
- Income and expense projections indicate that the project will carry a net average annual loss of $3.5 million including depreciation and $0.989 million excluding depreciation over the ten year period of this plan. The infrastructure is not in a position to fund an increase in borrowing costs.
- Increasing the amount of loan funding and therefore the costs (cumulative interest) passed on to future generations for the purposes of renewal is not considered fair and equitable.
- Council currently has a development contributions plan that requires council co-contribution to deliver the projects within the plan. Council's forecasts do not provide sufficient funding to do this, and it is therefore prudent to maintain some borrowing capacity.

Other sources of income

Council has reviewed existing non-rate revenue sources to identify opportunities to increase income from these sources. These are forecasts only and are sensitive to change.

The following new income has been included within all options for Years 1 to 10 of the plan (indexed) :

- Sale of tickets for New Years Eve fireworks viewing – $307,500
- User charges and fees for use of parks and open spaces – $210,000

In addition, revenue forecasts for the following sources have been increased for Years 1 to 10 of the plan (indexed):

- Increased compliance charges – $295,000
- Increased income – North Sydney Oval – $205,000
- Increased advertising in the public domain – $802,000
- Increased permit fees – $67,200
- Changes to parking patrol – $739,000
- North Sydney Olympic Pool corporate events – $300,000 (increased to $500,000 in Year 2).

Council is also committed to exploring naming rights and/or sponsorship for the North Sydney Oval and North Sydney Olympic Pool; however we are unable to source a reliable estimate of potential revenue at this point as heritage considerations and existing user agreements must be fully explored in the first instance.

As mentioned above, non-rate revenue sources remain sensitive to change. An example of this is car parking income which has reduced over the past year due in large part to the opening of the Metro and reduced demand for car travel.

Liquidity Measures

To help reduce the immediate impact of rating increases, Council has implemented a range of short-term liquidity measures. These actions are designed to ease financial pressure on the community, providing time for residents to adjust their household budgets. Many of these measures have been applied over several years, with more intensive efforts in 2024-25 and 2025-26.

The measures taken to bolster short-term cash flow and mitigate liquidity risks include:

- Holding staff vacancies
- Reducing general operating expenditure
- Deferring asset renewal programs
- Delaying non-essential capital upgrades
- Increasing Council's loan borrowing capacity.

While these strategies have delivered temporary improvements to cash and investment balances, they come with operational and strategic trade-offs. Prolonged deferral of renewals and capital projects can accelerate asset degradation, increase long-term maintenance costs, and reduce service levels. Similarly, staffing constraints and expenditure cuts place additional pressure on workforce capacity, morale and service delivery. These actions, while necessary in the short term, are not sustainable solutions to Council's structural financial challenges.

Sale of Property

Council currently holds a mix of income-generating and community-use properties that form an important part of its asset base. During community consultations, some submissions proposed the sale of Council-owned property as an alternative to increasing rates in order to address the current financial challenges.

While asset sales may provide a short-term injection of funds, Council has determined that this is neither a sustainable nor prudent solution to the structural financial issues it faces. Unplanned or reactive disposal of public land could result in significant opportunity costs for future generations and diminish Council's ability to meet long-term community needs.

To support financial sustainability and uphold principles of intergenerational equity, Council will approach the potential sale or redevelopment of property strategically. A property strategy will be developed to assess financial needs alongside community service requirements, ensuring that any decisions are evidence-based and future-focused. This process will begin with the prioritisation of property planning for three key sites: the Crows Nest Community Centre precinct, the North Sydney Civic precinct, and the Ward Street car park.

Although the potential benefits of asset optimisation may be realised in the medium to long term, upfront investment will be required to undertake property reviews, planning, and feasibility studies. In evaluating any future property sales, Council has identified the following key considerations:

- North Sydney's growing population will increase demand for public land and community facilities, making retention of key sites strategically important.
- Without significant improvements to Council's financial position, opportunities to purchase additional land in future may be limited.
- Proceeds from any property sale must deliver clear and lasting community benefit – either through reinvestment in public infrastructure or by providing equal or improved access to public spaces and services.

Achieving additional operational grants

Consideration has been given to the possibility of increasing operating grants to support increasing community needs. Opportunities for operational grant funding are generally limited. The majority of Council's operating grant comes from the Federal Government Financial Assistance Grant, which for 2025-26 is $2.55 million.

Operating grants and contributions over the past ten years have remained relatively steady, with an average revenue of $5 million over the period, and $4.9 million received in 2024-25.

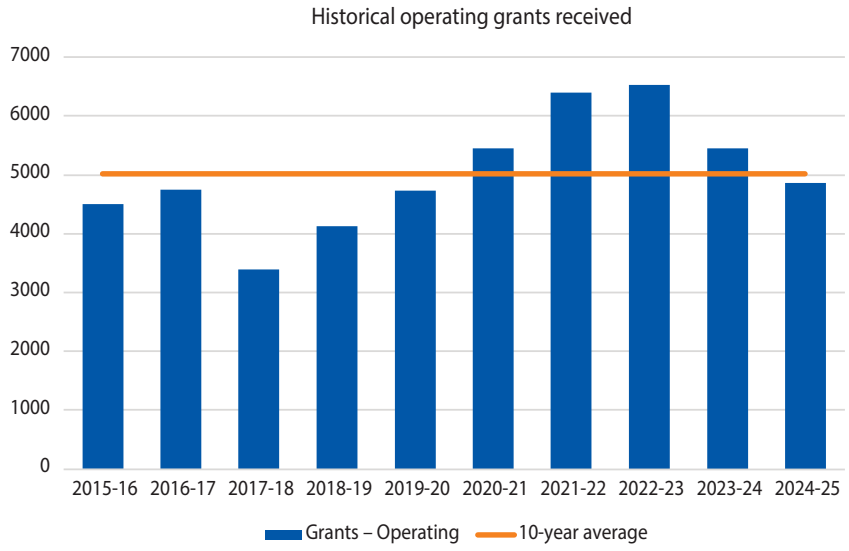


Chart 17: Historical operating grans received

Achieving additional capital grant income

Capital grants from State and Federal Governments remain comparatively modest relative to overall infrastructure expenditure.

Capital grants is an important avenue for funding new or upgraded infrastructure. However it is important that readers understand that the level of grant funding available is limited and will not materially address Council's infrastructure challenges.

Grant programs typically require projects to be shovel-ready and aligned with new funding opportunities as they are introduced. It is therefore important that investment is given to planning and design for infrastructure needs.

It should be noted that securing grants is becoming more challenging due to the government's heightened emphasis on Western Sydney.

The graph demonstrates the low reliance on capital grants for infrastructure needs. The two peaks illustrated denote periods of grant funding allocated to the North Sydney Olympic Pool.

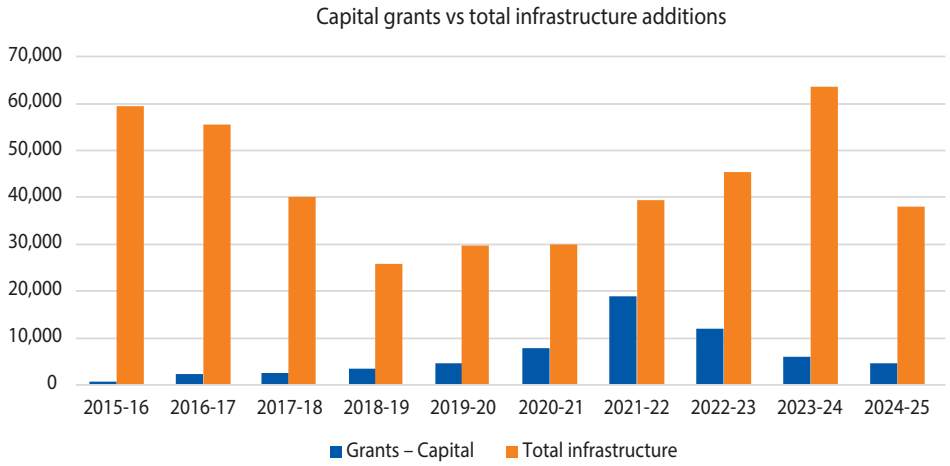


Chart 18: Capital grants vs total infrastructure additions

Increased draw-down on development contribution reserves

A review of development contributions reserves has been undertaken with a view of accelerating spending on projects funded from developer contributions

Capital works funded from developer contributions have been included as follows.

	10-year infrastructure plan funded from development contributions
Option 1	Nil
Option 2	$40.9 million
Option 3	$45.2 million

No projects have been included in Option 1 due to reduced organisational capacity.

Option 2 and 3 include projects included in Council's Development Contributions Plan. Examples include:

- New stormwater storage tank at Bon Andrews Oval – 100% developer contributions (Options 2 & 3)
- Woodley's Shed fit out – 100% developer contributions (Options 2 & 3)
- Bushland walking tracks – 14% developer contribution (Option 3)
- Improved drainage, irrigation and playing surfaces at Primrose Park sports fields – 23.08% developer contributions funded (Option 3)
- Playground upgrades – 43% developer contribution (Options 2 & 3)
- Public domain upgrades – 15% developer contribution (Option 3)

Sale of Roads and Underutilised Reserves

As part of its broader review of asset optimisation opportunities, Council has also considered the potential sale of public road reserves and other underutilised land parcels. To date, Council has approved the commencement of negotiations for two road reserve sites: Monford Place, Cremorne and a portion of Edward Street, North Sydney. Under current legislation, proceeds from the sale of road reserves are restricted and must be reinvested specifically into road and transport infrastructure.

These transactions may provide funding for priority projects – such as addressing road renewal backlogs or delivering transport related upgrades outside the existing capital works program. The value of these sales remains uncertain and is subject to complex negotiations and regulatory processes. Recognising this, Council views the sale of road reserves and underutilised land as a medium- to long-term opportunity rather than an immediate financial remedy. Sale proceeds have not been included within the LTFP, however if realised will positively impact transport related asset backlogs.

A broader review of underutilised road reserves will also be undertaken to identify any further sites that may be suitable for disposal. Any such decisions will be carefully considered to ensure they align with strategic planning objectives and deliver measurable community benefit.

Removing or deferring funding for new corporate systems

One option considered to reduce the overall funding requirement has been to remove or delay investment in new corporate systems. Council's current systems and technology are outdated, inefficient, and poorly integrated – requiring duplicated data entry and manual intervention. This not only limits operational efficiency and increases risk, but also negatively impacts decision-making, funding prioritisation, service delivery and customer satisfaction.

Investment in modern, integrated systems is critical to improving productivity, enabling data-driven decision-making, and meeting contemporary community expectations. Further, given the rapidly expanding opportunities in artificial intelligence, it is critical that our systems allow us the leverage this new technology. Further information is provided in Part 5, in relation to the need for new systems.

The total up-front value of investment required for a new ERP corporate system is approximately $8 million, with additional operating costs of an average of $1.45 million per annum. Considering both implementation and ongoing costs, the ten-year average annual cost is estimated at $1.79 million per annum. This is the equivalent of 1.06% of total base case revenue and is considered an important investment.

Implementation of a new corporate system will take approximately 4 – 5 years.

Reducing the domestic waste charge

Reducing the domestic waste charge to reduce the impact of rating rises was considered, however is not a strategy that has been adopted for the reasons explained below.

Greater Sydney is facing a waste crisis due to the limited capacity of existing landfills. According to the NSW Environment Protection Authority (EPA), landfill expected to be exhausted by 2030 without significant intervention. The consequence of this is that waste disposal costs are expected to rise.

In addition, Council is required by legislation to implement a new food waste disposal system by July 2030. Estimates for the cost of this service range from $5 million to $8 million. In addition, waste contracts expire June 2029 and are subject to market conditions at that time. It is expected that domestic waste charges will increase in line with these two critical drivers. Council is currently transferring approximately $2 million to the domestic waste reserve each year to allow for development and implementation of FOGO and to allow for transition in pricing for domestic waste.

Reducing the levy to combat the burden of increased ordinary rates will lead to a more significant price rise in future years.

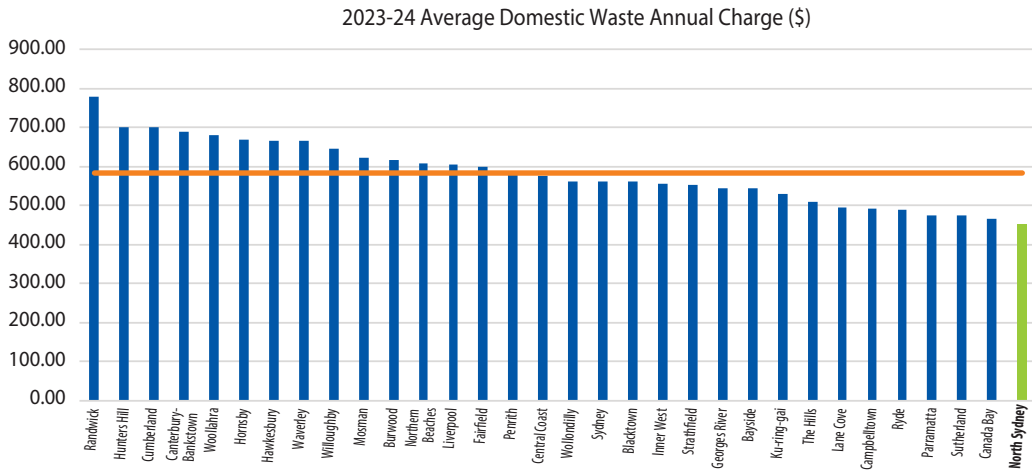


Chart 19: 2023-2024 Average Domestic Waste annual charge

Organisation improvement

There are several areas within Council's administration and operations that require improvement to reduce risks related to legislative compliance, financial sustainability, asset management, and business continuity.

To address these challenges, Council has pursued organisational improvement initiatives aimed at reducing risk and enhancing decision-making and productivity. These initiatives can lead to direct cost savings or allow the Council to maintain existing costs while delivering greater outputs and outcomes for the community.

In 2023 Council embarked on an ambitious improvement journey that includes an ongoing commitment to increasing productivity and effectiveness through targeted projects and initiatives. This journey has resulted in significant productivity saving to date, and further savings are projected for future years. However, even with these savings, the funding gap is projected to increase without a Special Variation (SV) to rating increase.

Council's Productivity and Improvement Plan highlights the key productivity achievements to date and details planned improvement activities. It demonstrates to the community, IPART and the Office of Local Government that Council has made sustained efforts to minimise the impact of an SV on the community through internal productivity reforms.

The plan outlines $52 million in cumulative savings and additional income including for the 10-year period:

- $23 million in reduced expenditure, including employee benefits and on-costs, materials and services, and other expenses.
- $29 million in increased income, including user fees and charges and other revenue sources.

This reduced expenditure and increased income has been included in the 2026–2036 Long-Term Financial Plan (LTFP).

In addition to these direct operational savings included in the LTFP, ongoing cost containment measures of $43 million over the next ten years have been identified, along with a one-off cost containment of approximately $0.8 million in 2024-25. These figures represent expenditure that has been avoided.

While cost containment figures do not appear as reductions in the budget, they reflect costs that would otherwise have been incurred and would have required higher rates to fund.

This plan is available as an attachment to the Long-Term Financial Plan, and demonstrates that without improvement actions being taken, an additional 14.9% in cumulative rating increases over three years would be required.

Attachment 1 contains the detailed plan which outlines past and current productivity gains, along with forecast productivity gain.

PART 4 Financial Modelling

The following tables provide forecast financial reports for each of the three options including:

- Income Statement
- Balance Sheet
- Cash Flow Statement

This section also outlines the assumptions and sensitivities relevant to financial forecasts.

OPTION 1: FINANCIAL FORECASTS

INCOME STATEMENT												
Income from continuing operations	**2024-25 Actual ($,000)**	**2025-26 Budget ($,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 ($,000)**	**2035-36 ($,000)**
Rates	61,562	64,881	67,740	70,043	72,424	74,884	77,427	80,055	82,772	85,579	88,480	91,478
Rates – Special Variation			–	–	–	–	–	–	–	–	–	–
Annual charges	18,258	18,584	19,142	19,716	23,162	23,737	24,326	24,930	25,549	26,183	26,833	27,499
User charges & fees	30,734	34,683	34,585	35,448	36,333	37,241	38,162	39,115	40,092	41,094	42,120	43,172
User charges & fees – NSOP		3,640	6,703	8,005	9,115	9,343	9,576	9,816	10,061	10,313	10,571	10,835
Other revenue	13,967	11,895	12,708	13,026	13,352	13,686	14,028	14,378	14,738	15,106	15,484	15,871
Grants and contributions – operating	4,869	4,455	5,177	5,356	5,509	5,668	5,833	6,003	6,179	6,362	6,551	6,747
Grants and contributions – capital	13,909	13,387	10,751	11,770	11,841	9,761	9,783	9,806	9,831	9,856	9,882	9,898
Interest and investment revenue	5,759	3,912	3,718	3,860	3,796	3,585	3,796	4,088	4,394	4,706	5,022	5,354
Other income	5,522	6,571	7,116	7,294	7,476	7,663	7,855	8,051	8,252	8,458	8,670	8,887
Total income from continuing operations	154,579	162,008	167,638	174,518	183,009	185,567	190,785	196,243	201,867	207,657	213,612	219,741
Expenses from continuing operations		-										
Employee benefits and on-costs	48,080	53,973	56,752	59,278	61,570	63,948	66,415	68,973	71,627	74,380	77,236	80,199
Employee benefits and on-costs – NSOP		3,265	5,081	5,403	5,724	5,924	6,132	6,346	6,569	6,798	7,036	7,283
Materials and services	52,555	53,938	56,226	57,193	64,138	65,747	67,618	69,314	71,284	73,072	75,026	77,032
Materials and services – NSOP		953	1,674	1,716	1,759	1,803	1,848	1,894	1,942	1,990	2,040	2,091
Borrowing costs	2,365	2,488	2,513	2,281	2,054	1,854	1,638	1,411	1,174	924	711	654
Depreciation and amortisation	30,411	30,176	31,009	31,785	32,579	33,394	34,229	35,084	35,961	36,860	37,782	38,726
Depreciation and amortisation – NSOP		1,342	2,369	2,416	2,477	2,539	2,602	2,667	2,734	2,802	2,872	2,944
Other expenses	5,108	4,987	5,212	5,342	5,476	5,612	5,753	5,897	6,044	6,195	6,350	6,509
Net losses from the disposal of assets	883	277	277	277	277	277	277	277	277	277	277	277
Total expenses from continuing operations	139,402	151,399	161,114	165,691	176,054	181,099	186,511	191,864	197,612	203,300	209,331	215,714
Operating result from continuing operations	15,177	10,609	6,525	8,827	6,954	4,469	4,275	4,379	4,255	4,357	4,282	4,027
Net operating result before grants and contributions provided for capital purposes	1,269	(2,778)	(4,226)	(2,943)	(4,887)	(5,293)	(5,509)	(5,427)	(5,575)	(5,499)	(5,601)	(5,872)

BALANCE SHEET												
	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
ASSETS												
Current Assets												
Cash and cash equivalents	29,942	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Investments	103,500	102,921	107,683	105,544	98,496	105,525	115,272	125,458	135,862	146,386	157,462	168,649
Receivables	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846
Inventories	33	33	33	33	33	33	33	33	33	33	33	33
Other	974	974	974	974	974	974	974	974	974	974	974	974
Total Current Assets	**144,295**	**134,774**	**139,536**	**137,397**	**130,349**	**137,378**	**147,125**	**157,311**	**167,715**	**178,239**	**189,315**	**200,502**
Non-current Assets												
Receivables	987	987	987	987	987	987	987	987	987	987	987	987
Investments	8,000											
Infrastructure, Property, Plant & Equipment	1,697,618	1,724,077	1,720,763	1,726,424	1,735,829	1,728,993	1,719,032	1,708,517	1,697,425	1,686,069	1,675,130	1,665,673
Investment property	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161
Right of use assets	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051
Investments accounted for using the equity method	43	43	43	43	43	43	43	43	43	43	43	43
Total Non-current Assets	**1,765,860**	**1,784,319**	**1,781,005**	**1,786,666**	**1,796,071**	**1,789,235**	**1,779,274**	**1,768,759**	**1,757,667**	**1,746,311**	**1,735,372**	**1,725,915**
TOTAL ASSETS	**1,910,155**	**1,919,094**	**1,920,541**	**1,924,063**	**1,926,420**	**1,926,613**	**1,926,400**	**1,926,069**	**1,925,381**	**1,924,550**	**1,924,687**	**1,926,417**
LIABILITES												
Current Liabilities												
Payables	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996
Contract liabilities	4,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367
Lease liabilities	303	303	303	237	–	–	–	–	–	–	–	–
Borrowings	3,784	4,763	5,001	4,361	4,276	4,487	4,710	4,943	5,188	4,145	2,297	1,818
Employee benefit provisions	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147
Total Current Liabilities	**49,597**	**48,576**	**48,814**	**48,108**	**47,786**	**47,997**	**48,220**	**48,453**	**48,698**	**47,655**	**45,807**	**45,328**
Non-current Liabilities												
Lease liabilities	843	540	237	–	–	–	–	–	–	–	–	–
Borrowings	46,794	51,639	46,627	42,266	37,990	33,502	28,793	23,850	18,662	14,517	12,220	10,401
Employee benefit provisions	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329
Total Non-Current Liabilities	**48,966**	**53,508**	**48,193**	**43,595**	**39,319**	**34,831**	**30,122**	**25,179**	**19,991**	**15,846**	**13,549**	**11,730**
TOTAL LIABILITIES	**98,563**	**102,084**	**97,007**	**91,703**	**87,105**	**82,829**	**78,341**	**73,632**	**68,689**	**63,501**	**59,356**	**57,059**
Net Assets	**1,811,592**	**1,817,010**	**1,823,534**	**1,832,361**	**1,839,315**	**1,843,784**	**1,848,058**	**1,852,438**	**1,856,693**	**1,861,049**	**1,865,331**	**1,869,358**
EQUITY												
Accumulated Surplus	991,493	996,910	1,003,435	1,012,262	1,019,216	1,023,685	1,027,959	1,032,338	1,036,594	1,040,950	1,045,232	1,049,259
IPPE Revaluation Reserve	820,099	820,099	820,099	820,099	820,099	820,099	820,099	820,099	820,099	820,099	820,099	820,099
TOTAL EQUITY	**1,811,592**	**1,817,009**	**1,823,534**	**1,832,361**	**1,839,315**	**1,843,784**	**1,848,058**	**1,852,437**	**1,856,693**	**1,861,049**	**1,865,331**	**1,869,358**

CASH FLOW STATEMENT												
	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Rates	61,548	64,881	67,740	70,043	72,424	74,884	77,427	80,055	82,772	85,579	88,480	91,478
Annual charges	18,247	18,584	19,142	19,716	23,162	23,737	24,326	24,930	25,549	26,183	26,833	27,499
User charges & fees	32,997	37,042	41,287	43,453	45,448	46,584	47,738	48,931	50,153	51,406	52,691	54,007
Investment & interest revenue	5,961	3,912	3,718	3,860	3,796	3,585	3,796	4,088	4,394	4,706	5,022	5,354
Grants and contributions	15,686	13,956	15,928	17,126	17,351	15,429	15,616	15,810	16,010	16,218	16,434	16,646
Bonds and deposits	2,638	3,950	3,951	3,952	3,953	3,954	3,955	3,956	3,957	3,958	3,959	3,960
Other	25,384	18,399	19,824	20,320	20,828	21,348	21,882	22,429	22,990	23,565	24,154	24,758
Payments												
Employee benefits & on-costs	(48,389)	(57,238)	(61,834)	(64,681)	(67,294)	(69,873)	(72,546)	(75,320)	(78,196)	(81,179)	(84,273)	(87,481)
Materials and services	(62,344)	(57,186)	(57,900)	(58,909)	(65,897)	(67,550)	(69,466)	(71,208)	(73,226)	(75,062)	(77,066)	(79,123)
Borrowing costs	(1,947)	(2,488)	(2,513)	(2,281)	(2,054)	(1,854)	(1,638)	(1,411)	(1,174)	(924)	(711)	(654)
Bonds & deposits refunded	(2,325)	(3,950)	(3,951)	(3,952)	(3,953)	(3,954)	(3,955)	(3,956)	(3,957)	(3,958)	(3,959)	(3,960)
Other	(9,902)	(4,719)	(5,212)	(5,342)	(5,476)	(5,612)	(5,753)	(5,897)	(6,044)	(6,195)	(6,350)	(6,509)
Net cash provided (or used in) operating activities	**37,554**	**35,142**	**40,180**	**43,305**	**42,287**	**40,678**	**41,382**	**42,408**	**43,228**	**44,296**	**45,213**	**45,974**
CASHFLOWS FROM INVESTING ACTIVITIES												
Receipts												
Sale of investment securities												
Redemption of term deposits	199,000											
Sale of infrastructure, property, plant & equipment	328	328	328	328	328	328	328	328	328	328	328	328
Payments												
Purchase of investment securities	(206,000)											
Purchase of investment properties												
Purchase of infrastructure, property, plant & equipment	(40,661)	(58,512)	(30,669)	(40,468)	(45,066)	(29,701)	(27,475)	(27,841)	(28,208)	(28,912)	(30,321)	(32,818)
Net Cash provided (or used in) Investing Activities	**(47,333)**	**(58,184)**	**(30,341)**	**(40,140)**	**(44,738)**	**(29,373)**	**(27,147)**	**(27,513)**	**(27,880)**	**(28,584)**	**(29,993)**	**(32,490)**

	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Proceeds from borrowings and advances	20,000	10,000	–									
Payments												
Repayment of borrowings & advances	(2,862)	(4,176)	(4,774)	(5,001)	(4,361)	(4,276)	(4,487)	(4,710)	(4,943)	(5,188)	(4,145)	(2,297)
Repayment of lease liabilities (principal repayments)	(266)	(303)	(303)	(303)	(237)	–	–	–	–	–	–	–
Net Cash Flow provided (used in) Financing Activities	**16,872**	**5,521**	**(5,077)**	**(5,304)**	**(4,598)**	**(4,276)**	**(4,487)**	**(4,710)**	**(4,943)**	**(5,188)**	**(4,145)**	**(2,297)**
Net Increase/(Decrease) in Cash & Cash Equivalents	**7,093**	**(17,521)**	**4,762**	**(2,139)**	**(7,048)**	**7,029**	**9,748**	**10,185**	**10,404**	**10,525**	**11,076**	**11,187**
Plus: Cash & Cash Equivalents – beginning of year	**24,150**	**29,942**	**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	**29,942**	**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	**111,500**	**102,921**	**107,683**	**105,544**	**98,496**	**105,525**	**115,272**	**125,458**	**135,862**	**146,386**	**157,462**	**168,649**
Cash, Cash Equivalents & Investments – end of the year	141,442	123,921	128,683	126,544	119,496	126,525	136,272	146,458	156,862	167,386	178,462	189,649
Externally restricted funds	102,494	87,491	92,190	89,882	81,974	88,887	98,320	108,034	118,039	128,336	138,932	149,846
Cash, Cash Equivalents & Investments excluding externally restricted funds	38,948	36,430	36,493	36,662	37,522	37,638	37,952	38,423	38,823	39,050	39,530	39,802
Internal reserves	30,760	27,017	27,017	27,017	27,017	27,017	27,017	27,017	27,017	27,017	27,017	27,017
Unrestricted cash and investments (working funds)	8,188	9,413	9,476	9,645	10,505	10,621	10,935	11,406	11,806	12,033	12,513	12,785

OPTION 2: FINANCIAL FORECASTS

INCOME STATEMENT												
Income from continuing operations	**2024-25 Actual ($,000)**	**2025-26 Budget ($,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 ($,000)**	**2035-36 ($,000)**
Rates	61,562	64,881	67,769	70,132	72,591	75,135	77,765	80,486	83,301	86,211	89,222	92,335
Rates – Special Variation			10,381	15,851	18,431	18,984	19,553	20,140	20,744	21,366	22,007	22,668
Annual charges	18,258	18,584	19,142	19,716	23,162	23,737	24,326	24,930	25,549	26,183	26,833	27,499
User charges & fees	30,734	34,683	34,585	35,448	36,333	37,241	38,162	39,115	40,092	41,094	42,120	43,172
User charges & fees – NSOP		3,640	6,703	8,005	9,115	9,343	9,576	9,816	10,061	10,313	10,571	10,835
Other revenue	13,967	11,895	12,708	13,026	13,352	13,686	14,028	14,378	14,738	15,106	15,484	15,871
Grants & contributions – operating	4,869	4,455	5,177	5,356	5,509	5,668	5,833	6,003	6,179	6,362	6,551	6,747
Grants & contributions – capital	13,909	13,387	10,751	11,770	11,841	9,761	9,783	9,806	9,831	9,856	9,882	9,898
Interest and investment revenue	5,759	3,912	3,718	3,851	3,782	3,564	3,865	4,244	4,622	5,019	5,425	5,837
Other income	5,522	6,571	7,116	7,251	6,699	6,867	7,038	7,214	7,395	7,580	7,769	7,963
Total income from continuing operations	154,579	162,008	178,048	190,406	200,816	203,984	208,930	216,134	222,512	229,090	235,864	242,826
Expenses from continuing operations												
Employee benefits and on-costs	48,080	53,973	56,839	59,383	61,697	64,098	66,588	69,170	71,849	74,628	77,511	80,500
Employee benefits and on-costs – NSOP		3,265	5,081	5,403	5,724	5,924	6,132	6,346	6,569	6,798	7,036	7,283
Materials and services	52,555	53,938	57,101	60,814	67,973	67,419	68,115	69,801	71,736	73,486	75,398	77,359
Materials and services – NSOP		953	1,674	1,716	1,759	1,803	1,848	1,894	1,942	1,990	2,040	2,091
Borrowing costs	2,365	2,488	2,513	2,281	2,054	1,854	1,638	1,411	1,174	924	711	654
Depreciation and amortisation	30,411	30,176	31,009	31,785	32,579	33,394	34,229	35,084	35,961	36,860	37,782	38,726
Depreciation and amortisation – NSOP		1,342	2,369	2,416	2,477	2,539	2,602	2,667	2,734	2,802	2,872	2,944
Other expenses	5,108	4,987	5,212	5,342	5,476	5,612	5,753	5,897	6,044	6,195	6,350	6,509
Net losses from the disposal of assets	883	277	277	277	277	277	277	277	277	277	277	277
Total expenses from continuing operations	139,402	151,399	162,076	169,417	180,017	182,921	187,181	192,548	198,286	203,961	209,977	216,343
Operating result from continuing operations	15,177	10,609	15,972	20,989	20,799	21,064	22,748	23,585	24,226	25,129	25,887	26,483
Net operating result before grants and contributions provided for capital purposes	1,269	(2,778)	5,221	9,219	8,958	11,302	12,965	13,779	14,395	15,273	16,005	16,584

STRATEGIC INITIATIVE FUNDING INCLUDED WITHIN THE INCOME STATEMENT												
	2024-25 Actual ($,000)	**2025-26 Budget ($,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 ($,000)**	**2035-36 ($,000)**
EXPENDITURE												
Employee benefits and on-costs			80	83	86	89	93	96	100	104	107	111
Materials and services			520	343	420	366	188	215	220	226	232	237
Materials and services – new corporate systems			904	3,890	4,083	2,031	1,096	1,123	1,152	1,180	1,210	1,240

BALANCE SHEET												
	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
ASSETS												
Current Assets												
Cash and cash equivalents	29,942	21,000	21,000	21,000	21,000	21,000	21,000	21,000	$21,000	$21,000	$21,000	$21,000
Investments	103,500	102,921	107,369	$105,070	$97,788	$107,822	$120,482	$133,080	$146,301	$159,833	$173,573	$187,630
Receivables	9,846	9,846	$9,846	$9,846	$9,846	$9,846	$9,846	$9,846	$9,846	$9,846	$9,846	$9,846
Inventories	33	33	$33	$33	$33	$33	$33	$33	$33	$33	$33	$33
Other	974	974	$974	$974	$974	$974	$974	$974	$974	$974	$974	$974
Total Current Assets	**144,295**	**134,774**	**$139,222**	**$136,923**	**$129,641**	**$139,675**	**$152,335**	**$164,933**	**$178,154**	**$191,686**	**$205,426**	**$219,483**
Non-current Assets												
Receivables	987	987	$987	$987	$987	$987	$987	$987	$987	$987	$987	$987
Investments	8,000											
Infrastructure, Property, Plant & Equipment	1,697,618	1,724,077	1,730,524	$1,748,507	$1,771,991	$1,778,744	$1,784,345	$1,790,623	$1,796,686	$1,803,093	$1,811,097	$1,821,225
Investment property	58,161	58,161	$58,161	$58,161	$58,161	$58,161	$58,161	$58,161	$58,161	$58,161	$58,161	$58,161
Right of use assets	1,051	1,051	$1,051	$1,051	$1,051	$1,051	$1,051	$1,051	$1,051	$1,051	$1,051	$1,051
Investments accounted for using the equity method	43	43	$43	$43	$43	$43	$43	$43	$43	$43	$43	$43
Total Non-current Assets	**1,765,860**	**1,784,319**	**$1,790,766**	**$1,808,749**	**$1,832,233**	**$1,838,986**	**$1,844,587**	**$1,850,865**	**$1,856,928**	**$1,863,335**	**$1,871,339**	**$1,881,467**
TOTAL ASSETS	**1,910,155**	**1,919,094**	**$1,929,988**	**$1,945,673**	**$1,961,874**	**$1,978,662**	**$1,996,923**	**$2,015,798**	**$2,035,081**	**$2,055,022**	**$2,076,764**	**$2,100,950**
LIABILITES												
Current Liabilities												
Payables	27,996	27,996	$27,996	$27,996	$27,996	$27,996	$27,996	$27,996	$27,996	$27,996	$27,996	$27,996
Contract liabilities	4,367	2,367	$2,367	$2,367	$2,367	$2,367	$2,367	$2,367	$2,367	$2,367	$2,367	$2,367
Lease liabilities	303	303	$303	$237	$0	$0	$0	$0	$0	$0	$0	$0
Borrowings	3,784	4,763	$5,001	$4,361	$4,276	$4,487	$4,710	$4,943	$5,188	$4,145	$2,297	$1,818
Employee benefit provisions	13,147	13,147	$13,147	$13,147	$13,147	$13,147	$13,147	$13,147	$13,147	$13,147	$13,147	$13,147
Total Current Liabilities	**49,597**	**48,576**	**$48,814**	**$48,108**	**$47,786**	**$47,997**	**$48,220**	**$48,453**	**$48,698**	**$47,655**	**$45,807**	**$45,328**
Non-current Liabilities												
Lease liabilities	843	540	$237	$0	$0	$0	$0	$0	$0	$0	$0	$0
Borrowings	46,794	51,639	$46,627	$42,266	$37,990	$33,502	$28,793	$23,850	$18,662	$14,517	$12,220	$10,401
Employee benefit provisions	1,329	1,329	$1,329	$1,329	$1,329	$1,329	$1,329	$1,329	$1,329	$1,329	$1,329	$1,329
Total Non-Current Liabilities	**48,966**	**53,508**	**$48,193**	**$43,595**	**$39,319**	**$34,831**	**$30,122**	**$25,179**	**$19,991**	**$15,846**	**$13,549**	**$11,730**
TOTAL LIABILITIES	**98,563**	**102,084**	**$97,007**	**$91,703**	**$87,105**	**$82,829**	**$78,341**	**$73,632**	**$68,689**	**$63,501**	**$59,356**	**$57,059**
Net Assets	**1,811,592**	**1,817,010**	**$1,832,981**	**$1,853,970**	**$1,874,769**	**$1,895,833**	**$1,918,581**	**$1,942,167**	**$1,966,392**	**$1,991,521**	**$2,017,408**	**$2,043,891**
EQUITY												
Accumulated Surplus	**991,493**	**996,910**	**$1,012,882**	**$1,033,871**	**$1,054,670**	**$1,075,734**	**$1,098,482**	**$1,122,067**	**$1,146,293**	**$1,171,422**	**$1,197,309**	**$1,223,792**
IPPE Revaluation Reserve	**820,099**	**820,099**	**$820,099**	**$820,099**	**$820,099**	**$820,099**	**$820,099**	**$820,099**	**$820,099**	**$820,099**	**$820,099**	**$820,099**
TOTAL EQUITY	**1,811,592**	**1,817,009**	**$1,832,981**	**$1,853,970**	**$1,874,769**	**$1,895,833**	**$1,918,581**	**$1,942,166**	**$1,966,392**	**$1,991,521**	**$2,017,408**	**$2,043,891**

CASH FLOW STATEMENT												
	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Rates	61,548	64,881	78,150	85,983	91,022	94,118	97,319	100,626	104,045	107,578	111,229	115,003
Annual charges	18,247	18,584	19,142	19,716	23,162	23,737	24,326	24,930	25,549	26,183	26,833	27,499
User charges & fees	32,997	37,042	41,287	43,453	45,448	46,584	47,738	48,931	50,153	51,406	52,691	54,007
Investment & interest revenue	5,961	3,912	3,718	3,851	3,782	3,564	3,865	4,244	4,622	5,019	5,425	5,837
Grants and contributions	15,686	13,956	15,928	17,126	17,351	15,429	15,616	15,810	16,010	16,218	16,434	16,646
Bonds and deposits	2,638	3,950	3,951	3,952	3,953	3,954	3,955	3,956	3,957	3,958	3,959	3,960
Other	25,384	18,399	19,824	20,277	20,051	20,552	21,066	21,593	22,133	22,686	23,253	23,834
Payments												
Employee benefits & on-costs	(48,389)	(57,238)	(61,921)	(64,786)	(67,421)	(70,022)	(72,720)	(75,517)	(78,418)	(81,427)	(84,547)	(87,783)
Materials and services	(62,344)	(57,186)	(58,775)	(62,530)	(69,732)	(69,222)	(69,963)	(71,695)	(73,678)	(75,476)	(77,438)	(79,450)
Borrowing costs	(1,947)	(2,488)	(2,513)	(2,281)	(2,054)	(1,854)	(1,638)	(1,411)	(1,174)	(924)	(711)	(654)
Bonds & deposits refunded	(2,325)	(3,950)	(3,951)	(3,952)	(3,953)	(3,954)	(3,955)	(3,956)	(3,957)	(3,958)	(3,959)	(3,960)
Other	(9,902)	(4,719)	(5,212)	(5,342)	(5,476)	(5,612)	(5,753)	(5,897)	(6,044)	(6,195)	(6,350)	(6,509)
Net cash provided (or used in) operating activities	**37,554**	**35,142**	**49,627**	**55,467**	**56,132**	**57,273**	**59,856**	**61,614**	**63,198**	**65,068**	**66,819**	**68,430**
CASHFLOWS FROM INVESTING ACTIVITIES												
Receipts												
Sale of investment securities												
Redemption of term deposits	199,000											
Sale of infrastructure, property, plant & equipment	328	328	328	328	328	328	328	328	328	328	328	328
Payments												
Purchase of investment securities	(206,000)											
Purchase of investment properties												
Purchase of infrastructure, property, plant & equipment	(40,661)	(58,512)	(40,430)	(52,790)	(59,145)	(43,291)	(43,036)	(44,635)	(45,363)	(46,675)	(49,263)	(52,404)
Net Cash provided (or used in) Investing Activities	**(47,333)**	**(58,184)**	**(40,102)**	**(52,462)**	**(58,817)**	**(42,963)**	**(42,708)**	**(44,307)**	**(45,035)**	**(46,347)**	**(48,935)**	**(52,076)**

	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Proceeds from borrowings and advances	20,000	10,000	–									
Payments												
Repayment of borrowings & advances	(2,862)	(4,176)	(4,774)	(5,001)	(4,361)	(4,276)	(4,487)	(4,710)	(4,943)	(5,188)	(4,145)	(2,297)
Repayment of lease liabilities (principal repayments)	(266)	(303)	(303)	(303)	(237)	–	–	–	–	–	–	–
Net Cash Flow provided (used in) Financing Activities	**16,872**	**5,521**	**(5,077)**	**(5,304)**	**(4,598)**	**(4,276)**	**(4,487)**	**(4,710)**	**(4,943)**	**(5,188)**	**(4,145)**	**(2,297)**
Net Increase/(Decrease) in Cash & Cash Equivalents	**7,093**	**(17,521)**	**4,448**	**(2,299)**	**(7,282)**	**10,035**	**12,660**	**12,598**	**13,220**	**13,533**	**13,739**	**14,057**
Plus: Cash & Cash Equivalents – beginning of year	**24,150**	**29,942**	**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	**29,942**	**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	**111,500**	**102,921**	**107,369**	**105,070**	**97,788**	**107,822**	**120,483**	**133,080**	**146,300**	**159,834**	**173,573**	**187,630**
Cash, Cash Equivalents & Investments – end of the year	141,442	123,921	128,369	126,070	118,788	128,822	141,483	154,080	167,300	180,834	194,573	208,630
Externally restricted funds	102,494	87,491	91,782	89,188	81,209	87,963	97,268	106,519	116,361	126,523	136,973	147,781
Cash, Cash Equivalents & Investments excluding externally restricted funds	38,948	36,430	36,587	36,882	37,578	40,860	44,215	47,562	50,940	54,311	57,599	60,848
Internal reserves	30,760	27,017	27,017	27,017	27,017	30,017	33,017	36,017	39,017	42,017	45,017	48,017
Unrestricted cash and investments (working funds)	8,188	9,413	9,570	9,865	10,561	10,843	11,198	11,545	11,923	12,294	12,582	12,831

OPTION 3 FINANCIAL FORECASTS

INCOME STATEMENT												
Income from continuing operations	**2024-25 Actual ($,000)**	**2025-26 Budget ($,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 ($,000)**	**2035-36 ($,000)**
Rates	61,562	64,881	67,767	70,135	72,604	75,159	77,801	80,534	83,360	86,284	89,309	92,437
Rates – Special Variation			12,327	21,939	27,463	28,287	29,136	30,010	30,910	31,837	32,793	33,776
Annual charges	18,258	18,584	19,142	19,716	23,162	23,737	24,326	24,930	25,549	26,183	26,833	27,499
User charges & fees	30,734	34,683	34,585	35,448	36,333	37,241	38,162	39,115	40,092	41,094	42,120	43,172
User charges & fees – NSOP		3,640	6,703	8,005	9,115	9,343	9,576	9,816	10,061	10,313	10,571	10,835
Other revenue	13,967	11,895	12,708	13,026	13,352	13,686	14,028	14,378	14,738	15,106	15,484	15,871
Grants & contributions – operating	4,869	4,455	5,177	5,356	5,509	5,668	5,833	6,003	6,179	6,362	6,551	6,747
Grants & contributions – capital	13,909	13,387	12,651	13,717	13,838	12,346	11,881	11,956	12,034	12,114	12,197	12,271
Interest and investment revenue	5,759	3,912	3,718	3,839	3,748	3,501	3,873	4,303	4,762	5,297	5,874	6,445
Other income	5,522	6,571	7,116	7,294	7,476	7,663	7,855	8,051	8,252	8,458	8,670	8,887
Total income from continuing operations	154,579	162,008	181,894	198,475	212,601	216,629	222,469	229,096	235,938	243,049	250,402	257,941
Expenses from continuing operations												
Employee benefits and on-costs	48,080	53,973	56,839	59,789	62,120	64,537	67,044	69,644	72,339	75,135	78,034	81,041
Employee benefits and on-costs – NSOP		3,265	5,081	5,403	5,724	5,924	6,132	6,346	6,569	6,798	7,036	7,283
Materials and services	52,555	53,938	57,825	61,863	69,746	68,390	68,919	70,334	72,321	74,076	76,043	78,010
Materials and services – NSOP		953	1,674	1,716	1,759	1,803	1,848	1,894	1,942	1,990	2,040	2,091
Borrowing costs	2,365	2,488	2,513	2,281	2,054	1,854	1,638	1,411	1,174	924	711	654
Depreciation and amortisation	30,411	30,176	31,009	31,785	32,579	33,394	34,229	35,084	35,961	36,860	37,782	38,726
Depreciation and amortisation – NSOP		1,342	2,369	2,416	2,477	2,539	2,602	2,667	2,734	2,802	2,872	2,944
Other expenses	5,108	4,987	5,212	5,342	5,476	5,612	5,753	5,897	6,044	6,195	6,350	6,509
Net losses from the disposal of assets	883	277	277	277	277	277	277	277	277	277	277	277
Total expenses from continuing operations	139,402	151,399	162,800	170,872	182,212	184,331	188,441	193,555	199,361	205,059	211,145	217,534
Operating result from continuing operations	15,177	10,609	19,094	27,603	30,389	32,298	34,028	35,541	36,577	37,990	39,256	40,406
Net operating result before grants and contributions provided for capital purposes	1,269	(2,778)	6,443	13,886	16,551	19,953	22,147	23,585	24,543	25,876	27,059	28,135

STRATEGIC INITIATIVE FUNDING INCLUDED WITHIN THE INCOME STATEMENT												
	2024-25 Actual ($,000)	**2025-26 Budget ($,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 ($,000)**	**2035-36 ($,000)**
EXPENDITURE												
Employee benefits and on-costs			80	488	505	523	540	542	576	593	611	629
Materials and services			1,754	1,491	2,280	1,411	1,052	795	838	836	881	878
Materials and services – new corporate systems			904	3,890	4,083	2,031	1,096	1,123	1,152	1,180	1,210	1,240

BALANCE SHEET												
	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
ASSETS												
Current Assets												
Cash and cash equivalents	29,942	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Investments	103,500	102,921	106,952	103,946	95,684	108,098	122,443	137,739	155,560	174,815	193,838	214,290
Receivables	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846
Inventories	33	33	33	33	33	33	33	33	33	33	33	33
Other	974	974	974	974	974	974	974	974	974	974	$974	$974
Total Current Assets	**144,295**	**134,774**	**$138,805**	**$135,799**	**$127,537**	**$139,951**	**$154,296**	**$169,592**	**$187,413**	**$206,668**	**$225,691**	**$246,143**
Non-current Assets												
Receivables	987	987	987	987	987	987	987	987	987	987	987	987
Investments	8,000											
Infrastructure, Property, Plant & Equipment	1,697,618	1,724,077	1,734,063	1,759,367	1,793,420	1,809,029	1,824,225	1,839,760	1,853,572	1,867,120	1,883,209	1,900,866
Investment property	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161	58,161
Right of use assets	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051
Investments accounted for using the equity method	43	43	43	43	43	43	43	43	43	43	43	43
Total Non-current Assets	**1,765,860**	**1,784,319**	**1,794,305**	**1,819,609**	**1,853,662**	**1,869,271**	**1,884,467**	**1,900,002**	**1,913,814**	**1,927,362**	**1,943,451**	**1,961,108**
TOTAL ASSETS	**1,910,155**	**1,919,094**	**1,933,110**	**1,955,409**	**1,981,199**	**2,009,222**	**2,038,762**	**2,069,593**	**2,101,228**	**2,134,030**	**2,169,142**	**2,207,251**
LIABILITES												
Current Liabilities												
Payables	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996	27,996
Contract liabilities	4,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367
Lease liabilities	303	303	303	237	0	0	0	0	0	0	0	0
Borrowings	3,784	4,763	5,001	4,361	4,276	4,487	4,710	4,943	5,188	4,145	2,297	1,818
Employee benefit provisions	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147	13,147
Total Current Liabilities	**49,597**	**48,576**	**48,814**	**48,108**	**47,786**	**47,997**	**48,220**	**48,453**	**48,698**	**47,655**	**45,807**	**45,328**
Non-current Liabilities												
Lease liabilities	843	540	237	0	0	0	0	0	0	0	0	0
Borrowings	46,794	51,639	46,627	42,266	37,990	33,502	28,793	23,850	18,662	14,517	12,220	10,401
Employee benefit provisions	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329
Total Non-Current Liabilities	**48,966**	**53,508**	**48,193**	**43,595**	**39,319**	**34,831**	**30,122**	**25,179**	**19,991**	**15,846**	**13,549**	**11,730**
TOTAL LIABILITIES	**98,563**	**102,084**	**97,007**	**91,703**	**87,105**	**82,829**	**78,341**	**73,632**	**68,689**	**63,501**	**59,356**	**57,059**
Net Assets	**1,811,592**	**1,817,010**	**1,836,103**	**1,863,706**	**1,894,095**	**1,926,393**	**1,960,421**	**1,995,962**	**2,032,539**	**2,070,529**	**2,109,786**	**2,150,192**
EQUITY												
Accumulated Surplus	**991,493**	**996,910**	**1,016,004**	**1,043,607**	**1,073,996**	**1,106,294**	**1,140,322**	**1,175,863**	**1,212,440**	**1,250,430**	**1,289,686**	**1,330,093**
IPPE Revaluation Reserve	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**	**820,099**
TOTAL EQUITY	**1,811,592**	**1,817,009**	**1,836,103**	**1,863,706**	**1,894,095**	**1,926,393**	**1,960,421**	**1,995,962**	**2,032,539**	**2,070,529**	**2,109,785**	**2,150,192**

CASH FLOW STATEMENT												
	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Rates	61,548	64,881	80,095	92,074	100,068	103,446	106,936	110,543	114,270	118,122	122,101	126,213
Annual charges	18,247	18,584	19,142	19,716	23,162	23,737	24,326	24,930	25,549	26,183	26,833	27,499
User charges & fees	32,997	37,042	41,287	43,453	45,448	46,584	47,738	48,931	50,153	51,406	52,691	54,007
Investment & interest revenue	5,961	3,912	3,718	3,839	3,748	3,501	3,873	4,303	4,762	5,297	5,874	6,445
Grants and contributions	15,686	13,956	17,828	19,073	19,347	18,014	17,713	17,959	18,214	18,477	18,749	19,019
Bonds and deposits	2,638	3,950	3,951	3,952	3,953	3,954	3,955	3,956	3,957	3,958	3,959	3,960
Other	25,384	18,399	19,824	20,320	20,828	21,348	21,882	22,429	22,990	23,565	24,154	24,758
Payments												
Employee benefits & on-costs	(48,389)	(57,238)	(61,920)	(65,191)	(67,844)	(70,462)	(73,176)	(75,990)	(78,908)	(81,933)	(85,070)	(88,323)
Materials and services	(62,344)	(57,186)	(59,499)	(63,579)	(71,505)	(70,193)	(70,767)	(72,229)	(74,263)	(76,066)	(78,083)	(80,101)
Borrowing costs	(1,947)	(2,488)	(2,513)	(2,281)	(2,054)	(1,854)	(1,638)	(1,411)	(1,174)	(924)	(711)	(654)
Bonds & deposits refunded	(2,325)	(3,950)	(3,951)	(3,952)	(3,953)	(3,954)	(3,955)	(3,956)	(3,957)	(3,958)	(3,959)	(3,960)
Other	(9,902)	(4,719)	(5,212)	(5,342)	(5,476)	(5,612)	(5,753)	(5,897)	(6,044)	(6,195)	(6,350)	(6,509)
Net cash provided (or used in) operating activities	**37,554**	**35,142**	**52,749**	**62,081**	**65,722**	**68,508**	**71,135**	**73,570**	**75,549**	**77,930**	**80,188**	**82,354**
CASHFLOWS FROM INVESTING ACTIVITIES												
Receipts												
Sale of investment securities		8,579		3,005	8,262							
Redemption of term deposits	199,000											
Sale of infrastructure, property, plant & equipment	328	328	328	328	328	328	328	328	328	328	328	328
Payments												
Purchase of investment securities	(206,000)		(4,031)			(12,414)	(14,344)	(15,296)	(17,822)	(19,254)	(19,023)	(20,452)
Purchase of investment properties												
Purchase of infrastructure, property, plant & equipment	(40,661)	(58,512)	(43,969)	(60,111)	(69,714)	(52,146)	(52,632)	(53,892)	(53,113)	(53,816)	(57,348)	(59,933)
Net cash provided (or used in) Investing Activities	**(47,333)**	**(49,605)**	**(47,672)**	**(56,778)**	**(61,124)**	**(64,232)**	**(66,648)**	**(68,860)**	**(70,606)**	**(72,742)**	**(76,043)**	**(80,057)**

	2024-25 Actual ($,000)	2025-26 Budget ($,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 ($,000)	2035-36 ($,000)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Proceeds from borrowings and advances	20,000	10,000	–									
Payments												
Repayment of borrowings & advances	(2,862)	(4,176)	(4,774)	(5,001)	(4,361)	(4,276)	(4,487)	(4,710)	(4,943)	(5,188)	(4,145)	(2,297)
Repayment of lease liabilities (principal repayments)	(266)	(303)	(303)	(303)	(237)	–	–	–	–	–	–	–
Net Cash Flow provided (used in) Financing Activities	**16,872**	**5,521**	**(5,077)**	**(5,304)**	**(4,598)**	**(4,276)**	**(4,487)**	**(4,710)**	**(4,943)**	**(5,188)**	**(4,145)**	**(2,297)**
Net Increase/(Decrease) in Cash & Cash Equivalents	**7,093**	**(8,942)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Plus: Cash & Cash Equivalents – beginning of year	**24,150**	**29,942**	**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	**29,942**	**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	**111,500**	**102,921**	**106,952**	**103,946**	**95,684**	**108,098**	**122,443**	**137,739**	**155,560**	**174,815**	**193,838**	**214,290**
Cash, Cash Equivalents & Investments – end of the year	141,442	123,921	127,952	124,946	116,684	129,098	143,443	158,739	176,560	195,815	214,838	235,290
Externally restricted funds	102,494	87,491	91,364	88,064	79,106	85,239	94,155	102,610	111,755	121,455	130,495	140,403
Cash, Cash Equivalents & Investments excluding externally restricted funds	38,948	36,430	36,588	36,882	37,578	43,860	49,288	56,128	64,805	74,360	84,343	94,887
Internal reserves	30,760	27,017	27,017	27,017	27,017	33,017	38,091	44,584	52,882	62,067	71,760	82,055
Unrestricted cash and investments (working funds)	8,188	9,413	9,571	9,865	10,561	10,843	11,197	11,545	11,923	12,293	12,583	12,832

FINANCIAL ASSUMPTIONS

Cash and investments

This Long-Term Financial Plan (LTFP) assumes that unrestricted cash and investments equivalent to 1 month expenditure (excluding restricted expenditure) is held for working cash flow.

In addition, internal and external restrictions have been placed on cash and investments in accordance with the Restricted Reserves Policy adopted by Council 8 December 2025.

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 $2.21 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 2026, Council's projected external borrowings total $56.4 million. This includes a $10 million borrowing projected to be drawn down in 2025-26 financial year. This plan assumes repayment of these borrowings in accordance with the agreed terms. The plan also assumes no further borrowings will be taken on during this ten-year period.

As at 30 June 2026, Council is forecast to have $56.4m in loans outstanding, as follows:

Loan Purpose	Lender	Original loan value	Balance as at 30 June 2026	Annual repayment including interest 2026-27
North Sydney Olympic Pool	TCorp	$31 million	$26.690 million	$2.31 million
North Sydney Olympic Pool	TCorp	$20 million	$17.623 million	$2.56 million
Alexander Street carpark and on-street car parking management system	CBA	$9.5 million	$2.480 million	$1.15 million
New Loan projected for last quarter of financial year 2024-25	TCorp	$10 million	$9.608 million	$1.27 million
Total		$70.5 million	$56.401 million	$7.29 million

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 (LTFP) 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 includes provision for the introduction of Food Organics collection by 2030, however overall cost of implementation and delivery are highly sensitive to market at the time of implementation. Domestic waste collection is funded through domestic waste charges and not general rates. Income and expenditure have therefore been adjusted to ensure a net surplus from domestic waste income of zero, with any increase in costs above projections to be balanced through the domestic waste charge or domestic waste reserves.

For the financial year 2026-27, in addition to the standard year-to-year indexation, the results incorporate the efficiency and productivity adjustments added to the 2025-26 budget that were expected to be realised at the time the LTFP was prepared.

Inflation

The annual CPI figure reached its highest in more than three decades since 1990 at 7% as of March 2023, and throughout 2023 and 2024 Council experienced associated cost pressures that were not previously anticipated in long term planning. This demonstrates the sensitivity of long-term forecasting assumptions.

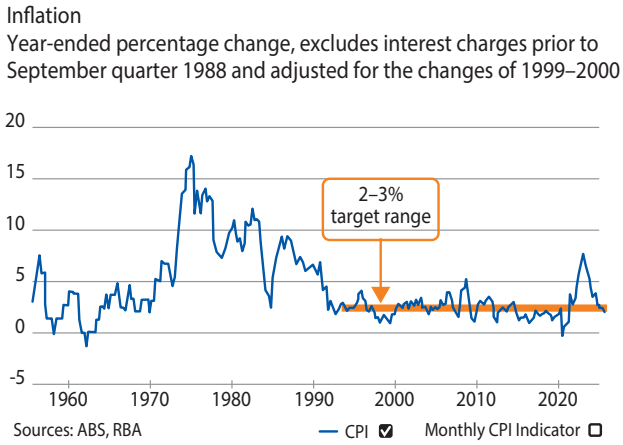


Chart 20: Inflation – Year-ended percentage change

The Reserve Bank of Australia has a flexible inflation target, which aims to keep consumer price inflation between 2 and 3 per cent. For the purposes of this Long-Term Financial Plan, CPI is estimated at 2.5% across the ten-year period.

The forecast CPI has been applied to all non-rate income and all expenditure apart from employee benefits and on-costs. This means if the variance between CPI and rate peg narrows, Council's position will decline.

Employee costs

Employee costs are forecast based upon known Local Government Award (LG Award) increases and Reserve Bank of Australia's WPI forecast. The LG Award increase effective 1 July 2026 is 3%. This is the final year of the current version of the Award, with a new negotiation to determine the increase from 2027-28 onwards. For the purposes of this long-term financial plan, a 3% increase has been forecast and is subject to sensitivity. The public sector WPI was 3.7% in the June quarter 2025, however it is expected to soften throughout the 2025-26 financial year.

In addition to LG Award increases, council's salary system provides an opportunity for employees to move through a number of salary steps based upon skills acquisition and performance.

Income assumptions

	Year 1: 2026-27	Year 2: 2027-28	Year 3: 2028-29	Years 4-10
Rates and annual charges				
Rate pegging forecast	4.0%	3.0%	3.0%	3.0%
Supplementary rating accounts	0.4%	0.4%	0.4%	0.4%
Total rates changes	3.4%	3.4%	3.4%	3.4%
Domestic waste charge (DWC)	3.0%	3.0%	Increased to achieve zero surplus from DWC)	Increased to achieve zero surplus from DWC)
Stormwater management charge (rate growth only)	0.4%	0.4%	0.4%	0.4%
Non rate income				
Fees and charges	2.5%	2.5%	2.5%	2.5%
Interest income	3.0%	3.0%	3.0%	3.0%
Rental income	2.5%	2.5%	2.5%	2.5%
Other revenue/income	2.5%	2.5%	2.5%	2.5%
Grants and contributions – Operational				
Roads and transport grants	2.5%	2.5%	2.5%	2.5%
Other grants	2.5%	2.5%	2.5%	2.5%
Grants and contributions – Capital				
Developer contributions	Various – Tied to capital expenditure and/or reserve movements each year			
Capital grants	Various – Tied to capital expenditure each year			

Expense assumptions

	Year 1: 2026-27	Year 2: 2027-28	Year 3: 2028-29	Years 4-10
Employee benefits and on-costs				
Award increases	3.0%	3.0%	3.0%	3.0%
Salary system progression	0.75%	0.75%	0.75%	0.75%
Superannuation	12%	12%	12%	12%
Population growth increase (for every $ of supp rates income)	0.25%	0.25%	0.25%	0.25%
Materials and contracts				
General operating	2.5%	2.5%	2.5%	2.5%
Domestic waste	2.5%	2.5%	Increased to accommodate FOGO implementation.	
Population growth increase (for every $ of supp rates income)	0.25%	0.25%	0.25%	0.25%
Borrowing Costs				
As per loan schedules				
Depreciation				
General	2.5%	2.5%	2.5%	2.5%
Other expenses				
General	2.5%	2.5%	2.5%	2.5%

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. Council's financial position and forecasts are subject to the following risks.

Car parking revenue

Risk: That car parking revenue continues to decline.

Car-parking income reduced by $2 million in 2024-25. This LTFP forecasts that $1.3 million of this reduction will continue into the future.

The following factors have and may continue to reduce this income source:

- Changes to societal behaviours following the pandemic, with increased prevalence of work-from-home arrangements reducing car ownership;
- TfNSW major road projects have reduced the availability of on-street car parks which have previously been subject to car parking user charges;
- The opening of the new Sydney Metro has reduced travel time for public transport to North Sydney, thereby reducing car travel to the area;
- 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.

North Sydney Olympic Pool Operations

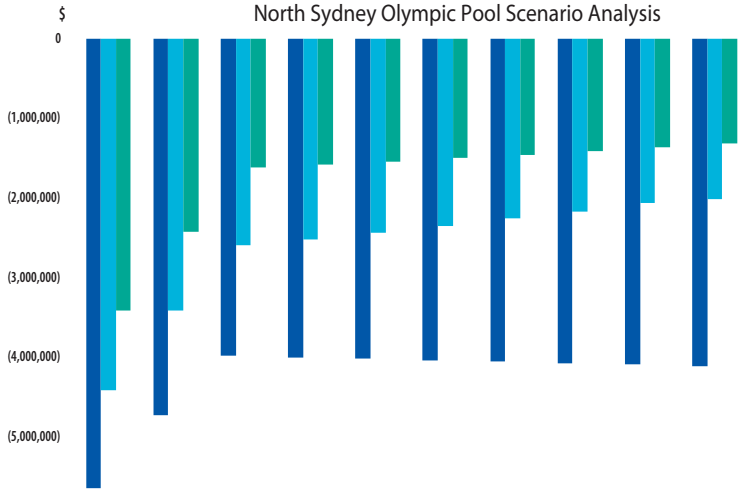
Risk: That target operational results are not achieved.

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. Additional income of $300,000 has been forecast for the first year, increasing to $500,000 in the second year and indexed thereafter.

As these opportunities are uncertain, they are subject to a high degree of sensitivity.



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
PESSIMISTIC SCENARIO	(5,637,983)	(4,713,819)	(3,976,011)	(3,992,417)	(4,009,300)	(4,026,653)	(4,044,465)	(4,062,724)	(4,081,417)	(4,100,525)
TARGET SCENARIO	(4,405,669)	(3,405,495)	(2,586,515)	(2,508,196)	(2,431,991)	(2,345,375)	(2,254,012)	(2,159,829)	(2,059,690)	(2,003,606)
OPTIMISTIC SCENARIO	(3,401,741)	(2,414,744)	(1,614,103)	(1,574,019)	(1,533,090)	(1,491,278)	(1,448,542)	(1,404,838)	(1,360,122)	(1,314,343)

Chart 21: North Sydney Olympic Pool scenario analysis

Development – housing increases

Risk: That annual dwelling increases fall below 300.

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, with special variation scenarios including an increase in minimum rates.

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.

However, should Council decide not to increase the value of minimum rates, this would have a impact on projected revenue within this plan.

Capital works costs

Risk: That costs of construction increase above the assumptions within this plan.

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 2.5%. 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.

Upgrade components in infrastructure renewals

Risk: Infrastructure backlogs do not reduce at levels anticipated

Infrastructure backlogs are calculated based upon like for like replacement of component costs. For some asset classes, it is common for upgrades to be undertaken when renewing infrastructure to meet modern standards. This may result in renewal expenditure being higher than the recorded infrastructure backlog, thereby reducing the relative contribution to infrastructure backlog. With low levels of funding provided in special variation options for new infrastructure, this risk is heightened.

With improved asset management systems, the impact of these upgrades will be able to be better monitored for future financial planning.

Skills shortages

Risk: That employee costs increase above Award due to market skills shortages

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.

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.

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.

To date three applications for 'Build to Rent' have been lodged, with one of these approved recently consisting of 390 apartments.

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.

Reduction of Financial Assistance Grants

Risk: That the model for distribution of financial assistance grants reduces Councils grant to nil.

Council currently receives $2.55m 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.

PART 5 Detailed Purpose Statement

The primary purpose of the special variations proposed is to maintain service delivery and manage infrastructure obligations. This includes investment in new corporate systems. This section provides further details in related to the purpose and need for this investment.

Infrastructure Renewals and Backlog

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.

As indicated in Part 3 of this LTFP, without service reductions, Council does not have sufficient funding for its annual infrastructure renewal requirements.The table below demonstrates the renewal deficits since 2020-21. This deficit totals $43.05 million for the five-year period.

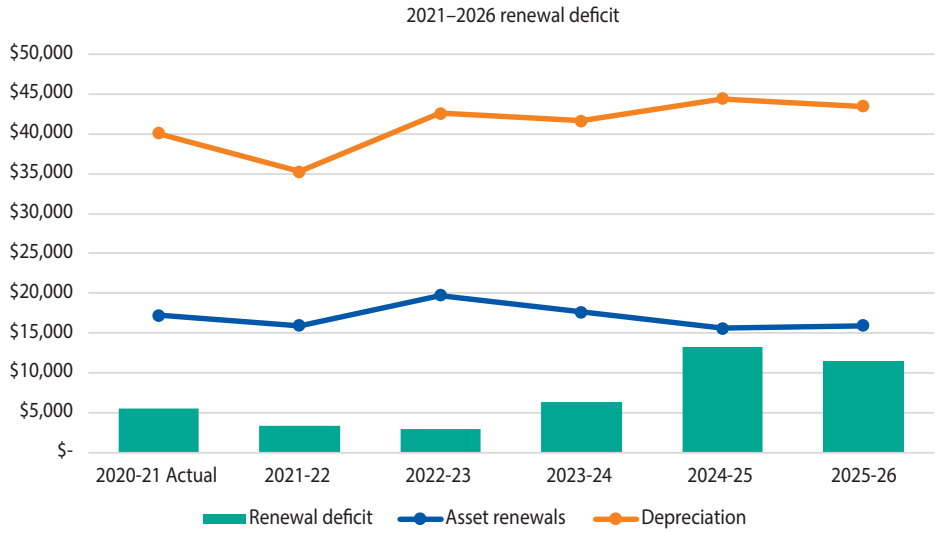


Chart 22: 2021-2026 renewal deficit

Under-investment in asset renewal, which has compounded over time and further exacerbated funding challenges including the build up of infrastructure backlog. 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 2025, 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 $492 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	Net carrying amount $,000	Accumulated depreciation $,000	Total cost to bring to 'Satisfactory' standard $,000
Buildings	$347,616	$197,457	$150,159	$69,398
Other structures	$1,147	$958	$189	$Nil
Roads	$413,217	$314,541	$98,676	$12,241
Footpaths	$155,620	$108,866	$46,754	$7,593
Stormwater drainage	$247,247	$170,668	$76,579	$55,893
Open space and recreational assets	$41,031	$25,346	$15,685	$912
Other infrastructure assets	$310,958	$207,149	$103,809	$11,001
Total	$1,516,836	$1,024,985	$491,851	$157,038

The two areas of most concern are **buildings and stormwater**. The issue has become more pronounced in recent years due to reduced renewal funding. Community centres, council administration and operational buildings, bus shelters, community centres and sporting facilities are experiencing failing structures or building components.

A review of funding since 2020 shows the total investment in new and renewal works for buildings has reached an annual average of only 24% of the forecast depreciation for 2025 – highlighting a significant shortfall. While the stormwater network is less visible, recent advancements in technology, including CCTV inspections and the recent 2025 asset revaluation, have provided greater insight into its condition. The data indicates that without adequate investment and a proactive maintenance and renewal strategy, the network is likely to experience increasing failures in the years ahead.

Options within this plan make the following contribution to infrastructure renewal and backlog responsibilities:

Option 1 – This option does not provide sufficient funding to address annual infrastructure renewals or contribute to infrastructure backlogs. Proceeding with this option will result in the further deterioration of infrastructure. This is likely to lead to increased public safety risks and the permanent or temporary closure of infrastructure, resulting in disruption of service delivery. Management of infrastructure will continue to be reactive and maintenance costs are expected to increase.

Option 2 – This option will provide annual funding for infrastructure renewals at an amount equivalent to depreciation. In addition $16 million will be provided in the first five years to address critical backlogs, with a further $35.7 million in Years 6-10.

Option 3 – will provide annual funding for infrastructure renewals at an amount equivalent to depreciation. In addition $31 million will be provided in the first five years to address critical backlogs, with a further $55.9 million in Years 6-10.

Renewal projects deferred in recent years due to funding reductions including Cremorne Plaza and Langley Place renewals, bus shelter replacement, Illbery playground will be prioritised.

Infrastructure backlogs include but are not limited to replacement of stormwater drainage pits and pipes, synthetic turf at Cammeray Park, renewal works at North Sydney Oval, North Sydney Indoor Sports Centre, Kirribilli Neighbourhood Centre, Stanton Library, Council Chambers, public amenities, sea walls and bus shelters.

Funding will be allocated annually through Council's Operational Plan process, taking into consideration asset condition and prioritisation. This process allows for community engagement towards infrastructure renewal priorities.

New infrastructure

With the population of North Sydney growing and evolving, new infrastructure funding is important to cater for community needs. The following new infrastructure is provided within the option in this plan.

Option 1 – New infrastructure is limited to Local Area Transport Management Plan projects which are forecast to attract 50% grant funding.

Option 2 – New infrastructure is limited to Local Area Transport Management Plan projects which are forecast to attract 50% grant funding.

Option 3 – Provides $16.9 million over ten years for new infrastructure projects to support the growing population. Indicative projects and timing are provided below, and include a modest range of infrastructure projects in response the community engagement to address challenges associated with:

- Maximising the use of existing open space
- Reducing emissions
- Traffic management
- Supporting disability and inclusion
- Improving stormwater reuse

Project	Indicative Year	Budget (not indexed)
Bushland walking track upgrade – Badangi Reserve	Year 1	$200,000
Bushland walking track upgrade – Balls Head Reserve	Year 2	$246,000
Bushland walking track upgrade – Brightmore Reserve	Year 2	$130,000
Bushland walking track upgrade – Primrose Park	Year 3	$222,630
Bushland walking track upgrade – Gore Cove/Smoothy Park	Year 4	$227,550
Bushland walking track upgrade – Tunks Park	Year 5	$70,000
Bushland walking track upgrade – Berry Island Reserve	Year 6	$210,000
Renewable energy capacity on Council infrastructure	Years 1-10	$80,000 per annum
Expand stormwater harvesting and water reuse systems at Primrose Park	Year 2	$120,000
Expand stormwater harvesting and water reuse systems at Tunks Park	Year 3	$120,000
Digital community noticeboard – Civic Park	Year 2	$100,000
Improve the drainage, irrigation and playing surfaces at Primrose Park sportsfields to reduce lost playtime due to weather.	Year 3	$1,300,000
Improve the drainage, irrigation and maintenance regimes at Tunks Park sports fields to reduce lost playtime due to weather.	Year 5	$1,750,000
In consultation with the community and key stakeholders, expand the capacity of Tunks Park sports fields through improved infrastructure	Year 5-6	$1,000,000
Implement projects to improve accessibility of parks and playgrounds across the LGA.	Years 1-10	$200,000 per annum
One park enhancement project per annum	Years 1-10	$100,000 per annum
Recreational facilities	Years 1-10	$110,000 every 2 yrs
Deliver landscape and lighting upgrades in Blue Point Reserve	Year 5	$1,050,000
Construct perimeter path around Waverton Oval suitable for recreational cycling, jogging etc.	Year 7	$250,000
Complete the Cremorne Reserve Pathway improvements project.	Years 2-3	$1,200,000
Local Area Transport Management (LATM) projects	Years 1-10	Average $687,000 per annum
Blues Point Road traffic management works	Year 1	$600,000
Upgraded entry signage for the LGA	Year 2-5	Average $125,000 per annum
Dual signage and place naming for key public spaces	Year 3-10	$30,000 Year 3, $20,000 per annum Year 4-10

Note: the figures in the above table include part grant or developer co-contribution where applicable

Funding to support projects in Council's development contributions plan

When new homes or businesses are built, they create extra demand for things like roads, parks, drainage, footpaths, and community facilities. To help pay for this, councils require developers to contribute money – called "developer contributions" – which go towards building or upgrading this local infrastructure. These contributions are important because they ensure that new development helps fund the facilities it relies on, rather than putting the full cost on existing residents.

However, developer contributions usually don't cover the entire cost of the infrastructure needed. That's because some projects benefit both new and existing communities. In those cases, the remaining funding may come from Council budgets, ratepayers, or other government sources. This means that delivering the infrastructure to support growing communities is often a shared responsibility.

Council's development contributions plan includes a series of projects to support the growing community. The table below demonstrates the level of funding provided by developers vs the contribution required by Council.

Purpose	Project combined cost ($,000)	Developer contribution ($,000	Council contribution ($,000
Open space and recreation	192,285	79,563	112,722
Community facilities	25,512	15,983	9,529
Public domain improvements	163,355	78,653	84,702
Active transport	17,724	4,499	13,225
Total	398,876	178,698	220,178

Options 2 and 3 each provide for the development of a capital works reserve to assist in realising projects within the plan. Option 2 contributes $17.9 million over the ten-year period, while Option 3 contributes $40 million.

This indicates that funding for the remainder of the plan will need to be considered in future revisions of Council's financial strategy.

New Corporate Systems

North Sydney Council's IT environment consists of a diverse mix of legacy systems that have developed over many years. These systems are largely disconnected and often outdated, limiting the Council's ability to deliver efficient and effective services. A history of underinvestment has restricted opportunities to modernise, integrate, and improve the IT infrastructure. As a result, Council faces challenges with operational efficiency, data quality, security, and overall user and customer experiences.

Key Issues

- *Legacy Systems and Limited Integration*:
  The Council operates approximately 86 different applications, including Authority ERP and TechOne ECM, many of which have limited or outdated integration capabilities. Data sharing between systems is often done through point-to-point connections or batch processing, rather than through more modern, centralised integration platforms. This leads to information silos, delays in data availability, and complexity in managing workflows across departments.
- *Manual Processes and Data Duplication:*
  Staff frequently need to enter the same information multiple times into different systems because of the absence of a consolidated data management system. This significantly increases the time required to complete tasks and raises the risk of data entry errors, which impact reporting and decision-making.
- *Data Quality and Governance Issues:*
  The fragmented data environment and repeated manual input lead to inconsistencies and inaccuracies. This undermines confidence in reports and dashboards and complicates efforts to maintain a reliable single view of customers, properties, and assets.
- *User Experience Challenges:*
  Key systems feature outdated interfaces that are not user-friendly. With limited formal training and inconsistent processes, staff face difficulties in efficiently using these systems, which affects productivity and morale.

- *Customer Service Limitations:*
  The Council lacks a dedicated Customer Relationship Management (CRM) system, resulting in fragmented customer data and inconsistent service delivery. Manual handling of community engagement and requests further slows responses and impacts satisfaction.
- *Lack of Modern Capabilities:*
  The existing IT environment misses important features such as automation tools, real-time data access, and smooth cross-system collaboration. Without these, staff rely heavily on manual workarounds, which restricts operational efficiency and responsiveness.
- *Cyber Security Risks:*
  Some older systems do not meet current security standards like multi-factor authentication or encryption protocols. This leaves them vulnerable to cyber threats including ransomware and data breaches, which could disrupt Council services and erode community trust.
- *Underfunding and Technical Debt:*
  Longstanding underinvestment has resulted in technical debt, reducing the Council's ability to update infrastructure, adopt cloud services, or implement new technologies. This financial constraint has slowed progress in modernising IT systems and improving digital service delivery. These challenges prevent the Council from fully realising efficiencies, improving service delivery, and enhancing security. The ongoing reliance on fragmented and outdated systems presents operational risks and negatively impacts staff and community satisfaction.

Addressing these systemic issues requires a comprehensive digital transformation strategy, one that prioritises the replacement of legacy infrastructure with integrated, cloud-based solutions. Transitioning toward a centralised data ecosystem would reduce duplication, enhance data quality, and provide staff with the tools necessary for timely and informed decision-making. In parallel, introducing a modern CRM platform could unify customer touchpoints, streamline engagement, and drive consistency across service channels.

Improving the user experience is equally critical. Investing in user-centric design and structured training programs would empower staff, cultivating both confidence and proficiency. Automation and real-time data access – currently lacking – should become foundational elements, freeing personnel from repetitive manual tasks and enabling them to focus on higher-value activities.

Finally, the Council must place a renewed emphasis on cyber security and sustainable funding models. By adopting best-practice security protocols and committing to ongoing investment in technology, the Council can mitigate risks, future-proof operations, and ultimately foster greater trust within the community. Only through decisive action and a clear vision for digital modernisation can the Council unlock new efficiencies, improve services, and deliver lasting value for both staff and residents.

Current State

North Sydney Council's IT environment is in a critical state, plagued by a diverse mix of legacy systems that have developed over many years. These outdated and disconnected systems severely limit the Council's ability to deliver efficient and effective services. The Council operates approximately 86 different applications, many of which have limited or outdated integration capabilities, leading to information silos, delays in data availability, and complexity in managing workflows across departments. The absence of a consolidated data management system forces staff to enter the same information multiple times into different systems, significantly increasing the time required to complete tasks and raising the risk of data entry errors. This fragmented data environment and repeated manual input lead to inconsistencies and inaccuracies, undermining confidence in reports and dashboards. Additionally, key systems feature outdated interfaces that are not user-friendly, affecting productivity and morale.

Longstanding under-investment has resulted in technical debt, reducing the Council's ability to update infrastructure, adopt cloud services, or implement new technologies. To effectively address these systemic challenges, a comprehensive digital transformation must be driven by strategic budget allocation and targeted resourcing. Prioritising investment in the replacement of legacy infrastructure and the adoption of integrated, cloud-based solutions will require sustained financial commitment and clear resource planning. By earmarking funds for modern technology platforms and ensuring dedicated teams to manage implementation, the Council can accelerate the shift away from outdated systems, maximise operational efficiencies, and support staff with the tools and training needed for lasting improvement.

Option 1 – Rate peg

This option covers only the minimum essential investment needed to ensure Council's IT environment remains operational, supported, and compliant. It is a direct response to years of underfunding and technical debt, intended to address the most urgent risks.

Scope includes:

- Upgrading all business-critical applications that are approaching their end of life to vendor-supported versions to ensure ongoing support, security patches, and regulatory compliance.
- Replacement of end-of-life servers, storage, and networking hardware to avoid major outages and loss of vendor maintenance.
- Basic uplift of information security controls to meet minimum NSW Government cyber and audit requirements
- No investment in new features or digital innovation – strictly sustainment and compliance, enabling Council to "keep the lights on" and meet core obligations.

This scenario is focusing on preventing imminent loss of support and alleviating excessive operational risk for core systems critical to finance, payroll, development applications, records management, and customer interactions.

This option provides the absolute minimum short-term solution required to safeguard Council's services and legal obligations. This is not a long-term solution. It does not address long-standing efficiency, service or data limitations nor does it prepare Council for future advances in technology and community expectations.

Special Variation – Options 2 and 3

This is a long-term sustainable technology solution, including core system replacement. This option delivers a transformative uplift, building on Option 1 with a suite of major digital initiatives designed to modernise Council operations, enhance staff productivity, and meet rising service expectations.

Scope includes:

- Full implementation of a new ERP Platform to unify Council's business systems and streamline end-to-end processes.
- AI-powered Planning Solution for development application triage, compliance checking, and accelerated assessments, aligned with NSW Government initiatives for faster planning approvals.
- Asset Management System for proactive maintenance, better lifecycle planning, and reduced risk of unexpected failures.
- Enhanced Contact Centre/Customer Service capability with for 24/7 resident support, faster issue resolution, and multi-channel engagement.
- Enterprise AI Productivity Platform rolled out Council-wide to automate routine tasks, refine reporting, and augment staff capabilities in everyday work.

Option 2 and 3 enables North Sydney Council to realise significant productivity, compliance, and service benefits, future-proofing core business and community services, ensuring North Sydney keeps pace with other councils.

The implementation and change management period is expected to take up to 5 years. It is therefore not expected to deliver cost savings in the short to medium term, however this will continue to be monitored.

Operational Initiatives

The following initiatives are included as indicatives actions that could be taken within special variation options 2 and 3 in response to challenges and opportunities identified through research and community engagement which have informed Council's strategic objectives.

The investment in these initiatives is relatively modest. Option 2 provides $3.9 million over ten years, or an average of $0.39 million per annum. Option 3 provides $17.3 million or an average of $1.7 million per annum over ten years.

Funding will be allocated annually through Council's Operational Plan process, which allows for community engagement towards strategic priorities. This may result in changes to actions indicated below.

Planning Initiatives

Brush Turkey Management Plan	Year 1	$13,000	Option 3
Develop a masterplan and feasibility study 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.	Year 1-2	$950,000	Option 2 & 3
Undertake research and commence preparation of a masterplan for the civic precinct in North Sydney (bounded by Ridge, Miller, Church and McLaren Streets) that investigates and incorporates a range of new community space, open space and active recreation spaces.	Years 3-5	$1,000,000	Option 3
Develop a ten-year plan for expanding library services across the LGA. This includes consideration of potential satellite sites.	Year 2	$120,000	Option 3
Utilise a demographically select working group for input on major council decisions to ensure the diverse needs of the North Sydney community are considered.	Year 3 and Year 7	$100,000 for each year	All Options
In consultation with the community, develop a masterplan for Cammeray Park that increases opportunities for multi-use and addresses community demand for active and passive recreation.	Year 1	$300,000	Option 2 & 3
Prepare a masterplan for Blues Point Reserve and Henry Lawson Reserve.	Year 3	$1,000,000	Option 3
Review and update masterplan for Tunks Park.	Year 1	$50,000	Option 3
Strategic planning initiatives, including affordable housing scheme	Years 1-4	$40,000 Year 1, $150,000 Years 2-4	Option 2 & 3
Explore funding and delivery models to achieve the delivery of affordable housing, an early childhood health centre and public carpark through the Parraween Street development project.	Year 1	$30,000	Option 2 & 3
Undertake a review of Council landholdings to determine if any sites could be used for affordable housing in collaboration with a community housing provider.	Year 1	$30,000	Option 2 & 3
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.	Year 1	$20,000	All Options
Implement changes, as required, to ensure compliance with the ministerial order regarding determination times for development applications and planning proposals.	Year 1	$150,000	All Options
Review building assets and commercial property to ensure best value utilisation that aligns with Council's strategic direction.	Year 1	$100,000	Option 2 & 3
Undertake a comprehensive review and assessment of the condition of Council's building assets to inform prioritisation of renewal funding.	Years 2-3	$130,000	Option 2 & 3

Sustainability Initiatives

Collaborate with universities and marine science institutes to enhance seawall biodiversity by installing habitat tiles along North Sydney's coastal area.	Years 1-10	$10,000 per annum	Option 3
Develop project scope and feasibility studies for community batteries and virtual power plants on Council owned land.	Year 1	$15,000 per annum Years 1-4, $8,000 per annum Years 5-10	Option 3
Collaborate with industry stakeholders to facilitate the implementation of community batteries and virtual power plants on Council-owned land, targeting an additional 2 MW/h storage capacity to help facilitate the transition to a 100% renewable energy grid.	Years 1-10	$15,000 per annum	Option 3
Deliver a water catchment community awareness campaign	Years 1-10	Average $10,000 per annum	Option 3

Access, Social Inclusion and Cohesion Initiatives

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.	Year 1-10	$70,000 in Year 1, $100,000 per annum Year 2-10	Option 3
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.	Years 1-10	$15,000 per annum	Option 3
Develop a 'Know your Neighbour' program to encourage residents and local businesses to get together informally in local green and community spaces, and existing community groups.	Year 2	$50,000	Option 3
Review and refresh Council's program of events and activations to ensure they are responsive to community needs and leverage key assets.	Years 2-10	$230,000 per annum	Option 3
Partner with cultural and creative organisations to host joint events, for example multicultural festivals.	Years 2-10	$40,000 per annum	Option 3
Develop a 'Welcome Pack' for new residents to the area with detailed information about the LGA, including resources, services and spaces.		$20,000 in Year 1, and $5,000 per annum Years 2-10	Option 3
Develop and implement a creative hoardings program.	Years 1-10	$80,000 Year 1, $20,000 Years 2-10	Option 3
Explore opportunities to work with First Nations community members to share and make First Nations cultural heritage visible in North Sydney through First Nations led tours, dual naming, interpretive signage, art and other projects.	Year 3	$30,000	Option 3
Work with First Nations community members to develop a First Nations advisory committee.	Years 1-10	$15,000 per annum	Option 3
Review the framework and system for Council's grants and subsidies program to ensure alignment with Council's strategic outcomes.	Years 1-10	$20,000 per annum	Option 3

Open Space and Infrastructure

Maintenance and operation of new public space through the Berrys Bay project. This project includes fit out of Woodleys Shed as a community facility.	Years 3-10	$125,000 in Year 1, $200,000 per annum Years 2-10	Options 2 & 3
Operational costs associated with infrastructure improvements aimed at increasing the capacity and utilisation of sportsfields.	Year 1-10	$50,000 in Year 1-2, $100,000 Years 3-10	Option 3
Maintain Wendy's Secret garden	Years 1-10	$80,000 per annum	Options 2 & 3
Replant and maintain the Mitchell Street green wall in St Leonards.	Year 1-10	$140,000 Year 1, and $40,000 Years 2-10	Options 2 & 3

Transport Initiatives

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.	Year 2	$120,000	Option 3
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.	Year 1-2	$201,250	Option 3
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.	Year 1	$50,000	Option 3

Economic Development Initiatives

Develop a program to support small business-led initiatives that enhance local trade.	Years 2-10	$30,000 per annum	Option 3
Collaborate with local businesses to develop and deliver a program that encourages increased local spend.	Years 3-10	$30,000 per annum	Option 3
Undertake a data and analytics project to gather insights to support businesses within the LGA and grow the local economy.	Years 2-10	$100,000 year 1, and $10,000 years 2-10	Option 3
Economic development resource to support business and tourism initiatives	Years 2-10	$260,000 per annum	Option 3

Governance Initiatives

Implement a risk and audit management system to enable the recording and tracking of risk and audit actions.	Years 2-10	$10,000 per annum	Option 3
Implement a system for monitoring legislative compliance.	Years 1-10	$10,000 per annum	All options

PART 6 Financial Background

2020 Long-Term Financial Plan

North Sydney Council's last comprehensive review of its Long-Term Financial Plan was in January 2019 for the period 2018-19 to 2027-28. Since the development of this plan, actual results have been impacted by the COVID pandemic.

As part of this resourcing strategy, an application for special variation was made to IPART for an accumulative increase in general rating income of 40.26% over five years, or $100 million above the rate peg over 10 years. IPART approved a cumulative increase of 22.5% over three years, or $64.1 million above rate peg.

Council's application aimed to enhance financial sustainability, maintain and renew infrastructure, reduce its backlog, invest in new infrastructure and maintain existing services.

Following IPART's decision, the LTFP was amended in July 2020 incorporating the reduced rating income. Since 2020, actual results have not reached forecast expectations.

A review of the adopted July 2020 LTFP indicates that despite the assumptions outlined in the plan, the following material differences occurred between forecast and actual:

1. The employee benefits and on-costs forecast was short of LG Award increases by approximately $1 million by the fifth year – 24-25. Actual results over the five year period since 2020-21 have been immaterially under forecast. The workforce establishment has been disrupted in recent years, due to COVID in 2021, the workforce realignment in 2022-23, and then liquidity measures. For stability of services, it is important the workforce establishment in reinstated.
2. Materials and contracts and other expenses were forecast to decline by 9.4% in 2020-21 and thereafter increase at a rate of between 2.5% and 3%. The cumulative change for the five-year period from 2019-20 was forecast to be 1.5%, whereas the actual cumulative change was 16.23% while the cumulative change in CPI (Sydney) over the period was 22.34%.
3. Depreciation was indexed at an average of 2% over the ten-year period from a 2019-20 forecast expense of $21.5 million. The actual depreciation expense in 2019-20 was $29.3 million, and while fluctuating at immaterial levels, the actual depreciation expense as at 30 June 2025 was $30.4 million.
4. Borrowing costs have increased throughout the period due to additional borrowings associated with North Sydney Olympic Pool. The original 2024-25 forecast was $778K, and the actual was $2.4 million.
5. User charges and fees forecasts were reduced in 2020 in response to COVID, and have fluctuated throughout the period, however remain lower than forecast as at 30 June 2025 by approximately $2 million.

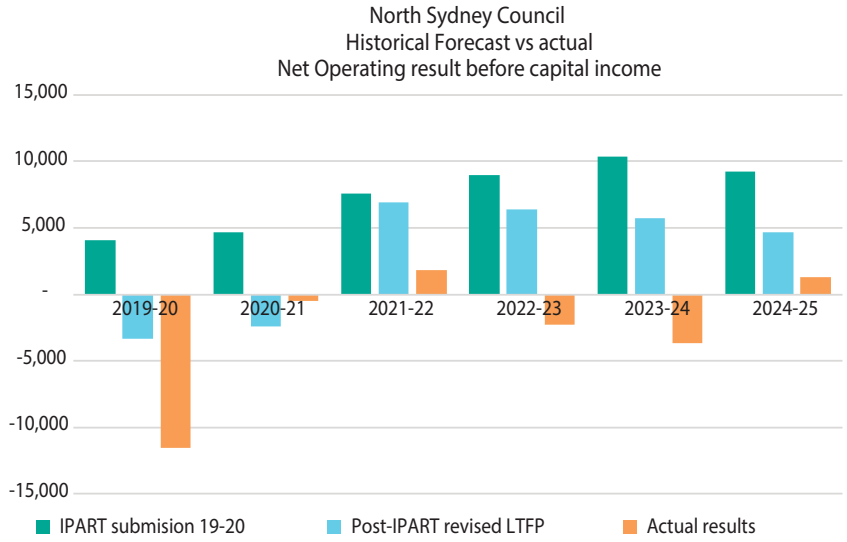


Chart 23: North Sydney Council – Historical forecase vs actual

Rates Income

Over the past five years, an additional 1,111 rateable properties have been developed within North Sydney. Minimum rates for properties have varied from $602 to $715 over that time. Income from new properties is used to fund increased operational expenditure associated with additional population, and also a contribution to new and existing infrastructure.

With Council's forecast growth expected to be driven through high density development, given the low minimum rate, this will continue to place pressure on Council's ability to respond to population growth.

User Charges, Fees and Other Income (Supplement Income)

An analysis of supplement income, which is calculating by excluding rates, annual charges, interest income, grants and contributions from total income indicates that this income has not kept pace with inflation. The following table highlights the sensitivities of non-rate income sources to economic conditions. Based on this assessment, had income increased in line with inflation, an additional $10 million in revenue per annum would have been realised by 2024-25.

	2017-18 ($,000)	2018-19 ($,000)	2019-20 ($,000)	2020-21 ($,000)	2021-22 ($,000)	2022-23 ($,000)	2023-24 ($,000)	2024-25 ($,000)
Total income	123,126	135,364	121,327	143,578	141,713	157,744	141,629	154,580
Less: rates and annual charges	(56,505)	(58,831)	(62,883)	(66,018)	(71,112)	(72,253)	(75,559)	(79,820)
Less: NSOP	(2,537)	(2,687)	(1,924)	(638)	0	0	0	0
Less: Grants	(12,925)	(21,323)	(12,377)	(29,668)	(27,076)	(33,288)	(12,115)	(18,778)
Less: Fair value adjustments	0	(2,205)	0	(1,007)	(2,769)	(5)	(5)	0
Less: Community housing	(1,031)	0	0	0	0	0	0	0
Less: Interest	(2,653)	(2,407)	(1,970)	(1,373)	(1,368)	(3,690)	(5,612)	(5,759)
Total supplement income	**47,475**	**47,911**	**42,173**	**44,874**	**39,388**	**48,508**	**48,338**	**50,223**
CPI	2.10%	1.70%	-1.00%	4.10%	5.30%	6.60%	3.80%	2.10%
CPI adjusted income		**48,282**	**47,799**	**49,759**	**52,396**	**55,854**	**57,977**	**60,180**
Variance		(371)	(5,626)	(4,885)	(13,008)	(7,346)	(9,639)	(9,957)

North Sydney Olympic Pool

Background

The North Sydney Olympic Pool redevelopment has had a significant and ongoing impact on Council's financial position in recent years. In response to a major variation request, Mayor Zoë Baker requested the commissioning of an independent review of the project in October 2022.

The review identified a range of critical shortcomings in the project's early planning and decision-making stages, which contributed to substantial cost overruns and project risks. Key findings included:

1. Inadequate Business Case and Budgeting:
   The original business case and project budget lacked detailed financial and non-financial data, resulting in underestimated costs and scope.
2. Uncontrolled Scope Expansion:
   The transition from Option 2 to Option 2b was driven by Councillors' ambition for a superior facility – an aspiration that did not fully align with community consultation feedback.
3. Removal of External Project Managers:
   The decision to remove experienced external project managers following the concept design phase significantly weakened project oversight and control.
4. Weak Governance Structures:
   The governance framework was insufficient, particularly in relation to the composition and authority of steering committees.
5. Inadequate Risk Management:
   Risk management processes were not sufficiently robust for a project of this size and complexity, limiting the quality of decision-making.
6. Delayed Identification of Latent Site Conditions:
   Key site issues were discovered late in the process, resulting in expanded scope, increased costs, and additional unplanned works.
7. Lack of an Integrated Contracting Strategy:
   Council's decision to separate design and construction contracts – rather than adopt an integrated contracting strategy combining both functions – increased the project's risk profile significantly.
8. Premature Contract Execution:
   The construction contract was executed before design documentation was complete and while site investigations were still underway, further compounding delivery risks.

The review makes it clear that the original project budget was significantly underfunded and included insufficient contingency for the level of risk taken. Although some cost escalation was driven by expanded scope, many of the financial risks realised during the project stemmed from flawed governance, premature decision-making, and insufficient risk controls.

Council's Response and Ongoing Challenges

In response to the review's findings, Council has taken steps to strengthen its project management capabilities. This includes the appointment of external project managers, quantity surveyors, and programmers to enhance control over variations and manage project timelines. These changes have improved oversight; however, a number of legacy risks remain, contributing to ongoing disputes and legal proceedings.

Despite these challenges, all stakeholders are working collaboratively to deliver the project.

Lessons for Future Projects

The North Sydney Olympic Pool redevelopment highlights the significant financial risks that can result from inadequate governance, project oversight, and strategic planning. While investment in high-profile infrastructure is often prioritised, this case reinforces the importance of also investing in the administrative and governance frameworks that underpin project success. Failure to do so can lead to substantial and long-term financial consequences.

Impact on Council's Financial Position

The significant variance between the original budget and the forecast costs of the North Sydney Olympic Pool redevelopment has placed substantial pressure on Council's financial position and day-to-day operations. Key impacts include:

- Increased debt levels, resulting from the need to fund budget overruns;
- Liquidity constraints, limiting Council's financial flexibility;
- Reduced investment in infrastructure renewal, as funding is redirected to meet project obligations; and
- Operational cost-cutting measures, including maintaining a high number of staff vacancies to preserve cash flow.

Confusion amongst SV submitters

During its assessment of Council's SpecialVariation (SV) application, IPART noted that many community submitters expressed confusion about whether the SV was intended to directly fund the Olympic Pool project.

It is important to clarify that funding commitments for the North Sydney Olympic Pool had already been made prior to the Special Variation process. As such, Council remains obligated to complete the project, operate the facility, and repay associated debt – regardless of whether the Special Variation is approved.

What the special rate variation does reflect, is both the financial impact and the opportunity cost of the project. In other words, the funding required to meet the project's financial obligations limits Council's capacity to invest in other critical services, infrastructure renewal, and future priorities and therefore contributes to the need for a special variation.

Project forecast cost and funding

The current forecast cost for the North Sydney Olympic Pool redevelopment is **$122 million**, based on the project's previously anticipated completion date of **December 2024**. This figure does not include allowances for contingencies and legal considerations.

The project has been funded as follows net of contingencies, including legal considerations.

Funding source	Initial funding ($,000)	Forecast ($,000)
Loans	$31,000	$61,000
Grants	$15,000	$15,000
Sale of property – 261-263 Pacific Hwy	$4,500	$4,500
Internal reserve – open space and recreation	$3,000	$3,000
Internal reserve – capital works reserve	$1,200	$5,400
Internal reserve – income producing projects reserve	$4,121	$4,121
Internal reserve – insurance reserve	$500	$500
Internal reserve – community housing major maintenance reserve	$1,500	$1,500
General revenue	$3,138	$3,138
Developer contributions		$5,700
Reduction in infrastructure renewals*		$18,208
Total	**$63,959**	**$122,067**
Interest on loans	$15,289	$24,039

**This amount only relates to infrastructure renewals reduced to fund the upfront capital cost. It does not relate to infrastructure renewals deferred to fund principal and interest loan repayments, contingencies and legal proceedings.*

Interest on loans is forecast at $24.039 million over the life of the borrowings, with $15.60 million payable within the 10-year period covered by Council's Long-Term Financial Plan (LTFP).

Financial Impact on Council

Excluding grants, developer contributions, property sales, and general revenue originally allocated to the project, approximately $93.73 million has been funded through either:

- Increased loan borrowings,
- Redirection of funds from previously allocated internal reserves, or
- A reduction in infrastructure renewal investment.

Each of these funding mechanisms carries a direct and ongoing impact on Council's financial position – and therefore on ratepayers. Council has sought to manage cash flow, contingency risk, and debt repayments within its existing funding envelope. These trade-offs represent the opportunity cost of the project, with funding diverted to the project not available for other council responsibilities and priorities, such as infrastructure renewal.

Operational Forecast and Opportunity Cost

Once operational, the facility is expected to generate an average operational loss (including borrowing costs) of $0.99 million over the ten year period based on the target business case. In addition, facility will incur a depreciation expense of $2.369 million per annum, commencing in Year 1 of the LTFP and subject to annual indexation.

These operating and depreciation costs were not previously factored into Council's long-term financial planning prior to commencement of the project and have contributed to a reduction in available funding for core services, particularly infrastructure renewal.

In future years, once borrowings have been repaid, we expect the facility to generate an operating surplus. This surplus is expected to cover some of the depreciation expense, but not all.

The cumulative financial impact of this project – combined with other pressures – has contributed to the need for Council to consider a Special Variation for financial sustainability.

Link to the Special Rate Variation

The costs associated with the Olympic Pool redevelopment have not previously been addressed through a Special Rate Variation. As a result, funds originally intended to maintain service levels and invest in essential infrastructure have been redirected to this project.

By comparing the costs of the Olympic Pool project with the revenue proposed under current Special Variation options, readers can better understand the project's contribution to the need for rates increase and its broader financial impact on Council's long-term sustainability. Option 2 provides additional revenue of $190 million over ten years, while Option 3 will provides $278 million over the same period.

As Council moves towards the operationalising the facility, the focus will increasingly shift to maximising commercial revenue opportunities – while carefully balancing financial sustainability with community access and use.

Cost shifting

Cost shifting occurs when other levels of Government transfer responsibilities or services to local councils without providing adequate funding to carry them out. This might include new regulatory obligations, service delivery requirements, or infrastructure responsibilities. Over time, cost shifting puts significant pressure on councils' budgets, forcing them to stretch limited resources or fund services from their own revenue – mainly through rates and charges.

This undermines financial sustainability, as councils must either reduce services, delay infrastructure investment, or increase rates to cover costs they weren't originally responsible for. In many cases, it limits a council's ability to plan long-term, invest in community priorities, or respond effectively to local needs.

The recent NSW Government Planning Reforms are an example of recent changes which have placed pressure on Council resources.

ATTACHMENTS

ATTACHMENT 1: PRODUCTIVITY AND IMPROVEMENT PLAN

ATTACHMENT 2: SERVICE LEVEL RESEARCH

Productivity and Improvement Plan

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Introduction

North Sydney Council has faced increasing financial pressure in recent years due to external shocks such as COVID-19 and extreme weather events, high inflation rates, revenue losses, large infrastructure projects and comparatively low rates. Without intervention, these pressures pose a risk to financial sustainability.

In 2023 Council embarked on an ambitious improvement journey that includes an ongoing commitment to increasing productivity and effectiveness through targeted projects and initiatives. This journey has resulted in a significant productivity saving to date, and further savings are projected for future years. However, even with these savings, the funding gap is projected to increase without a Special Variation (SV) to rating increase.

This Organisational Productivity and Improvement Plan highlights the key productivity achievements to date and details planned improvement activities. It demonstrates to the community, the Independent Pricing and Regulatory Tribunal (IPART) and the Office of Local Government that Council has made sustained efforts to minimise the impact of an SV on the community through internal productivity reforms.

What is productivity?

The Productivity Commission of Australia defines productivity primarily as the output produced per unit of input. According to the Commission, productivity is not about working harder or longer, but about working smarter – that is, using resources more efficiently. It also highlights that improvements in productivity are the key long-term driver of economic growth.

In the local government context, productivity refers to how efficiently resources are used to deliver services and achieve positive community outcomes. Inputs include staff time, operating budgets, plant and equipment, materials and technology. Outputs are the tangible services provided – such as waste collection, community programs, development approvals, infrastructure maintenance and renewal, and support provided to residents. Outcomes, while harder to measure, include community wellbeing, satisfaction, safety and environmental quality.

This plan measures productivity and financial improvement through direct cost savings, cost containment and additional revenue. It also considers efficiency gains, customer service improvements and risk management.

Background

North Sydney Council's (NSC's) overarching performance management framework has customer experience at its centre and consists of three separate frameworks that work together to sustainably deliver projects and services for the community.

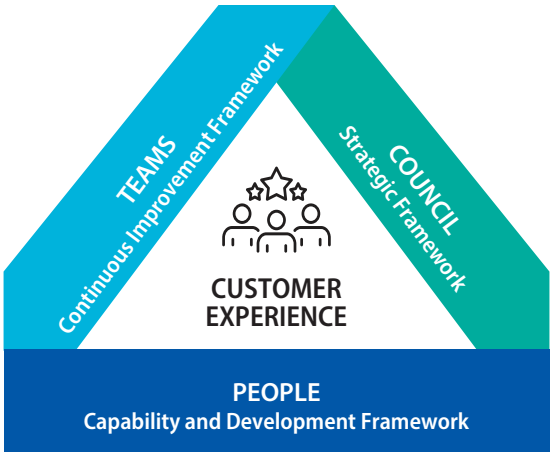


Figure 1: Performance Management Framework

Strategic Framework

This framework focuses on identifying community needs. It is centred around community engagement and uses Informing Strategies to link community priorities with NSC's actions.

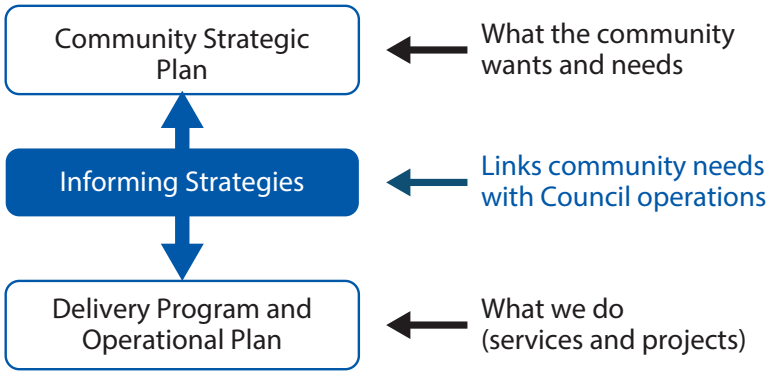


Figure 2: Informing Strategies

The Informing Strategies and new suite of Integrated Planning and Reporting documents were prepared and subsequently adopted in 2024/25.

Continuous Improvement Framework

This framework focuses on how each service unit plans to deliver NSC's strategic goals and achieve continuous improvement. This includes development of service unit plans as well as implementation of the Service Review Program and Process Improvement Program.

NSC's Process Improvement Program involves mapping and subsequent analysis of service procedures to identify and address inefficiencies and customer pain points.

Capability and Development Framework

This framework focuses on how each staff member supports the delivery of service unit and strategic goals

While this Organisational Productivity and Improvement Plan is primarily focused on implementation of the Continuous Improvement Framework, delivery across all three frameworks is essential to support a productive workforce that is focused on delivering outcomes wanted and needed by our community.

About this plan

This Organisational Productivity and Improvement Plan provides an update on Council's progress in implementing improvement actions and quantifies the savings across the organisation.

Every service unit within Council has contributed to the development of this Plan, reflecting the organisation's commitment to continuous improvement and a constructive collaborative culture.

The plan is divided into two parts:

Part 1: Productivity gains

Part 1 summarises key performance improvement outputs delivered over the past three years including cost savings, additional revenue, cost containment and efficiency gains. These are defined below:

- **Cost savings**

  Reductions in Council's expenditure. These occur when less money is required to provide services, deliver projects or run operations.

- **Additional revenue**

  New or increased income streams that expand Council's funding base beyond its regular sources. This can include additional income through user fees and charges, fines, and/or new commercial activities. Unlike savings, which focus on reducing costs, additional revenue directly increases the funds available to support Council's activities. While not all additional revenue is the direct result of productivity improvements, it is an important part of improving financial sustainability so has been included.

- **Cost containment**

  Expenditure that Council would have incurred if a proactive initiative had not been undertaken. Cost containment is typically achieved through:

  – Avoided costs: expenses prevented through negotiation, innovation or completing work in-house.
  – Recovered costs: revenue previously lost but subsequently reclaimed.
  – Redirected savings: financial savings reinvested into business improvements.

  In essence, cost containment represents money Council did not need to spend because of proactive initiatives. Without these measures, Council would have been required to increase rates to fund the additional expenditure.

- **Efficiency gains**

  Time saved through process improvements and reinvested into higher value activities to support ongoing improvements, reduce risks, improve customer experience, and deliver better data and reporting to support decision-making. These activities are essential for the long-term sustainability of Council.

Productivity savings and additional revenue can be one-off or recurring (ongoing).

Part 2: Productivity actions

Part 2 outlines the specific actions, process changes and initiatives that have contributed to delivering the productivity gains. Actions and initiatives are grouped into the following categories:

- **Workforce management**

  An organisational realignment in 2023/24 streamlined leadership, improved resource allocation and delivered enduring productivity and financial benefits. In 2024/25, vacancy holds and active leave management provided a one-off saving in employee costs to support short-term liquidity and budget pressures.

- **Service review program**

  In 2024/25 Council introduced a Service Review Framework to guide the systematic assessment of services against community needs, strategic priorities, and value for money. The framework embeds continuous improvement and delivers benefits in staff capability, efficiency, customer experience, financial sustainability, and environmental performance. Reviews of the following service areas were completed in 2024/25:

  – Customer Service
  – Development Services
  – Street Cleaning (this was the pilot of the new Service Review Framework)

- **Continuous improvement initiatives (including process mapping and improvements)**

  In 2024/25 Council advanced its continuous improvement program, which embeds a culture of innovation, efficiency and accountability across the organisation. The program included process mapping of more than 270 workflows alongside initiatives that delivered productivity gains through:

  - Building internal capability
  - Changed format of service delivery
  - Cost avoidance
  - Enhanced procurement and contract management
  - Revenue initiatives
  - Technology improvements
  - Workforce optimisation
  - Quality assurance
  - Online customer service improvements
  - Process improvement
  - Digitisation and automation
  - Rostering/scheduling adjustments

A description of each continuous improvement area, together with specific examples, is provided in part 2.3.

PART 1 PRODUCTIVITY GAINS

Over the past three years, Council has implemented a range of initiatives that have delivered and/or will deliver productivity savings and/or additional revenue. Further initiatives are also planned for implementation in 2026/27.

This part is divided into three sections:

1. Past and current productivity gains
2. Future productivity gains
3. Outcomes delivered through productivity gains

1.1 Past and current productivity gains

The following tables summarise the estimated savings and additional revenue from improvement initiatives implemented in the past three years or currently underway. Examples of the specific actions included under each category are provided in Part 2.3.1.

Operational cost savings and **additional revenue** highlighted in orange in the tables below have been included in the 2026–36 Long-Term Financial Plan forecasts.

Cost containment figures represent the expenditure that Council has avoided through proactive initiatives. These are not shown as a reduction in the budget, but if the initiatives had not been implemented, additional costs would have been incurred, and Council would have been required to increase rates to fund the additional expenditure.

Table 1: Ongoing productivity gains (2023/24 – 2025/26)

Initiative	Cost savings ($/year)	Additional revenue ($/year)	Cost containment ($/year)	Efficiency gains (hrs/year)
Workforce management				
Workforce management	-	-	2,300,000	-
Service reviews				
Street cleaning service review	13,200	-	-	4,194
Customer service review	206,248	-	-	7,036
Development services review	-	-	-	2,550
Continuous improvement				
Building internal capability	496,500	-	71,450	70
Changed format of service delivery	34,700	-	-	70
Cost avoidance	62,900	-	113,100	360
Enhanced procurement and contract management	218,290	200,000	667,259	1,473
Revenue initiatives	-	820,708	46,000	1,000
Technology improvements	648,895	-	197,107	3,388
Workforce optimisation	309,551	-	-	176
Quality assurance	-	-	-	882
Online customer service improvements	-	-	-	1,127
Process improvement	1,992	40,000	310,000	5,178
Digitisation and automation	-	-	-	7,619
Rostering/scheduling adjustments	12,000	631,000	32,000	0
TOTAL	**2,004,276**	**1,691,708**	**3,736,916**	**35,122**
Amount absorbed in 2024/25 budget	815,679	40,000		
Amount included in 2025/26 budget	**1,188,597**	**1,651,708**		

Table 2: One-off productivity gains (2023/24 – 2025/26)

Initiative	Cost savings ($ one-off)	Additional revenue ($ one-off)	Cost containment ($ one-off capital)	Cost containment ($ one-off)
Vacant positions/employee cost savings (2024/25)	2,228,000	-	-	-
Vacant positions/employee cost savings (2025/26)	514,000	-	-	-
Reduction in materials and services (2024/25)	2,204,000	-	-	-
Building internal capability	-	-	-	500,000
Cost avoidance	317,755	-	450,000	-
Enhanced procurement and contract management	-	-	-	92,000
Revenue initiatives	-	200,000	-	271,000
TOTAL	**5,263,755**	**200,000**	**450,000**	**863,000**
Amount absorbed in 2024/25 budget	4,432,000	**200,000**		
Amount included in 2025/26 budget	**831,755**	**-**		

1.2 Future productivity gains

In addition to the improvement initiatives already implemented or underway in 2025/26, a number of future actions are also planned for implementation in 2026/27 onwards.

The savings and additional revenue forecast from these actions is summarised in the table below. Examples of the specific improvement initiatives included under each category are provided in Part 2.3.2.

Table 3: Ongoing productivity gains included in 2026/27 budget

Initiative	Cost savings ($/year)	Additional revenue ($/year)	Cost containment ($/year)	Efficiency gains (hrs/year)
Service reviews				
Street cleaning service review	386,800	-	-	80
Continuous improvement		-		
Building internal capability	408,000	-	-	70
Changed format of service delivery	-	-	-	441
Cost avoidance	69,070	-	-	-
Enhanced procurement and contract management	3,000	-	-	150
Revenue initiatives	-	852,700	40,000	-
Technology improvements	-	-	9,000	3,204
Workforce optimisation	-	-	-	-
Quality assurance	-	-	-	100
Online customer service improvements	-	-	-	1,702
Process improvement	-	-	-	2,725
Digitisation and automation	-	-	-	2,747
Rostering/scheduling adjustments	1,560	108,000	-	3,900
TOTAL	**868,430**	**960,700**	**49,000**	**15,119**
Amount included in 2026/27 budget	**868,430**	**960,700**		

1.3 Outcomes delivered through productivity gains

This section summarises the benefits delivered through the productivity savings and additional revenue.

1.3.1 Direct financial savings

Over the next 10 years, it is anticipated that productivity and improvement actions undertaken by Council will result in more than $52 million in cumulative savings and additional income. Table 4 on the following page details these savings, which include:

- $23 million in reduced expenditure, including employee benefits and on-costs, materials and services, and other expenses.
- $29 million in increased income, including user fees and charges and other revenue sources. This increase does not include additional revenue from the sale of naming rights of the North Sydney Olympic Pool or North Sydney Oval. The income from this initiative will be determined through commercial negotiations.

This reduced expenditure and increased income has been included in the 2026–2036 Long-Term Financial Plan (LTFP). In addition to direct operational savings included in the LTFP, ongoing cost containment measures of more than $3.7 million per year (or $43 million over the next ten years assuming 3% indexation) have been identified, along with a one-off cost containment of approximately $0.8 million in 2024/25. These figures represent expenditure that has been avoided.

While cost containment figures do not appear as reductions in the budget, they reflect costs that would otherwise have been incurred and would have required higher rates to fund.

Together, productivity and improvement gains – including reduced expenditure, increased income, and cost containment initiatives– have lowered the required rate rise by a cumulative 14.9% over the three-year SV period.

Table 4: Cumulative savings and additional income from performance improvement initiatives

Category		2025/26 – Adopted Budget ($)	2026/27 ($)	2027/28 ($)	2028/29 ($)	2029/30 ($)	2030/31 ($)	2031/32 ($)	2032/33 ($)	2033/34 ($)	2034/35 ($)	2035/36 ($)	TOTAL – 10Y ($)
Service Review Program													
Street cleaning service review	Cost saving	-13,200	-400,330	-410,338	-420,597	-431,112	-441,889	-452,937	-464,260	-475,867	-487,763	-499,957	**-4,485,050**
Customer service review	Cost saving	-190,384	-195,144	-200,022	-205,023	-210,148	-215,402	-220,787	-226,307	-231,964	-237,764	-243,708	**-2,186,268**
Continuous Improvement Program													
Building internal capability	Cost saving	-496,500	-904,613	-927,228	-950,409	-974,169	-998,523	-1,023,486	-1,049,073	-1,075,300	-1,102,182	-1,129,737	**-10,134,719**
Changed format of service delivery	Cost saving	-34,700	-35,568	-36,457	-37,368	-38,302	-39,260	-40,241	-41,247	-42,279	-43,336	-44,419	**-398,476**
Cost avoidance	Cost saving	-380,655	-130,791	-134,061	-137,413	-140,848	-144,369	-147,978	-151,678	-155,470	-159,356	-163,340	**-1,465,304**
Enhanced procurement and contract management	Cost saving	-34,875	-38,747	-39,716	-40,708	-41,726	-42,769	-43,839	-44,934	-46,058	-47,209	-48,390	**-434,096**
	Revenue Increase	200,000	205,000	210,125	215,378	220,763	226,282	231,939	237,737	243,681	249,773	256,017	**2,296,693**
Revenue initiatives	Revenue Increase	780,708	1,641,538	1,682,577	1,724,641	1,767,757	1,811,951	1,857,250	1,903,681	1,951,273	2,000,055	2,050,056	**18,390,779**
Technology improvements	Cost saving	-47,725	-48,918	-50,141	-51,395	-52,679	-53,996	-55,346	-56,730	-58,148	-59,602	-61,092	**-548,048**
Workforce optimisation	Cost saving	-808,321	-301,679	-309,221	-316,952	-324,875	-332,997	-341,322	-349,855	-358,602	-367,567	-376,756	**-3,379,825**
Process improvement	Cost saving	-1,992	-2,042	-2,093	-2,145	-2,199	-2,254	-2,310	-2,368	-2,427	-2,488	-2,550	**-22,875**
	Revenue Increase	40,000	40,000	40,000	40,000	40,000	31,000	31,000	31,000	31,000	31,000	31,000	**346,000**
Rostering/scheduling adjustments	Cost saving	-12,000	-13,860	-14,207	-14,562	-14,926	-15,299	-15,681	-16,073	-16,475	-16,887	-17,309	**-155,279**
	Revenue Increase	631,000	739,000	757,475	776,412	795,822	815,718	836,111	857,013	878,439	900,400	922,910	**8,279,299**
SUBTOTAL	Cost saving	-2,020,352	-2,071,691	-2,123,483	-2,176,570	-2,230,984	-2,286,759	-2,343,928	-2,402,526	-2,462,589	-2,524,154	-2,587,258	**-23,209,942**
SUBTOTAL	Revenue Increase	1,651,708	2,625,538	2,690,177	2,756,431	2,824,342	2,884,950	2,956,299	3,029,432	3,104,392	3,181,227	3,259,983	**29,312,772**
TOTAL		**3,672,060**	**4,697,229**	**4,813,660**	**4,933,001**	**5,055,326**	**5,171,709**	**5,300,227**	**5,431,958**	**5,566,982**	**5,705,381**	**5,847,241**	**52,522,713**

1.3.2 Increased organisational capacity

Combined estimated efficiency gains of more 35,000 hours per year have been identified through past and current productivity improvements. This number is forecast to increase to over 50,000 hours each year (or approximately 2.3 hours per week per employee) from 2026/27 onwards.

Time savings gained through continuous improvement initiatives have been and will continue to be reinvested to meet the needs of a growing population and enable higher-value activities to be undertaken that strengthen risk management, improve customer experience, and enhance data and reporting to support better decision-making. Collectively, these efforts underpin the long-term sustainability of Council.

Moving forward, the efficiency gains will also assist Council to absorb the additional overheads (financial, human resources, technology, and governance) associated with onboarding a new service unit to operate the North Sydney Olympic Pool. This expansion includes the integration of 40 new staff and the associated increase in transactions and governance requirements.

1.3.3 Risk reductions

Council has reduced risks across finance, workforce, operations, technology and community safety through stronger governance, digitisation and process improvements. These steps lower exposure to financial loss, service disruption, compliance breaches and reputational damage. However, outdated systems still constrain many benefits, underscoring the need for continued investment to fully embed resilience and reliability.

Some of the risk reductions delivered through the actions detailed in part 2 are highlighted below:

Finance

- Reduced risk of missed or late payments, debts or invoice errors through automated reminders and streamlined financial controls.
- Improved financial accountability, inventory accuracy and contractual certainty, lowering legal and reputational exposure.
- Reduced risk of over- or under-spending via improved budget visibility and reporting.
- Stronger financial sustainability by ensuring contributions, fees and charges are properly collected.

WHS / safety

- Lowered work health and safety (WHS) risks by reducing manual handling and repetitive administrative tasks.
- Improved hazard identification and incident tracking, ensuring quicker resolution and stronger compliance with safety obligations.

Workforce and leadership

- Clearer accountabilities and stronger performance management reduce industrial and employee relations risks.
- Improved onboarding, training and leadership development lower risks of turnover, disengagement and burnout.
- Building internal capacity reduces reliance on external expertise.

Environmental

- Reduced environmental risks through proactive audits and pollution prevention.
- Reduced environmental impacts of operations, including fuel consumption, emissions and waste, through more efficient practices.

Reputation

- Reduced reputational damage through clearer communication, more consistent public information and stronger transparency.
- Reduced reputational risk from poor customer experiences by digitising services and providing faster, more reliable responses.

Legal liability

- Lowered legal exposure through accurate, standardised documentation (DA conditions, permits, contracts, etc.).
- Reduced risks of appeals or disputes (e.g., planning decisions, fire safety orders, compliance notices) through clearer processes and stronger enforcement.

Business activities (assets and infrastructure)

- Reduced outages and downtime risks via upgraded infrastructure, modern firewalls and proactive monitoring.
- Improved project planning and capital works prioritisation, reducing the risk of abortive or delayed projects.
- Stronger contract management and procurement practices reducing the risk of inconsistent or costly outcomes.

Community / public health and safety

- Improved community safety through stronger food safety, fire safety and playground inspection processes.
- Safer public spaces through proactive road, tree and infrastructure maintenance.

Information management and technology

- Lowered exposure to cyberattacks, phishing and insider threats through improved security operations, automated patching and continuous monitoring.
- Reduced risk of outdated systems, data loss, or incomplete recovery through SaaS migrations, cloud-based backups and digitisation of records.
- Strengthened data privacy protections by reducing manual handling.

1.3.4 Council-wide customer service improvements

Council has significantly enhanced customer service through digitisation, process improvements and better communication. These actions have reduced delays, improved responsiveness and delivered clearer, more reliable interactions for residents, businesses and internal stakeholders. While progress has been strong, some improvements remain dependent on upgrading older systems to ensure consistency and reliability.

Some of the customer service improvements delivered through the actions detailed in part 2 are highlighted below:

Faster, more reliable services

- Quicker turnaround for applications, certificates and permits through online systems and automated workflows.
- More reliable access to key services (e.g., car parks, DA tracking, bookings) due to modernised infrastructure and fewer network outages.
- Reduced delays in correspondence and payments, ensuring suppliers, applicants and ratepayers experience more timely, accurate service.

Improved communication and transparency

- Clearer, more consistent customer communications, including invoices, rate notices and DA conditions.
- Progress towards real-time updates for development applications, certificates and service requests.

Greater convenience and access

- Expanded online services (applications, forms, payments) provide 24/7 access from any device.
- Digital payments reduce wait times and improve convenience for customers.
- Self-service options, such as web chat and dashboards, reduce call volumes and complaints.

Enhanced trust and confidence

- Improved cyber security and data protection increase public confidence that information and transactions are safe.
- Proactive maintenance and inspections reinforce community trust in Council's commitment to safety and service quality.

PART 2 PRODUCTIVITY ACTIONS

This part outlines the specific initiatives that have contributed to delivering the productivity savings and additional revenue under each category:

1. Workforce management
2. Service reviews
3. Continuous improvement initiatives (including process mapping and improvements)

Except for short-term measures implemented to address liquidity, such as holding vacant positions and changing community centre grant funding arrangements, the initiatives are focused on improving the effectiveness and efficiency of Council to ensure we can best meet the needs of the community now and for years to come.

2.1 Workforce management review 2023/24 – 2024/25

In early 2023, Council commenced a comprehensive review of its operating model to streamline leadership, strengthen frontline services and align resources with areas of greatest need.

The review reduced the number of senior leadership positions, with Directors reduced from six to three (halving the Tier 2 structure) and service units created to simplify and rebalance the Tier 3 structure. This realignment released approximately $2.3 million in funding to address critical gaps that would otherwise have required support from rates through the Special Variation (SV). Importantly, the long-term value of this change – through reduced risk, improved governance and productivity gains – extends well beyond the financial figure.

We are seeing the benefits of this change, including the following productivity benefits:

- *Senior management cost containment*: The realignment of the organisation structure has reduced senior management level costs, while maintaining and/or enhancing productivity.
- *Organisational Performance and business process staffing:* These staff have overseen the development of Council's new strategic planning framework and developed and implemented improvement frameworks, which in turn have resulted in further productivity improvements. Without these resources, significant funding would have been required for consultants and/or the organisation improvement would not have occurred.
- *Strengthened financial management and reporting:* Prior to the review, Council was unable to finalise its 2022/23 financial statements on time due to poorly configured systems, limited reporting capability and broader financial challenges. The inclusion of a Chief Financial Officer within the organisation structure has allowed for improved financial management and reporting. This has been critical due to liquidity and sustainability concerns, along with oversight of North Sydney Olympic Pool costs.
- *Building Compliance staffing:* An additional resource was allocated to building compliance due to the pressure placed on this team through high volumes of compliance issues. This resource has ensured Council's legislative requirements have been met and risks reduced, while at the same time improving customer response. Without these resources, funding would have been required for consultants and/or the improvement would not have occurred.
- *Risk management staffing:* A resource was allocated to manage Council's enterprise risk management function. Outside of senior staffing, there was no allocated risk management position to manage and monitor the risk function. Risk management is critical within local government, as highlighted through the North Sydney Olympic Pool project.
- *Parks and Gardens staffing:* Council's green network has expanded substantially in recent years without a proportionate increase in staffing. Additional resourcing has ensured service levels are maintained across the enlarged network.
- *Customer experience:* An additional resource was added to the customer service team to support review and improvement. This has resulted in new processes and systems which have already reduced inefficiencies and improved the overall customer experience.
- *Community capacity building:* An additional resource was allocated to the community development team to expand support for volunteering initiatives and strengthen local capacity.
- *Affordable housing:* An additional resource was temporarily allocated to the strategic planning team to develop an affordable housing scheme and improve opportunities for affordable housing in North Sydney. Without this internal capability, reliance on consultants would have been significantly higher.

In addition to the workforce realignment undertaken in 2023 (outlined above), Council delivered a one-off cost saving of $2.2 million in 2024/25 by holding vacant positions for extended periods. This action was necessary to support short-term liquidity pressures but is not sustainable in the long term, as holding vacancies open increases workforce pressure, reduces service capacity and risks burnout among remaining staff. Prolonged vacancies can also delay projects, reduce responsiveness to the community and undermine the productivity gains achieved through the workforce review.

In 2024/25 Council also implemented a leave management initiative to reduce leave liabilities.

2.1.1 Workforce management summary

The following table summarises the productivity gains achieved through the workforce management review.

Organisational realignment	By reducing the spend on management level salaries, $2.3 million was able to be saved and redirected to address critical gaps in areas of need including compliance, parks and gardens, sustainability, community development, organisational improvement, risk management, information technology and customer experience.	$2.3 million/yr cost containment
Vacant positions	Council generated $2.228 million in savings in 2024/25 by holding vacant positions for extended periods. Leaving positions vacant was necessary to support short-term liquidity pressures but is not sustainable in the long term.	$2.2 million cost savings (2024/25)
Leave management initiative	Council implemented plans to reduce excess leave levels created over time. This created a saving of $0.9 million through a reduction in leave liabilities.	$0.9 million reduction in leave liabilities

2.2 Service review program (2024/25 onwards)

Council developed and subsequently implemented a Service Review Framework in 2024/25 to guide a systematic program of reviews across its services. The framework provides a structured, evidence-based approach to assessing the cost, quality, efficiency and effectiveness of services, ensuring they remain relevant, financially sustainable and aligned with community expectations and statutory obligations.

The framework embeds a culture of continuous improvement, encouraging staff to think critically and creatively about current and future needs. Benefits are delivered across five key areas:

- Learning and growth: building staff capability to deliver high-quality, cost-efficient services.
- Internal processes: maximising opportunities for innovation, streamlining procedures, and removing inefficiencies.
- Customer experience: ensuring services continue to meet community needs and expectations.
- Financial sustainability: improving value for money and ensuring long-term affordability of services.
- Environmental sustainability: minimising adverse environmental impacts of Council operations.

The service review program operates on a four-year cycle, with two to three reviews undertaken annually.

Reviews of Customer Service, Development Services and Street Cleaning Operations were undertaken in 2024/25. The Street Cleaning Service Review was the pilot review for the new Service Review Framework.

Reviews of Governance, Tree Management, and Traffic and Transport will be completed in 2026/27.

2.2.1 Customer Service Review

The Customer Service Review delivered substantial improvements to efficiency, governance, risk management and the customer experience. Key changes focused on process optimisation, workforce realignment, digitisation and technology upgrades. Collectively, these initiatives have reduced costs, freed up staff capacity, and improved the quality and timeliness of services to the community. Overall, more than 7,000 staff hours per year have been saved through automation, digitisation, and smarter ways of working.

Some of the already implemented improvements include:

- *Website and self-service improvements*
  Redeveloped website content provided customers with clearer, more accessible information. This increased self-service, reduced call volumes and freed staff to manage more complex enquiries.
- *Streamlined licensing and permits*
  Outdated, paper-based licensing and permit systems were consolidated into digital processes. This included a centralised application form, electronic registers, debtor management, and refreshed templates and training materials. These changes delivered direct annual savings through role disestablishment and reduced printing and postage costs.
- *Workforce optimisation*
  Duplicate leadership roles were removed and departmental meetings, KPIs, recognition programs and a structured five-day training plan were introduced.
- *Multi-disciplinary team capability*
  Staff were cross-trained across the call centre, front counters and administration. This allowed flexible rostering, improved productivity and greater resilience during peak demand, reducing downtime and lifting service responsiveness.
- *Technology upgrades*
  A new Contact Centre Platform introduced skills-based call routing, faster onboarding and real-time after-call task completion. Automated Resident Data Reports and Address Comparison Reports reduced manual workload on annual parking permit audits, improving data integrity and compliance.
- *Online payments*
  A secure online payment gateway was introduced, reducing cash handling, counter visits and staff processing time.
- *Digitisation*
  Resident and Temporary Parking Permits were digitised, enabling online renewals and payments, removing printing and postage costs, and reducing administrative handling.

2.2.2 Development Services Review

The Development Services Review has delivered significant efficiency improvements, enhanced governance and measurable productivity gains. By digitising workflows, standardising templates, introducing triage and building internal capability, the review has improved consistency, transparency and turnaround times for applicants. The productivity benefits are substantial and already delivering faster outcomes for the community, including a >20% reduction in gross average assessment times (from 158 days in January 2025 to 125 days in June).

Some of the already implemented improvements include:

- *Application triage*
  Introduced structured Development Application Triage meetings, ensuring consistent allocation, faster processing and reduced risk of inconsistent referrals.
- *Notification process*
  Shifted from weekly batching to mid-week processing, cutting delays and enabling quicker determinations.
- *Notification signs*
  Replaced single-use plastic boards with A3 paper signs featuring QR codes, lowering costs, improving sustainability and providing customers simple online access to DA information.
- *Delegations*
  Expanded staff delegations for minor variations and appeals, reducing unnecessary referrals to the Planning Panel and speeding up decision-making.
- *Process mapping*
  Documented and published priority processes, reducing training time, improving consistency, and supporting quicker onboarding of new staff.
- *Condition library*
  Embedded standardised condition templates in the assessment system, reducing errors, improving clarity for applicants and strengthening legal defensibility.
- *Report and template updates*
  Streamlined and standardised reports, making them clearer, more consistent and easier to understand for decision-makers and applicants.

- *Legal services reform*
  Appointed an in-house planning law specialist, reducing reliance on external legal providers, cutting costs and improving management of appeals. The savings from this appointment are included under 'Building internal capability' in section 2.3.
- *Referral templates*
  Introduced standardised internal referral templates, improving clarity, tracking and turnaround times while reducing duplicated effort.
- *Data and reporting*
  Implemented real-time dashboards and Power BI reporting, giving managers and staff greater oversight of workloads, performance and decision timeframes.

2.2.3 Street Cleaning Service Review (pilot)

The Street Cleaning Service Review identified more than $400,000 in annual savings, with full benefits expected from 2026/27. To date, several improvements have already been implemented, delivering immediate efficiencies, risk reduction and better customer outcomes. Early actions have realised $13,200 per year in fuel and maintenance savings, alongside significant time efficiencies that are being reinvested into service delivery.

Some of the already implemented improvements include:

- *Bin location optimisation*
  Public bin locations were reviewed, with underused ones removed and others relocated or mounted on poles to prevent theft or movement. This reduced wasted servicing time, improved efficiency, lowered workplace risks and ensured bins are now consistently available in accessible locations for customers.
- *Digitised reporting systems*
  Paper-based reporting for sweeping and compactor operations was replaced with a web-based system. This modernised approach enables real-time reporting, accurate record-keeping and improved oversight.
- *Digital communication with operators*
  iPads were installed in vehicles, removing the need for daily in-person meetings between supervisors and compactor operators.
- *Scheduled compactor collections*
  Fixed daily schedules were introduced for compactor collections, reducing downtime for manual cleaning teams waiting for leaf litter collection. This improved efficiency has allowed crews to collect more litter with existing resources.
- *Consolidated compactor operations*
  Compactor operations were reviewed and streamlined from three compactors in daily use with rotating staff to two compactors with full-time operators on fixed runs. This improved accountability and service consistency. The third compactor was removed from daily use and retained as a backup, reducing fuel and maintenance costs, with further savings expected from its disposal in one to two years.

2.2.4 Service review summary

The following table summarises the productivity gains identified through service reviews in 2024/25.

Street Cleaning	The Street Cleaning service review identified annual savings of more than $400,000 through operational efficiency improvements. Implementation of the recommendations from this review are underway. $13,200/year savings in fuel and maintenance costs were realised immediately, and full savings are expected to be realised from 2026/27 onwards.	>$400,000/yr cost savings
Customer Service	The Customer Service review identified significant operational efficiency improvements that are expected to deliver $190,000 in annual savings from 2025/26 onwards. In addition to these direct financial savings, process, technology and workforce improvement initiatives are providing significant efficiency benefits. These time savings will be used to improve customer service delivery and have facilitated improved support to the remainder of the organisation.	>$200,000/yr cost savings
Development Services	The Development Services process review delivered significant efficiency improvements, with gross average assessment times dropping from 158 days in January 2025 to 125 days in June.	>20% reduction in gross average assessment times

2.3 Continuous improvement initiatives (ongoing)

Continuous improvement (including process mapping and improvements) is a core element of Council's performance management framework, helping to embed a culture of innovation, efficiency and accountability across the organisation. It brings together a wide range of initiatives aimed at enhancing service quality, reducing costs, and ensuring Council operates in line with community expectations, statutory obligations, and strategic priorities.

As part of this program, process mapping commenced in early 2024. This work has provided a clear, visual understanding of workflows, helping staff identify inefficiencies and implement practical improvements. Approximately 270 processes have now been mapped, creating clearer documentation, supporting compliance and generating valuable training resources. While process mapping has directly driven many improvements, it represents just one element of the broader continuous improvement agenda.

Continuous improvement across Council has been achieved through:

1. **Building internal capability**
   Building staff expertise to reduce reliance on external consultants and contractors. This includes upskilling staff, creating specialist roles and enabling teams to perform work previously outsourced, which improves resilience and lowers costs.
2. **Changed formats of service delivery**
   Adjusting how services are delivered to make them more efficient, sustainable, or cost-effective (e.g. outsourcing food handling, using volunteers, introducing new service models).
3. **Cost avoidance**
   Preventing expenditure that would otherwise have been incurred. Achieved by introducing new processes, improving procurement terms, sourcing free or low-cost alternatives and reviewing grants. These initiatives ensure Council delivers the same or better services without additional outlay.
4. **Digitisation and automation**
   Transforming manual, paper-based or repetitive processes into streamlined digital workflows. These initiatives improve accuracy, save staff time, and enhance service delivery by leveraging automation and digitised records.
5. **Enhanced procurement and contract management**
   Securing better value from suppliers through smarter purchasing, bundled contracts and stronger negotiation. This category also includes improved vendor management and consolidation of systems or platforms to reduce duplication.
6. **Online customer service improvements**
   Making it easier for the community to interact with Council by moving services online. These initiatives reduce administrative effort, improve response times and provide more accessible and transparent customer experiences.
7. **Process improvement**
   Analysing workflows to identify inefficiencies and redesign processes. This structured approach ensures consistency, supports training, aids compliance and underpins continuous improvement across all service areas.
8. **Quality assurance**
   Ensuring projects and services are delivered consistently and meet required standards. Initiatives focus on improved oversight and processes that reduce errors and improve quality and reliability.
9. **Revenue initiatives**
   Generating new or enhanced income streams to support Council's financial sustainability. Examples include additional advertising in public places, user fees and charges, improved invoicing systems and better debt management practices.
10. **Rostering/scheduling adjustments**
    Improving efficiency and service coverage through smarter scheduling and rostering. Initiatives include reducing reliance on overtime, staggering shifts and focusing patrols and maintenance where they are most needed, ensuring better use of resources and continuous service delivery.
11. **Technology improvements**
    Enhancing systems and infrastructure to reduce manual handling, improve data accuracy, and increase resilience. These initiatives include system consolidations, platform upgrades, and integrations that improve efficiency and reduce risks.
12. **Workforce optimisation**
    Maximising the impact of our workforce by aligning people, skills, and resources to areas of greatest need, ensuring Council delivers more with the same resources while strengthening resilience and supporting a productive, engaged workforce.

Staff at all levels have been central to this program, proactively identifying and implementing both small-scale adjustments and significant reforms. Together, these initiatives have delivered measurable productivity gains, reduced risks, and created financial capacity to address organisational priorities.

2.3.1 Past and current productivity improvement actions

The tables below highlight specific actions, process changes and initiatives that have already been implemented and have contributed to delivering productivity gains and/or additional revenue.

P1. Building internal capability

Council has made significant progress in reducing reliance on external providers by building specialist skills and expertise in-house. This investment in staff training, multidisciplinary teams, and new roles has increased resilience, improved responsiveness, and reduced costs.

Notable Examples:

- **Planning Legal Counsel**: Appointment of an in-house planning legal counsel reduced reliance on external legal services for appeals and advice.
- **Role evaluations:** Previously outsourced, now conducted in-house, generating ongoing savings and reducing turnaround times.
- **Playground inspections**: Selected team members trained and accredited to conduct inspections, replacing the need for regular external contractors.
- **Prosecutions**: Ranger and Parking Services staff now trained to represent Council in court, eliminating the need for external legal representation.
- **Customer Service transformation**: Teams retrained across multiple functions (call centre, front counter, administration) to create flexibility, improve productivity, and reduce downtime.
- **Strategic planning:** Development of a full suite of Council strategies completed internally, avoiding consultancy costs.
- **Project Management Framework**: Developed in-house rather than relying on consultants, avoiding costs while strengthening governance and delivery of capital projects.

This approach has both reduced expenditure and enhanced Council's long-term capacity to deliver critical services with greater independence and control.

Estimated gains			
$497,000 cost savings (per year)	$71,000 cost containment (per year)	$500,000 cost containment (one-off)	70 hrs/year efficiency gains

P2. Changed format of service delivery

Council has modernised the way certain services and events are delivered, reducing costs while maintaining or improving community outcomes. By moving away from traditional resource-intensive approaches, these changes have created efficiencies, encouraged community participation, and ensured service quality is sustained at a lower cost.

Notable Examples:

- **Business papers:** Transitioned from printing and couriering Council and Committee business papers to online distribution, saving printing and postage costs.
- **Civic events:** Replaced professional musicians and purchased flowers at citizenship and protocol events with reusable arrangements and community performers such as school choirs.
- **Food and beverage delivery:** Introduced food trucks and can-only bar service at North Sydney Oval events, improving service times and variety while cutting internal labour costs.

These initiatives demonstrate Council's ability to adapt service delivery models to be more cost-effective and efficient without compromising outcomes for the community.

Estimated gains	
$35,000 cost savings (per year)	70 hrs/year efficiency gains

P3. Cost avoidance

Council has reduced unnecessary expenditure through smarter processes, stronger governance, and more efficient use of resources. These initiatives have avoided costs that would otherwise have been incurred, while also delivering efficiency gains and strengthening staff capability. Grant funding arrangements were also altered for one year to address short-term liquidity pressures.

Notable Examples:

- **Fleet management:** Reduction in light fleet by 10 vehicles.
- **Community centres**: In 2025/26, some direct grants were replaced with capital reserves, ensuring funds are used for long-term building improvements rather than one-off operational support.
- **Community transport**: A more cost-effective grant-based funding model for community transport has been adopted.
- **Library catalogue searches**: Internal process changes enabled Council to remain on a lower subscription package, avoiding the need to purchase a higher-level service.
- **Road resheeting**: New asphalt mixes allow thinner layers while maintaining strength, reducing resurfacing costs. Savings are reinvested in additional road works.
- **Workshop improvements**: Investments in cranes, welding benches, and other equipment enabled more complex work to be completed in-house, avoiding outsourcing costs.
- **Youth worker training**: Free training programs replaced the need for Council to cover costs, while enhancing staff knowledge and resilience.
- **Parking fee avoidance**: Relocating a Council vehicle from a paid carpark to a Council site removed annual parking expenses.

These measures show how cost avoidance has been embedded into everyday operations, ensuring Council delivers quality services without incurring additional expenditure.

Estimated gains				
$63,000 cost savings (per year)	$113,000 cost containment (per year)	$318,000 cost savings (one-off)	360 hrs/year efficiency gains	$450,000 cost savings (one-off capital)

P4. Digitisation and automation

Council has significantly modernised its operations by digitising manual processes and introducing automation across a wide range of services. These changes have replaced paper-based systems, reduced repetitive manual tasks, improved accuracy and reporting, and delivered faster, more consistent outcomes for both staff and the community. The efficiencies gained have freed up staff time for higher-value activities, strengthened compliance, and reduced organisational risk.

Notable Examples:

- **Finance automation:** Accounts Payable/Receivable reminders are now auto generated and sent to officers, reducing delays and manual collation. Invoice approvals are system driven for accuracy and timeliness.
- **Records digitisation**: 70% of property files have been digitised, removing the need for off-site storage and manual handling.
- **Correspondence management**: General inbox emails, routine email registrations, and Access to Information forms are now filtered, classified, and automatically logged into Council's document management system. This ensures quick delivery and fewer oversights.
- **Workplace health and safety digitisation**: Paper-based WHS checklists, audits, risk assessments, and incident reports have been replaced with digital forms and mobile apps in key areas.
- **Environment and building compliance digitisation**: Key processes such as strata terminations, swimming pool applications, and cooling tower inspections have been moved online. Legislative information is now published on Council's website, reducing reliance on phone enquiries, and inspection records are completed through smart forms, enabling faster processing and statistical insights.
- **Revenue systems:** Rates notice templates and inspection-related invoices are generated directly from the ERP system, ensuring accuracy, standardisation, and improved revenue collection.
- **Workforce management:** An automated offboarding workflow ensures all steps are tracked systematically.
- **IT asset management**: Asset records sync automatically with device management systems.
- **Construction permits**: Rangers use a tracker for real-time access to approved permits, removing manual confirmation with Chambers.
- **Ranger operations**: Mobile tech lets Rangers record, lodge, and escalate reports in the field, reducing admin and improving responsiveness.
- **Community engagement:** Automated workflows support programs like the Better Business Partnership with timely, consistent communication.
- **Strategic reporting:** Quarterly and annual reporting updates (including KPIs) are now entered directly into Council's IP&R system, which automatically generates graphs, reports, reminders, and tracking updates.

Together, these initiatives demonstrate how digitisation and automation are delivering efficiency, transparency, and improved service delivery while positioning Council for ongoing innovation and continuous improvement.

Estimated gains

7,620 hrs/year efficiency gains

P5. Enhanced procurement and contract management

Council has delivered significant improvements in procurement and contract management by taking a more strategic and coordinated approach. Through role consolidation, supplier negotiations, bulk purchasing, and the formalisation of long-term agreements, Council has reduced licensing and service costs, avoided large capital expenditures, and strengthened vendor partnerships. These initiatives have improved governance, achieved measurable savings, and redirected resources towards higher-value services that benefit the community.

Notable Examples:

- **Cyber security platforms:** Multiple stand-alone tools were replaced by a unified cyber security platform, reducing licensing costs and staff time spent managing separate systems.
- **Firewall replacement**: Negotiated with the vendor to secure next-generation firewalls at no cost, avoiding a major capital purchase.
- **Telephony, mail, rates and community engagement systems:** Migrated to more cost-effective providers, achieving ongoing annual savings and improved service delivery.
- **Insurance and claims**: Directing repairs to preferred providers reduced costs and improved value for money.
- **Role consolidation**: Combined the Contracts Manager and Procurement Manager into one role, improving governance while reducing staffing costs.
- **Bundled maintenance works:** Packaging jobs geographically achieved significant contractor savings, with funds reinvested into additional works.
- **Use of electric vehicles**: Council has moved towards the purchase of electric vehicles, reducing exposure to fuel price fluctuations.
- **Vendor agreements:** Formalised long-term agreements and secured contributions from external partners, delivering more stable and beneficial outcomes.
- **Bulk purchasing and signage**: Buying materials in larger volumes and switching to reusable signage reduced costs and waste.

These improvements demonstrate how Council is leveraging smarter procurement and contract management to achieve savings, avoid unnecessary expenditure, and redirect resources towards higher-value services and community priorities.

Estimated gains				
$41,000 cost savings (per year)	$200,000 additional revenue (per year)	$667,000 cost containment (per year)	$92,000 cost containment (one-off)	1,470 hrs/year efficiency gains

P6. Online customer service improvements

Council has transformed customer interactions by moving away from paper-based, manual, and fragmented processes to digital, streamlined, and accessible services. Through online forms, digital platforms, and upgraded web content, customers now have 24/7 access to services, while staff benefit from reduced manual handling, fewer enquiries, and more accurate data capture. These initiatives have delivered efficiency gains, minimised risk of errors, and enhanced transparency, while creating a simpler, faster, and more consistent experience for the community.

Notable Examples:

- **Online forms:** Key hardcopy application/enquiry forms replaced with web-based forms that auto-route requests, reducing manual registration and processing delays.
- **Digital forms:** Some forms, such as the DA checklists, consent forms, and waste management plan, converted to fillable pdfs so they can now be completed and submitted electronically. This has eliminated the print-scan workflows.
- **Public Tree CRM form:** Requests for tree works are now lodged digitally, automatically tracked and assigned, with mobile apps supporting field team responsiveness.
- **Library services:** Online enquiry forms standardised; instant eCard memberships created; fines and fees are now payable online through the library catalogue.
- **Risk claims:** An online request for compensation form ensures complete submissions, reduces back-and-forth emails, and speeds up claims processing.
- **Finance services:** Ratepayers now access notices and balances 24/7 online; and direct debit, refund, and rates notice requests are now fully digitised.
- **Graffiti removal:** Property owner consents submitted via online forms, enabling faster scheduling and response.
- **Building certification requests:** Online fee quote and inspection booking forms streamline application process.
- **Website enhancements:** Website updated to improve content in some key areas such as building compliance, fire safety, planning reforms, and swimming pool certification. Updates include clear guides and explanatory videos to support community awareness and understanding.
- **Community grants:** Applications moved to a digital platform, improving submission, tracking, and reporting for both applicants and staff.

These improvements demonstrate how digitisation has modernised Council's customer service, reducing inefficiencies, ensuring compliance, and delivering a more accessible and transparent service experience for the community.

Estimated gains

1,130 hrs/year efficiency gains

P7. Process improvements

Council has strengthened operations by streamlining workflows, standardising procedures, and embedding smarter practices across multiple service areas. By removing duplication, automating manual processes, and integrating new systems, efficiencies have been created that free up staff for higher-value tasks, reduce risks, and improve consistency. These changes have lifted service standards, reduced compliance and audit risks, and ensured faster, more reliable outcomes for the community.

Notable Examples:

- **IT asset management:** Standardised device naming ensures faster troubleshooting, accurate audits, and easier asset tracking.
- **Arts programs:** Automation of art prize data entry and consolidation of the Creating Wellbeing program delivery partners reduces admin time and supports consistent service delivery.
- **Events management:** Centralised PA system booking and consistent project evaluation frameworks reduce errors and double handling, and improve program planning.
- **People and culture:** A new performance review framework promotes staff development, better record-keeping, and clearer expectations.
- **Parks and reserves:** Playground maintenance integrated into routine Parks and Gardens team duties, reducing inefficiencies and improving responsiveness.
- **Tree management:** Expanded proactive inspections improve safety and asset management without additional staffing.
- **North Sydney Oval:** An upgraded POS supports real-time stock management, reduces waste, improves financial control, and enhances service speed.
- **Environment and building compliance:** Triage of cases, standardised templates, revised food shop ranking procedure, change to bi-annual environmental audits, and streamlined DA referrals all result in improved efficiency, consistency, and transparency.
- **Fire safety process improvements:** Introduced a Fire Safety Manual, reviewed the AFSS register, and brought technical assessments in-house, strengthening compliance and reducing reliance on external consultants.
- **DCP streamlining project:** Simplified the Development Control Plan by removing duplication and increasing clarity, making it easier and faster to apply relevant controls.
- **Bushland management:** Smarter practices such as buffer zone mulching, integrated pest management, and cordless auger tools have reduced labour, chemical use, and safety risks.
- **Ranger services:** Service requests are now routed through supervisors. This increases productivity, ensures timely responses, and frees Rangers to focus on community safety and compliance activities.
- **Communications:** A single social media management platform consolidates posting, scheduling, and reporting, saving staff time and ensuring more consistent engagement.

These initiatives demonstrate how process improvement has been embedded across Council, delivering efficiency gains, reducing risk, and ensuring higher-quality and more responsive services for the community.

Estimated gains			
$2,000 cost savings (per year)	$40,000 additional revenue (per year)	$310,000 cost containment (per year)	5,180 hrs/year efficiency gains

P8. Quality assurance

Council has strengthened quality assurance by improving internal processes, standardising responses, and taking greater control of service delivery. These initiatives have reduced errors, improved consistency, and created more reliable outcomes for both staff and the community.

Notable Examples:

- **Plant selection:** Brought plant selection for new garden beds in-house, ensuring species are better matched to local conditions. This has reduced plant failures, lowered maintenance needs, and improved the visual appeal of public spaces.
- **Traffic and transport:** Introduced upfront guidance for preparing Construction Traffic Management Plans, improving the quality of submissions, reducing back-and-forth, and speeding up approval timelines**.**
- **Standard response library:** Developed a standard response library for Environment and Building Compliance matters, ensuring consistent replies to enquiries and faster handling of generic queries.

By embedding quality assurance into everyday operations, Council is reducing risk, improving efficiency, and delivering more reliable services. These improvements provide clearer expectations for customers, stronger outcomes for the community, and a more consistent standard of service delivery.

Estimated gains
880 hrs/year efficiency gains

P9. Revenue initiatives

Council has strengthened its financial sustainability by introducing new fees, updating outdated charges, identifying new/expanded revenue opportunities, and recovering costs that were previously absorbed. These measures ensure that those using services or undertaking activities that require additional oversight contribute fairly to the cost of providing them. The initiatives not only improve accountability and cost recovery but also support safer practices, better compliance, and more transparent service delivery.

Notable Examples:

- **NYE managed vantage points:** Introduction of an entry fee in 2025/26 to improve crowd management and offset event costs.
- **Restoration works:** More accurate and proactive inspections ensure recovery of reinstatement costs from developers, reducing financial risk to Council.
- **Parking permits and applications:** Consolidated permit types and online payments introduced, supported by a new application fee structure, improving efficiency and increasing revenue.
- **Parking station leasing:** Temporary lease of unused car park space generated additional income.
- **Compliance cost notices:** Development Control and Fire Safety Orders now include fees to recover Council's regulatory costs.
- **Building Information Certificate fees:** Application fees increased to reflect the true cost of service delivery.
- **Swimming pool compliance:** Introduction of fees for pool directions and commercial pool inspections to support safety and compliance.
- **Food and health regulation:** New urgency, reinspection, and audit fees introduced for food stalls, skin penetration premises, and environmental audits, ensuring cost recovery.
- **Debt recovery program:** Expanded targeted collections across multiple registers, significantly improving cash flow and reducing outstanding balances.
- **Advertising:** Increased advertising opportunities in public spaces generated higher-than-forecast revenue.

These initiatives embed stronger revenue management across Council, supporting compliance, and enabling reinvestment into essential services for the community.

Estimated gains				
$821,000 cost savings (per year)	$46,000 cost containment (per year)	$200,000 additional revenue (one-off)	$271,000 cost containment (one-off)	1,000 hrs/year efficiency gains

P10. Rostering and scheduling adjustments

Council has strengthened rostering and scheduling practices to reduce inefficiencies, improve service coverage, and better align resources with operational needs. By introducing flexible rosters, adjusting service-level requirements, and staggering shift times, Council has reduced reliance on overtime and casual staff, focused resources where they are most needed, and ensured continuous regulatory coverage. These changes have removed unnecessary expenditure, improved visibility of officers, and ensured more consistent regulatory outcomes for the community.

Notable Examples:

- **North Sydney Oval game day rostering:** More efficient rostering eliminated manager overtime and excessive casual staff costs.
- **Parking patrol shift coverage:** Service level agreement reduced from five patrols every two weeks to five times per month, allowing officers to focus on areas with higher non-compliance.
- **Parking patrol rostering:** New staggered start times (7.30am, 9am, 11am) ensure meal breaks vary, maintaining parking enforcement coverage continuously between 7am and 9pm.

These measures demonstrate how smarter rostering and scheduling are strengthening service delivery while reducing unnecessary costs and increasing revenue.

Estimated gains		
$12,000 cost savings (per year)	$631,000 additional revenue (per year)	$32,000 cost containment (per year)

P11. Technology improvements

Council has made essential upgrades to its technology platforms to improve efficiency, strengthen security, and deliver more reliable services for staff and the community. Many of these improvements have been delivered in-house, with minimal investment, by making better use of existing systems and resources. While these changes have reduced risks and cut manual workloads, they are short-term solutions. Council's core systems remain outdated and will ultimately require significant investment to achieve a sustainable technology environment.

Notable Examples:

- **Enterprise content management:** Migrated from 13 on-premise servers to a cloud-based SaaS platform, improving scalability, reducing maintenance, and enhancing system reliability.
- **Reporting platform:** Transitioned static reports into dynamic, interactive dashboards that provide real-time data, improving decision-making and staff responsiveness.
- **Database backups:** Consolidated into a centralised platform, enabling faster recovery, and reduced risk of data loss.
- **"Before You Dig" service:** Adopted a cloud-based solution for asset location requests, reducing manual interventions and improving community safety.
- **Development assessment tools:** Moved document assessment tools used on tablet devices to the cloud, enabling flexible access from anywhere.
- **Network infrastructure:** Replaced ageing switches and outdated radio links with modern fibre and business-grade internet, significantly improving uptime, reliability, and continuity of services.
- **Automated endpoint patching:** Introduced centralised, cloud-based software patching to strengthen cyber security and reduce manual IT effort.
- **Email and domain protection:** Implemented DMARC protocols to protect Council's domain against phishing and spoofing.
- **Development and building applications:** End-to-end digital integrations with the NSW Planning Portal and streamlined workflows, cut manual handling, and reduced assessment turnaround times.
- **Inspections and compliance:** Introduced digital workflows for food safety, playground and building inspections, improving accuracy, auditability, and speed of follow-up actions.
- **Device management:** Automated the imaging of staff devices, ensuring quicker deployment and fewer errors.
- **Collaboration tools:** Adopted a modern communications platform with integrated chat, video, and document sharing to improve flexibility and teamwork.
- **Library services:** Shifted Shorelink to a cloud-based platform, reducing costs and enabling more timely updates.
- **Governance:** Upgraded webcast technology for Council meetings, improving accessibility and public participation.
- **Parking systems**: Replaced old meters with modern units that update remotely, run on long-life solar power, and accept multiple payment methods, cutting maintenance and downtime and making payment faster and easier.
- **Energy efficiency:** Upgraded street lighting to LEDs and installed solar panels on Council buildings, lowering electricity costs and reducing emissions.
- **Capital project reporting:** Delivered a centralised project tracker and dashboards to improve resource planning and transparency.
- **Volunteer programs:** Digitised Bushcare group reporting with tablets, cutting down paperwork and improving record-keeping.

Council has made practical technology upgrades that save time, improve security, and make services more reliable. Most of this work has been done in-house at low cost by making the best use of existing systems. These are important short-term fixes, but bigger investment will be needed in the future to replace Council's ageing core systems.

Estimated gains		
$649,000 cost savings (per year)	$197,000 cost containment (per year)	3,390 hrs/year efficiency gains

P12. Workforce optimisation

Council has taken steps to optimise its workforce by streamlining processes, shifting tasks in-house, making greater use of volunteers, and reducing reliance on external contractors. By making better use of internal resources and community partnerships, Council has improved efficiency, achieved savings, and delivered more consistent service outcomes.

Notable Examples:

- **Arts:** Introduced group and online information sessions for the North Sydney Art Prize, reducing required staff engagement time while improving consistency and transparency for entrants.
- **Library:** Expanded the 1:1 technology help program through a volunteer mentoring model, tripling available sessions and freeing staff time for other tasks.
- **People and culture:** Shifted to a centralised specialist structure, providing clearer accountability, stronger internal support, and faster turnaround times for staff and leaders.
- **Footpaths, roads and drainage**: Shifted concrete waste disposal in-house, delivering cost savings and freeing depot space, without increasing staff workload.
- **Parks and reserves:** Transferred planter box maintenance in Neutral Bay from contractors to the in-house team, achieving savings while improving service consistency and quality standards.
- **Turf:** Transferred mowing of key parks to in-house turf team with an additional mower, reducing costs and ensuring more reliable maintenance of open spaces.
- **Trades and fleet:** Transferred wash bay pit and pump maintenance to in-house trade teams, removing the need for external contractors.
- **Workforce management:** Disestablished or partially capitalised certain roles, reducing salary costs and reallocating resources.
- **Holding vacant positions:** Temporarily held vacant positions to manage liquidity, generating short-term savings.

Together, these workforce optimisation initiatives show how Council is delivering more with less – reducing costs, strengthening internal capability, and improving service quality. While most of these changes create sustainable efficiencies, the practice of holding positions vacant is only a temporary measure and not viable in the long term.

Estimated gains		
$310,000 cost savings (per year)	$514,000 cost savings (one-off)	180 hrs/year efficiency gains

2.3.2 Future productivity improvement actions

The tables below highlight some of the planned improvement initiatives that are expected to deliver productivity gains and/or additional revenue in 2026/27 onwards.

F1. Building internal capability

Looking ahead, Council will further strengthen its internal capability. By investing in its workforce and building stronger in-house expertise, Council is positioning itself to achieve ongoing savings, reduce external dependency, and deliver more consistent legal and planning services.

Notable Examples:

- **Planning Legal Counsel (appeals and advice – continuation):** The appointment of an in-house Planning Law Specialist has already generated significant savings by reducing external legal spend. Additional savings will be realised from 2026/27 onwards as pre-existing cases conclude.
- **Planning Legal Counsel – training and representation:** In addition to managing appeals and providing legal advice, the new Planning Legal Counsel will also train staff to confidently manage Land and Environment Court matters, such as Statements of Facts and Contentions and Joint Expert Reports. This will reduce future dependence on consultants, improve consistency, and strengthen legal risk management.

Estimated gains	
$408,000 cost savings (per year)	70 hrs/year efficiency gains

F2. Changed format of service delivery

Council will continue to modernise its approach to service delivery by shifting away from manual, resource-heavy methods towards scalable and automated solutions. These changes will improve efficiency, reduce risks, and create more reliable outcomes for staff and the community.

Notable Examples:

- **Enhanced e-learning and digital training programs:** Online training modules will be expanded to deliver consistent, role-specific records management training, supported by self-service resources and awareness campaigns. This will replace ad hoc sessions, strengthen compliance, and improve records governance.
- **Robot line marking:** Robotic technology will automate turf line marking, reducing manual effort and workplace risks. Staff time will be redirected to proactive turf care, improving field quality, resilience, and overall community experience.

Estimated gains
440 hrs/year efficiency gains

F3. Cost avoidance

Council is embedding longer-term cost avoidance measures that will deliver their full financial impact in 2026/27 and beyond. These initiatives are already underway, but the complete savings will only be realised once transitional factors are resolved.

Notable Examples:

- **Motor vehicle insurance claims process:** A new approach to handling motor vehicle claims, including internal repairs below the excess and a "three strikes" driver policy, has been introduced. While the framework is in place, the full savings will be realised from 2026/27 through reduced insurance premiums and improved driver safety outcomes.
- **Community transport (continuation):** A shift to a grant-based funding model for community transport commenced partway through 2025/26. From 2026/27, the full year of savings will be realised as this model fully replaces contracted services.

Estimated gains
$69,000 cost savings (per year)

F4. Digitisation and automation

Council will continue to digitise and automate processes to reduce manual handling, improve data accuracy, and deliver faster, more reliable services. These initiatives will create efficiencies, reduce risks, and improve customer experience by making services more accessible and transparent.

Notable Examples:

- **Online timesheets and payroll automation:** Council will implement an integrated online timesheet system, eliminating manual entry, reducing errors, and freeing significant staff time while ensuring stronger compliance and faster payroll processing.
- **Automated payment reconciliation:** Manual reconciliation of payments will be replaced with automated processes, reducing errors and improving financial reliability.
- **Online forms migration:** Remaining hardcopy forms will be transitioned to digital platforms, cutting manual processing and making services more accessible 24/7.
- **Notice of sale automation:** Integration with Land Registry Services will automate property data updates, reducing delays and improving statutory compliance.
- **State significant developments automation:** Council will automate the creation of major development application records and document registration, reducing administrative workload and ensuring more timely processing.
- **AI-assisted meeting minutes:** Automation and AI will support faster, more accurate preparation of meeting minutes, freeing staff capacity for higher-value tasks.
- **Automated report saving:** Governance systems will be configured to automatically save reports into Council's document management system, reducing duplication and administrative effort.
- **Grant register automation:** A centralised digital register will improve grant tracking and compliance by automating reminders and status tracking.
- **Digital field reporting (parks and gardens):** Teams will adopt a single digital system for WHS, risk and playground reporting, improving data reliability and freeing time for service delivery.
- **Planning certificate automation:** Once property data is fully integrated into the ERP system, planning certificates will be automatically generated, improving turnaround times and reducing manual checks.

Estimated gains
2,750 hrs/year efficiency gains

F5. Enhanced procurement and contract management

Council will improve procurement by consolidating contracts, streamlining processes, and reducing duplication to save costs and improve efficiency.

Notable Examples:

- **Pre-employment checks:** Bundled background checks with volume discounts will reduce costs and save hiring managers' time, shortening recruitment times.
- **Procurement consolidation:** Common items will be consolidated under unified contracts, leveraging Council's purchasing power and reducing duplication.

The potential cost savings from procurement consolidation are not yet known.

Estimated gains	
$3,000 cost savings (per year)	150 hrs/year efficiency gains

F6. Online customer service improvements

Council will expand and digitise customer service options to make transactions faster, easier, and more convenient, while also reducing staff workload and compliance risks.

Notable Examples:

- **Direct debit option for online payments:** Customers will be able to pay fees via direct debit as well as credit card, lowering costs for larger transactions and reducing staff processing time.
- **DA/planning submissions publication and acknowledgement:** A new portal will automate document registration, apply publication rules, and send acknowledgements, improving compliance and freeing staff for higher-value tasks.
- **Library payments:** Customers will be able to pay online via email links instead of at the counter, saving staff time and making transactions easier for library users.
- **Organisation-wide booking platform:** A single self-service system will consolidate bookings across all facilities and services, reducing duplication and manual workarounds.
- **Resident parking permits:** Online application forms will replace emailed versions, simplifying the process and saving staff time.
- **Visitor parking permits:** Digital permits will reduce front counter visits and cut processing times.

Estimated gains

1,770 hrs/year efficiency gains

F7. Process improvements

Council will streamline and standardise processes across multiple areas to reduce duplication, improve compliance, and deliver more consistent outcomes for staff and the community.

Notable Examples:

- **Document management workflow:** Workflows will be redesigned so tasks are allocated to role-based pools with automated escalation, reducing delays and ensuring timely action.
- **Onboarding:** A centralised digital onboarding process will give new employees a clearer start, improve engagement, and help them reach productivity sooner.
- **Committees and statutory meetings:** Reports for all meetings will be moved to a single document collaboration platform, removing manual formatting and publication tasks while improving accuracy and transparency.
- **Bond management:** A streamlined bond management system will reduce processing steps, cut delays, and improve consistency in bond release.
- **Coal Loader event bookings:** A single online booking form and updated guidelines will simplify processes for event organisers and staff, reducing duplication and increasing clarity.
- **Accessibility guidelines:** New accessibility guidelines, developed with the Access and Inclusion Committee, will be applied to all future capital works, reducing remediation costs and ensuring inclusive infrastructure from the outset.
- **Grants:** A new Community Investment Framework will replace ad hoc funding processes with coordinated partnership agreements, improving transparency, accountability, and efficiency.
- **Communications and engagement requests:** Standardised online request forms and templates will replace ad hoc briefings, reducing miscommunication and ensuring more consistent, timely promotion of Council initiatives.

Potential productivity gains are not yet quantified for some initiatives.

Estimated gains

2,730 hrs/year efficiency gains

F8. Quality assurance

Council will implement stronger frameworks and controls to improve decision-making, reduce risk, and provide more transparent, consistent outcomes.

Notable example:

- **Asset management decision making matrix:** A new framework will guide the selection and prioritisation of capital works by considering asset condition, utilisation, funding opportunities, and community objectives. This will reduce wasted effort, strengthen governance, and improve clarity for staff and stakeholders.

Estimated gains
100 hrs/year efficiency gains

F9. Revenue initiatives

Council will introduce measures to strengthen financial sustainability by ensuring costs are recovered, updating fees to align with benchmarks, and generating additional income through new opportunities.

Notable Examples:

- **New fees for use of public open space:** New fees will be introduced for commercial use of Council's public spaces, creating a structured way to recover maintenance costs.
- **Advertising:** Expanded advertising opportunities in public places have already commenced, with further growth in revenue expected in 2026/27 as new placements become available.
- **Complying Development Certificates (CDC) contributions review:** A new process will ensure all contributions from CDC applications processed by private certifiers are collected. This will reduce the risk of lost income and provide assurance that everyone is paying their fair share.
- **Compliance cost notices (continuation):** The introduction of compliance cost notices for development control and fire safety orders commenced in 2025/26. From 2026/27, the full year of revenue will be realised as the new processes become fully embedded.
- **Resident parking permit fees:** The cost of a first resident parking permit will be moderately increased* to bring fees in line with the City of Sydney. This will generate additional revenue while remaining reasonable for residents.

  **Subject to community exhibition and Council approval*

Estimated gains	
$853,000 cost savings (per year)	$40,000 cost containment (per year)

F10. Rostering and scheduling adjustments

Council will continue to implement rostering and scheduling improvements to optimise workforce efficiency, reduce unnecessary travel, and increase compliance outcomes.

Notable Examples:

- **Parks and gardens maintenance zones:** Maintenance will be organised into geographic zones, reducing travel time and fuel use, lowering safety risks, and allowing more time to be dedicated to maintaining and enhancing open spaces.
- **Parking patrols (continuation):** In 2025/26, the service level agreement was reduced from five patrols every two weeks to five times per month, allowing officers to focus on areas with higher non-compliance. Full benefits from this change will be realised from 2026/27 onwards.
- **Shift coverage (continuation):** In 2025/26, new staggered start times (7.30am, 9am, 11am) and varied meal breaks were introduced to maintain parking enforcement coverage continuously between 7am and 9pm. Full benefits from this change will be realised from 2026/27 onwards.

Estimated gains		
$1,600 cost savings (per year)	$108,000 additional revenue (per year)	3,900 hrs/year efficiency gains

F11. Technology improvements

Council will continue to implement new technologies and upgrade existing systems to improve efficiency, reduce manual processes, and provide more reliable, secure, and responsive services. These improvements will reduce risks, improve customer experiences, and deliver long-term value.

Notable Examples:

- **Cloud backups:** Moving from tape to cloud-based immutable backups will reduce manual handling, storage, and retrieval processes, while strengthening security, compliance, and recovery capabilities.
- **Customer service requests in ERP:** Migrating customer service requests into the ERP system will enable automated workflows, structured task assignment, and end-to-end tracking, providing faster and more transparent responses to the community.
- **Library supplier orders:** Introducing electronic data interchange for library supplier orders will reduce manual entry, improve accuracy, and free staff time for cataloguing and program delivery.
- **HR analytics and reporting:** Implementing dashboards and standardised reports will save staff time, improve accuracy, and support more data-driven decision-making.
- **Online performance management:** Implementation of a cloud-based performance management and engagement system commenced in 2025/26. From 2026/27, full benefits will be realised through reduced manual reporting, streamlined feedback processes, and improved staff engagement tracking.
- **Financial control reporting:** A new reporting layer for financial control commenced in 2025/26. From 2026/27, managers will benefit fully from reduced manual effort, improved budget visibility, and strengthened financial management across service areas.
- **Coal Loader battery storage:** Adding a battery to the existing solar installation at the Coal Loader will support energy storage, reduce grid reliance, and strengthen the site's role as a sustainability demonstration site.
- **Image library:** A new digital platform will improve search and storage functionality for the image library, strengthen permission compliance, and reduce staff time spent locating images.

Estimated gains	
$9,000 cost savings (per year)	3,200 hrs/year efficiency gains

F12. Workforce optimisation

Council will strengthen its workforce planning and development to ensure training investments are aligned with future capability needs, not just immediate requests. This approach will build a stronger leadership pipeline, improve staff retention, and support meaningful career growth.

Notable Example:

- **Learning and capability:** A new learning and development strategy will be introduced, based on Council's future capability framework and workforce planning. This will ensure training programs are targeted, succession planning is strengthened, and staff development is aligned with long-term organisational needs.

Estimated gains
Potential productivity gains are not yet quantified



Delivery Program 2025–2029 and Operational Plan 2025–2026

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Recognition of the Cammeraygal People

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

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

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

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

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

Mayor's message



It is no secret that Council continues to face significant challenges to deliver financial strength and sustainability. This Council remains committed to strengthening Council's financial position and continuing to increase transparency, accountability and strong governance in all of Council's operations – ensuring that over the term of this Delivery Program, Council, and the vital community services it provides, are in better shape than we have inherited.

The combined Delivery Program 2025–2029 and Operational Plan 2025–2026 set out the actions and initiatives the Council will undertake to achieve the strategies outlined in the Community Strategic Plan 2025–2035. These plans contain tangible, measurable actions aligned with the results of last year's extensive 'Have Your Say on Our Next Ten Years' community consultation. Your voices have shaped Council's priorities and delivery program.

The big challenge remains in resourcing these programs.

The recent decision by the Independent Pricing and Regulatory Tribunal (IPART) not to support Council's proposed special rate variation means that the Operational Plan 2025–2026 has been revised to defer, reduce or cancel capital works and other services. In short, Council is once again cutting infrastructure renewal expenditure by $12.5 million in the 2025–26 financial year (following similar cuts in the 2023–24 and 2024–25 financial years).

'Infrastructure renewal expenditure' are dry, technical words. In practice, this means that the renewal of heritage bus shelters, public domain improvements in town centres (including at Cremorne Plaza/Langley Place), upgrades to Ilbery Reserve, Berry Island and Tunks Park playgrounds, structural works to North Sydney Oval, upgrades to sportsfields to accommodate the level of demand, works on Crows Nest Indoor Sports Centre and Stanton Library, and the renewal of gross pollutant traps – just to name a few – have all been deferred.

In the short-term, and until Council's financial position improves, the delivery of deferred initiatives will depend on funding secured through grants, alternative income streams, or operational savings.

In addition to the deferral of $12.5 million in capital works, the Operational Plan 2025–2026 aims to reduce the operating deficit by $6 million. In addition to ongoing organisational improvements and efficiency measures, this will require exploring more commercial opportunities for income generation in public places and spaces, as well as reviewing and reducing service levels. In addition, Council must seriously consider asset sales to address the liquidity issues associated with completing the inherited North Sydney Olympic Pool project.

The four year Delivery Program 2025–2029 continues to include a comprehensive range of projects, services and initiatives that the community has identified as priorities.

Over the next few months, Council will continue to have detailed, and maybe difficult, discussions:

- Expected and acceptable levels of Council service delivery eg. street cleaning, parks and sportsfields, verge mowing, library services.
- Acceptable condition standards for infrastructure like Council footpaths, roads, seawalls, parks, sporting fields, buildings (including Stanton Library, community centres, Indoor Sports Centre and more) – eg. poor, satisfactory or good condition?
- Works to meet the future needs of a rapidly increasing population – more open space, branch library, recreational facilities: how will those be resourced?
- Community willingness to pay for Council services and community infrastructure.

As ever, I urge you to participate in shaping this next phase of financial repair and sustainability.

Together, as a community, we will work towards strengthening Council finances so that this generation and the next may focus on being a connected, active and inclusive community that celebrates creativity and nurtures a healthy, vibrant environment.

Zoë Baker

Cr Zoë Baker, Mayor of North Sydney

CEO's message



Thank you for your interest in North Sydney Council's Delivery Program 2025–2029 and Operational Plan 2025–2026.

Council delivers a broad range of regulatory, community, and place-based services and infrastructure to support the wellbeing of our residents, workers and visitors. Our team of approximately 400 employees delivers 74 distinct services and over 200 individual service activities that enrich daily life in the North Sydney area.

We are responsible for managing $1.5 billion in public infrastructure. These assets connect our community via roads, bicycle paths and walkways; promote active and healthy lifestyles through our parks, open spaces and sportsfields; and help protect our environment through critical systems like stormwater and seawalls.

As with most goods and services, the quality and availability of what we deliver is directly tied to the resources available and current levels of service are not financially sustainable without financial reform.

Many of North Sydney's public assets were constructed more than half a century ago. While these facilities have served the community well, they are now ageing and require renewal or upgrades to meet modern needs. Unfortunately, insufficient funds have been set aside over time to support this necessary reinvestment.

Council's income is largely governed by external regulation and does not easily adjust to the evolving needs of our growing and changing community. It is therefore essential that we strengthen our financial foundations to manage existing infrastructure responsibly while remaining responsive to emerging risks and priorities.

In February 2025, Council submitted an application to the Independent Pricing and Regulatory Tribunal (IPART) seeking a special rate variation. The aim was to place Council on a more secure financial footing, ensuring long-term service delivery and infrastructure maintenance. However, this application was not approved, with community concerns focusing particularly on the proposed rate increase and the cost overruns associated with the North Sydney Olympic Pool project.

To address sustainability concerns and reduce pressure on future budgets, Council will review its property holdings for potential strategic divestment. At the same time, we will engage the community to identify which services and infrastructure should be prioritised, reduced or enhanced. This feedback will inform updated financial modelling and future rating strategies.

Internally, we are committed to continuous improvement. Our workforce is focused on enhancing productivity, strengthening systems, reducing costs, increasing income, managing risk, and improving the overall customer experience. A detailed Productivity and Improvement Plan will be developed to showcase the efforts underway across the organisation to support these goals and I thank our staff in advance for their commitment to working together to build a stronger Council.

Once again, thank you for taking the time to engage with this important planning document. Your input will help shape a sustainable and vibrant future for North Sydney.

Therese Cole, Chief Executive Officer

Introduction

This plan combines our Delivery Program 2025–2029 and Operational Plan 2025–2026 and Budget.

Delivery Program

The Delivery Program is a statement of commitment to the community from our newly elected Council. It details what the Council will to do to work towards delivering the outcomes of the Community Strategic Plan (CSP) 2025–2035 during its term of office.

Over the past year, Council has undertaken research and consulted broadly to identify key challenges and opportunities and determine the main priorities and aspirations of the people who work and live in North Sydney.

This research was used to develop a suite of eight Informing Strategies which articulate the outcomes wanted and needed by our community, together with strategic directions, objectives and specific actions for delivery. These strategies form the basis of our CSP for 2025–2035.

To ensure Council resources are used to deliver the outcomes wanted and needed by the community, every commitment in this Delivery Program 2025–2029 is an identified action from the Informing Strategies.

Operational Plan

The Operational Plan details the projects, services and actions that will be undertaken in the 2025–2026 financial year to progress delivery of the commitments made in the Delivery Program. It includes a detailed budget, statement of revenue policy, and fees and charges for 2025–2026.

Council currently provides 74 services, with 205 associated service activities. Each of these ongoing services contribute to delivering the outcomes articulated in the CSP.

Some of the capital works projects planned for 2025–2026 are detailed in the following capital works maps.

Note: In May 2025, Council was advised by the Independent Pricing and Regulatory Tribunal (IPART) that its application for a special rate variation (SRV) had been refused in full. In response, Council has reviewed and updated the Operational Plan 2025–2026 to reflect current financial constraints.

The Delivery Program remains largely unchanged; however, as outlined in Part 3 of this report, delivery timelines have been impacted, and some commitments are now contingent on funding availability.

The refusal of the SRV application has also resulted in significant cuts to the infrastructure renewals program and will necessitate some service changes. Further details on Council's financial position and the impact of the refusal are provided in the budget summary on page 9.



Proposed Projects - Map 1

Bus Shelter renewals

1 Cricketers
2 Watson A
3 Watson B
4 Lady Hay

Public Domain

5 Young Street upgrade

Fences

6 Tunks Park fence renewal

Open Space and Recreation

7 Hume Street Park expansion (design)
8 Tunks Park acid sulfate soil investigation

Property renewals

9 Council chambers chiller and HVAC
10 Council chambers roof repairs
11 Council depot repairs
12 Council property (cnr Miller and Ridge) roof repairs
13 Crows Nest Community Centre critical renewal works
14 Kelly's Place Childrens Centre critical renewal works
15 McMahons Point Community Centre critical renewal works
16 North Sydney Indoor Sports Centre critical renewal works

Retaining wall renewals

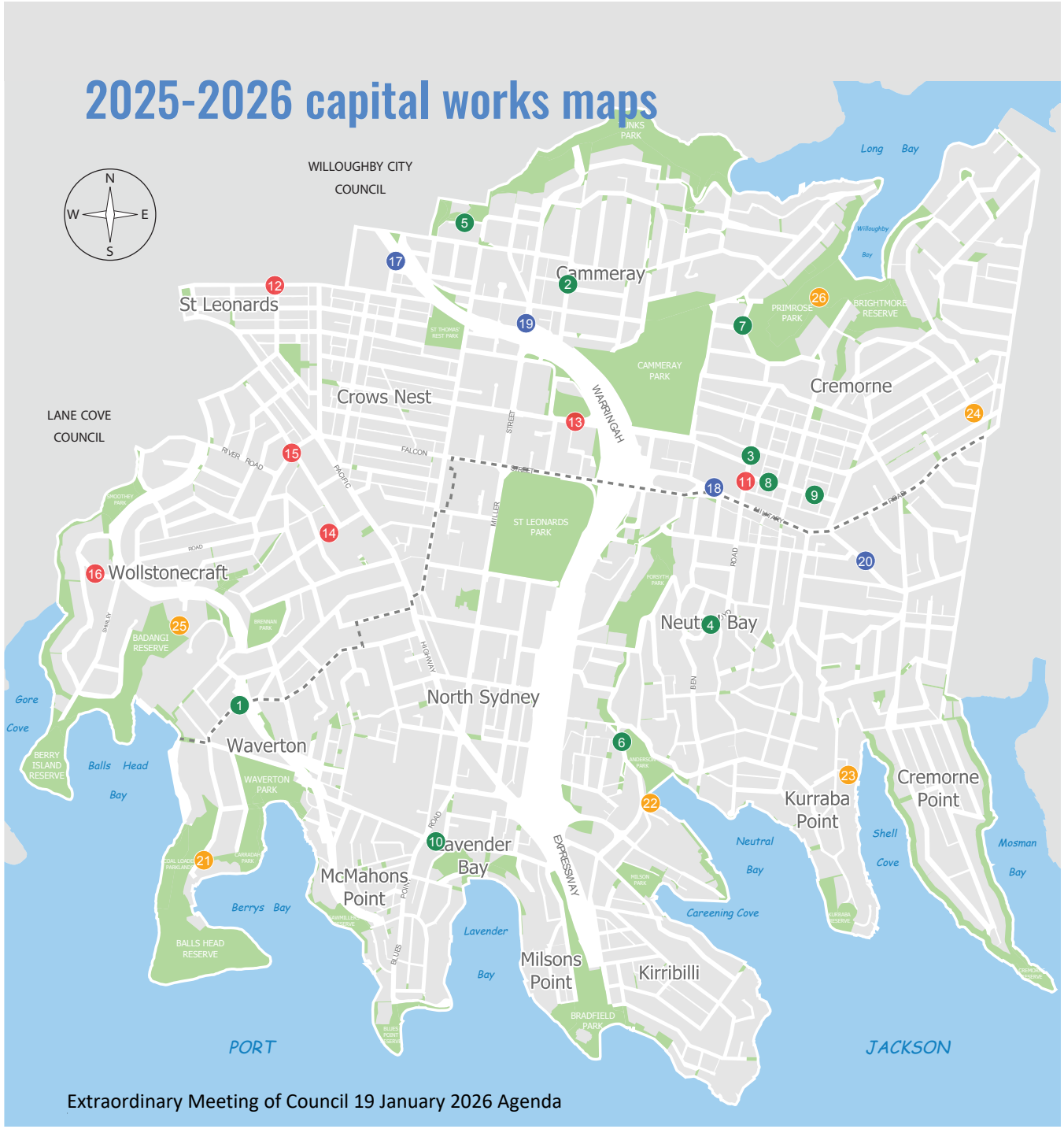
17 Stratford Street, Cammeray

Seawall renewals

18 Blues Point Reserve

Traffic

19 Fitzroy Street (west of Jeffreys Street) new pedestrian crossings
20 Reynolds Street road safety barrier
21 Rosalind Street at Miller Street new pedestrian crossings



Proposed Projects - Map 2

Road Pavements renewals

1 Bay Rd, Waverton - Crows Nest Rd to Whatmore St
2 Bellevue St, Cammeray - Amherst St to Palmer St
3 Ben Boyd Rd, Cremorne - Belgrave St to Ernest St
4 Ben Boyd Rd, Neutral Bay - Lindsay St to Premier St
5 Bridgeview Ave, Cammeray - West St to Cul-De-Sac
6 Clark Rd, North Sydney - Margaret St to Kurraba Rd
7 Grafton St, Cremorne - Cammeray Rd to Earle St
8 Grosvenor St, Neutral Bay - Ben Boyd Rd to Young St
9 Grosvenor St, Neutral Bay - Young St to Waters Rd
10 Lavender St, Lavender Bay - Waiwera St to Blues Point Rd

Kerb and Gutter renewals

11 Ben Boyd Rd, Neutral Bay - Ernest St to Military Rd
12 Chandos St (Westbound), Crows Nest - Willoughby Rd to Mitchell St
13 Ernest St, Cammeray - Lytton St to Western Bridge Joint
14 Rocklands Rd, Wollstonecraft - Pacific Hwy to Morton St
15 Shirley Rd, Wollstonecraft - Pacific Hwy to River Rd
16 Telopea St, Wollstonecraft - Shirley Rd to Milray Ave

Footpaths renewals

17 Brook St, Crows Nest - Chandos St to Donnelly Rd
18 Military Rd, Neutral Bay - Park Ave to Ben Boyd Rd
19 Miller St, Cammeray - Rosalind St to Amherst St
20 Rangers Rd, Cremorne - Military Rd to Murdoch Ste

Stormwater Drainage

21 1 Balls Head Road, Waverton
22 1 Clark Road, North Sydney
23 1 Gundimaine Avenue, Kurraba Point
24 106 Parraween Street, Cremorne
25 1-11 Bridge End, Wollstonecraft
26 Primrose Park Drainage Renewal

Budget summary

Council generates income (revenue) to maintain assets, fund services and deliver projects through rates on property, government grants, developer contributions, interest on investments, user charges and Council's own business activities.

These funds are used to deliver infrastructure and services for the community.

Financial position and repair initiatives

On 28 April 2025, Council resolved to publicly exhibit the Draft Operational Plan 2025–2026 and the Delivery Program 2025–2029. These draft documents were designed to strengthen Council's financial position and long-term sustainability by:

- enhancing resilience against future financial shocks
- addressing liquidity risks
- maintaining core service levels
- being responsive to change through strategic priorities
- funding the renewal of ageing infrastructure and
- delivering upgrades previously deferred due to the North Sydney Olympic Pool project

The success of these plans was contingent on approval of a special rate variation (SRV), which has since been refused in full by the Independent Pricing and Regulatory Tribunal (IPART).

In response, Council has reviewed and revised the exhibited plans to reflect current financial constraints. The updated plans aim to mitigate liquidity risks through alternative strategies.

Key actions to be taken in response to SRV determination

To address identified liquidity concerns, the following actions will be taken in the coming year.

1. Reduction in strategic operational funding

Council will defer or cancel several strategic initiatives outlined in the Delivery Program due to funding limitations. Delivery of these initiatives will now be subject to funding being secured through grants, additional rates, other income sources, or operational savings. The operational budget previously advertised has been reduced by the following amounts:

Year 1 - $2.27M

Year 2 - $7.26M

Year 3 - $7.62M

Year 4 - $7.20M

These figures include removal of $8 million for new corporate systems over the last three years.

2. Targeted financial repair program

Council aims to identify $6 million in operational savings through a combination of cost reductions, productivity gains, lower service levels, and increased non-rates revenue.

These savings are shown through $1 million in increased fees and charges income, $1 million in increased other income, $1 million in reduced employee costs, and $3 million in reduced materials and services. Progress in delivering these savings will be tracked and reported as part of each Quarterly Budget Review.

Please refer to:

- section 2.4 for information relating to service reductions
- section 2.5 for information relating to additional non-rates revenue
- section 2.6 for information relating to productivity improvements

3. Reduction in infrastructure renewal program

Council will reduce infrastructure renewal expenditure by $12.5 million in 2025–26, resulting in a forecast infrastructure renewal ratio of 40.58% in year 1.

If Council is successful in improving its operational result through the targeted financial repair program, these ratios increase to 62.35% in Year 2 and average of 62.4% over years 2 to 4 - still well below the benchmark ratio of 100%.

Over the past two years, Council has reduced and deferred asset renewal budgets and postponed new and upgrade projects to maintain liquidity and fund rising costs associated with the North Sydney Olympic Pool project. This constrained renewal program will continue into 2025–26.

Please refer to section 2.7 for more information relating to Council's reduced infrastructure renewals program.

4. Property review to address capital and infrastructure pressures

To mitigate liquidity risks, Council will undertake a comprehensive review of all properties classified as operational land. This includes:

- income-generating properties
- community-use assets

As part of this review, Council will consider strategic divestment opportunities. The objective is to generate capital to offset the rising costs of the North Sydney Olympic Pool project and to address the growing backlog of infrastructure renewals that have been delayed due to funding constraints.

5. Borrowings from externally restricted reserves

The 2025–26 financial year will require careful and responsive financial management in light of ongoing liquidity challenges and broader financial risks. As a safeguard, Council intends to apply to the Office of Local Government for pre-approval to borrow from externally restricted reserves.

Initially, Council will seek approval for a $10 million loan from the Domestic Waste Reserve. This facility is intended as a contingency measure only. The timing required to implement financial repair strategies means that many savings will be realised partway through the year rather than immediately.

6. Additional external loan funding

Council will consider the use of additional external borrowings as part of its broader financial modelling. While such funding sources can provide short-term liquidity, they also increase long-term costs through interest repayments and may lead to upward pressure on rates over time. As such, external borrowing will be approached cautiously and strategically.

7. New financial modelling and community engagement

During the first half of 2025–26, Council will undertake comprehensive engagement with the community to inform new financial modelling. This engagement will focus on understanding and aligning financial sustainability with community expectations across four key areas:

1. Expected levels of service delivery
2. Acceptable condition standards for infrastructure
3. Responsiveness to future needs through strategic initiatives
4. Community willingness to pay for these outcomes

In support of this process, Council will expand its efforts to provide accessible information to help the community understand the fundamentals of local government finance and the factors contributing to Council's current unsustainable financial position.

8. Strengthening financial sustainability

This new financial modelling will support the development of a clear and long-term strategy to improve Council's financial strength and resilience. The goal is to position Council to respond effectively to future economic shocks and strategic opportunities – without resorting to large ad hoc rate increases or reactive service reductions.

Based on the outcomes of community engagement and financial modelling, Council will consider submitting a revised application for an SRV and an increase to minimum rates.

2025–2029 Financial Estimates

The following table provides our 2025–2029 financial estimates. Please refer to section 4.1 for more information.

	General fund (excluding Domestic Waste) 2025–26 Budget ($'000)	Consolidated 2025–26 Budget ($'000)	Consolidated 2026–27 ($'000)	Consolidated 2027–28 ($'000)	Consolidated 2028–29 ($'000)
Income from Continuing Operations					
Rates	64,881	64,881	67,055	69,301	71,621
Annual Charges	656	18,584	19,141	19,715	20,307
*Users fees and charges	36,921	38,323	40,548	42,818	44,317
Other revenue	10,895	10,895	11,276	11,671	12,079
Grants and contributions provided for operating purposes	4,455	4,455	4,522	4,590	4,659
Grants and contributions provided for capital purposes	13,387	13,387	11,748	13,487	13,881
Interest and investment income	3,192	3,912	4,200	4,451	4,717
*Other income	7,571	7,571	7,836	8,110	8,394
Total Income from Continuing Operations	**142,678**	**162,247**	**166,326**	**174,143**	**179,975**
Expenses from Continuing Operations					
*Employee benefits and on-costs	55,651	57,238	59,671	62,207	64,851
*Materials and services	39,222	54,891	56,537	58,234	59,981
Borrowing costs	2,488	2,488	2,532	2,299	2,071
Depreciation and amortisation	31,518	31,518	32,463	33,437	34,440
Other expenses	4,987	4,987	5,137	5,291	5,450
Net losses from the disposal of assets	277	277	277	277	277
Total Expenses from Continuing Operations	**134,143**	**151,399**	**156,618**	**161,745**	**167,069**
Operating Result from Continuing Operations	**8,535**	**10,608**	**9,708**	**12,398**	**12,906**
Net operating results before capital grants and contributions	- 4,852	- 2,779	- 2,040	- 1,089	- 976

* The budget included a $6 million net result improvement target, comprising a $1 million increase in fees and charges income, a $1 million increase in other income, a $1 million reduction in employee costs, and a $3 million reduction in materials and services. These components will be tracked and reported as part of each Quarterly Budget Reviews. All costs are adjusted for inflation from year to year.

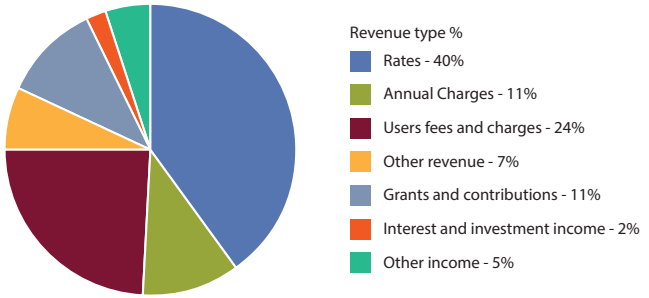
2025–2026 Budget

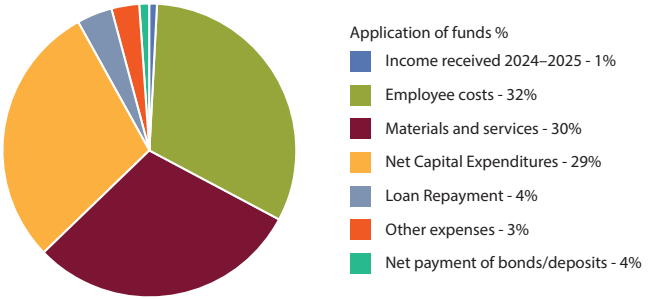
The following tables and figures provide an overview of our 2025–2026 budget. Please refer to section 4.2 (page 105) for our full 2025–2026 budget.

Revenue type	Amount	
Rates	$64,881	40%
Annual charges	$18,584	11%
User fees and charges	$38,323	24%
Other revenue	$10,895	7%
Grants and contributions	$17,842	11%
Interest and investment income	$3,912	2%
Other income	$7,571	5%
TOTAL	**$162,007**	**100%**

Reserve and other movements	Amount	
External	$11,468	
Internal	- $2,804	
Proceeds from loan borrowing	$10,000	
TOTAL revenue and reserves movements	**$180,672**	

Application of funds	Amount	
Income received 2024–25	$2,000	1%
Employee Costs	$57,238	32%
Materials and services	$54,891	30%
Net capital expenditures	$52,819	29%
Loan repayments	$6,963	4%
Other expenses	$5,264	3%
Net payment of bonds/deposits	$1,496	1%
TOTAL	**$180,672**	**100%**







For every $100 North Sydney Council spends:

$20
Renewals and upgrade of local infrastructure

$12
Waste management

$8
Parks, sportsfields and streetscapes

$8
Planning and development

$5
Leisure and aquatics

$6
Street cleaning

$6
Community services

$5
Ranger and parking services

$5
Repayments of the external loans

$4
Roads and transport

$4
Maintenance of public infrastructure

$4
Library and public services

$3
Health and safety

$3
Community events, engagement and customer service

$2
Protecting environment

$2
Buildings maintenance

$2
Bushcare

$1
Street lighting


WELCOME
TO
NORTH SYDNEY



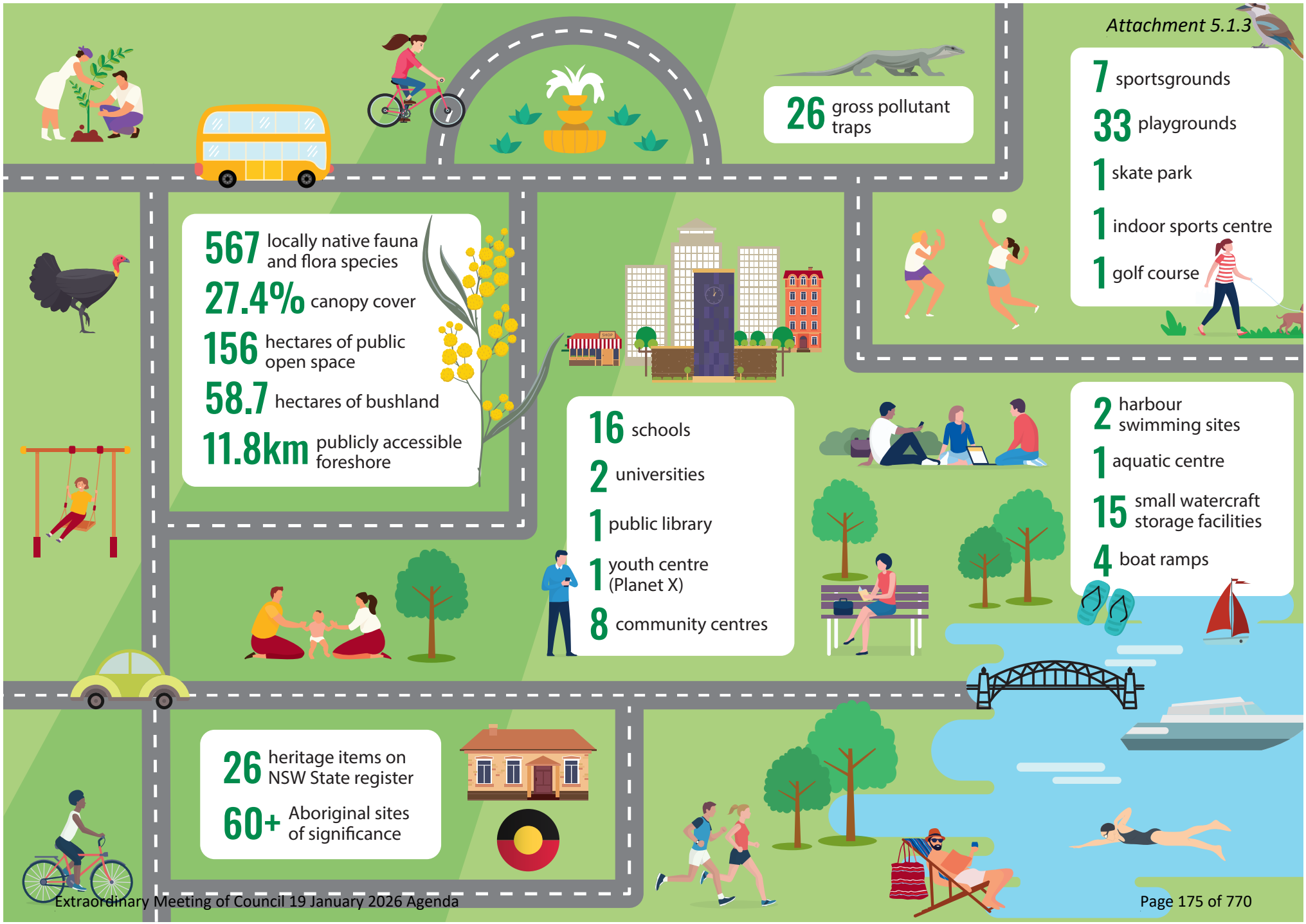
Part 1:

About North Sydney

1.1 Place

North Sydney stands proudly on the land of the Cammeraygal people, whose rich and enduring Aboriginal cultural heritage remains a vital part of the community today. Spanning 10.5 square kilometres on the northern shores of Sydney Harbour, North Sydney is a vibrant local government area that includes the suburbs of Cammeray, Cremorne, Cremorne Point, Crows Nest, Kirribilli, Kurraba Point, Lavender Bay, McMahons Point, Milsons Point, Neutral Bay, North Sydney, St Leonards, Waverton and Wollstonecraft.

Bounded by Sydney Harbour to the south, Lane Cove to the west, Willoughby to the north, and Mosman to the east, North Sydney has a stunning blend of urban living and open green spaces. Iconic parks such as St Leonards Park, Milson Park and the North Sydney Oval precinct offer tranquil retreats amid the bustling cityscape. With its proximity to the Sydney Harbour Bridge, North Sydney serves as a gateway to the Sydney CBD, cementing its place as a key part of Sydney's skyline identity.


26 gross pollutant traps
7 sportsgrounds
33 playgrounds
1 skate park
1 indoor sports centre
1 golf course
567 locally native fauna and flora species
27.4% canopy cover
156 hectares of public open space
58.7 hectares of bushland
11.8km publicly accessible foreshore
16 schools
2 universities
1 public library
1 youth centre (Planet X)
8 community centres
2 harbour swimming sites
1 aquatic centre
15 small watercraft storage facilities
4 boat ramps
26 heritage items on NSW State register
60+ Aboriginal sites of significance

1.2 People

North Sydney is a vibrant and thriving community with a population of 72,014 residents and a population density of 6,862 people per square kilometre. The area is characterised by an educated and affluent population, including professionals, families, and individuals who contribute to its lively atmosphere.

While the majority of residents are well off, some face challenges, such as those living in social housing, people with disabilities and carers. Housing in North Sydney is primarily medium- or high-density, with nearly 50% of households renting.

As a major commercial hub, North Sydney is home to leading companies and plays a vital role in Sydney's metropolitan economy. The area also offers excellent educational opportunities, with renowned public and private schools, and universities, supporting the development of younger generations.

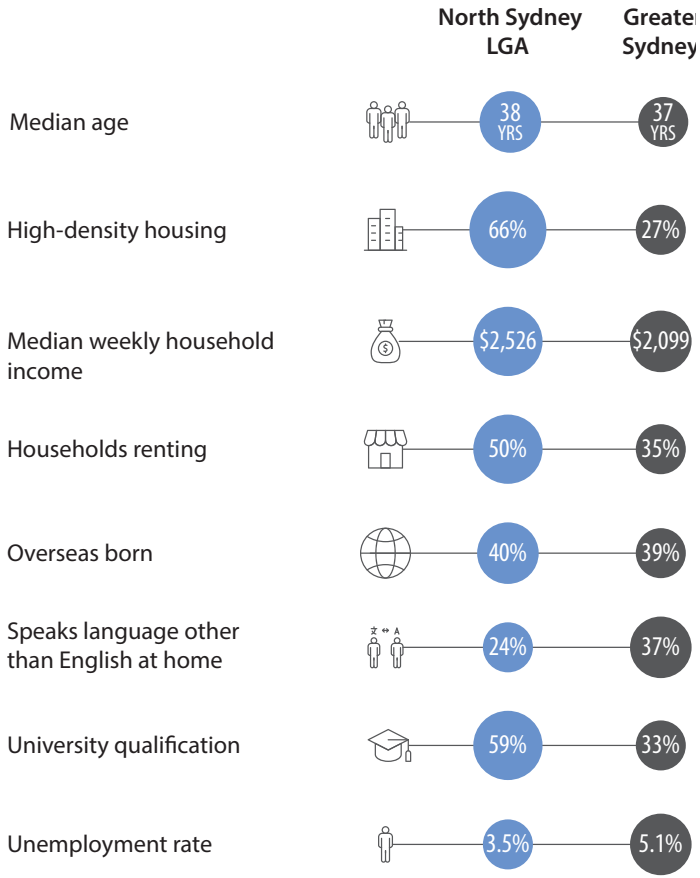
With its rich cultural heritage, strong transport links – including the recently opened Sydney Metro – and its enviable location, North Sydney continues to grow as both a business and lifestyle destination, while fostering a strong sense of community.

72,900
Estimated resident population (2024) [1]

15,220
Additional residents by 2035 [2]

6,860
Population density (persons/sqm) (2023) [1]

80,700
Working population (2021) [3]



Source:
1. Regional Population Growth, Australian Bureau of Statistics (2024), via community.id. by .id (informed decisions)
2. Based on NSW Government dwelling completion targets of 5,900 (2024-29) and 3,000 (2029-35)
3. North Sydney Council Community Profile (2023), via community.id. by .id (informed decisions)



1.3 Vision and values

Vision

North Sydney is a welcoming, connected and resourceful community that 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.

This vision is underpinned by six community values.

Values



CONNECTED

A connected community is one where individuals, neighbourhoods, businesses, and organisations are linked through efficient, accessible infrastructure, communication, and social networks. It emphasises fostering relationships, promoting collaboration, and ensuring easy access to services, opportunities, and resources, both within North Sydney and beyond. Connectivity also extends to safe, sustainable transport options that link people to each other and to vital spaces across the area.



ACTIVE

An active community is one that encourages participation in physical, social, and civic activities. It supports access to spaces for exercise, recreation, and outdoor activities while promoting a healthy, active lifestyle for all residents. This element also refers to a community that actively participates in shaping its future, with people engaged in decision-making, volunteering, and contributing to the wellbeing of the area.



INCLUSIVE

An inclusive community is one where all individuals, regardless of their background, identity, or circumstances, are welcomed, respected, and valued. It promotes equality of opportunity and ensures that everyone has access to the resources, services, and support they need to thrive. This includes respecting and acknowledging First Nations culture and history, and ensuring their voices are heard in community decisions. Inclusivity fosters a sense of belonging for people of all ages, abilities, cultures, and walks of life, ensuring no one is left behind.



CREATIVE

A creative community celebrates and encourages artistic expression, innovation, and cultural development. It recognises the value of creativity in all its forms, particularly through the arts, performance, and cultural activities. A creative community fosters an environment where people can freely express themselves, explore new ideas, and contribute to the cultural richness of the area. It also highlights the importance of arts, culture, and creative industries in building a vibrant and dynamic society.



HEALTHY

A healthy community nurtures and sustains a clean, green, and resilient environment. By providing access to clean air, water, and green spaces, it enhances residents' wellbeing while fostering biodiversity. This value also prioritises the creation of an eco-friendly community that actively reduces its environmental impact, promotes sustainability, and adapts to climate challenges, ensuring long-term environmental health for future generations.



VIBRANT

A vibrant community is one that is lively, dynamic, and full of energy. It offers a rich variety of cultural, recreational, and social experiences that engage and inspire residents and visitors. A vibrant community is characterised by a strong local economy, thriving businesses, and a diverse, active population. It embraces change, growth, and innovation, ensuring that the area continues to evolve and remain an exciting and attractive place to live, work, and visit.

1.4 Our elected representatives

North Sydney Council has ten elected Councillors, with five representing Cammeraygal Ward and five representing St Leonards Ward. The positions of Mayor and Deputy Mayor are elected by a vote among the Councillors.

ST LEONARDS WARD



Mayor
Cr Zoë Baker



Cr Nicole
Antonini



Cr Chris
Holding



Deputy Mayor
Cr Godfrey
Santer



Cr James
Spenceley

CAMMERAYGAL WARD



Cr MaryAnn
Beregi



Cr Efi Carr



Cr Angus
Hoy



Cr Jessica
Keen



Cr Shannon
Welch

1.5 Our organisation

North Sydney Council's organisational structure is made up of three divisions and the Office of the CEO.

OFFICE OF THE CEO
Chief Executive Officer

- **Customer and Communications**
- **General Counsel**
- **Organisation Performance**

Corporate Services Director	**Open Space and Infrastructure** Director	**Planning and Environment** Director
Arts, Library and Events	Capital Projects and Asset Management	Community Resilience and Sustainability
Corporate Governance	Leisure and Aquatics	Development Services
Financial Services	Public Presentation	Environment and Building Compliance
Information Technology	Traffic and Transport	Ranger and Parking Services
People and Culture		Strategic Planning

Corporate values

North Sydney Council is committed to upholding the following values.

- Sustainability
- Community service
- Open government
- Community participation
- Ethical conduct
- Justice
- Quality
- Teamwork

Our workforce

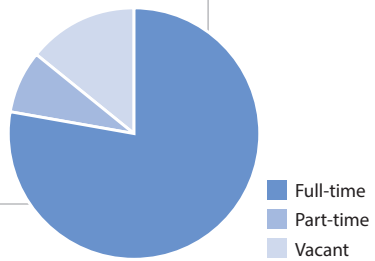
A skilled and dedicated workforce is essential to delivering quality projects and services, as well as driving innovation through new initiatives. The strength of any organisation lies in its people, and for Council, this is no different. As of January 2025, Council had 409 full-time equivalent employee positions committed to supporting the community through the delivery of important new projects and initiatives, while also maintaining 74 ongoing services that residents rely on every day. This workforce forms the foundation of Council's ability to respond to local needs, support community wellbeing, and achieve long-term goals.

FULL-TIME EQUIVALENT (FTE) EMPLOYEES – 409[1]

78% Full-time

8% Part-time

14% Vacant



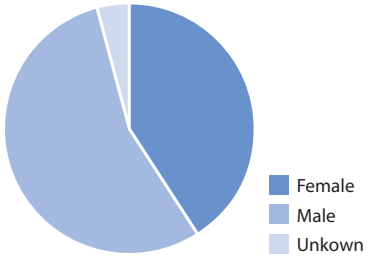
Years of Service	0-5	6-10	11-20	21-30	31-40	40+
Percentage	48%	19%	20%	10.5%	2%	0.5%

GENDER

41% Female

55% Male

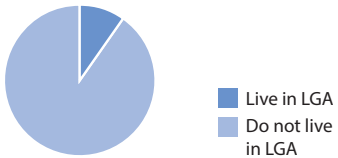
4% Unknown



RESIDENCE

9.8% Live in LGA

90.2% Do not live in LGA



Age	<24	25-54	55-64	65 and over
Percentage	5%	60%	29%	6%

1.6 Integrated planning and reporting

Our approach to integrated planning and reporting (IP&R) is based on the legislated IP&R Framework for NSW. It is a structured framework that helps Council effectively plan for and deliver on community needs. It ensures long-term sustainability by aligning actions with available resources and fosters transparency and accountability through regular monitoring and reporting.

As detailed in the diagram Figure 1, the North Sydney Council IP&R cycle is underpinned by **eight key Informing Strategies**: **Environment, Social Inclusion, Open Space and Recreation, Integrated Transport, Economic Development, Culture and Creativity, Housing** and **Governance**. These strategies provide a direct link between community priorities articulated in the Community Strategic Plan and Council's Delivery Program.



Figure 1: Integrated planning and reporting at North Sydney

Planning

The IP&R cycle begins with the **Community Strategic Plan (CSP)**, which captures the long-term vision and priorities of the North Sydney community. It sets out outcomes and strategic directions for the next 10 years, detailing how we will work together to deliver our community vision and build a connected, active and inclusive community that celebrates creativity and nurtures a healthy, vibrant environment.

Supporting the CSP is the **Delivery Program**, a four-year plan that outlines the strategic initiatives Council will undertake during its term. The **Operational Plan** provides a detailed one-year roadmap of activities, projects and budgets to implement the Delivery Program.

Resourcing

Supporting delivery of the outcomes of the CSP requires a robust **Resourcing Strategy**, which comprises financial planning, workforce management and asset management. These components ensure Council's resources are strategically allocated to achieve community outcomes while maintaining financial sustainability.

Monitoring and reporting

To ensure accountability and transparency, North Sydney Council implements a robust monitoring and reporting framework, which includes:

- **Annual Reports** – These provide a detailed overview of the Council's achievements, challenges and progress in delivering the Delivery Program and Operational Plan.
- **State of Our City Reports** – Included in the Annual Report at the end of each Council term, these reports assess the implementation and effectiveness of the Community Strategic Plan. They serve as a valuable resource for incoming Councillors, offering insights into North Sydney's current state and informing future planning.
- **Quarterly Reports** – These track the progress of actions and projects within the Delivery Program and Operational Plan, ensuring regular updates for the community and Council stakeholders.

Three types of indicators are used in these reports:

- **Objectives** – These are long-term indicators that reflect the progress of Council, the community and other stakeholders in delivering the outcomes of the Community Strategic Plan.
- **Performance indicators** – The delivery of services is measured through key performance indicators with target trends and values.
- **Progress indicators** – The delivery of projects is measured primarily through progress indicators with clear milestones or finish dates. Traffic light indicators are used to highlight projects that are falling behind schedule. Some projects also have performance indicators.

This structured approach to monitoring and reporting ensures Council remains transparent, accountable and responsive to community needs while adapting to emerging challenges or opportunities. Through these mechanisms, North Sydney Council can effectively demonstrate progress and provide a strong foundation for continuous improvement.


Genworth
ACU



Part 2:

About this plan

2.1 Community Engagement and Research

Starting in late 2023, Council and the community have engaged through surveys, reference groups, community forums, drop-in sessions and targeted workshops to discuss issues and opportunities and develop a clear understanding of priorities over the next 10 years.

The following flow chart summarises the engagement activities and outlines how insights gathered through community engagement, along with extensive research, were used to develop our eight Informing Strategies that articulate community aspirations and provide a roadmap for delivering them.

PHASE 1

Open space and recreation needs engagement
(November – December 2023)

1487 visits to YourSay website
457 responses received

PHASE 2

Voice of Youth workshop
(25 March 2024)

50 primary and secondary students participated in discussions about the key challenges and aspirations for their future in North Sydney.

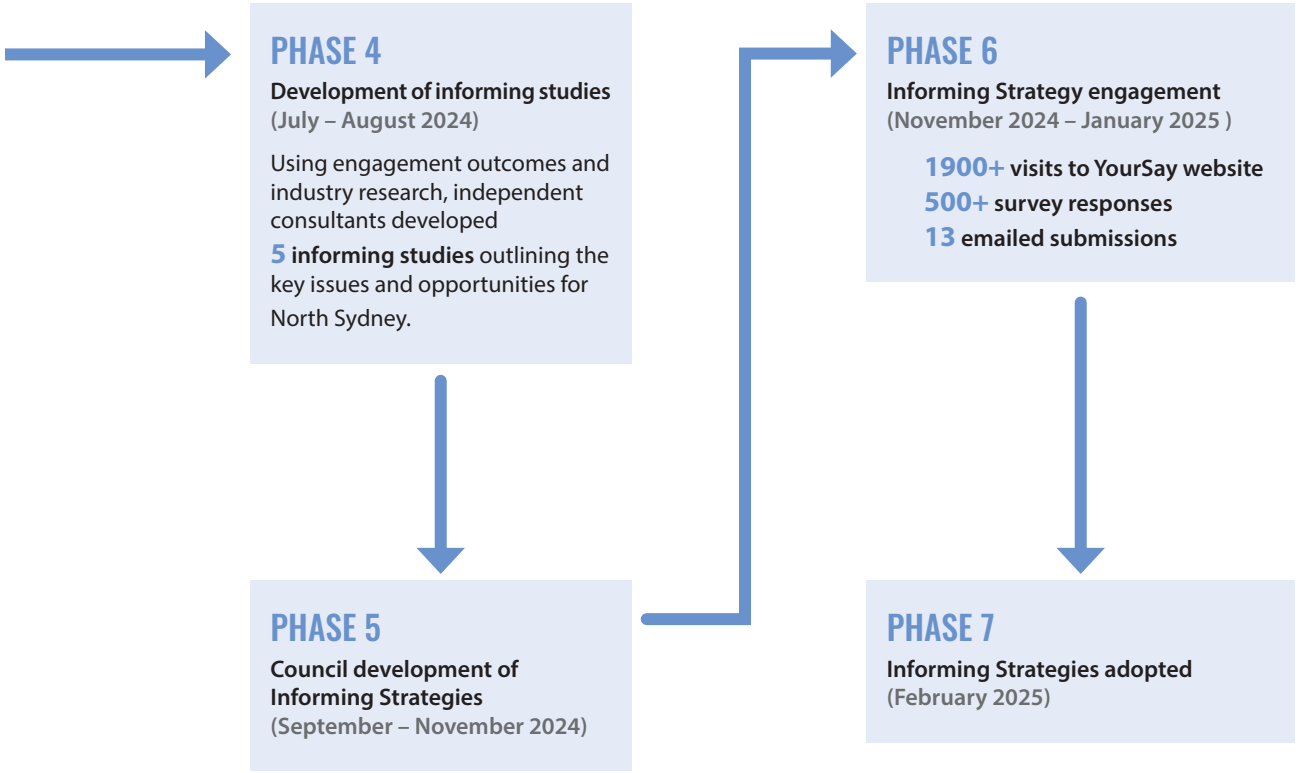
PHASE 3

North Sydney's Next Ten Years engagement
(May – June 2024)

Council's most extensive consultation to date. The 'Have Your Say on North Sydney's Next Ten Years' campaign ran for six weeks.

Five key discussion papers – Culture and Creativity, Economic Development, Integrated Transport, Open Space and Recreation, and Social Inclusion – addressed critical areas of community interest, helping us understand evolving needs, aspirations, and priorities.

5 community forums
600+ views on YouTube
60+ participants in demographically selected workshops
1 First Nations workshop
6 community pop-up stalls
5,569 website visits
21,282 digital campaign opens
1,000+ online survey completions



Each adopted Informing Strategy includes desired outcomes for where we want to be in 10 years, together with strategic directions and measurable objectives outlining how we will work together to get there. Sitting under each strategic direction are specific projects and services that Council will undertake to support delivery of the outcomes.

As detailed in section 2.2, the Informing Strategies form the basis of our Community Strategic Plan 2025–2035 as well as this Delivery Program 2025–2029.

2.2 How the Delivery Program 2025–2029 and Operational Plan 2025–2026 were prepared

Our Delivery Program 2025–2029 and Operational Plan 2025–2026 are based on the adopted suite of 10-year Informing Strategies that articulate identified community needs and priorities.

As detailed in the figure below, the outcomes, strategic directions and objectives from each strategy form the Community Strategic Plan 2025–2035, while the projects and services form the basis for Council's four-year delivery programs. Each annual Operational Plan then details the specific actions Council will take in that year to work towards achieving the four-year Delivery Program commitments.

This integrated approach to planning ensures that everything Council does is working towards delivering agreed community priorities.

Given that the Informing Strategies span a 10-year period, not all projects listed in the strategies are scheduled to commence within the first four years. Consequently, only some of the identified projects are included in this Delivery Program 2025–2029.

Further, the timing of project delivery is dependent on resource availability. The Independent Pricing and Regulatory Tribunal's (IPART) refusal of Council's special rate variation requests means that some new projects and activities have been deferred pending funding availability.

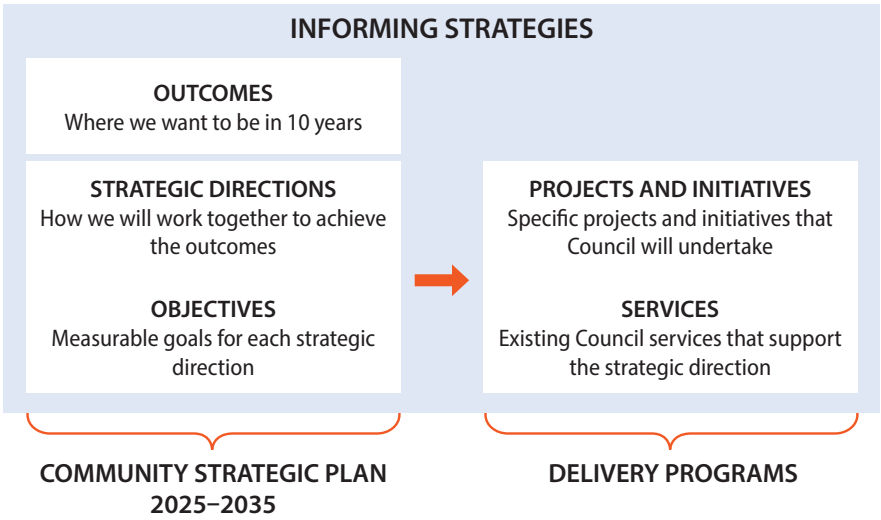


Figure 2: How the Informing Strategies were used to develop our Delivery Program

2.3 Service review program

A service review is a process that evaluates the cost, quality, efficiency and effectiveness of a Council service. It assesses whether current service levels align with community needs and expectations and identifies required changes.

A draft service review framework was developed in late 2023–24, and a pilot service review subsequently undertaken with the Street Cleaning team in 2024–25 to apply and refine the draft framework. The framework has now been adopted.

Under the framework, Council is committed to completing a minimum of two service reviews each year, with the following reviews scheduled over the next four years:

Year	Service Reviews
2025/26	• Corporate Governance • Tree Management • Traffic and Transport
2026/27	• Residential Waste and Recycling • Parks and Gardens Management
2027/28	• Events • Sustainability Services
2028/29	• Trade and Fleet • Community Development Services

2.4 Reactive service reductions

Due to the urgency of required financial adjustments, some service changes will be implemented outside of Council's established Service Review Framework. These measures are not considered productivity improvements but necessary cost-cutting steps. Services reduced through this process will not be reinstated unless supported by long-term funding.

These measures are part of a broader effort to realign Council's budget with its financial reality, while maintaining core services and community outcomes wherever possible.

As Council delivers over 74 services and 205 service activities within its annual operating budget of $100 million, each service reduction is not expected to generate significant savings, however together they will contribute to financial repair targets.

Some of the proposed service adjustments under consideration are detailed below. Other adjustments may be considered throughout the year.

1. Community Transport

Council currently contributes $275 thousand to community transport services including the provision of vehicles (3 buses) for community use. This supplements shortfalls in State Government funding, by funding transport for disadvantaged community members, as well as supporting community groups to travel within the local government area (LGA). Consideration is being given to reducing Council's contribution, aligning with practices in comparable councils.

2. Financial Assistance and Community Centre Contributions

Council provides over $1.3 million in financial assistance through over 40 different subsidies and grant programs.

Included within this amount is $793 thousand provided annually to support community centres that offer free or subsidised services. It is proposed that funding for 2025–26 be subject to ongoing financial viability and critical need assessments.

3. Customer Service Levels

Council's customer service hours (9am–5pm) and performance targets (calls answered within 60 seconds), as well as the library's extended opening hours, will be reviewed with a view to potential reductions.

In addition, Council's Communications and Engagement team supports residents in understanding Council services and broader community matters.

Council's customer and communications functions currently cost approx. $4.5 million, while library services cost approx. $4.7 million.

4. Graffiti Removal (Non-Council Property)

Currently, Council removes graffiti from both public and private properties within the LGA. Discontinuation of this service is under consideration. Council currently spends approximately $150 thousand per annum on graffiti removal.

5. Verge Mowing Services

Council currently contracts verge mowing services, whereas in many LGAs, residents are responsible for this maintenance. Council will consider removing this service. Verge mowing currently costs approx. $700-800 thousand per annum.

6. Parks and Gardens Maintenance

Parks and Gardens maintenance and operations cost approx. $10 million per annum (excluding corporate overheads). Mowing frequencies in parks and reserves may be reduced to generate savings.

7. Precinct Support Services

A review will be conducted into the level of staffing and resources allocated to Precinct support activities.

8. Street Sweeping Services

Street sweeping services cost approximately $3 million per annum (excluding corporate overheads). Council will assess potential reductions to street sweeping frequency across the LGA.

2.5 Income generation and revenue opportunities

Council is currently forecast to generate $48 million from user charges, fees, and other revenue, representing 33% of its total operating revenue.

Since the onset of the COVID-19 pandemic, income from these streams has declined by approximately $9.9 million, placing additional pressure on Council's financial position.

To address these financial challenges, Council is exploring several options to increase revenue through both existing and new income streams.

These income initiatives form a key part of Council's broader financial repair strategy. Each opportunity will be assessed on its financial viability, administrative burden, and community impact, with further details to be provided as individual proposals are developed.

The following initiatives are under consideration:

1. Increased enforcement of parking regulations

Council has historically prioritised equitable parking access over revenue generation in its compliance activities. Presently, parking infringements generate approx. $8-9 million annually, with a net contribution of $3.4 million after direct costs (not including corporate overhead allocation).

To support Council's financial recovery, a more proactive enforcement approach is now being considered to increase infringement revenue.

2. Ticketed entry to New Year's Eve events

Council's New Year's Eve celebrations attract around 30,000 attendees annually and cost approximately $1 million to deliver. In line with equity and access principles, entry has traditionally been free.

Council is now considering the introduction of ticketed access to managed vantage points. Any financial contribution to Council from this initiative would be calculated after deducting associated costs, such as ticketing systems and administrative expenses.

3. New or increased fees for use of public open space

Council will explore the introduction or increase of fees for commercial and private use of public spaces, including:

- personal trainers and fitness groups
- school activities
- tourism operators and business events
- weddings and private functions in parks

While these activities are numerous and small-scale, a coordinated management and permit system would be required, and implementation may take some time. The administrative cost of such a system may impact the overall net revenue.

4. Increased advertising revenue

Council has traditionally maintained public spaces with minimal commercial advertising, reflecting community preferences. A recent report to Council indicated the possibility of pursuing additional income under current contracts of up to $1.8 million. However, this would be subject to development approval. Council will now also investigate additional opportunities to responsibly increase advertising revenue through:

- public spaces
- Council-owned infrastructure and facilities

5. Sponsorship and naming rights – major facilities

Council will identify opportunities for sponsorship and naming rights arrangements at key facilities, such as:

- North Sydney Oval
- North Sydney Olympic Pool

These arrangements will be pursued in a way that aligns with community values and maintains the integrity of Council assets.

6. Road closure and sale

Council is currently assessing the potential closure and sale of specific road segments. Any funds generated will be allocated strictly to road projects, in accordance with legislative requirements. Although this will not improve ongoing operating results, it will help fund critical infrastructure renewal backlogs.

2.6 Productivity improvements and risk management

There are several areas within Council's administration and operations that require improvement to reduce risks related to legislative compliance, financial sustainability, asset management, and business continuity.

To address these challenges, Council has pursued organisational improvement initiatives aimed at enhancing productivity. These initiatives can lead to direct cost savings or allow the Council to maintain existing costs while delivering greater outputs and outcomes for the community.

The Productivity Commission of Australia defines productivity primarily as the output produced per unit of input. According to the Commission, productivity is not about working harder or longer, but about working smarter – that is, using resources more efficiently. It also highlights that improvements in productivity are the key long-term driver of economic growth.

In the local government context, productivity refers to how efficiently resources are used to deliver services and achieve positive community outcomes. Inputs include staff time, operating budgets, plant and equipment, materials, and technology. Outputs are the tangible services provided – such as waste collection, community programs, development approvals, infrastructure maintenance and renewal, and support provided to residents. Outcomes, while harder to measure, include community wellbeing, satisfaction, safety, and environmental quality.

Due to limitations in Council's current systems, processes, and data capture capabilities, it is often difficult to quantify the increased output of productivity initiatives using dollar-based metrics. In many cases, input levels remain the same, but output and outcomes improve – a clear indication of enhanced productivity.

However, Council's historical performance frameworks and reporting systems do not currently support accurate valuation of these gains. To address this, Council is working towards implementing a short-term solution to better capture value, with broader system improvements planned.

Improvement priorities

1. System replacement

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 and expected levels of customer relationship management and response 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 the residents and customers, negatively impacting the overall customer experience.

System replacement has been prioritised within the Delivery Program, however is currently unfunded. Funding will not be prioritised to system improvements until Council is first able to fund infrastructure renewal requirements.

2. Process improvement

Process mapping and improvement is crucial for enhancing productivity and efficiency within any organisation. Process mapping was introduced to Council in 2023–24.

By visually outlining each step of a workflow, process mapping helps identify redundancies, bottlenecks, and areas of waste that may be hindering performance. This clarity enables teams to streamline operations, reduce errors, and implement targeted improvements. As a result, organisations can optimise resource use, shorten cycle times, and ultimately deliver higher quality outcomes with less effort and cost. Process improvement, when continuously applied, fosters a culture of innovation and adaptability, ensuring long-term operational success.

3. Service review framework

In 2024–25 Council developed and introduced a new service review framework, using the Australian Centre for Excellence for Local Government Service Delivery Review guidance.

While the purpose of the new requirement is to ensure continuous improvement, a rolling program of service reviews can also put Council and Councillors in a better position to:

- respond to changing customer priorities and needs
- determine the right mix of services and align the services with the Council's vision
- define statutory and non-statutory services and consider the potential for divestment of services
- generate financial savings
- review and optimise service levels and build staff capacity and skills

Service review priorities for the Delivery Program 2025–2029 are outlined in section 2.3.

4. Service unit planning

Service unit planning is a proactive management tool that focuses on service improvement by taking a balanced scorecard approach. The balanced scorecard considers customer service, financial, system and process, and learning and development as different levers to find the most effective way of delivering continuous improvement.

Service unit planning will sit under the Operational Plan in the overall strategic framework and is used as a best practice management tool focusing on the functions, activities, processes and tasks required to deliver Operational Plan outcomes.

Service unit planning will identify priorities for system and process improvements, resourcing, and improved performance through learning and development and/or succession planning, as well as identifying and mitigating operational risks.

The development and implementation of this level of planning will reduce reactivity, improve efficiency and effectiveness, contribute to our preferred culture, and improve both employee and customer satisfaction.

5. Performance and development framework

Council is forecasting an investment of $57.2 million in workforce resources to support service delivery and infrastructure provision. In 2024–25, Council began developing a new Performance and Development Framework, which will continue to be refined throughout the course of this Delivery Program.

These frameworks are critical for ensuring sustained productivity and organisational growth. They provide a structured approach to setting clear goals, tracking progress, and identifying areas for improvement – aligning individual contributions with broader organisational objectives. By promoting ongoing development, accountability, and motivation, the framework supports a high-performance culture and drives improved outcomes.

6. Comprehensive property review and strategy development

Council currently holds a portfolio of income-producing property and community-use property. To support long-term financial sustainability and intergenerational equity and avoid reactive asset sales, Council will develop a strategy that balances financial need with community service provision need.

Progress towards improved performance – the past two years.

Over the past two years, Council has actively pursued an improvement agenda to enhance the productivity and effectiveness of its administration. This includes:

1. Organisational realignment

This project involved the realignment of workforce resources, creating savings of $2.3 million in employee salaries and wages, which were used to address critical gaps in resourcing that would otherwise require funding through rate income.

2. Productivity improvement projects

Using the same dollar inputs, Council has increased its overall output capacity through a number of initiatives including:

- structured service review framework
- process mapping and the mapping of 250 priority processes
- improvements in risk management
- improved financial processes and reporting
- improved Audit, Risk and Improvement Committee reporting
- improvements in legislative compliance risk
- improvements in responsiveness to building compliance requests
- improvements in customer service processes and capability
- redevelopment of asset management framework including asset class management plans
- improvements in project program management
- new induction journals developed for new Councillors
- new service catalogue developed to clarify current services and responsibilities
- automation and review of delegation register
- increased capacity to service new parks and gardens established over time without operational resources to maintain.
- transitioning of outdoor staff operations from paper to digital
- online forms for frequently requested services
- automation of manual processes for development assessment and food shop inspections, including improved integration with the NSW Planning Portal
- improved development application tracking and monitoring
- improved oversight and management of applications through staff activities reports
- the introduction of a capital works report to track project progress

3. Increased staff vacancy levels

Council has generated $1.2 million in savings in 2024–25 by holding vacant positions for extended periods. This saving has been embedded in future salaries and wages budgets.

4. Leave management initiative

Council implemented plans to reduce excess leave levels created over time. This created a saving of $0.9 million through a reduction in leave liabilities.

5. Sustainability initiatives

Council generated $117 thousand in savings through solar power initiatives, and $50 thousand through heat pump upgrades.

6. New technology

Council generated approximately $200 thousand through IT initiatives including digitisation projects, cybersecurity system consolidation, and mobile telephone network contracts.

7. Organisational strategy development

In 2024–25, Council developed a new suite of strategies, including the Community Strategic Plan, Open Space and Recreation Strategy, Integrated Transport Strategy, Culture and Creativity Strategy, Social Inclusion Strategy, Economic Development Strategy, Environment Strategy and Governance Strategy using inhouse resources. While difficult to quantify savings, using a conservative estimate of $50 thousand per strategy, the value of this work would equate to $400 thousand.

8. Development assessment approval times

A review of development assessment processes has been undertaken and initiatives are underway to improve productivity in this area. While difficult to quantify cost savings, development assessment times have reduced.

9. Reduction in light fleet

Council has reduced its light fleet by 10 vehicles and has moved towards the purchase of electric vehicles, reducing exposure to fuel price fluctuations and future renewal costs. At an average conservative cost of $45 thousand, this reflects a reduction in renewal costs of $450 thousand.



2.7 Reduced infrastructure renewals

Over the past two years, Council has reduced and deferred asset renewal budgets and postponed new and upgrade projects in order to maintain liquidity and fund rising costs associated with the North Sydney Olympic Pool project. This constrained renewal program will continue into 2025–26.

Asset renewal benchmarking

According to the Office of Local Government, infrastructure renewal should be funded from the depreciation expense within the operating budget. The benchmark renewal ratio of 100% implies that annual spending on renewals should match the annual depreciation of assets.

However, this metric is retrospective and does not account for future increases in construction costs. When adjusted for anticipated cost escalations, a renewal ratio exceeding 100% may be necessary to maintain financial sustainability.

Long-term impacts of reduced renewal investment

Deferring infrastructure renewals can lead to increased long-term costs, reduced service levels, and potential safety risks. Institute of Public Works Engineering Australasia (IPWEA) guidance emphasises the importance of timely asset renewals to avoid reactive maintenance and unplanned interventions, which can disrupt services and strain financial resources. Maintaining assets in poor or very poor condition not only affects service delivery but also undermines long-term financial sustainability.

Council's infrastructure assets, particularly buildings, are ageing. Many facilities were constructed decades ago and, after years of community use, now require significant renewal to remain safe, functional, and valuable to the current population.

Asset condition overview

IPWEA Practice Notes provide guidance in relation to infrastructure condition gradings as follows:

- **Condition Grade 1 – Very Good:** Only planned maintenance required
- **Condition Grade 2 – Good:** Minor maintenance required plus planned maintenance
- **Condition Grade 3 – Fair/Satisfactory:** Significant maintenance required
- **Condition Grade 4 – Poor:** Significant renewal/rehabilitation required
- **Condition Grade 5 – Very Poor:** Physically unsound and/or beyond rehabilitation

Council's recently redeveloped Asset Class Management Plans further define and describe asset conditions for each asset class.

As of 30 June 2024, Council's Asset Management Plans identify **$146 million** of infrastructure in *poor* condition (Grade 4) and *very poor* condition (Grade 5). There are currently no financial reserves available to fund the renewal of these assets.

As a result, Council is currently exposed to reactive maintenance, safety risk, unplanned capital works, and potential service interruptions. Nominated renewal projects within this plan have been determined based upon risk assessment and are subject to change should priorities change.

Forward forecasts

Due to the current financial situation, Council has reduced infrastructure renewal expenditure by $12.5 million in 2025–26, resulting in a forecast infrastructure renewal ratio of 40.58% in year 1.

Should Council's financial repair strategies succeed – through a combination of service reductions and increased non-rate revenue – renewal funding could improve to 62.35% in year 2 and an average of 62.4% over years 2 to 4, still well below the benchmark ratio of 100% and financially unsustainable.

2025–26 Renewal projects and risk management

Renewal projects for 2025–26 have been included in the current Operational Plan. However, project prioritisation may change in response to emerging infrastructure risks. For example, the replacement of the synthetic turf at Cammeray Park – deferred for the past three years – is now at risk of imminent failure. If this occurs, funding will need to be redirected accordingly.

Due to financial uncertainty, renewal projects for Years 2, 3 and 4 of the Delivery Program have not been pre-determined and will instead be assessed and scheduled reactively, based on short-term need and risk.

2.8 How to read this plan

The format of this plan aligns with the suite of Informing Strategies that articulate priorities in the following key areas:

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

Each strategy considers where we are now, where we want to be in 10 years, how we will get there, and how we will know when we have arrived.

The following information explains the key headings used in this plan.

3.1 Environment

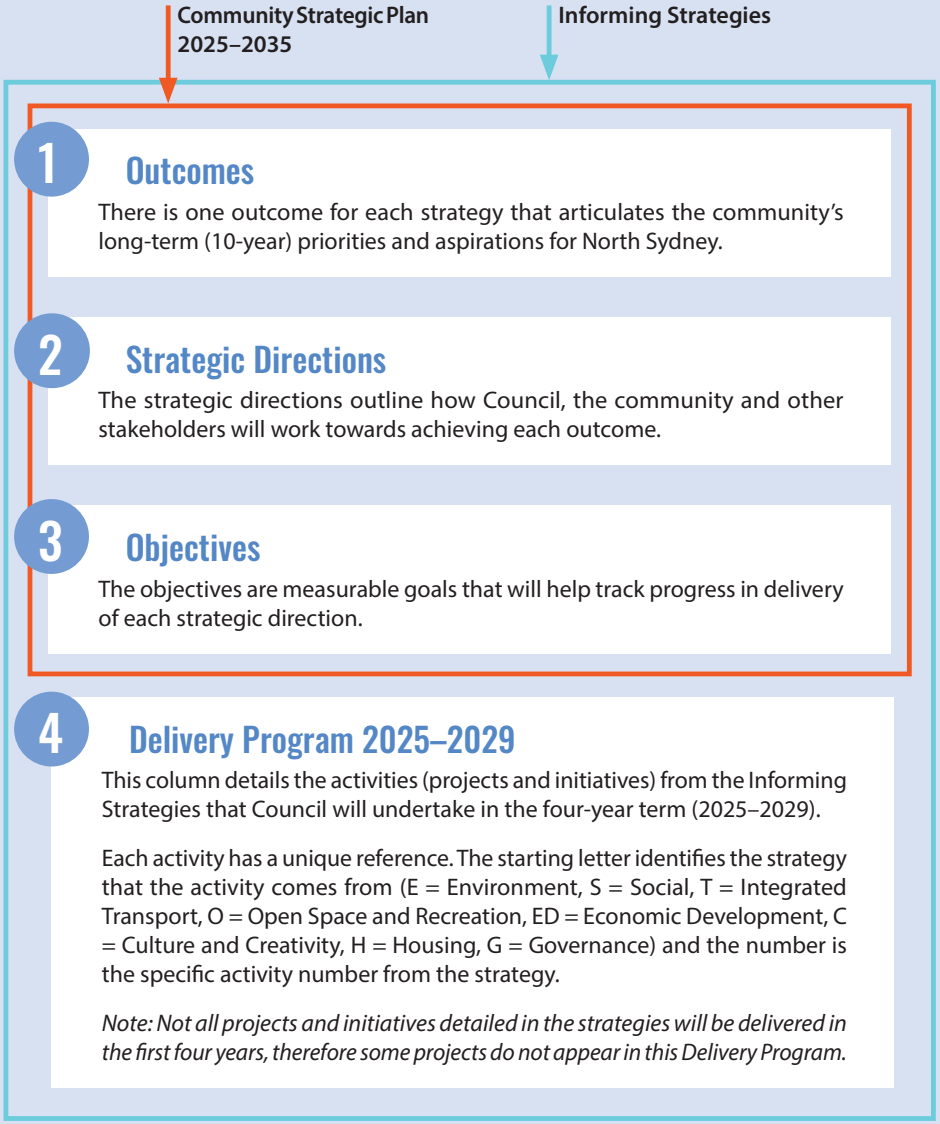
1 **A healthy environment with thriving ecosystems and strong climate resilience**

2 **Strategic Direction 1: Restore and protect diverse ecosystems**
Objectives: Maintain and improve Councils bushland areas to ensure that at least 80% are in good condition by 2030 from a 2023 baseline of 75%
Maintain the number of locally native fauna and flora species found in North Sydney at or above the 2023 baseline of 562 species

3

Delivery Program 2025-2029 4		2025-2026	2026-2027 5	2027-28	2028-2029	Operational plan 2025-2026 6	Responsible 7
E1.1	Develop and deliver a Green Corridor Plan, in consultation with local schools and other relevant stakeholders, to improve connectivity between remnant bushland reserves and create strategic wildlife corridors in accordance with the vision established by the Connected Corridors for Biodiversity project. This includes delivering 500sqm of new corridor planting each year.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Public Presentation
E1.2	Deliver upgraded bushland walking tracks in Badangi Reserve, Balls Head Reserve, Brightmore Reserve and Primrose Park.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
Service S70	Develop and implement a range of community education and volunteering programs to help conserve Council's biodiversity. These include: - Council's Adopt-a-Plot bushland rehabilitation program - Native Havens home habitat gardening program						Community Resilience and Sustainability

8



1 Outcomes

There is one outcome for each strategy that articulates the community's long-term (10-year) priorities and aspirations for North Sydney.

2 Strategic Directions

The strategic directions outline how Council, the community and other stakeholders will work towards achieving each outcome.

3 Objectives

The objectives are measurable goals that will help track progress in delivery of each strategic direction.

4 Delivery Program 2025–2029

This column details the activities (projects and initiatives) from the Informing Strategies that Council will undertake in the four-year term (2025–2029).

Each activity has a unique reference. The starting letter identifies the strategy that the activity comes from (E = Environment, S = Social, T = Integrated Transport, O = Open Space and Recreation, ED = Economic Development, C = Culture and Creativity, H = Housing, G = Governance) and the number is the specific activity number from the strategy.

Note: Not all projects and initiatives detailed in the strategies will be delivered in the first four years, therefore some projects do not appear in this Delivery Program.

5 Year

These columns show when the Delivery Program commitments will be delivered.

6 Operational Plan 2025–2026

The specific actions that Council will complete this financial year (2025–26).

7 Responsible

This is the Council service unit that will oversee and report on the relevant activities.

8 Services

The business-as-usual services that will assist in delivering the outcomes. Each service has a reference number starting with 'S'.

Monitoring performance

Progress indicators

Each operational plan activity details the project, project milestone or specific initiative that will be completed in the 2025–26 financial year. Progress in delivering these activities will be provided through quarterly progress reports, with traffic light indicators used to identify whether delivery is on schedule.

Performance indicators

The delivery of services will be monitored through performance indicators as detailed in Part 3.

Note: Following IPART's refusal of Council's special rate variation in May, several service changes will be implemented in 2025–2026 to reduce costs and manage financial risks. As a result, some services in this plan may be reduced or discontinued, and some performance targets listed in part 3 may not be met.

Please refer to the budget summary on page 9 for more details.





Part 3:

Delivery Program 2025–2029 and Operational Plan 2025–2026

3.1 Environment

A healthy environment with thriving ecosystems and strong climate resilience

Strategic Direction 1: Restore and protect diverse ecosystems
Objectives: Maintain and improve Council's bushland areas to ensure that at least 80% are in good condition by 2030 from a 2023 baseline of 75%
Maintain the number of locally native fauna and flora species found in North Sydney at or above the 2023 baseline of 562 species

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025-2026	Responsible
E1.1	Develop and deliver a Green Corridor Plan, in consultation with local schools and other relevant stakeholders, to improve connectivity between remnant bushland reserves and create strategic wildlife corridors in accordance with the vision established by the Connected Corridors for Biodiversity project. This includes delivering 500sqm of new corridor planting each year.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
E1.2	Deliver upgraded bushland walking tracks in Badangi Reserve, Balls Head Reserve, Brightmore Reserve and Primrose Park.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
E1.3	Support regional biodiversity and collaboration through the Building Bridges to Boorowa program.	●	●	●	●	Coordinate the Building Bridges to Boorowa tree planting program.	Community Resilience and Sustainability
E1.4	Collaborate with universities and marine science institutes to enhance seawall biodiversity in North Sydney's coastal area.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
E1.5	Facilitate the closure of Balls Head Reserve on New Year's Eve to prevent damage to bushland areas.	●	●	●	●	Coordinate the closure of Balls Head Reserve on New Year's Eve to prevent damage to bushland areas and cultural sites.	Community Resilience and Sustainability
E1.6	Develop a Brush Turkey Management Plan in conjunction with the National Parks and Wildlife Service.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
Service S70	Develop and implement a range of community education and volunteering programs to help conserve Council's biodiversity. These include: - Council's Adopt-a-Plot bushland rehabilitation program - Native Havens home habitat gardening program - Wildlife Watch citizen science project - Community education activities - Bushcare volunteers						Community Resilience and Sustainability
Service S54	Manage Council's bushland areas. This includes developing and implementing bush rehabilitation plans and projects, maintaining and providing new tracks and signage, implementing bushfire hazard reduction and ecological burning programs, managing pest animals, and managing the community nursery.						Community Resilience and Sustainability

Strategic Direction 2: Increase canopy cover to reduce urban heat island effects

Objective: Increase the canopy cover across the LGA to 34.4% by 2035 from a 2022 baseline of 24.9%

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025-2026	Responsible
E2.1	Plant at least 350 trees in streets, parks and reserves each year to increase tree canopy cover and mitigate urban heat island impacts.	●	●	●	●	Plant at least 350 trees in streets, parks and reserves.	Public Presentation
E2.2	Review planning controls in the North Sydney Development Control Plan to enhance tree planting, protect existing wildlife habitat and improve green connections.		●			Delivery to commence 2026–27.	Strategic Planning
Service S47	Manage tree planning, planting, maintenance and preservation. This includes implementation of annual tree planting programs.						Public Presentation

Strategic Direction 3: Build climate resilience

Objectives: Reduce community greenhouse gas emissions by 65% by 2035 from a 2018 baseline of 973,984 tonnes tCO2e[1]
Achieve carbon neutrality for Council's operations by 2035

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025-2026	Responsible
E3.1	Review and implement new planning controls in the Development Control Plan to support the transition away from fossil fuels, reduce urban heat island effects and drive a lower embodied carbon footprint during the design, construction and operational phase of both commercial and residential buildings. This includes requirements for electric vehicle charging infrastructure.		●			Delivery to commence 2026–27.	Strategic Planning
E3.2	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 on their building, helping them to purchase 100% renewable electricity at a lower cost than currently available.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
E3.3	Investigate and implement initiatives to increase solar capacity for schools in the LGA.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
E3.4	Deliver 80 electric vehicle charging bays on Council-owned land and in Council-owned car parks through the installation of third party charging infrastructure in the LGA.	●	●	●	●	Deliver 60 electric vehicle charging bays in Council-owned car parks.	Community Resilience and Sustainability

Source: 1. Resilient Sydney

Strategic Direction 3: Build climate resilience

Objectives: Reduce community greenhouse gas emissions by 65% by 2035 from a 2018 baseline of 973,984 tonnes tCO2e[1]
Achieve carbon neutrality for Council's operations by 2035

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025-2026	Responsible
E3.5	Collaborate with industry stakeholders to facilitate the implementation of community batteries and virtual power plants on Council-owned land.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
E3.6	Increase Council's renewable energy capacity (panels and batteries) on new and existing Council infrastructure.	●	●	●	●	Develop project scope and feasibility studies for renewable energy opportunities on Council infrastructure. Delivery of panels and batteries to commence in 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
E3.7	Replace the gas boiler at Stanton Library with an electric heat pump and work towards electrification of Council's operations, excluding plant and fleet, by 2030.	●		●	●	Undertake an audit of Council's operations and equipment and develop a list of all areas that are still reliant on non-renewable energy and develop a program for electrification. Replacement of gas boiler at Stanton Library to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
E3.8	Complete a feasibility report for transitioning Council's plant to electric by 2035.	●				Complete a feasibility report for transitioning Council's plant and fleet to electric by 2035.	Public Presentation
E3.9	Work with Ausgrid to upgrade existing permanently unmetered supply lighting to conform with sustainability standards and achieve long-term financial savings.			●	●	Delivery to commence 2027–28.	Public Presentation
E3.10	Progressively upgrade the lighting network owned by North Sydney Council to LED with smart controls.	●	●	●	●	Develop a prioritised list of lighting upgrades for North Sydney Council's network.	Public Presentation
E3.11	Work with Ausgrid to add smart controls to existing and new LED street lights to allow for more efficient use of lighting infrastructure.	●	●	●	●	Advocate to Ausgrid for inclusion of smart lighting controls for new and existing LED street lights.	Public Presentation
E3.12	Investigate the feasibility of divesting from organisations associated with fossil fuels.			●		Delivery to commence 2027–28.	Finance

Source: 1. Resilient Sydney

Strategic Direction 3: Build climate resilience

Objectives:
- Reduce community greenhouse gas emissions by 65% by 2035 from a 2018 baseline of 973,984 tonnes tCO2e[1]
- Achieve carbon neutrality for Council's operations by 2035

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025-2026	Responsible
E3.13	Review and update Council's procurement processes to support the circular economy, reduce extraction and production, and increase recycled content of purchased materials.			●		Delivery to commence 2027–28.	Finance
Service S69	Manage projects that deliver direct sustainability outcomes. This includes energy and water conservation initiatives across Council facilities and operations.						Community Resilience and Sustainability
Service S53	Implement a range of educational programs, grants and other initiatives to equip the community and businesses for delivery of sustainability outcomes.						Community Resilience and Sustainability

Strategic Direction 4: Reduce wastes and conserve our limited natural resources

Objectives:
- Increase the resource recovery rate (for residential waste) to 80%[2] by 2030 from a 2024 baseline of 37%
- Reduce annual residential waste generation per capita by 10% by 2030 from the 2023 baseline of 315kg/person across all waste streams
- Reduce North Sydney's potable water consumption by 10% by 2034–35, from the 2015/16 baseline of 7,325,333kL[1]

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025-2026	Responsible
E4.1	Implement a food waste recycling program by 2030.	●	●	●	●	Develop a roadmap prioritising actions for implementing the food waste recycling program in 2029–30.	Public Presentation
E4.2	Advocate to other levels of government for legislation, infrastructure and technology to support delivery of the ambitious resource recovery rate of 80%.	●	●	●	●	Advocate to other levels of government for legislation, infrastructure and technology to support delivery of the ambitious resource recovery rate of 80%.	Customer and Communications
E4.3	Collaborate with neighbouring councils to identify and implement additional opportunities for resource recovery and alternative waste treatment.	●	●	●	●	Identify and investigate the feasibility of implementing at least one additional opportunity for resource recovery.	Public Presentation
E4.4	Review and update planning controls in the comprehensive Development Control Plan (DCP) to enable food organics stream separation and collection in multi-unit developments. Ensure adequate on-site space for waste management equipment, such as compactors, in-sink disposal units, and other waste and recycling handling equipment.		●			Delivery to commence 2026–27.	Strategic Planning

Sources:
1. Resilient Sydney
2. This is an ambitious target set by the Australian Government in the National Waste Policy Action Plan (2019)

Strategic Direction 4: Reduce wastes and conserve our limited natural resources Objectives: Increase the resource recovery rate (for residential waste) to 80%[2] by 2030 from a 2024 baseline of 37% Reduce annual residential waste generation per capita by 10% by 2030 from the 2023 baseline of 315kg/person across all waste streams Reduce North Sydney's potable water consumption by 10% by 2034–35, from the 2015/16 baseline of 7,325,333kL[1]							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025-2026**	**Responsible**
E4.5	Review and update the Council's DCP to encourage the reuse of greywater, rainwater and stormwater, and to minimise potable water consumption.		●			Delivery to commence 2026–27.	Strategic Planning
E4.6	Expand existing stormwater harvesting and water reuse systems at Bon Andrews Oval/North Sydney Oval, Primrose Park and Tunks Park.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Public Presentation
E4.7	Prepare a strategic plan for The Coal Loader Centre for Sustainability site to inform opportunities and priorities to increase community use and enjoyment and develop a reserve for delivery.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
Service S40	Manage residential waste and recycling services including weekly collection, bulky goods clean-up and the Community Recycling Centre.						Public Presentation
Service S74	Manage The Coal Loader Centre for Sustainability. This includes providing sustainability programs, education and workshops.						Community Resilience and Sustainability

Strategic Direction 5: Maintain healthy and clean waterways and public spaces Objectives: Increase the amount of material that is kept out of our waterways through stormwater improvement programs by 10% by 2030 from the 2019 baseline of 3,582 tonnes Maintain the percentage of residents who are at least somewhat satisfied with the cleanliness of local roads and footpaths (eg street sweeping) at or above 90%							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025-2026**	**Responsible**
E5.1	Deliver a water catchment community awareness campaign.		●		●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
E5.3	Reduce the amount of pollution/debris entering the harbour by expanding the gross pollutant trap (GPT) network.	●	●	●	●	Prepare a concept design and initial costing for a GPT, ready for a grant applications.	Capital Projects and Asset Management

Source: 1. Resilient Sydney

Strategic Direction 5:	**Maintain healthy and clean waterways and public spaces**
Objectives:	Increase the amount of material that is kept out of our waterways through stormwater improvement programs by 10% by 2030 from the 2019 baseline of 3,582 tonnes Maintain the percentage of residents who are at least somewhat satisfied with the cleanliness of local roads and footpaths (eg street sweeping) at or above 90%

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025-2026	Responsible
E5.4	Maintain and renew existing GPTs to ensure ongoing effectiveness in capturing stormwater pollution.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
Service S41	Manage waste and recycling services for Council-owned facilities and public places.						Public Presentation

Monitoring performance

PERFORMANCE INDICATORS: Environment services

Indicator		Target trend	2025–2026 Target value*		Baseline			Responsible
KPI -E1	Number of active bushcare volunteers	↑	≥ 120	volunteers	120	volunteers	2024	Community Resilience and Sustainability
KPI -E2	Number of trees planted	↑	≥ 350	trees		-		Public Presentation
KPI -E3	Survival rate of trees planted at 1-year of maturity	↑	≥ 80	%		-		Public Presentation
KPI -E4	CO2e emissions from Council operations	↓	< 575	tonnes CO2e	610	tonnes CO2e	2024	Community Resilience and Sustainability
KPI -E5	Material collected through gross pollutant traps (tonnes)	↑	≥ 900	tonnes	827	tonnes/year	2022-23	Capital Projects and Asset Management
KPI -E6	Attendees at sustainability events/workshops	↑	≥ 900	attendees	800	attendees	2024	Community Resilience and Sustainability
KPI -E7	Missed bin collections (general waste) as a percentage of total collections	↓	≤ 0.04	%	0.04	%	Feb 24-Feb 25	Public Presentation
KPI -E8	Missed bin collections (recycling) as a percentage of total collections	↓	≤ 0.04	%	0.04	%	Feb 24-Feb 25	Public Presentation

* Some target values may not be achieved in 2025-2026 due to service reductions that are required to reduce operating costs.

3.2 Social Inclusion

A connected and socially inclusive community where everyone is valued

Strategic Direction 1: Deliver and increase awareness of community events, programs and activities that strengthen and enrich meaningful connections

Objectives:
Maintain the percentage of residents who are at least somewhat satisfied with events and programs run by Council at or above 90%[1]
Increase the percentage of residents who agree that North Sydney has a strong sense of community to at least 75% by 2029 from a 2023 baseline of 64%[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
S1.1	Develop a 'Know your Neighbour' program to encourage residents and local businesses to get together informally in local green and community spaces, and existing community groups.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
S1.2	Investigate opportunities for intergenerational engagement, for example a program that engages young people to use technology to capture and share local stories of varying ages, backgrounds and experiences (eg oral histories). Consideration should also be given to exploring the role Precinct Committees could play in driving intergenerational engagement.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
S1.3	Work with not-for profits and other agencies to develop a catalogue of opportunities and resources to help older people stay connected and avoid social isolation.		●	●	●	Delivery to commence 2026–27.	Community Resilience and Sustainability
S1.4	Review and refresh Council's program of events and activations to ensure they are responsive to community needs and leverage key assets.		●	●	●	Delivery to commence 2026–27. Enhancement or new events subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
S1.5	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.	●	●	●	●	Undertake research to understand desired promotion opportunities. Delivery of joint events to commence in 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
S1.6	Increase promotion of community events, programs, services and resources to ensure the community understands that they are invited and welcome to attend (eg using visual symbols and/or translations), and different mediums (eg printed flyers alongside social media posts).	●	●			Investigate opportunities to use rates notices and/or other regular Council communications to promote council events, programs, services and resources. Pilot one opportunity.	Customer and Communications
						Engage with the community to understand preferred communication mediums to inform development of a communications plan in 2026–27.	Customer and Communications
S1.8	Deliver a pilot program in Civic Park to trial the replacement of existing physical noticeboards with digital community information screens.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
S1.9	Collaborate with local businesses, schools and other government agencies to improve awareness of services, events and programs within and adjacent to the North Sydney LGA.		●	●	●	Delivery to commence 2026–27.	Customer and Communications

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 1: Deliver and increase awareness of community events, programs and activities that strengthen and enrich meaningful connections Objectives: Maintain the percentage of residents who are at least somewhat satisfied with events and programs run by Council at or above 90%[1] Increase the percentage of residents who agree that North Sydney has a strong sense of community to at least 75% by 2029 from a 2023 baseline of 64%[1]							
Delivery Program 2025–2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
S1.10	Develop a 'Welcome Pack' for new residents to the area with detailed information about the LGA, including resources, services and spaces.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
S1.11	Create a resource tool/list of accessibility options available in the LGA, for example vision resources at Stanton Library.		●			Delivery to commence 2026–27.	Community Resilience and Sustainability
Service S15	Organise and support a range of public space activations and events to bring communities together, engage, celebrate and activate our LGA.						Arts, Library and Events
Service S9	Provide information to the community on Council's services and activities through a range of channels including print, digital, social media and in person.						Customer and Communications

Strategic Direction 2: Provide new and improved public and community spaces for people to meet and connect Objectives: Maintain the percentage of residents who are at least somewhat satisfied with community centres and halls at or above 90%[1]							
Delivery Program 2025–2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
S2.1	Develop a masterplan and feasibility study 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.	●	●			Advocate to the NSW Government to fund planning and delivery of community facilities and open space within the Crows Nest Community Centre/Holtermann Street car park precinct.	Customer and Communications
						Initiate the project commencing with a needs analysis and initial scoping. Preparation of the masterplan to commence in 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
S2.3	Undertake research and commence preparation of a masterplan for the civic precinct in North Sydney (bounded by Ridge, Miller, Church and McLaren Streets) that investigates and incorporates a range of new community space, open space and active recreation spaces.				●	Delivery to commence 2028–29.	Strategic Planning

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 2: Provide new and improved public and community spaces for people to meet and connect

Objectives: Maintain the percentage of residents who are at least somewhat satisfied with community centres and halls at or above 90%[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
S2.6	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.	●	●	●		Engage with TfNSW on final design for Woodleys Shed, and undertake consultation with the North Sydney community on proposed facility usage, fitout design and broader operation of the Berrys Bay and Woodleys Shed site. Design and delivery of the fitout to commence in 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
S2.8	Work with Neutral Bay Village land owners to deliver a new accessible Neutral Bay Community Centre.	●	●	●	●	Assess Planning Proposals and any associated voluntary planning agreements to facilitate delivery of a new Neutral Bay Community Centre.	Strategic Planning
S2.10	Collaborate with the PCYC and government agencies to retain PCYC presence in North Sydney.	●	●			Meet with PCYC to understand resourcing needs for establishing a PCYC presence in the LGA.	Executive Leadership Team
S2.11	Explore new opportunities to partner with local schools and Schools Infrastructure NSW to enable community use of school facilities after hours.	●	●	●	●	Explore new opportunities to partner with local schools and Schools Infrastructure NSW to enable community use of school facilities after hours.	Community Resilience and Sustainability
S2.13	Advocate for increased community use of Sub Base Platypus.	●	●	●	●	Advocate for increased community and third party event hirer use of Sub Base Platypus.	Arts, Library and Events
S2.14	Develop a ten-year plan for expanding library services across the LGA. This includes consideration of potential satellite sites.		●			Delivery to commence 2026–27,subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
S2.15	Explore opportunities to partner with Australian Catholic University for additional library facilities.	●				Explore opportunities to partner with Australian Catholic University for additional library facilities.	Arts, Library and Events
S2.16	Upgrade the existing library and expand the floorspace into the adjoining James Place development.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
S2.17	Explore new opportunities in the North Sydney LGA for free, safe and accessible study spaces for students in primary school, high school and university.		●			Delivery to commence 2026–27.	Community Resilience and Sustainability
Service S12	Provide library collections, resources, services, events and programs to support lifelong learning, literary engagement and community wellbeing.						Arts, Library and Events
Service S8	Manage the hire and use of Council spaces and places, including buildings, facilities, civic spaces, parks, reserves and sportsfields.						Customer and Communications

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 3: Nurture a shared sense of belonging where everyone's voice is heard and people feel they are valued

Objectives:
- Increase the percentage of residents who are at least somewhat satisfied with Council's consultation with the community to at least 85% by 2029 from a 2023 baseline of 80%[1]
- Maintain the volunteer rate in the North Sydney LGA at or above the 2021 rate of 16.8%[2]
- Deliver 90% percent of actions detailed in the Disability Inclusion Action Plan 2022-26 by 2026

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
S3.1	Review Council's communication approach to improve accessibility.	●				Review Council's communication approach to improve accessibility.	Customer and Communications
S3.2	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.	●	●	●	●	Develop an accessible events guide.	Arts, Library and Events
S3.4	Utilise a demographically select working group for input on major Council decisions to ensure the diverse needs of the North Sydney community are considered.				●	Delivery to commence 2028–29.	Customer and Communications
S3.6	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.	●	●	●	●	Develop targeted social media content for youth. Establishment of a youth advisory group to commence in 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
S3.7	Deliver a digital volunteer hub to connect, support, train and identify the skills, capacity, availability and willingness of the community to volunteer.		●			Delivery to commence 2026–27.	Community Resilience and Sustainability
S3.8	Expand Council's Streets Alive and HarbourCare volunteer programs to promote social connections and improve our environment.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
S3.9	Collaborate and explore partnerships with government agencies and not-for-profits to raise awareness and advocate for action to address domestic violence.	●	●	●	●	Collaborate and explore partnerships with government agencies and not-for-profits to raise awareness and advocate for action to address domestic violence.	Community Resilience and Sustainability
S3.10	Collaborate and explore partnerships with government agencies and not-for-profits to raise awareness and advocate for action to address homelessness.	●	●	●	●	Collaborate and explore partnerships with government agencies and not-for-profits to raise awareness and advocate for action to address homelessness.	Community Resilience and Sustainability

Sources:
1. Customer Satisfaction Survey, Micromex Research
2. Census of Population and Housing, Australian Bureau of Statistics

Strategic Direction 3: Nurture a shared sense of belonging where everyone's voice is heard and people feel they are valued

Objectives:
- Increase the percentage of residents who are at least somewhat satisfied with Council's consultation with the community to at least 85% by 2029 from a 2023 baseline of 80%[1]
- Maintain the volunteer rate in the North Sydney LGA at or above the 2021 rate of 16.8%[2]
- Deliver 90% percent of actions detailed in the Disability Inclusion Action Plan 2022-26 by 2026

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
S3.11	Develop and implement a gender equity plan.		●	●	●	Delivery to commence 2026–27.	Office of the CEO
S3.12	Develop and implement a recognition program for businesses, community organisations and individuals who have significantly contributed to improving access and inclusion.		●	●	●	Delivery to commence 2026–27.	Community Resilience and Sustainability
Service S11	Develop and implement opportunities for community and business input into Council's decision-making processes, including through formal consultations, Precinct Committees, social media and surveys.						Customer and Communications
Service S56	Support accessibility and inclusion across the LGA through implementation and regular review of Council's Disability Inclusion Action Plan.						Community Resilience and Sustainability
Service S55	Provide family day care, youth services including Planet X, and support for multicultural communities.						Community Resilience and Sustainability
Service S57	Promote and coordinate opportunities to build capacity within the community through partnerships, collaborations, volunteering, interagencies activity and grants.						Community Resilience and Sustainability
Service S73	Work with the community to improve our environment and build social connections through volunteer programs including: - Streets Alive - HarbourCare - Community gardens						Community Resilience and Sustainability

Sources:
1. Customer Satisfaction Survey, Micromex Research
2. Census of Population and Housing, Australian Bureau of Statistics

Monitoring performance

PERFORMANCE INDICATORS: Social Inclusion

Indicator		Target trend	2025–2026 Target value*		Baseline			Responsible
KPI - S1	Number of community events	↑	≥ 30	events	22	events	2023-24	Arts, Library and Events
KPI - S2	Number of attendees at community events	↑	> 300,000	attendees	300,000	attendees	2023-24	Arts, Library and Events
KPI - S3	Number of visits to the website	↑	≥ 1.172 million	visits	1.169 million	visits	2024	Customer and Communications
KPI - S4	Number of followers on Council social media channels (Facebook, Instagram, LinkedIn & YouTube combined)	↑	≥ 27,000	followers	24,000	followers	Mar-25	Customer and Communications
KPI - S5	Number of subscribers to NSC eNewsletters (Council, Sustainability, Arts & Culture, Events & Business eNews)	↑	≥ 13,000	subscribers	11,500	subscribers	Mar-25	Customer and Communications
KPI - S6	Average open rate across NSC eNewsletters	↑	≥ 55%	open rate	52%	open rate	Jul-05	Customer and Communications
KPI - S7	Number of people visiting Stanton Library	↑	≥ 314,150	visitors	305,000	visitors	2023-24	Arts, Library and Events
KPI - S8	Percentage of residents who are library members	↑	≥ 55	%	55	%	2023-24	Arts, Library and Events
KPI - S9	Number of visitors to YourSay portal	↑	≥ 74,000	visitors		-		Customer and Communications
KPI - S10	Number of YourSay surveys conducted	↑	≥ 45	surveys	45	surveys	2,024	Customer and Communications
KPI - S12	Number of active Precinct Committees supported	Maintain	19	committees	19	committees	Mar-25	Customer and Communications
KPI - S13	Open rate of Precinct News email	↑	≥ 55%	open rate	52%	open rate	2,024	Customer and Communications
KPI - S14	Number of volunteers (Streets Alive, HarbourCare & Community gardens)	↑	≥ 375	volunteers	375	volunteers	2024	Community Resilience and Sustainability

* Some target values may not be achieved in 2025-2026 due to service reductions that are required to reduce operating costs.

3.3 Open Space and Recreation

An active community with space for everyone to exercise and enjoy the outdoors

Strategic Direction 1: Deliver additional space for sports and recreation
Objectives: Identify and/or develop five new spaces by 2035 that may be used by the community to meet identified sport and/or recreational needs

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
O1.2	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.	●	●	●	●	Advocate to the NSW Government to fund the design and delivery of the Hume Street Park expansion project.	Customer and Communications
						Explore opportunities to relocate Kelly's Place childcare centre.	Community Resilience and Sustainability
						Collaborate with the Department of Planning, Housing and Infrastructure to progress design of Hume Street Park expansion project.	Strategic Planning
O1.7	Deliver new public space through completion of the Balls Head Quarantine Depot site redevelopment project, including advocating for ownership of the lower section.	●	●	●		Advocate for ownership of the lower section of the Balls Head Quarantine Depot site.	Office of the CEO
						Explore grant funding opportunities for construction of an accessible boardwalk to the south cottage and install an accessible bathroom. Completion of the Balls Head Quarantine Depot site redevelopment project is subject to funding becoming available through grants, additional rates or other income, or operational savings.	Capital Projects and Asset Management
O1.9	Advocate to the NSW Government to fund feasibility and concept design of the Warringah Land Bridge to reconnect North Sydney over the Warringah Freeway and reclaim unused space for the community.	●	●	●	●	Advocate to the NSW Government to fund feasibility and concept design of the Warringah Land Bridge to reconnect North Sydney over the Warringah Freeway and reclaim unused space for the community.	Customer and Communications
O1.13	Use the planning framework to seek contributions from private developers to help expand and create new public spaces.	●	●	●	●	Pursue partnerships to expand and create new public spaces, publicly accessible private spaces and through-site links through assessment of planning proposals and development of planning controls.	Strategic Planning
O1.15	Deliver a 'play street' program to facilitate temporary closure of local streets for recreational activities.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
O1.16	Advocate to Transport for NSW for the adaptive re-use of the existing Coal Loader wharf for heritage interpretation, public access and water access.	●				Advocate to Transport for NSW for the adaptive re-use of the existing Coal Loader wharf for heritage interpretation, public access and water access.	Customer and Communications
O1.17	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.		●			Delivery to commence 2026–27,subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management

Strategic Direction 2: Maximise the capacity of our existing open spaces and recreational facilities

Objectives:
- Deliver more than 20,000 sportsfield booking hours per year by 2035
- Reduce the number of closure hours due to wet weather by 10% by 2035 from a 2025 baseline

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
O2.1	In consultation with the community, develop a masterplan for Cammeray Park that increases opportunities for multi-use and addresses community demand for active and passive recreation.	●	●			Advocate for consolidation, and transfer of care and control to Council, of all Crown land within Cammeray Park. Community consultation and masterplan development to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Office of the CEO
O2.2	Review the management model at North Sydney Oval to determine whether the oval complex could accommodate additional community participation and use without significantly compromising its role as a venue for the playing and watching elite sport.	●				Deliver a report outlining the projected use of North Sydney Oval to 2035, including commitments arising from multi-year Venue Hire Agreements and turf maintenance works, to identify capacity for additional community participation.	Leisure and Aquatics
O2.3	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.	●	●	●		Undertake critical renewal works to North Sydney Indoor Sports Centre. Remaining renewals and upgrade works to commence in 2026–27 subject to funding becoming available through grants, additional rates or other income or operational savings.	Capital Projects and Asset Management
O2.4	Formalise a Council policy of retaining control of sportsfields and courts and associated infrastructure to ensure flexibility and accessibility of use.		●			Delivery to commence 2026–27.	Strategic Planning
O2.5	Upgrade the tennis courts and associated amenities in Green Park to create a multi-use facility.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O2.6	Explore opportunities for multi-purpose sports sites to accommodate hockey and/or netball matches and training; and/or emerging sports including pickleball and climbing.		●	●	●	Delivery to commence 2026–27.	Public Presentation
O2.7	Explore opportunities to accommodate AFL, with a focus on junior AFL and women's AFL, in the North Sydney area.	●				Investigate and prepare a report detailing opportunities to accommodate AFL activities in the North Sydney area.	Public Presentation
O2.8	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.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Public Presentation

Strategic Direction 3: Provide new and upgraded facilities within existing public spaces to increase amenity, accessibility and diversity

Objectives: Increase the percentage of residents who are at least somewhat satisfied with recreation facilities and amenities to at least 85% by 2029 from a 2023 baseline of 84%[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
O3.1	Identify opportunities and implement projects to improve accessibility of parks and playgrounds across the LGA.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
O3.2	Deliver gender-neutral player facilities at North Sydney Oval and Tunks Park to encourage and cater for the growth in female participation.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O3.3	Renew the following playgrounds in accordance with the Neighbourhood Parks Plan of Management 2022 and the Playgrounds Plan of Management 2022: - Ilbery Playground - Berry Island Reserve Playground - Tunks Park Playground - Phillips Street Playground - Euroka Street Playground - Victoria Street Playground - Brightmore Reserve Playground* *Potential inclusion of adventure and challenge equipment for older children		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O3.4	Upgrade Cammeray Skate Park.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O3.5	Deliver a park enhancement program for provision of infrastructure to improve the amenity of parks such as shelter, shade, water fountains and seating.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O3.6	Deliver 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		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 3: Provide new and upgraded facilities within existing public spaces to increase amenity, accessibility and diversity Objectives: Increase the percentage of residents who are at least somewhat satisfied with recreation facilities and amenities to at least 85% by 2029 from a 2023 baseline of 84%[1]							
Delivery Program 2025–2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
O3.7	Design and construct new public amenities in St Leonards Park.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O3.8	Renew and upgrade the public amenities at the following parks: - Brennan Park - Forsyth Park - Kesterton Park		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O3.9	Explore opportunities to enhance outdoor fitness equipment across the LGA.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O3.10	Review the provision and supply of small watercraft storage across the LGA.	●				Provide a report to Council on the use and regulation of small watercraft storage across the LGA.	Ranger and Parking Services
Service S30	Provide a range of gym and fitness services at the North Sydney Olympic Pool facility.						Leisure and Aquatics
Service S31	Maintain pool facilities and provide a range of swimming and recreational programs at the North Sydney Olympic Pool facility.						Leisure and Aquatics

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 4: Manage our open space and recreational facilities to ensure that they are well maintained and shared

Objectives: Maintain the percentage of residents who are at least somewhat satisfied with the maintenance of parks, playgrounds, bushland areas and recreation areas at or above 90%[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
O4.1	Develop and implement a program for reviewing Council's plans of management and develop a prioritised list of projects for implementation.	●	●	●	●	Develop a program for reviewing Council's plans of management and allocate prioritisation.	Strategic Planning
						Undertake an audit and status update of all projects identified in all adopted plans of management.	Strategic Planning
						Commence review of the Sportsgrounds Plan of Management.	Strategic Planning
O4.2	Prepare a policy to ensure that events and large gatherings in public open space, particularly in prime harbour foreshore parks, do not undermine the condition of our parks or inhibit general recreational use by the community. The policy shall also include consideration of fees and charges.	●				Develop a working group and prepare a Council policy for events and large gathering in public open space.	Ranger and Parking Services
O4.3	Prepare a policy for use of public open space in North Sydney by personal trainers.	●				Develop a working group and prepare a policy for use of public open space in North Sydney for commercial activities including personal trainers.	Ranger and Parking Services
O4.4	Consider developing an appropriate model for use and individual user agreements with schools who use North Sydney's parks for general recreation and informal sports and games.	●				Develop a working group and prepare a policy for school use of North Sydney's parks for recreation and informal sports.	Ranger and Parking Services
O4.5	Implement initiatives to increase community awareness of available sport and recreation spaces and facilities.	●				Research similar successful campaigns and develop a communications approach to raise community awareness about sport and recreation facilities in North Sydney in preparation for implementation in 2026–27 onwards.	Customer and Communications
						Provide information on walking and cycleway paths on Council's website.	Customer and Communications
						Investigate using a web-based recreation facility management software for sport and community facility bookings.	Customer and Communications
O4.6	Deliver a simplified system for sport facility bookings, so groups can book and use these spaces easily.				●	Delivery to commence 2028–29, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Information Technology

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 4: Manage our open space and recreational facilities to ensure that they are well maintained and shared

Objectives: Maintain the percentage of residents who are at least somewhat satisfied with the maintenance of parks, playgrounds, bushland areas and recreation areas at or above 90%[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
O4.7	Deliver improved drainage in St Leonards Park to increase the resilience of this highly used park.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O4.8	Replace the synthetic turf at Cammeray Park.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Public Presentation
O4.9	Reconstruct the Tunks Park turf cricket wicket table.				●	Delivery to commence 2028–29, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Public Presentation
O4.10	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.	●	●	●	●	Prepare a prioritised scope of upgrade works for the North Sydney Oval facility.	Leisure and Aquatics
						Advocate for a minimum of 50% grant funding to facilitate renewal and upgrade of the North Sydney Oval facility. Delivery of renewal and upgrade works is subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
O4.12	Prepare a masterplan for Blues Point Reserve and Henry Lawson Reserve.			●		Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
O4.13	Complete the Cremorne Reserve Pathway improvements project.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
O4.14	Review and progressively implement an updated masterplan for Tunks Park.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
O4.15	Undertake site stabilisation works in Wendy's Secret Garden below Harbourview Crescent and undertake drainage improvements.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 4: Manage our open space and recreational facilities to ensure that they are well maintained and shared Objectives: Maintain the percentage of residents who are at least somewhat satisfied with the maintenance of parks, playgrounds, bushland areas and recreation areas at or above 90%[1]						
Delivery Program 2025–2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
Service S51	Develop plans of management for Council-owned and/or managed land, and undertake regulatory land administration functions.						Strategic Planning
Service S48	Manage the hire and use of the North Sydney Oval and Mollie Dive Function Centre.						Leisure and Aquatics
Service S45	Manage and maintain Council's parks, gardens, reserves, streetscapes and foreshore areas including Maccallum Pool and Hayes Street Beach.						Public Presentation
Service S46	Maintain Council's playing fields and turf within Milson Park, Civic Park, St Leonards Park, Clark Park and Bradfield Park.						Public Presentation
Service S34	Manage the implementation of Council's capital works program including construction and renewal of buildings, footpaths, drainage, parks and other assets.						Capital Projects and Asset Management

Source: 1. Customer Satisfaction Survey, Micromex Research

Monitoring performance

SERVICE INDICATORS: Open Space and Recreation

Indicator		Target trend	2025–2026 Target value*	Baseline	Responsible
KPI- OS1	Percentage of scheduled annual maintenance activities for parks, gardens, reserves, streetscapes and foreshore areas completed	↑	≥ 85 %	90 % Feb-Mar 2025	Public Presentation
KPI- OS2	Percentage of adopted capital works program, as adjusted by Council through individual project reports, delivered within 10% tolerance for time and cost	↑	≥ 85 %	-	Capital Projects and Asset Management

* Some target values may not be achieved in 2025-2026 due to service reductions that are required to reduce operating costs.

3.4 Integrated Transport

A connected LGA where safe, active and sustainable travel is preferred

Strategic Direction 1: Deliver infrastructure and programs that support healthy and active travel
Objectives: Increase the walking mode share to 50% by 2034/35 from the 2022/23 baseline of 39%[1]
Double the cycling mode share by 2034/35 from the 2022/23 baseline of 1.4%[2]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
T1.1	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.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T1.2	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.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T1.3	Deliver walking infrastructure projects identified in the North Sydney Walking Action Plan.				●	Delivery to commence 2028–29, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
T1.4	Develop a wayfinding guide and commence installation of wayfinding signage across the LGA to increase awareness of safe, convenient and accessible walking and cycling routes between key destinations.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T1.5	Review and implement Local Area Transport Management (LATM) projects to widen footpaths, enhance the place experience, and install new pedestrian crossings.	●	●	●	●	Deliver four Local Area Transport Management (LATM) projects.	Traffic and Transport
T1.7	Complete concept designs and undertake consultation on 5% of cycling infrastructure identified in the North Sydney Bike Plan each year, ready for grant applications.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T1.8	Apply for grant funding and progressively deliver cycling infrastructure identified in the North Sydney Bike Plan.		●	●	●	Delivery to commence 2026–27.	Traffic and Transport
T1.9	Advocate to Transport for NSW for delivery of a safe cycling connection between St Leonards Park and the Sydney Harbour Bridge.	●	●			Advocate to Transport for NSW for delivery of a safe cycling connection between St Leonards Park and the Sydney Harbour Bridge.	Traffic and Transport
T1.10	Advocate to Transport for NSW for delivery of the following two 'Cycling Super Highways': - Sydney Harbour Bridge to Crows Nest along the Pacific Highway - Crows Nest to Mosman and the Northern Beaches	●	●	●	●	Advocate to Transport for NSW for delivery of the following two 'Cycling Super Highways': - Sydney Harbour Bridge to Crows Nest along the Pacific Highway - Crows Nest to Mosman and the Northern Beaches	Traffic and Transport

Sources: 1. Household Travel Survey, Transport for NSW
2. Household Travel Survey, Transport for NSW; and Census of Population and Housing, Australian Bureau of Statistics

Strategic Direction 1: Deliver infrastructure and programs that support healthy and active travel

Objectives:
Increase the walking mode share to 50% by 2034/35 from the 2022/23 baseline of 39%[1]
Double the cycling mode share by 2034/35 from the 2022/23 baseline of 1.4%[2]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
T1.11	Deliver programs and workshops to encourage walking and cycling by teaching practical skills like bike maintenance and 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.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport

Strategic Direction 2: Promote sustainable transport options and make it easier for people to get around without a private car

Objectives:
Increase the public transport mode share to 20% by 2034/35 from the 2022/23 baseline of 9.5%[1]
Increase the number of households that do not own a car to 25% by 2031 from a 2021 baseline of 19%[3]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
T2.1	Develop and deliver a travel behaviour shift program that encourages schools to implement projects and programs that promote active and sustainable transport choices.	●	●	●	●	Promote the Department of Education's 'Park and Walk' plan to encourage parents to drop off their children away from the front entrance of the school. Ensure these areas are safe and well-connected to school entrances by pedestrian paths. Development and implementation of a travel shift behaviour program is subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T2.2	Review North Sydney Council's Development Control Plan and standard conditions of consent to establish whether the requirements are effective in encouraging sustainable transport. Review provisions for end-of-trip facilities, bicycle spaces, car share bays and other sustainable transport infrastructure.		●			Delivery to commence 2026–27.	Strategic Planning
T2.4	In line with the Car Share Policy, develop a yearly proposal system for car share providers to plan and commit to car share expansion for residents and businesses.		●	●	●	Delivery to commence 2026–27.	Traffic and Transport
T2.5	Promote the financial, environmental and on-street parking efficiency benefits of car share and encourage the community to choose car share over private vehicle ownership.	●	●	●	●	Promote the financial, environmental and on-street parking efficiency benefits of car share and encourage the community to choose car share over private vehicle ownership.	Customer and Communications

Sources:
1. Household Travel Survey, Transport for NSW
2. Household Travel Survey, Transport for NSW; and Census of Population and Housing, Australian Bureau of Statistics
3. Census of Population and Housing, Australian Bureau of Statistics

Strategic Direction 2: Promote sustainable transport options and make it easier for people to get around without a private car Objectives: Increase the public transport mode share to 20% by 2034/35 from the 2022/23 baseline of 9.5%[1] Increase the number of households that do not own a car to 25% by 2031 from a 2021 baseline of 19%[3]							
Delivery Program 2025–2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
T2.6	Work with car share companies to identify and address the obstacles that hinder car share use in the LGA.		●	●	●	Delivery to commence 2026–27.	Traffic and Transport
T2.7	Advocate to Transport for NSW to review bus network service coverage and frequency on the eastern side of the freeway to improve local connectivity and links to rail and metro services.	●				Advocate to Transport for NSW to review bus network service coverage and frequency on the eastern side of the freeway to improve local connectivity and links to rail and metro services.	Traffic and Transport
T2.8	Advocate to Transport for NSW for improved bus services for McMahons Point.	●				Advocate to Transport for NSW for improved bus services for McMahons Point.	Traffic and Transport
T2.9	Investigate the feasibility of an on-demand or local hop-on hop-off loop service from less accessible residential areas to key destinations in North Sydney.	●				Complete review of the community bus service.	Community Resilience and Sustainability
T2.10	Advocate to Transport for NSW to reduce pedestrian dwell times at signalised intersections (to improve the level of service for walking and cycling), and remove slip lanes in high pedestrian activity areas.	●	●	●		Advocate to Transport for NSW to reduce pedestrian dwell times at signalised intersections (to improve the level of service for walking and cycling), and remove slip lanes in high pedestrian activity areas.	Traffic and Transport
T2.11	Rebuild and renew heritage style bus shelters across the LGA.	●	●	●	●	Undertake critical renewal works on existing bus shelters. Remaining required renewals to commence in 2026–27 subject to funding becoming available through grants, additional rates, other income or operational savings.	Capital Projects and Asset Management
Service S72	Research, plan and implement initiatives to promote sustainable transport.						Traffic and Transport

Sources: 1. Household Travel Survey, Transport for NSW
3. Census of Population and Housing, Australian Bureau of Statistics

Strategic Direction 3:	**Ensure a fair allocation of assets, parking and road space to promote sustainable travel options and prioritise access for those who need it most**						
Objectives:	Maintain parking occupancy rates in commercial centres of North Sydney CBD and Crows Nest at 85% (+/- 5%) in peak times						
Delivery Program 2025–2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
T3.1	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.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T3.5	Advocate for approaches to bike share that improve pedestrian amenity on the streets and promote higher usage rates, such as physical or geofenced docking stations.	●	●			Trial the use of on-street bicycle parking locations for share bikes.	Traffic and Transport
T3.6	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.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T3.7	Develop a 'parking space hierarchy' for commercial and residential streets to ensure that space is available for those who need it, such as disability parking, loading zones and outdoor dining.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T3.8	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.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T3.10	Investigate adaptive use of parking meters that encourages sustainable transport, such as reduced cost or free periods for car share users.			●		Delivery to commence 2027–28.	Traffic and Transport
Service S64	Enforce legislation relating to parking in the LGA, including responding to parking-related customer complaints and enquiries.						Ranger and Parking Services
Service S37	Manage the safe, efficient and sustainable movement of people and vehicles within and through the LGA. This includes traffic investigations and projects, on-street parking management, issue of construction permits, road closures and maintenance of signs and lines.						Traffic and Transport
Service S38	Manage Council-owned parking stations.						Traffic and Transport

Strategic Direction 4: Improve road safety by upgrading infrastructure and implementing programs that foster a culture of safe road behaviours Objectives: Reduce the number of fatal and serious road accidents on all local streets to 3 crashes by 2033 (five-year average up to 2033) from a baseline of 9 (five-year average up to 2023)[1]							
Delivery Program 2025–2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
T4.1	Develop and implement a 'Safer Streets' program to improve safety through infrastructure and lower speed limits (10 km/h, 30 km/h, 40 km/h).		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Traffic and Transport
T4.3	Advocate and work with Transport for NSW (TfNSW) to develop and implement a plan to mitigate impacts of the Western Harbour Tunnel on movement and place within North Sydney LGA, leveraging TfNSW Network Performance Plans required for motorway projects, to provide better outcomes for non-car users. This should include an updated review of the transport modelling to address discontinuation of the Northen Beaches Link.	●	●			Advocate and work with Transport for NSW to develop and implement a plan to mitigate impacts of the Western Harbour Tunnel on movement and place within North Sydney LGA.	Traffic and Transport
T4.4	Advocate for lower speed limits and improved pedestrian and cyclist priority on State roads through the LGA.		●	●	●	Delivery to commence 2026–27.	Traffic and Transport
Service S39	Plan and implement community road safety behavioural initiatives to promote safe people, safe vehicles, safe roads and safe speeds in accordance with Council's Road Safety Action Plan.						Traffic and Transport
Service S36	Work with NSW Government and other stakeholders to manage local and regional transport needs. This includes liaison with Transport for NSW regarding public transport and network planning, as well as providing input into development assessments.						Traffic and Transport
Service S43	Manage the maintenance of Council's civil assets. This includes construction of renewed roads, repairs to assets within the road reserve, drainage system clearing and repairs, and maintenance of street and park lighting.						Public Presentation

Source: 1. Centre for Road Safety, Transport for NSW

Monitoring performance

SERVICE INDICATORS: Integrated Transport

Indicator		Target trend	2025–2026 Target value*	Baseline	Responsible
KPI-T1	Percentage of construction permits issued within 5 days	↑	≥ 98 %	-	Traffic and Transport
KPI-T2	Average weekday peak occupancy rate for Council owned parking stations	↑	≥ 65 %	60 % Mar–25	Traffic and Transport
KPI-T3	Percentage of annual road renewal program implemented	Maintain	100 %	100 % 2023–24	Public Presentation

* Some target values may not be achieved in 2025-2026 due to service reductions that are required to reduce operating costs.

3.5 Economic Development

A thriving and resilient local economy

Strategic Direction 1: Revitalise and grow the North Sydney CBD as an accessible high-amenity top-tier office precinct
Objectives: Achieve the North District Plan job target of 21,100 new jobs in the North Sydney CBD by 2036, from a 2016 baseline[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
ED1.1	Continue to protect the commercial core of the North Sydney CBD through appropriate planning controls as well as through advocacy to the NSW Government to exempt commercial land from build-to-rent provisions.	●	●	●	●	Make written representations to the NSW Government seeking release of draft district and regional plans including jobs targets for commercial centres.	Strategic Planning
						Make written representations to the NSW Government seeking exemption from Build to Rent provisions to ensure employment function is maintained and provide well founded submissions to site specific proposals as required.	Strategic Planning
ED1.2	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.	●	●	●	●	Advocate to the NSW Government to fund delivery of the Miller Place project.	Customer and Communications
ED1.3	Design and deliver a new 1,675sqm plaza outside the iconic North Sydney Post Office.		●	●	●	Delivery to commence 2026–27.	Capital Projects and Asset Management
ED1.5	Deliver North Sydney CBD laneway upgrades to improve walkability in Little Spring, Spring, Mount and Denison Streets.	●	●	●	●	Undertake site investigations and develop designs and cost estimates for Little Spring, Spring, Mount and Denison Streets. Delivery of laneway upgrades to commence in 2026–27 subject to funding through grants and/or developer contributions.	Capital Projects and Asset Management
ED1.6	Continue to monitor market conditions to assess the feasibility of implementing the Ward Street masterplan.	●	●	●	●	Continue to monitor commercial office market conditions in North Sydney CBD.	Strategic Planning
ED1.9	In collaboration with key CBD stakeholders, develop and implement the 'New North Sydney Story' brand marketing campaign.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
ED1.10	Collaborate with major stakeholders within the CBD on projects that create positive outcomes for the local economy.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Executive Leadership Team

Source: 1. Calculated by .id (informed decisions) using Census and National Institute of Economic and Industry Research data

Strategic Direction 2: Cultivate a diverse, inclusive, connected and resilient business environment
Objectives: Maintain the entropy score (economic diversity index) for the North Sydney LGA above 2.4[2]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
ED2.1	Work with the Greenwood Plaza to understand the impact the opening of the metro has had on their operations and work collaboratively to promote growth in the retail and service industries.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
ED2.2	Continue to protect the employment capacity of St Leonards through appropriate planning controls as well as through advocacy to the NSW Government.	●	●	●	●	Advocate for the protection and growth of employment capacity in St Leonards/Crows Nest.	Strategic Planning
ED2.3	Work with the hospitals and health sector to explore opportunities for developing a health precinct through planning controls and promotion of health services in the streets surrounding key existing health facilities.			●		Delivery to commence 2027–28.	Strategic Planning
ED2.4	Work with the First Nations community to deliver targeted initiatives, including pilot programs, to attract, develop and grow First Nations businesses.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
ED2.5	Develop a program to support small business-led initiatives that enhance local trade.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
ED2.6	Promote and increase awareness of existing facilities that are available for business networking and conferences.			●		Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
ED2.7	Support the creation of a connected local learning ecosystem by encouraging Australian Catholic University, Charles Sturt University and TAFE to connect with local business and schools.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Executive Leadership Team
ED2.8	Promote the Service NSW Business Bureau and other relevant organisations to help small and new businesses access resources, funding programs and training initiatives.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
ED2.9	Collaborate with local businesses to develop and deliver a program that encourages increased local spend.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
ED2.10	Undertake a data and analytics project to gather insights to support businesses within the LGA and grow the local economy.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications

Source: 2. Calculated using ABS census data. Refer to the North Sydney Economic Development Study by SGS Economics and Planning (2024) for details

Strategic Direction 3: Create vibrant villages and local centres that attract and retain visitors Objectives: Maintain the percentage of residents who are at least somewhat satisfied with the appearance of local village centres (public domain/streetscape) at or above 90%[3]							
Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	**Operational Plan 2025–2026**	**Responsible**
ED3.2	Prepare a public domain and placemaking strategy for Crows Nest and St Leonards that determines appropriate design and function of public space to support the growing population. The strategy will consider the pedestrianisation of Willoughby Road and incorporate the Holtermann Street car park precinct and Hume Street Park expansion projects.			●		Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
ED3.3	Deliver 'Density Done Well' community forums to explore how medium and high-density housing can create vibrant, liveable communities.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
ED3.4	Deliver a program of public domain improvement projects across town centres, including undergrounding of power lines.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
ED3.5	Deliver the Cremorne Plaza and Langley Place upgrade project in accordance with the Neutral Bay and Cremorne Public Domain Upgrade Masterplan 2015.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
ED3.6	Replant and maintain the Mitchell Street green wall in St Leonards.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Public Presentation
ED3.7	Continue to explore options for a plaza and other green space opportunities in Neutral Bay.	●	●	●	●	Explore options for a plaza in Neutral Bay. Delivery of the plaza and exploring options for other green space in Neutral Bay is subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
Service S42	Clean Council's roads, footpaths, car parks, town centres and other civic spaces. This includes street sweeping; high-pressure water cleaning of footpaths, plazas and bus shelters; collection of illegally dumped materials; and the removal of graffiti and rodents.						Public Presentation

Source: 3. Customer Satisfaction Survey, Micromex Research

Strategic Direction 4: Promote North Sydney as a destination of choice
Objectives: Increase annual tourism and entertainment spend in the LGA by 10% by 2035 from a September 2023 to August 2024 baseline of $484.7m[4]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
ED4.1	Develop the visitor experience by creating a digital visitor 'landing spot' to provide information on key sites and attractions in the area.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
ED4.4	Provide a visible entrance to the LGA through clear signage.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
ED4.5	Explore opportunities to increase visitation at the North Sydney Olympic Pool and North Sydney Oval.	●	●	●	●	Update business plans for North Sydney Olympic Pool and North Sydney Oval annually, identifying opportunities to increase venue visitations every year.	Leisure and Aquatics
						Open the North Sydney Olympic Pool and deliver results consistent with the updated business plan.	Leisure and Aquatics
ED4.9	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.	●	●	●	●	Continue to support the Crows Nest Festival.	Arts, Library and Events
ED4.12	Explore opportunities to encourage more live music, comedy and drama in the LGA.	●	●	●	●	Develop a program for live music, comedy and drama in public spaces. Delivery of the program to commence in 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
ED4.13	Explore opportunities to activate the North Sydney CBD and town centres at night, including through twilight markets and events.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
ED4.14	Consider opportunities for Special Entertainment Precincts in the North Sydney LGA.		●			Delivery to commence 2026–27.	Strategic Planning

Source: 4. CommBank iQ analytics

Monitoring performance

SERVICE INDICATORS: Economic Development

Indicator		Target trend	2025–2026 Target value*	Baseline	Responsible
KPI-ED1	Percentage of investigated illegally dumped materials removed within 7 days of notification	↑	≥ 80 %	80 % 2024	Public Presentation
KPI-ED2	Percentage of offensive graffiti removed within 2 business days of notification	↑	≥ 95 %	-	Public Presentation
KPI-ED3	Percentage of town centre plazas high pressure water cleaned at least twice per year	Maintain	100 %	100 % 2024	Public Presentation

* Some target values may not be achieved in 2025-2026 due to service reductions that are required to reduce operating costs.

3.6 Culture and Creativity

A vibrant LGA where culture and creativity is enjoyed by all

Strategic Direction 1: Respect and acknowledge First Nations culture and history
Objectives: Deliver at least ten new projects that share First Nations culture and history by 2035

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
C1.1	Explore opportunities to work with First Nations community members to share and make First Nations cultural heritage visible in North Sydney through First Nations led tours, dual naming, interpretive signage, art and other projects.				●	Delivery to commence 2028–29, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C1.2	Work with First Nations community members to develop a First Nations advisory committee.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C1.4	Support the inclusion of First Nations programming (led by First Nations community) within our current creative program.	●	●	●	●	Support the inclusion of First Nations programming (led by First Nations community) within our current creative program.	Arts, Library and Events
C1.5	Commission First Nations artists to create First Nations public art.		●		●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events

Strategic Direction 2: Preserve and celebrate North Sydney's heritage
Objectives: Increase the number of participants engaging with heritage projects, via in-person visitation to the library and significant sites and online through our digital collection, by 10% by 2035 from a 2025–26 baseline

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
C2.2	Work with local schools to educate children and young people on North Sydney's heritage and history collections.	●	●	●	●	Work with local schools to educate children and young people on North Sydney's heritage and history collections.	Arts, Library and Events
C2.3	Develop and deliver a digitisation and digital storytelling project that increases visibility and access to heritage collections.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C2.4	Deliver infrastructure to remember significant events in North Sydney's history including: - A new sign for the entry point to the Waverton Peninsula Parklands, and interpretive signage celebrating 100 years of community action on the peninsula - Refurbishment of the Brothers Memorial in Cremorne		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management

Strategic Direction 2: Preserve and celebrate North Sydney's heritage Objectives: Increase the number of participants engaging with heritage projects, via in-person visitation to the library and significant sites and online through our digital collection, by 10% by 2035 from a 2025–26 baseline							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
C2.5	Commence a comprehensive heritage review.				●	Delivery to commence 2028–29, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
Service S13	Preserve and promote North Sydney's cultural heritage. This includes managing key historical sites and museums.						Arts, Library and Events

Strategic Direction 3: Provide and promote a diverse range of affordable and accessible cultural and creative events, experiences and opportunities across the LGA Objectives: Increase the percentage of residents who are at least somewhat satisfied with the range of arts and cultural experiences in North Sydney to at least 90% by 2029 from a 2023 baseline of 87%[1]							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
C3.4	Partner with major events and festivals, such as Sydney Biennale, to bring people to North Sydney.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C3.5	Deliver a variety of public art installations across the LGA.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C3.6	Develop and implement a street art program to create vibrant public places.		●		●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C3.7	Develop and implement a creative hoardings program.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C3.8	Activate laneways and other public spaces with busking, public art, lighting and projections, including after hours.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 3:	**Provide and promote a diverse range of affordable and accessible cultural and creative events, experiences and opportunities across the LGA**						
Objectives:	Increase the percentage of residents who are at least somewhat satisfied with the range of arts and cultural experiences in North Sydney to at least 90% by 2029 from a 2023 baseline of 87%[1]						
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
C3.11	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.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
C3.12	Develop an interactive map of culture and creativity in North Sydney and promote this to locals and visitors.			●		Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C3.13	Create and advocate for partnerships between local creatives, Council, businesses, educational establishments and NSW Government to explore shared cultural and creative goals.	●	●	●	●	Undertake a review of Council's artists in residence program and explore opportunities to establish a First Nations artist in residence program.	Arts, Library and Events
						Partner with local educational establishments for delivery of local events and activations.	Arts, Library and Events
Service S14	Provide and advocate for opportunities to develop, express and enjoy creativity through a range of exhibitions, programs, creative spaces and public art.						Arts, Library and Events

Strategic Direction 4:	**Increase the number of places and spaces available for cultural and creative participation and production**						
Objectives:	Increase the number of spaces that are available for people to participate in cultural and creative activities by 10% by 2035 from a 2026 cultural infrastructure baseline						
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
C4.1	Undertake a cultural infrastructure study, that includes an audit of Council and non-Council places and spaces (including open spaces), to identify needs and opportunities.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events
C4.2	Develop a reserve to implement projects identified through the cultural infrastructure study.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
C4.3	Deliver a cultural and creative hub in St Leonards.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Arts, Library and Events

Source: 1. Customer Satisfaction Survey, Micromex Research

Monitoring performance

SERVICE INDICATORS: Culture and Creativity

Indicator		Target trend	2025–2026 Target value*	Baseline	Responsible
KPI-C1	Number of heritage programs delivered	↑	≥ 10 programs	-	Arts, Library and Events
KPI-C2	Number of creative opportunities (exhibitions, programs, creative spaces and public art) supported by Council	↑	≥ 30 opportunities	20 opportunities 2024-25	Arts, Library and Events

* Some target values may not be achieved in 2025-2026 due to service reductions that are required to reduce operating costs.

3.7 Housing

Housing that meets the needs of a growing population

Strategic Direction 1: Support the delivery of affordable and diverse housing
Objectives: Facilitate the delivery of 140 additional affordable housing dwellings by 2035

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
H1.1	Prepare an Affordable Housing Contributions Scheme.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
H1.2	Continue to work with community housing providers for the delivery of affordable housing.	●	●	●	●	Work with community housing providers for the delivery of affordable housing.	Community Resilience and Sustainability
H1.3	Advocate for market changes to rental conditions/tenancy terms, including term length.	●	●	●	●	Advocate for market changes to rental conditions/tenancy terms, including term length.	Customer and Communications
H1.4	Explore funding and delivery models to achieve the delivery of affordable housing, an early childhood health centre and public car park through the Parraween Street development project.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Strategic Planning
H1.5	Undertake a review of Council landholdings to determine if any sites could be used for affordable housing in collaboration with a community housing provider.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Finance
H1.6	Assess community needs and identify partners to help Council deliver more diverse and affordable housing as potential affordable housing sites are identified.	●	●			Engage with community housing providers to help Council deliver more diverse and affordable housing as potential affordable housing sites are identified.	Strategic Planning
H1.7	Work with Resilient Sydney and/or other advocacy groups to jointly advocate to the Federal and NSW Governments to establish effective policies and programs for the delivery of more affordable housing.	●	●	●	●	Attend Resilient Sydney forums and support initiatives to deliver more affordable housing.	Strategic Planning

Strategic Direction 2: Support the delivery of additional dwellings to meet housing targets

Objectives: Implement planning controls that support the delivery of 5,900 dwelling completions over five years (2024-2029) in accordance with the NSW Government completion targets released in mid-2024

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
H2.1	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.	●	●			Undertake research to inform review of the North Sydney Local Housing Strategy. This includes understanding the impact from the recent NSW Government planning reforms, such as new dwelling capacity, approvals and completions.	Strategic Planning
H2.2	Continue to deliver housing growth through existing capacity of residential zoned land (Planning Approach 1).	●	●	●	●	Deliver and monitor housing growth through existing capacity of residential zoned land including low and mid-rise housing reforms.	Strategic Planning
H2.3	Implement the NSW Government's Transport Oriented Development (TOD) program (Crows Nest precinct) and low and mid-rise rise housing changes to zoning and planning controls.	●	●	●	●	Implement the NSW Government's Transport Oriented Development (TOD) program (Crows Nest precinct) and low and mid-rise rise housing changes to zoning and planning controls.	Strategic Planning
H2.4	Continue collaborating with neighbouring LGAs to manage the phased delivery of the NSW Government's TOD program.	●	●	●	●	Continue collaborating with neighbouring LGAs and relevant agencies to manage the phased delivery of the NSW Government's TOD program.	Strategic Planning
H2.5	Implement changes, as required, to ensure compliance with the ministerial order regarding determination times for development applications and planning proposals.	●	●			Implement the development assessment process improvement action plan.	Development Services
Service S66	Assess and determine development applications, modification applications and review applications under the *Environmental Planning and Assessment Act 1979*.						Strategic Planning

Strategic Direction 3: Protect the amenity of our LGA through design excellence and provision of appropriate infrastructure in growth areas

Objectives: Increase the percentage of residents who are at least somewhat satisfied with development management/town planning in North Sydney to at least 75% by 2035 from a 2023 baseline of 68%[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
H3.2	Continue to advocate to the NSW Government for the maintenance of amenity considerations in medium and high-density housing.	●	●	●	●	Advocate to the NSW Government for the maintenance of amenity considerations in medium and high-density housing.	Strategic Planning

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 3: Protect the amenity of our LGA through design excellence and provision of appropriate infrastructure in growth areas

Objectives: Increase the percentage of residents who are at least somewhat satisfied with development management/town planning in North Sydney to at least 75% by 2035 from a 2023 baseline of 68%[1]

Delivery Program 2025–2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
H3.4	Prepare amendments to the North Sydney Development Control Plan to address potential amenity impacts arising from the NSW Government's low and mid-rise housing reforms.		●			Delivery to commence 2026–27.	Strategic Planning
H3.5	Review the Local Infrastructure Contribution Plans to support delivery of local infrastructure to meet the needs of a growing population.		●			Delivery to commence 2026–27.	Strategic Planning
H3.8	Participate in the NSW Government's Urban Development Program to advocate for infrastructure funding to support North Sydney's growth areas.	●				Participate in the NSW Government's Urban Development Program to advocate for allocation of specific infrastructure funding to support growth.	Strategic Planning
Service S49	Manage strategic land use planning in the LGA including advocacy, stakeholder management, and preparation of land use policies, strategies, plans and controls. This also includes maintaining Council's property database.						Strategic Planning
Service S50	Provide urban design services and advice to ensure the arrangement, appearance (built form) and function of the LGA is best practice and supports our vision for the built environment. This includes planning studies and master plans.						Strategic Planning

Monitoring performance

SERVICE INDICATORS: Housing

Indicator		Target trend	2025–2026 Target value	Baseline	Responsible
KPI-H1	Gross average assessment time for development applications	↓	≤ 105 days	154 days Feb-25	Development Services

Source: 1. Customer Satisfaction Survey, Micromex Research

3.8 Governance

An effective, accountable and sustainable Council that serves the community

Strategic Direction 1: Develop clear goals, create a plan to achieve them, and track progress with transparency and honesty
Objectives: Increase the percentage of residents who are at least somewhat satisfied with Council's long-term planning to >75% by 2029 from a 2023 baseline of 71%[1]

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G1.1	Undertake comprehensive service unit planning across the organisation to clarify responsibilities, develop clear operational goals, and ensure that Council's services align with the priorities in the adopted Delivery Program and Operational Plan.	●	●	●	●	Commence comprehensive service unit planning across the organisation.	Organisational Performance
G1.4	Update Council's Local Strategic Planning Statement to reflect changing needs and priorities.		●			Delivery to commence 2026–27.	Strategic Planning
G1.6	Develop an advocacy framework that details how Council will proactively and reactively advocate to support delivery of strategic priorities.	●				Develop an advocacy framework that details how Council will proactively and reactively advocate to support delivery of strategic priorities.	Customer and Communications
Service S2	Set a clear strategic direction for Council and oversee business operations.						Office of the CEO
Service S17	Comply with Integrated Planning and Reporting requirements. This includes updating the community on Council's progress in implementing our Delivery Program and Operational Plan, and working with the community to update and create new programs and plans.						Corporate Governance

Strategic Direction 2: Put community needs at the core of everything we do and deliver excellent customer service
Objectives: Increase the percentage of residents who are at least somewhat satisfied with customer service/information provided by Council staff to >90% by 2029 from a 2023 baseline of 87%[1]

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G2.1	Develop and implement a Customer Experience Strategy.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
G2.2	Deliver a Customer Relationship Management system(s).			●		Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Information Technology

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 2: Put community needs at the core of everything we do and deliver excellent customer service Objectives: Increase the percentage of residents who are at least somewhat satisfied with customer service/information provided by Council staff to >90% by 2029 from a 2023 baseline of 87%[1]							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
G2.3	Undertake the biennial community satisfaction survey.		●		●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Customer and Communications
G2.4	Deliver Council's four-year Service Review Program.	●	●	●	●	Undertake a service review of Corporate Governance.	Organisational Performance
						Undertake a service review of Tree Management.	Organisational Performance
						Undertake a service review of Traffic and Transport	Organisational Performance
G2.5	Review the framework and system for Council's grants and subsidies program to ensure alignment with Council's strategic outcomes.	●				Review the criteria and process for Council's grants and subsidies program to ensure alignment with Council's strategic outcomes. Implementation of a framework and system to commence 2026/27 subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Community Resilience and Sustainability
Service S5	Implement initiatives to ensure continuous improvement across the organisation, including process mapping and service level reviews.						Organisational Performance
Service S6	Provide assistance and advice to customers in person (through our Customer Service Centre), over the phone (through our call centre) and online.						Customer and Communications
Service S7	Process a range of applications and permits, including resident and visitor parking permits, animal registrations, pensioner concession rebates, outdoor dining and goods display permits, and kayak storage permits.						Customer and Communications

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 3: Make it easy for our community to engage and participate in decision-making

Objectives:
Increase the percentage of residents who are at least somewhat satisfied with Council's consultation with the community to >85% by 2029 from a 2023 baseline of 80%[1]
Increase the percentage of residents who are at least somewhat satisfied with Council's communication with residents to >85% by 2029 from a 2023 baseline of 84%[1]

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G3.1	Review the Community Engagement Strategy every four years in accordance with the Integrated Planning and Reporting Guidelines.				●	Delivery to commence 2028–29.	Customer and Communications
G3.4	Review the advisory committee framework to better leverage the diverse knowledge and experience of the community in pursing our strategic directions.	●				Review the advisory committee framework to better leverage the diverse knowledge and experience of the community in pursing our strategic directions.	Customer and Communications
G3.5	Update Council's submission management procedures to make all submissions that inform decision-making publicly available, unless specifically excluded under legislation.		●			Delivery to commence 2026–27.	Corporate Governance
G3.6	Undertake a review of Council's Access to Information Policy every four years.	●				Review Council's Access to Information Policy.	Corporate Governance

Strategic Direction 4: Manage risks and maintain independent oversight in business operations and decision-making

Objectives:
Increase the percentage of residents who agree or strongly agree that Council operates under ethical, open, accountable and transparent processes to >75% by 2029 from a 2023 baseline of 57%[1]

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G4.1	Review current Council meeting and briefing procedures to ensure alignment with industry best practice.	●				Review current Council meeting and briefing procedures to ensure alignment with industry best practice.	Corporate Governance
G4.2	Develop and implement a revised enterprise risk management framework focusing on Council's proactive assessment and management of operational and strategic risks.	●	●			Develop a revised enterprise risk management framework focusing on Council's proactive assessment and management of operational and strategic risks.	Corporate Governance
G4.4	Investigate the feasibility of implementing a risk and audit management system to enable the recording and tracking of risk and audit actions.		●	●	●	Delivery to commence 2026–27. Implementation of a new system will be subject to funding becoming available through grants, additional rates or other income, or operational savings.	Corporate Governance
G4.5	Undertake an annual review of the role and effectiveness of the Audit Risk and Improvement Committee.	●	●	●	●	Undertake an annual review of the role and effectiveness of the Audit Risk and Improvement Committee.	Corporate Governance

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 4: Manage risks and maintain independent oversight in business operations and decision-making

Objectives: Increase the percentage of residents who agree or strongly agree that Council operates under ethical, open, accountable and transparent processes to >75% by 2029 from a 2023 baseline of 57%[1]

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G4.6	Participate in Statewide's Continuous Improvement Program.	●	●	●	●	Participate in Statewide's Continuous Improvement Program.	Corporate Governance
G4.7	Ensure that all submissions made to the Office of Local Government under the Public Expenditure Guidelines are peer reviewed prior to submission.	●	●	●	●	Incorporate Public Expenditure Guideline requirements into Council's Project Management Framework.	Capital Projects and Asset Management
G4.8	Undertake a review of Council's Code of Conduct every four years.	●				Undertake a review of Council's Code of Conduct.	Corporate Governance
G4.9	Undertake a review of Council's Fraud and Corruption Prevention Policy and Gifts and Benefits Policy every four years.				●	Delivery to commence 2028–29.	Corporate Governance
G4.10	Undertake Councillor training and professional development each year to support informed and ethical decision-making.	●	●	●	●	Support Councillor training and professional development each year to support informed and ethical decision-making.	Corporate Governance
G4.11	Develop emergency response and preparedness resources.		●			Delivery to commence 2026–27.	Community Resilience and Sustainability
G4.12	Investigate solutions to reduce flooding around St Leonards Park.	●				Subject to grant funding availability, prepare a report outlining the feasibility of flood mitigation measures for St Leonards Park.	Capital Projects and Asset Management
Service S16	Oversee Council's governance activities to ensure accountability, transparency and compliance with all relevant laws, codes and directions.						Corporate Governance
Service S1	Ensure that the Mayor and Councillors are given timely information, advice and support necessary to effectively discharge their civic duties.						Office of the CEO
Service S19	Manage Council's shared internal audit function to ensure risk management controls are working.						Corporate Governance
Service S18	Develop and maintain Council's enterprise risk management framework including management of claims and insurance cover.						Corporate Governance
Service S35	Assess feasibility and implement flood mitigation projects and strategies identified through floodplain planning.						Capital Projects and Asset Management

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 4: Manage risks and maintain independent oversight in business operations and decision-making

Objectives: Increase the percentage of residents who agree or strongly agree that Council operates under ethical, open, accountable and transparent processes to >75% by 2029 from a 2023 baseline of 57%[1]

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
Service S29	Ensure effective identification and management of hazards and risks to stakeholder health and safety.						People and Culture
Service S3	Provide legal advice and support on matters related to Council's duties and responsibilities.						General Counsel
Service S58	Manage the planning, response and recovery for emergency situations within the LGA.						Capital Projects and Asset Management

Strategic Direction 5: Exercise regulatory compliance responsibilities diligently to protect the environment and support our community

Objectives: Meet 100% of legislative compliance obligations each year

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G5.1	Implement a system for monitoring legislative compliance.	●				Implement a system for monitoring legislative compliance.	Corporate Governance
G5.2	Undertake an annual review of delegations to ensure appropriate decision-making.	●	●	●	●	Undertake an annual review of delegations to ensure appropriate decision-making.	Corporate Governance
G5.3	Undertake a review of Council's Compliance and Enforcement Policy and Legislative Compliance Policy every four years.				●	Delivery to commence 2028–29.	Corporate Governance
G5.4	Implement a development application management platform to streamline the submission, assessment and approval process for development applications.	●				Implement a development application management platform to streamline the submission, assessment and approval process for development applications.	Development Services
Service S62	Implement Council's responsibilities under the Companion Animals Act 1998 for the registration, management and regulation of dogs and cats in the LGA.						Ranger and Parking Services
Service S63	Enforce legislation regarding public use of Council's parks, roads, reserves, property assets and other public places.						Ranger and Parking Services
Service S65	Enforce compliance with out of hours building work requirements.						Ranger and Parking Services
Service S59	Manage compliance programs, activities and regulatory actions to help prevent and manage environmental pollution caused by development activities and business operations.						Environment and Building Compliance

Source: 1. Customer Satisfaction Survey, Micromex Research

Strategic Direction 5: Exercise regulatory compliance responsibilities diligently to protect the environment and support our community

Objectives: Meet 100% of legislative compliance obligations each year

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
Service S71	Manage compliance programs, activities and regulatory actions to help protect public health and amenity.						Environment and Building Compliance
Service S60	Manage building and development compliance programs and activities in accordance with legislation including advice, approvals, investigations and regulatory action.						Environment and Building Compliance
Service S61	Manage building approvals, inspections and certifications including issuing Building Information Certificates, Subdivision Works Certificates, Subdivision Certificates, Complying Development Certificates, Construction Certificates, Occupation Certificates and S88B Certificates.						Environment and Building Compliance
Service S67	Assess and provide advice on major development proposals when Council is not the consent authority.						Development Services
Service S68	Assess other development-related applications including Local Approval applications, Roads Act applications and heritage exemption requests.						Development Services

Strategic Direction 6: Commit to efficiency and value for money in service delivery

Objectives: Deliver benefits realisation of at least $20m through continuous improvement initiatives by 2035

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G6.2	Develop a framework for measuring the value of system and process improvements.		●			Delivery to commence 2026–27.	Organisational Performance
G6.3	Implement a new or upgraded enterprise resource planning system to streamline operations, enhance efficiency and improve service delivery. This includes records management, field technology provision and process automation.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Information Technology
G6.4	Review Council accommodation and technology to ensure an effective workplace environment and alignment with new ways of working following the COVID pandemic.		●	●		Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	People and Culture
G6.5	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.	●				Develop a plan to guide the future use and management of Council's depot.	Public Presentation

Strategic Direction 6: Commit to efficiency and value for money in service delivery Objectives: Deliver benefits realisation of at least $20m through continuous improvement initiatives by 2035							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
G6.6	Develop and implement a program evaluation framework to assess whether programs are delivering value and determine whether they should be continued.		●			Delivery to commence 2026–27.	Organisational Performance
Service S24	Implement and maintain information management systems and processes to support Council's operations.						Information Technology
Service S25	Develop, implement and maintain technologies to support Council's day-to-day operation and digital transformation.						Information Technology
Service S4	Monitor organisational performance to identify potential barriers to attaining strategic outcomes, and collaborate with teams to analyse and address issues.						Organisational Performance

Strategic Direction 7: Build a resilient, inclusive and empowered workforce that is committed to delivering community outcomes Objectives: Achieve above the 50th percentile for all constructive culture behaviours in the human synergistic model by 2035[2]							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
G7.1	Implement a 'personal best' performance and development system to enhance workforce capacity and performance.	●				Implement a 'personal best' performance and development system to enhance workforce capacity and performance.	People and Culture
G7.2	Develop and implement a leadership development program.	●	●	●	●	Develop and implement a leadership development program.	People and Culture
G7.3	Deliver staff training to support development of a skilled workforce.	●	●	●	●	Deliver both compliance training and individual skill development to support an effective workforce.	People and Culture
G7.4	Develop and implement a staff engagement framework to integrate all engagement activities.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	People and Culture
G7.5	Deliver a modern HR information system to streamline HR processes and improve the employee experience.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Information Technology

Source: 2. Organisational Culture Survey, Human Synergistics International

Strategic Direction 7: Build a resilient, inclusive and empowered workforce that is committed to delivering community outcomes Objectives: Achieve above the 50th percentile for all constructive culture behaviours in the human synergistic model by 2035[2]							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
G7.6	Explore opportunities to replace Council's intranet with an alternative platform for information sharing.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Information Technology
G7.7	Develop an employee value proposition to attract and retain high calibre employees.	●				Define and develop an employee value proposition to attract and retain high calibre employees.	People and Culture
G7.8	Deliver a culture survey every four years to measure progress towards the preferred constructive culture.		●			Delivery to commence 2026–27.	People and Culture
Service S28	Implement programs and initiatives to support employee development and retention.						People and Culture
Service S26	Manage the attraction, recruitment and onboarding of new employees.						People and Culture
Service S27	Manage the offboarding (separation) process for employees who are leaving Council.						People and Culture
Service S10	Provide regular information to staff about Council's appointments, events, activities and initiatives.						Customer and Communications

Strategic Direction 8: Manage Council's finances through robust long-term planning and ongoing financial management Objectives: Maintain an operating performance ratio of >2% each year Maintain an average asset renewal ratio of >100% over a rolling five-year period							
Delivery Program 2025-2029		**2025-2026**	**2026-2027**	**2027-2028**	**2028-2029**	**Operational Plan 2025–2026**	**Responsible**
G8.1	Prepare a financial strategy to repair Council's financial situation and deliver an operating surplus each year.	●				Undertake a comprehensive engagement program focussing on service levels and infrastructure management to inform new financial modelling.	Customer and Communications
						Develop a financial repair strategy, including consideration of a special rate variation.	Finance
						Identify an additional $6 million in savings/income through a combination of efficiency improvements, service reductions, and/or increased non-rates revenue.	Finance

Source: 2. Organisational Culture Survey, Human Synergistics International

Strategic Direction 8: Manage Council's finances through robust long-term planning and ongoing financial management
Objectives: Maintain an operating performance ratio of >2% each year
Maintain an average asset renewal ratio of >100% over a rolling five-year period

Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	Operational Plan 2025–2026	Responsible
G8.2	Undertake an annual review of Council's Revenue Policy to ensure equitable levying of rates and identification of potential new revenue sources.	●	●	●	●	Undertake an annual review of Council's Revenue Policy to ensure equitable levying of rates and identification of potential new revenue sources.	Finance
G8.3	Review building assets and commercial property to ensure best value use that aligns with Council's strategic direction.	●	●			Review Council's property portfolio and identify opportunities for divestment to address liquidity issues associated with the North Sydney Olympic Pool project.	Finance
G8.4	Review the procurement framework to ensure it is in line with best practice.	●				Review the procurement framework to ensure it is in line with best practice.	Finance
G8.5	Implement a robust project management framework to ensure projects are developed within schedule, budget and scope.	●				Finalise and implement the project management framework.	Capital Projects and Asset Management
G8.7	Undertake a comprehensive review and assessment of the condition of Council's building assets to inform prioritisation of renewal funding.		●			Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
G8.8	Invest a minimum of 100% of asset depreciation into a reserve for allocation towards the capital renewal program from 2026–27 onwards.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Finance
G8.9	Reduce the infrastructure backlog.		●	●	●	Delivery to commence 2026–27, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Capital Projects and Asset Management
G8.10	Implement an asset management system to provide robust asset management and maintenance capabilities.			●	●	Delivery to commence 2027–28, subject to funding being secured through grants, additional rates, other income sources, or operational savings.	Information Technology
G8.11	Develop a governance and operating model for Berrys Bay Parkland Precinct.		●			Delivery to commence 2026–27.	Corporate Governance

Strategic Direction 8:	**Manage Council's finances through robust long-term planning and ongoing financial management**					
Objectives:	Maintain an operating performance ratio of >2% each year Maintain an average asset renewal ratio of >100% over a rolling five-year period					
Delivery Program 2025-2029		2025-2026	2026-2027	2027-2028	2028-2029	**Operational Plan 2025–2026**	**Responsible**
Service S20	Manage and record Council's financial transactions including the levy and collection of rates and charges, and the preparation of financial statements and returns.						Finance
Service S21	Prepare, review and maintain Council's long-term financial plan and annual budget to ensure financial sustainability.						Finance
Service S22	Manage Council's procurement processes to ensure legislative compliance and best value.						Finance
Service S23	Manage Council's property portfolio including affordable housing, commercial property and community facilities.						Finance
Service S32	Manage the commercial operations of the North Sydney Olympic Pool facility.						Leisure and Aquatics
Service S52	Develop, maintain and monitor Council's developer contributions plans and voluntary planning agreements.						Strategic Planning
Service S33	Manage asset lifecycle planning (including creation, renewal, maintenance and disposal) to ensure sustainable service delivery. This includes development of Council's capital works program.						Capital Projects and Asset Management
Service S44	Clean, manage and maintain Council-owned buildings, plant, fleet and facilities, including providing security and civic support.						Public Presentation

Monitoring performance

SERVICE INDICATORS: Governance

Indicator		Target trend	2025–2026 Target value*	Baseline	Responsible
KPI-G1	Percentage of call centre calls answered within 60 seconds	↑	≥ 75 %	73.1% Jul-Dec 2024	Customer and Communications
KPI-G2	Percentage of web chats answered within 60 seconds	↑	≥ 75 %	-	Customer and Communications
KPI-G3	Percentage of in person customer enquiries resolved on first contact	↑	≥ 75 %	-	Customer and Communications
KPI-G4	Number of internal audits completed	↑	≥ 6 audits	4 audits 2023-24	Corporate Governance
KPI-G5	Compliance with legislative governance reporting obligations	Maintain	100 %	100 % 2023-24	Corporate Governance
KPI-G6	Percentage of informal access to information requests processed within 20 business days	Maintain	100 %	100 % 2023-24	Corporate Governance
KPI-G7	Percentage of formal GIPA applications processed within legislated timeframes	Maintain	100 %	100 % 2023-24	Corporate Governance
KPI-G8	Percentage of identified WHS hazards addressed within ten (10) business days	↑	≥ 95 %	90 % Mar-25	People and Culture
KPI-G9	Percentage of out-of-hours development complaints responded to within one hour	↑	≥ 90 %	-	Ranger and Parking Services
KPI-G10	Percentage of retail food premises inspections completed in accordance with the risk-based annual inspection program	↑	≥ 95 %	-	Environment and Building Compliance
KPI-G11	Percentage of reports alleging contraventions of the Swimming Pools Act that are responded to within 72 hours	Maintain	100 %	-	Environment and Building Compliance
KPI-G12	Percentage of reports alleging unlawful activities that are acknowledged within 5 business days	↑	≥ 95 %	-	Environment and Building Compliance

Indicator		Target trend	2025–2026 Target value*		Baseline			Responsible
KPI-G13	Percentage of IT service requests responded to within three (3) business days	↑	≥ 80	%	-			Information Technology
KPI-G14	Unplanned downtime of critical systems	↓	≤ 1	%	1.5	%	Jul-Dec 2024	Information Technology
KPI-G16	Number of technology-based performance improvement initiatives implemented	↑	≥ 12		-			Information Technology
KPI-G17	Percentage of council@northsydney.nsw.gov.au emails processed within 48 hours of receipt	↑	> 90	%	-			Information Technology
KPI-G18	Staff turnover rate	↓	< 15	%	9	%	Jul-Dec 2024	People and Culture
KPI-G19	Time to fill staff vacancies	↓	< 8	weeks	-			People and Culture
KPI-G20	Percentage of staff completing mandatory training	↑	> 90	%	-			People and Culture
KPI-G21	Employee satisfaction with recruitment and onboarding process	↑	> 70	%	-			People and Culture
KPI-G22	Vacancy rate for Council-owned property portfolio	↓	< 5.8	%	5.8	%	31-Dec-24	Finance
KPI-G23	Operating performance ratio	↑	≥ 0.00	%	-0.02	%	2023-24	Finance
KPI-G24	Own source revenue ratio	↑	≥ 60.00	%	85.36	%	2023-24	Finance
KPI-G25	Unrestricted current ratio	↑	≥ 1.5		2.42		30-Jun-24	Finance
KPI-G26	Debt service cover ratio	↑	≥ 2.00		7.90		30-Jun-24	Finance
KPI-G27	Cash expense cover ratio	↑	≥ 3.00	months	11.84	months	30-Jun-24	Finance
KPI-G28	Outstanding rates and annual charges	↓	< 5.00	%	3.74	%	30-Jun-24	Finance
KPI-G30	Ratio of year end operating result to adopted operating budget	↑	> 1.00		-			Finance

* Some target values may not be achieved in 2025-2026 due to service reductions that are required to reduce operating costs.





Part 4:

Financial information

4.1 2025–2029 Financial Estimates

The following table provides our 2025–2029 financial estimates.

Forecast Income Statement

	General fund (excluding Domestic Waste) 2025–26 Budget ($'000)	Consolidated 2025–26 Budget ($'000)	Consolidated 2026–27 ($'000)	Consolidated 2027–28 ($'000)	Consolidated 2028–29 ($'000)
Income from Continuing Operations					
Rates	64,881	64,881	67,055	69,301	71,621
Annual Charges	656	18,584	19,141	19,715	20,307
*Users fees and charges	36,921	38,323	40,548	42,818	44,317
Other revenue	10,895	10,895	11,276	11,671	12,079
Grants and contributions provided for operating purposes	4,455	4,455	4,522	4,590	4,659
Grants and contributions provided for capital purposes	13,387	13,387	11,748	13,487	13,881
Interest and investment income	3,192	3,912	4,200	4,451	4,717
*Other income	7,571	7,571	7,836	8,110	8,394
Total Income from Continuing Operations	**142,678**	**162,007**	**166,326**	**174,143**	**179,975**
Expenses from Continuing Operations					
*Employee benefits and on-costs	55,651	57,238	59,671	62,207	64,851
*Materials and services	39,222	54,891	56,537	58,234	59,981
Borrowing costs	2,488	2,488	2,532	2,299	2,071
Depreciation and amortisation	31,518	31,518	32,463	33,437	34,440
Other expenses	4,987	4,987	5,137	5,291	5,450
Net losses from the disposal of assets	277	277	277	277	277
Total Expenses from Continuing Operations	**134,143**	**151,399**	**156,618**	**161,745**	**167,069**
Operating Result from Continuing Operations	**8,535**	**10,608**	**9,708**	**12,398**	**12,906**
Net operating results before capital grants and contributions	- 4,852	- 2,779	- 2,040	- 1,089	- 976

* The budget included a $6 million net result improvement target, comprising a $1 million increase in fees and charges income, a $1 million increase in other income, a $1 million reduction in employee costs, and a $3 million reduction in materials and services. These components will be tracked and reported as part of each Quarterly Budget Reviews. All costs are adjusted for inflation from year to year.

Forecast Balance Sheet

ASSETS	2025–26 ($'000)	2026–27 ($'000)	2027–28 ($'000)	2028–29 ($'000)
Current Assets				
Cash & Cash Equivalents	$21,000	$21,000	$21,000	$21,000
Investments	$97,727	$107,668	$112,372	$113,171
Receivables	$11,025	$11,025	$11,025	$11,025
Inventories	$60	$60	$60	$60
Other	$626	$626	$626	$626
Total Current Assets	**$130,438**	**$140,379**	**$145,083**	**$145,882**
Non-Current Assets				
Receivables	$770	$770	$770	$770
Infrastructure, Property, Plant & Equipment	$1,649,327	$1,644,024	$1,646,420	$1,818,508
Investment Property	$53,698	$53,698	$53,698	$53,698
Right of Use Assets	$1,202	$1,146	$3,930	$3,874
Investments Accounted for Using the Equity Method	$34	$34	$34	$34
Total Non-Current Assets	**$1,705,031**	**$1,699,672**	**$1,704,852**	**$1,876,884**
TOTAL ASSETS	**$1,835,469**	**$1,840,051**	**$1,849,934**	**$2,022,766**

LIABILITIES	2025–26 ($'000)	2026–27 ($'000)	2027–28 ($'000)	2028–29 ($'000)
Current Liabilities				
Payables	$30,809	$30,810	$30,810	$30,810
Contract Liabilities	$537	$537	$537	$537
Lease Liabilities	$303	$303	$303	$303
Borrowings	$4,767	$4,995	$4,357	$4,273
Employee Benefit Provisions	$13,100	$13,100	$13,100	$13,100
Total Current Liabilities	**$49,516**	**$49,745**	**$49,106**	**$49,023**
Non-Current Liabilities				
Lease Liabilities	$391	$32	$2,513	$2,154
Borrowings	$51,639	$46,643	$42,287	$38,013
Employee Benefit Provisions	$1,154	$1,154	$1,154	$1,154
Total Non-Current Liabilities	**$53,184**	**$47,829**	**$45,954**	**$41,321**
TOTAL LIABILITIES	**$102,700**	**$97,574**	**$95,059**	**$90,344**
Net Assets	**$1,732,769**	**$1,742,477**	**$1,754,875**	**$1,932,422**
EQUITY				
Accumulated Surplus	$996,792	$1,006,500	$1,018,898	$1,031,803
IPPE Revaluation Reserve	$735,977	$735,977	$735,977	$900,619
TOTAL EQUITY	**$1,732,769**	**$1,742,477**	**$1,754,875**	**$1,932,422**

Forecast Cash Flow

CASH FLOW FROM OPERATING ACTIVITIES	2025–26 ($'000)	2026–27 ($'000)	2027–28 ($'000)	2028–29 ($'000)
Receipts				
Rates	64,881	67,055	69,301	71,621
Annual Charges	18,584	19,141	19,715	20,307
User Charges & Fees	38,323	40,548	42,818	44,317
Investment & Interest Revenue Received	3,912	4,200	4,451	4,717
Grants & Contributions	15,842	16,270	18,077	18,540
Bonds & Deposits Received	3,950	3,950	3,950	3,950
Other	18,466	19,112	19,781	20,473
Payments				
Employee Benefits & On-Costs	(57,238)	(59,671)	(62,207)	(64,851)
Materials & Contracts	(54,891)	(56,537)	(58,234)	(59,981)
Borrowing Costs	(2,488)	(2,532)	(2,299)	(2,071)
Bonds & Deposits Refunded	(5,446)	(3,950)	(3,950)	(3,950)
Other	(5,264)	(5,137)	(5,291)	(5,450)
Net Cash provided (or used in) Operating Activities	**38,630**	**42,448**	**46,112**	**47,623**

CASH FLOWS FROM INVESTING ACTIVITIES	2025–26 ($'000)	2026–27 ($'000)	2027–28 ($'000)	2028–29 ($'000)
Receipts				
Sale of Infrastructure, Property, Plant & Equipment				
Payments				
Purchase of Investment Securities	8,664			
Purchase of Investment Property				
Purchase of Infrastructure, Property, Plant & Equipment	(52,819)	(27,437)	(36,110)	(42,163)
Contributions paid to joint ventures and associates	-	-	-	-
Net Cash provided (or used in) Investing Activities	(44,155)	(27,437)	(36,110)	(42,163)

CASH FLOWS FROM FINANCING ACTIVITIES	2025–26 ($'000)	2026–27 ($'000)	2027–28 ($'000)	2028–29 ($'000)
Receipts				
Proceeds from Borrowings & Advances	10,000			
Payments				
Repayment of Borrowings & Advances	(4,172)	(4,767)	(4,995)	(4,357)
Repayment of lease liabilities (principal repayments)	(303)	(303)	(303)	(303)
Net Cash Flow provided (used in) Financing Activities	**5,525**	**(5,070)**	**(5,298)**	**(4,660)**
Net Increase/(Decrease) in Cash & Cash Equivalents	**0**	**9,941**	**4,703**	**800**
plus: Cash & Cash Equivalents - beginning of year	**21,000**	**21,000**	**21,000**	**21,000**
Cash & Cash Equivalents - end of the year	**21,000**	**21,000**	**21,000**	**21,000**
Investments - end of the year	**97,727**	**107,668**	**112,372**	**113,171**
Cash, Cash Equivalents & Investments - end of the year	**118,727**	**128,668**	**133,372**	**134,171**
Externally restricted funds	81,484	90,796	96,548	98,959
Cash, Cash Equivalents & Investments - not restricted externally	**37,243**	**37,873**	**36,824**	**35,213**
Internal Reserves	21,699	21,699	21,699	21,699
Unrestricted	**15,544**	**16,174**	**15,125**	**13,514**

Key Performance Indicator

Ratio	2025–26 ($'000)	2026–27 ($'000)	2027–28 ($'000)	2028–29 ($'000)	OLG Benchmark
Operation Performance ratio	-1.87%	-1.32%	-0.68%	-0.59%	>0%
Own Source Operating revenue ratio	90%	90%	90%	90%	>60%
Unrestricted current ratio	1.63	1.63	1.63	1.59	>1.5
Debt service cover ratio	4.49	4.33	4.56	5.28	>2
Cash expense cover ratio	10.98	11.62	11.66	11.42	>3month
Infrastructure - Buildings and infrastructure renewals ratio	40.58%	62.35%	62.40%	62.40%	>100%
Infrastructure - Infrastructure backlog ratio - condition 3	10.27%	11.27%	12.28%	12.08%	<2%
Infrastructure - Infrastructure backlog ratio - condition 2	36.37%	38.24%	40.01%	37.94%	<2%
Infrastructure - Asset maintenance ratio	87%	84%	81%	78%	>100%
Infrastructure - Cost to bring assets to agreed service level - condition 3, in '000	$167,701	$183,509	$200,102	$217,525	
Infrastructure - Cost to bring assets to agreed service level - condition 2, in '000	$593,790	$622,381	$652,140	$683,124	

4.2 2025–2026 Budget

Income Statements 2025–26

	2025–26 Budget ($'000)
Income from Continuing Operations	
Rates	$64,881
Annual Charges	$18,584
Users fees and charges	$38,323
Other revenue	$10,895
Grants and contributions provided for operating purposes	$4,455
Grants and contributions provided for capital purposes	$13,387
Interest and investment income	$3,912
Other income	$7,571
Total Income from Continuing Operations	**$162,007**
Expenses from Continuing Operations	
Employee benefits and on-costs	($57,238)
Materials and services	($54,891)
Borrowing costs	($2,488)
Depreciation and amortisation	($31,518)
Other expenses	($4,987)
Net losses from the disposal of assets	($277)
Total Expenses from Continuing Operations	($151,399)
Operating Result from Continuing Operations	$10,608
Net Operating results before capital grants and contributions	($2,779)

Application of funds

Revenue type	Amount	
Rates	$64,881	40%
Annual charges	$18,584	11%
User fees and charges	$38,323	24%
Other revenue	$10,895	7%
Grants and contributions	$17,842	11%
Interest and investment income	$3,912	2%
Other income	$7,571	5%
Total	**$162,007**	**100%**
Reserve and other movements		
External	$11,468	
Internal	-$2,804	
Proceeds from loan borrowing	$10,000	
TOTAL revenue and reserves movements	$180,672	
Application of funds		
Income received 2024–25	$2,000	1%
Employee Costs	$57,238	32%
Materials and services	$54,891	30%
Net capital expenditures	$52,819	29%
Loan repayments	$6,963	4%
Other expenses	$5,264	3%
Net payment of bonds/deposits	$1,496	1%
TOTAL	$180,672	100%

Balance sheet 2025–26

	2025–26 ($'000)
ASSETS **Current Assets**	
Cash & Cash Equivalents	$21,000
Investments	$97,727
Receivables	$11,025
Inventories	$60
Other	$626
Total Current Assets	**$130,438**
Non-Current Assets	
Receivables	$770
Infrastructure, Property, Plant & Equipment	$1,649,327
Investment Property	$53,698
Right of Use Assets	$1,202
Investments Accounted for Using the Equity Method	$34
Total Non-Current Assets	**$1,705,031**
TOTAL ASSETS	**$1,835,469**

	2025–26 ($'000)
LIABILITIES **Current Liabilities**	
Payables	$30,809
Contract Liabilities	$537
Lease Liabilities	$303
Borrowings	$4,767
Employee Benefit Provisions	$13,100
Total Current Liabilities	**$49,516**
Non-Current Liabilities	
Lease Liabilities	$391
Borrowings	$51,639
Employee Benefit Provisions	$1,154
Total Non-Current Liabilities	**$53,184**
TOTAL LIABILITIES	**$102,700**
Net Assets	**$1,732,769**
Equity	
Accumulated Surplus	$996,792
IPPE Revaluation Reserve	$735,977
Total Equity	**$1,732,769**

Statement of cash flows 2025–26

	2025–26 ($'000)
Receipts	
Rates	64,881
Annual Charges	18,584
User Charges & Fees	38,323
Investment & Interest Revenue Received	3,912
Grants & Contributions	15,842
Bonds & Deposits Received	3,950
Other	18,466
Payments	
Employee Benefits & On-Costs	(57,238)
Materials & Contracts	(54,891)
Borrowing Costs	(2,488)
Bonds & Deposits Refunded	(5,446)
Other	(5,264)
Net Cash provided (or used in) Operating Activities	**38,630**
CASH FLOWS FROM INVESTING ACTIVITIES Receipts	
Sale of Investment Securities	**8,664**
Redemption of term deposits	-
Sale of Infrastructure, Property, Plant & Equipment	-

	2025–26 ($'000)
Payments	
Purchase of Investment Securities	
Purchase of Investment Property	-
Purchase of Infrastructure, Property, Plant & Equipment	(52,819)
Contributions paid to joint ventures and associates	-
Net Cash provided (or used in) Investing Activities	(44,155)
CASH FLOWS FROM FINANCING ACTIVITIES Receipts	
Proceeds from Borrowings & Advances	**10,000**
Payments	
Repayment of Borrowings & Advances	(4,172)
Repayment of lease liabilities (principal repayments)	(303)
Net Cash Flow provided (used in) Financing Activities	**5,525**
Net Increase/(Decrease) in Cash & Cash Equivalents	**-**
plus: Cash & Cash Equivalents - beginning of year	**21,000**
Cash & Cash Equivalents - end of the year	**21,000**
Investments - end of the year	**97,727**
Cash, Cash Equivalents & Investments - end of the year	**118,727**
Externally restricted funds	**81,484**
Cash, Cash Equivalents & Investments excluding externally restricted funds	**37,243**

Capital works budget 2025–2026

Description	Funding Source				Total
	Rates – New and Upgrade	Rates – Backlog and Depreciation	Grants	Developer Contributions	
	$	$	$	$	$
Environment					
Gross pollutant trap network expansion	-	-	154,500	-	154,500
Stormwater drainage renewals		800,000			800,000
Social Inclusion					
Library books		211,789	24,380		236,169
Crows Nest Community Centre renewal works		500,000			500,000
McMahons Point Community Centre renewal works		700,000			700,000
Kelly's Place Childrens Centre renewal works		400,000			400,000
Affordable housing – carry over	617,966				617,966
Open Space and Recreation					
Hume Street Park expansion (Design)	-	-	257,500	257,500	515,000
North Sydney Indoor Sports Centre critical renewals		515,000			515,000
Park minor infrastructure renewals		410,000			410,000
Blues Point Reserve seawall renewal		250,000			250,000
Stratford Street retaining wall renewal		280,000			280,000
Fence and safety barrier renewals		250,000			250,000
Lighting renewals		250,000			250,000
North Sydney Olympic Pool - carry over	33,853,654				33,853,654
Tunks Park acid sulfate soil investigation		200,000			200,000

Description	Funding Source				Total
	Rates – New and Upgrade	Rates – Backlog and Depreciation	Grants	Developer Contributions	
	$	$	$	$	$
Integrated Transport					
Local Area Transport Management projects	309,000	-	309,000	-	618,000
Heritage style bus shelter renewals		600,000	-	-	600,000
Fitzroy Street (west of Jeffreys Street) new pedestrian crossings			250,000		250,000
Rosalind Street at Miller Street new pedestrian crossings			250,000		250,000
Reynolds Street road safety barrier renewal			635,000		635,000
Traffic facility renewals		248,180			248,180
Road renewals		2,670,473	629,527		3,300,000
Kerb and gutter renewals		400,000			400,000
Footpath renewals		400,000			400,000
Young Street upgrade - carry over			2,000,000		2,000,000
Governance					
Council property (cnr Miller and Ridge) roof repairs		100,000			100,000
Central depot repairs		80,000			80,000
Council chambers roof repair		1,000,000			1,000,000
Council chambers chiller and HVAC		600,000			600,000
Plant and equipment renewals		1,721,601			1,721,601
Office equipment renewals		250,000			250,000
Furniture and fittings renewals		390,845	33,245	10,000	434,090
Total capital budget	**34,780,620**	**13,227,888**	**4,543,152**	**267,500**	**52,819,160**

Financial and asset management indicators

Description	2025–26 Budget	OLG benchmark
Operating Performance ratio	-1.87%	>0%
Own Source Operating revenue ratio	90%	>60%
Unrestricted current ratio	1.63	>1.5
Debt service cover ratio	4.49	>2
Cash expense cover ratio	10.98 months	>3month
Infrastructure - Buildings and infrastructure renewals ratio	41%	>100%
Infrastructure - Infrastructure backlog ratio - cond 3	10.27%	<2%
Infrastructure - Infrastructure backlog ratio - cond 2	36.37%	>100%
Infrastructure - Asset maintenance ratio	87%	>100%
Infrastructure - Cost to bring assets to agreed service level - cond 3, in '000	$167,701	
Infrastructure - Cost to bring assets to agreed service level - cond 2, in '000	$593,701	

4.3 Financial assistance

North Sydney Council community organisations, not-for-profits, individuals, and businesses by providing a range of grants, donations and subsidies. Pursuant to Section 356 of the *Local Government Act 1993*, the following information details the contributions and subsidies that have been included in the 2025-26 budget. However, in response to current financial pressures, some of these financial contributions may be reduced or removed from the budget as part of reactive service reductions being implement to cut costs in 2025–26 . Please refer to section 2.4 for more information.

	2025-26 Draft Budget $
Aboriginal Projects	10,300
Annual Individual Creative Grants	10,300
Community Centres Playgrounds/Tree Inspection	4,120
Community Groups Insurance	5,150
Cremorne Baby Health Centre	14,560
Crows Nest Centre Operating	481,010
Crows Nest Centre Parking	71,240
Crows Nest Early Childhood Centre Parking	37,440
Crows Nest Fair	76,220
Early Education Centre - Parking	1,560
Ensemble Theatre	4,285
Food Grants	16,068
Indoor Sports Centre Parking	8,840
International Volunteers Day	8,240
Kelly's Place Operational Subsidy	12,360
Kelly's Place Parking Subsidy	11,980.80
Kirribilli N/Hood Centre	77,250
Leisure Ctr/Tennis Ctr/KU Parking	26,000
McMahons Point Occasional Care	12,855
Men's Shed	3,090

	2025-26 Draft Budget $
Miscellaneous Contributions	10,300
Neutral Bay Community Centre	64,890
New & Innovative Projects Program	26,780
North Sydney Aust. Day Celtic Festival	3,214
North Sydney Community Centre	169,950
North Sydney Community Centre Choir	5,150
North Sydney RSL Sub-branch PA Hire	670
North Sydney Symphony Orchestra	4,635
Nutcote Insurance Premiums	7,210
Nutcote Operational	35,020
Nutcote Rates & Maintenance Contribution	19,817
Pensioner Christmas Dinner	4,120
Pensioner Christmas Relief	13,390
Phoenix House	4,120
Royal Art Society	5,768
Shakespeare on the Green	1,366
St Mary's Refuge Parking	26,000
Story to Screen	18,540
Taldumande Youth Refuge	4,326
Waverton Hub	3,399
Total	**1,321,534**

The above amounts do not include in-kind contributions through reduced rental on community facilities


10
LEST WE FORGET



Part 5:

Statement of revenue policy 2025–2026

Statement of intent

This policy outlines North Sydney Council's annual rating structure and approach to setting fees listed in the Schedule of Fees and Charges.

Council's rate revenue estimates for 2025–26 comply with the relevant provisions of the *Local Government Act NSW 1993* (the Act) and the Office of Local Government's Rating and Revenue Raising Manual.

Overview

Council will undertake the following actions in 2025–26:

- increase total ordinary rates income by 4% rate peg set by IPART
- consolidate Mainstreet levies (Crows Nest and Neutral Bay) to the ordinary rates base and discontinue them effective 1 July 2025
- increase the minimum rates (residential and business) to $743.85, reflecting the 4% rate peg.

Domestic waste and stormwater charges are charged as per this revenue policy.

To assist Councils financial performance, Council will consider the introduction of new fees and charges throughout the year, including entry fees for New Years Eve celebrations and new or increased fees for use of public open space. Any new or changes fees and charges will be publicly exhibited prior to implementation.

5.1 Ordinary and special rates

Ordinary rates

Rates and annual charges are Council's primary source of operating income. Rates are used to provide essential services and infrastructure such as roads, footpaths, parks, sportsfields, playgrounds, swimming pools, community centres, cycleways, public amenities and Stanton Library.

In accordance with section 498 and 548 of the Act, Council's ordinary rates are structured on an 'ad valorem' amount based on the value of the land and are subject to a minimum.

The Act requires that all rateable properties be categorised as one of four categories of ordinary rates:

- Residential
- Business
- Farmland (not applicable in the North Sydney LGA)
- Mining (not applicable in the North Sydney LGA)

All properties within the North Sydney Council area are categorised as either residential or business for rating purposes. Properties that are subject to a Mixed Development Apportionment Factor (MDAF) as supplied by the NSW Valuer General are rated as part Residential and part Business on the basis of the apportionment percentage.

Valuations

Rates are determined and calculated on the land value of a property, multiplied by a 'rate in the dollar'. The land value is determined by the NSW Valuer General who issues a Notice of Valuation at least every three years. The *Valuation of Land Act 1916* requires that Council assess rates using the most recent values provided. For the 2025–26 rating year, the valuation base date is 1 July 2022.

Rate pegging and special rate variations

The NSW Government introduced 'rate pegging' in 1977. Each year, IPART approves a maximum percentage increase in the total income each Council can receive from rates, known as the 'rate peg'.

IPART has set the rate peg for the 2025–26 financial year using the new rate peg methodology. This methodology incorporates the Base Cost Change (BCC) for groups of councils, which reflects projected increases in employee costs, asset costs, and other operating expenses. It also includes adjustments for changes in the Emergency Services Levy, temporary election costs, a population factor, and a productivity factor.

Rating structure

Ordinary rates

The rating structure below reflects a 4.00% increase in 2025–26 as per rate peg approved by IPART.

2025–26 Rating structure					
Rate description	Rate (cents in $) or minimum rate	Number of properties	Estimated rate revenue ($)	TOTAL ($)	%
Residential minimum	$743.85	28,927	$21,517,515.90	**35,274,609.92**	59.36%
Residential ad valorem	0.063794	8,388	$13,757,094.02		
Business minimum	$743.85	1,142	$849,476.24	**24,146,247.89**	40.64%
Business ad valorem	0.461779	2,323	$23,296,771.65		
Total				59,420,857.81	

Infrastructure Levy

This program was formulated to address funding gaps in maintenance of Council infrastructure. As part of Council's general rate, this levy is collected and restricted for infrastructure and maintenance. It consists of a base amount (50%) and an ad valorem amount (at value)

Category	Number of Assessments	Base, $	Cents in $	Income from Base	Income from Ad Valorem	Total Income
Residential Infrastructure Special Levy	37,316	31.54	0.00003114	1,177,082.35	1,126,737.60	2,303,819.96
Business Infrastructure Special Levy	3,465	31.54	0.00003114	109,310.77	159,655.52	268,966.28

Environment Levy

All rateable properties within the North Sydney LGA are charged the Environment Levy. Levy funds are used to implement Council's Bushland and Fauna Rehabilitation Plans, Street Tree Strategy, Water Management Plan and Greenhouse Action Plan as detailed in the approved program of works (articulated in the Delivery Program). As part of Council's general rate, this levy is collected and restricted for environmental projects. It consists of a base amount (50%) and an ad valorem amount (at value)

Category	Number of Assessments	Base, $	Cents in $	Income from Base	Income from Ad Valorem	Total Income
Residential Environmental Special Levy	37,316	35.40	0.00003494	1,321,018.55	1,264,517.54	2,585,536.09
Business Environmental Special Levy	3,465	35.40	0.00003494	122,677.53	147,178.54	301,856.07

Discontinued special rates

Mainstreet Levies

The following special levies are discontinued, effective 1 July 2025:

- Crows Nest Mainstreet Levy
- Neutral Bay Mainstreet Levy

These levies have been rolled into the overall business rate.

Rating category map

The above rating structure applies to all land in the North Sydney local government area.



LEGEND

RATE CATEGORY

- Residential Ordinary Rate
- Business Ordinary Rate
- Infrastructure Levy
- Environmental Levy

Pensioner rebates

In accordance with section 575 of the Act, eligible ratepayers who meet the essential criteria are entitled to receive a maximum reduction amount of $250 for combined ordinary rates and charges for domestic waste management services (refer to section 5.2). The amount of the concession depends upon whether:

- the person is solely liable or jointly liable with one or more jointly eligible occupiers but with no other person for the rate or charge (full concession allowable); or
- the person is jointly liable with one other person who is not a jointly eligible occupier or with 2 or more other persons any of whom is not a jointly eligible occupier (pro rata concession)

The cost to provide these concessions is shared between the NSW Government (55%) and North Sydney Council (45%).

In addition to the Statutory Pensioner Rebate, Council will grant a Voluntary Pensioner Rebate to a maximum of $242, offset against the domestic waste management charge. This voluntary rebate will apply to pensioners who are eligible for the Statutory Rebate. It will be granted to all eligible pensioners on the same basis as the Statutory Pensioner Rebate and will be 100% funded by Council.

Pro rata rebates are available and will be calculated for each full quarter following the quarter in which the pensioner becomes eligible.

Requests for retrospective statutory and voluntary rebates may be approved for the current rating year and a maximum of one prior rating year only.

Financial hardship

Council's Financial Hardship Policy complies with section 601 of the Act and covers situations where residential ratepayers believe that they have suffered financial hardship by way of Council utilising a General Revaluation for rating purposes for the first time, ie hardship caused by the use of new valuations, or ratepayers who suffer genuine financial hardship. This policy is under review.

Rates adjustments and aggregation

Upon registration of a new strata plan or deposited plan, Council will re-assess the rates and charges for the property/properties from the date the new plan is registered.

Aggregation of rates in accordance with section 548A of the Act will apply in the following situations:

- the lots are used in conjunction with the unit, by the occupier of the unit; and
- the ownership of each lot noted on the certificate of title is the same for each; and
- all lots are within the same strata plan, or strata scheme; and
- the lots are not leased out separately

All aggregation will only apply from the commencement of the quarter following the lodgement of the application with Council.

Aggregation is subject to the following maximums:

- Residential assessment: 3 utility lots (car spaces and storage lots)
- Business assessment: 1 car space lot and 1 storage lot

Interest on overdue rates and charges

Pursuant to section 566(3) of the Act, interest will be charged on all overdue rates and charges. For the 2025–26 financial year, North Sydney Council will apply the maximum interest rate allowed by the Minister for Local Government, which is 10.5%.

5.2 Annual charges

Domestic waste management charge

Sections 496 and 504 of the Act provide that waste management services of the Council are to be financed by a specific annual charge made and levied for that purpose. In the current environment of rising costs and high inflation, domestic waste management contractors, materials and other costs directly associated with providing the service, there is a modest increase of 3% in 2025–26.

Charges for 2025–26 are shown below:

Domestic waste	2025–26 charge ($)	Change from previous year ($)
Domestic waste charge (60L bin) – Council approved only	485.00	14
Domestic waste charge (80L bin)	485.00	14
Domestic waste charge (120L bin)	808.00	23
Domestic waste charge (240L bin)	1,419.00	40
Service availability charge	69.00	2

The total estimated yield from the domestic waste management charge in 2025/26 is $19,880,208.

Stormwater management service charge

Council is responsible for managing stormwater across the North Sydney LGA. This involves the management and maintenance of over 101km of pipes, many of which were installed in the early 1900s when suburbs were first established. Some of these are now coming to the end of their useful life.

Since 2006, Council has been proactively investigating the condition of the pipe network with CCTV. 13km of the networks is in a condition that needs replacing. The replacement of these poor-condition pipes will cost about $23 million. To help fund this work, Council introduced a stormwater management charge from 1 July 2014.

The charge is between $5 and $25 per year depending on the category of the property for rating purposes. The following table outlines the charge structure as specified by the Act and associated regulations.

Rating category	Annual charge ($)
Residential property	$25.00
Residential strata plan or company title (maximum)	$12.50
Business property	$25.00 per 350m^2 or part thereof
Business strata plan or company title (capped)	$5

The charge will support the stormwater management program of works and will provide approximately $582,000 funding towards that program.

5.3 Pricing policy for goods and services

In accordance with Section 608 of the Act, Council charges and recovers approved fees and charges for services it provides. These are detailed in our separate 'Fees and Charges 2025–2026' document.

The various methods for pricing are:

1. **Full cost recovery:** Fee charged aims to recover all the direct and indirect costs associate with providing the service.
2. **Partial cost recovery:** Fee charged aims to only partially recover the full cost involved in providing a service. Situations where partial cost recovery may apply include:
   - where benefits from provision of the service accrue to the community as a whole as well as individual users
   - a short-term approach to stimulate demand for a service where charging at full cost recovery may result in service evasion
3. **Market competitive:** Fee charged is based on market competition. Comparatives are made with businesses offering the same or similar services.
4. **Bonds and deposits:** Refundable payments that may be requested as a security for making good any damage caused to Council property and/or completing any works required in connection with an approval.
5. **Regulated and prescribed:** Fees that are prescribed by State or Federal Government legislation. In the event of legislation introducing a new or amended statutory/regulatory fee subsequent to adoption or printing of this document, the Council may apply these new charges without further notice.
6. **Conditions of grant funding:** Fees that are subject to eligible State and Federal grants whereby the Council is bound by their contractual terms and conditions, including applicable limits to chargeable fees.

Fees and charges may include the Goods and Services Tax (GST). GST is a broad-based tax of 10% on the supply of most goods and services consumed in Australia. Applicable GST amounts are shown in a separate column in the Fees and Charges.

5.4 Other funding sources

Property review to address capital and infrastructure pressures

While Council is actively developing new financial models and repair strategies, it continues to operate under ongoing liquidity risk. Current budget forecasts are based on a range of assumptions, many of which are subject to significant sensitivities. These variables may result in either positive or negative financial outcomes. In a low-liquidity environment, such uncertainty heightens Council's overall financial risk.

To mitigate liquidity risks, Council will undertake a review of all properties classified as operational land. This includes:

- income-generating properties
- community-use assets

As part of this review, Council will consider strategic divestment opportunities. The objective is to generate capital to offset the rising costs of the North Sydney Olympic Pool project and to address the growing backlog of infrastructure renewals that have been delayed due to funding constraints.

The current project budget is structured as follows:

- loan funding: $61 million
- grant funding: $15 million
- developer contributions: $5.7 million
- general revenue: $40.3 million
- total project budget: $122 million

This budget does **not** account for additional costs resulting from delays associated with structural steel design and construction issues. Legal proceedings are currently underway regarding these matters.

With the project still under construction, it continues to pose significant financial risk to Council.

At this stage, property divestment is recommended above loan borrowings due to insufficient forecast income to cover further interest expenses.

Borrowings from externally restricted reserves

The 2025–26 financial year will require careful and responsive financial management in light of ongoing liquidity challenges and broader financial risks. As a safeguard, Council intends to apply to the Office of Local Government for pre-approval to borrow from externally restricted reserves.

Initially, Council will seek approval for a $10 million loan from the Domestic Waste Reserve. This facility is intended as a contingency measure only. The timing required to implement financial repair strategies means that many savings will be realised partway through the year rather than immediately.

Additional external loan funding

Council will consider the use of additional external borrowings as part of its broader financial modelling. While such funding sources can provide short-term liquidity, they also increase long-term costs through interest repayments and may lead to upward pressure on rates over time. As such, external borrowing will be approached cautiously and strategically.

Business activities

Based on current projections, it is anticipated that the North Sydney Olympic Pool will be classed as a significant business (category 1) under the competitive neutrality policy.

Income earned from Council's assets will be maximised, based on industry market rates.

Addendum – new special variation proposal (January 2026)

The current Delivery Program 2025–2029 was adopted following IPART's refusal of Council's special rate variation application in May 2025.

Since that decision, Council has undertaken further detailed financial, asset, and service planning to help address the funding gap affecting infrastructure condition, service sustainability, and long-term financial resilience. This work, together with extensive community consultation undertaken in mid to late 2025, has informed the development of a revised and more moderate special variation (SV) proposal.

The recommended SV represents a medium-term solution that would increase rating revenue by a cumulative 52.66% over three years (42.33% above the rate peg), comprising increases of 23% in 2026–27, 14.58% in 2027–28, and 8.32% in 2028–29. The SV would generate approximately $278 million in additional revenue over a ten-year period, including $62 million over the remaining three years (2026–2029) of the current Delivery Program.

The SV is primarily directed at addressing critical infrastructure renewal needs and stabilising Council's financial position. Approximately 87% of all additional revenue generated over the ten-year period would be invested in infrastructure, including $186 million for infrastructure renewals and $57 million for new infrastructure. The remaining funding would support targeted operational initiatives and essential upgrades to Council's corporate systems to improve efficiency, service delivery, and asset management.

When the current Delivery Program was developed, Council included an annual financial repair target of $6 million, to be achieved through a combination of increased income, productivity improvements, and service reductions. Council has since identified additional revenue sources and productivity improvements delivering more than $3 million per annum.

However, community engagement undertaken from mid to late 2025 indicated that the majority of residents do not support service reductions and instead expressed a preference for maintaining or improving existing services, even where this would require higher rates. This feedback, and Council's subsequent decision not to proceed with service reductions, reinforced the need for a revised SV and necessitated a reduction in the financial repair target, as reflected in Council's 2026–2036 Long-Term Financial Plan.

The following sections outline how the additional income generated through the SV would be allocated across infrastructure renewal, new infrastructure, operational activities, and corporate systems. All projects and actions included in this addendum have been developed in consultation with the community and are included in Council's adopted Delivery Program, with delivery noted as being subject to funding availability.

Delivery timeframes will be updated as part of developing the new Operational Plan for 2026–27. Updated financial forecasts, which assume approval of the revised SV and delivery of the projects and initiatives outlined in this addendum, are detailed in Council's 2026–2036 Long-Term Financial Plan.

1. Infrastructure renewals - $186.3 million over ten years ($40.2 million in 2026–2029)

Due to Council's constrained financial capacity and the resulting underinvestment in asset renewals over recent years, a significant proportion of Council's infrastructure assets are now in poor condition. The current estimated cost to restore infrastructure assets to a satisfactory condition is $157 million. In addition, asset depreciation over the next ten years is projected to require a further $99 million in minimum renewal investment to maintain existing assets and prevent further growth in the infrastructure backlog.

As a result, the projected income from the proposed SV will be insufficient to fully address ongoing depreciation and eliminate the existing infrastructure backlog over the ten-year period. However, it will prevent the continued deterioration of infrastructure and associated impacts on service delivery, and is expected to result in some reduction to backlog levels.

Given the poor state of our infrastructure, the renewals program over the next two years will be largely reactive in nature, with priorities determined on an annual basis. Renewal decisions will be informed by asset condition and performance assessments, together with risk-based criteria, including impacts on service levels, public safety, sustainability, utilisation, and accessibility.

Recent asset revaluations have identified buildings and stormwater assets as being in the poorest condition. Therefore, the renewals program will prioritise investment in these asset classes, along with projects that have been deferred over the past three years due to funding constraints, including the Cremorne Plaza and Langley Place project.

2. New infrastructure - $17 million over ten years ($6 million in 2026–2029)

While infrastructure renewals will remain the primary focus over the next ten years, approval of the SV would also enable the delivery of a modest program of new infrastructure projects. These projects respond directly to community engagement outcomes and are intended to address identified challenges, including:

- maximising the use and functionality of existing open space
- supporting disability access and social inclusion
- reducing emissions and improving environmental performance
- enhancing stormwater reuse and water efficiency
- improving traffic management and safety

If the SV is approved in full, the following new infrastructure projects will receive funding through the SV and are planned for delivery in the remaining three years of the current Delivery Program. It is noted that some of these projects will also be partially funded from grants and/or developer contributions.

E1.2	Deliver bushland walking track upgrades in Badangi Reserve, Balls Head Reserve, Brightmore Reserve and Primrose Park.
E3.6	Increase renewable energy capacity on Council infrastructure.
E4.6	Expand existing stormwater harvesting and water reuse systems at Primrose Park and Tunks Park.
SI1.8	Install a digital community noticeboard in Civic Park.
O2.8	Improve the drainage, irrigation and playing surfaces at Primrose Park sportsfields to reduce lost playtime due to weather.
O3.1	Implement projects to improve accessibility of parks and playgrounds across the LGA.
O3.5	Deliver one park enhancement project per annum.
O3.6	Deliver additional recreational facilities in parks.
O4.13	Complete the Cremorne Reserve Pathway improvements project.
O4.15	Undertake site stabilisation and drainage works in Wendy's Secret Garden.
T1.5	Deliver Blues Point Road traffic management works.
T1.7	Progressively prepare concept designs and undertake consultation on cycling infrastructure identified in the North Sydney Bike Plan ready for grant applications.
ED4.4	Commence delivery of upgraded entry signage for the LGA.
C1.1	Develop and commence delivery of a program of dual signage and place naming for key public spaces.

Any project funding not expended within the relevant financial year will be transferred to a reserve and carried forward for delivery in the subsequent year.

3. New infrastructure - $40 million over ten years to support projects in Council's development contributions plan ($0 in 2026–2029)

When new homes or businesses are built, they create extra demand for things like roads, parks, drainage, footpaths, and community facilities. To help pay for this, councils require developers to contribute money – called 'developer contributions' – which goes towards building or upgrading this local infrastructure. These contributions are important because they ensure that new development helps fund the facilities it relies on, rather than putting the full cost on existing residents.

However, developer contributions usually don't cover the entire cost of the infrastructure needed. This is because some projects benefit both new and existing communities. In these cases, the remaining funding may come from Council budgets, ratepayers, or other government sources. This means that delivering the infrastructure to support growing communities is often a shared responsibility.

Council's development contributions plan includes a series of projects to support the growing community. The table below demonstrates the level of funding provided by developers vs the contribution required by Council.

Purpose	Project combined cost ($,000)	Developer contribution ($,000)	Council contribution ($,000)
Open space and recreation	192,285	79,563	112,722
Community facilities	25,512	15,983	9,529
Public domain improvements	163,355	78,653	84,702
Active transport	17,724	4,499	13,225
Total	398,876	178,698	220,178

While the majority of projects listed in the contributions plan require Council co-funding, there are a limited number of projects that require no or minimal contribution. In the remaining three years of the current Delivery Program, the focus will be on delivering these projects so that SV income can be directed primarily towards essential infrastructure renewals.

However, from 2029–30 to 2035–36, $40 million from the total SV income will be allocated to a reserve to support the delivery of other projects identified in the Development Contributions Plan that require a Council contribution.

Council has an obligation to spend development contributions within a reasonable time following receipt of funds. Without additional rates revenue, Council will be unable to meet this commitment, and external reserves will continue to increase.

4. Operational activities - $17.3 million over ten years ($6.6 million in 2026–2029)

If the SV is approved, $6.6 million over the remaining three years of the Delivery Program will be allocated to operational initiatives that respond to challenges and opportunities identified through research and community engagement.

The following table provides an indication of the operational initiatives that may proceed if the SV is approved. Funding will be allocated annually through Council's Operational Plan process, which allows for community engagement towards strategic priorities. This may result in changes to actions indicated below.

Planning Initiatives

E1.6	Develop a Brush Turkey Management Plan.
S2.1	Develop a masterplan and feasibility study 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.
S2.3	Undertake research and commence preparation of a masterplan for the civic precinct in North Sydney (bounded by Ridge, Miller, Church and McLaren Streets) that investigates and incorporates a range of new community space, open space and active recreation spaces.
S2.14	Develop a ten-year plan for expanding library services across the LGA. This includes consideration of potential satellite sites.
O2.1	In consultation with the community, develop a masterplan for Cammeray Park that increases opportunities for multi-use and addresses community demand for active and passive recreation.

O4.12	Prepare a masterplan for Blues Point Reserve and Henry Lawson Reserve.
O4.14	Review and update the masterplan for Tunks Park.
H1.1	Strategic planning initiatives, including affordable housing scheme.
H1.4	Explore funding and delivery models to achieve the delivery of affordable housing, an early childhood health centre and public car park through the Parraween Street development project.
H1.5	Undertake a review of Council landholdings to determine if any sites could be used for affordable housing in collaboration with a community housing provider.
G8.7	Undertake a comprehensive review and assessment of the condition of Council's building assets to inform prioritisation of renewal funding.

Sustainability Initiatives

E1.4	Collaborate with universities and marine science institutes to enhance seawall biodiversity.
E3.5	Collaborate with industry stakeholders to facilitate the implementation of community batteries and virtual power plants on Council-owned land.
E5.1	Deliver a water catchment community awareness campaign.

Access, Social Inclusion and Cohesion Initiatives

S1.1	Develop a 'Know your Neighbour' program to encourage residents and local businesses to get together informally in local green and community spaces, and existing community groups.
S1.4	Review and refresh Council's program of events and activations to ensure they are responsive to community needs and leverage key assets.
S1.5	Partner with cultural and creative organisations to host joint events, for example multicultural festivals.
S1.10	Develop a 'Welcome Pack' for new residents to the area with detailed information about the LGA, including resources, services and spaces.
S3.2	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.
S3.6	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.
C1.1	Explore opportunities to work with First Nations community members to share and make First Nations cultural heritage visible in North Sydney.
C1.2	Work with First Nations community members to develop a First Nations advisory committee.
C3.7	Develop and implement a creative hoardings program.
G2.5	Review the framework and system for Council's grants and subsidies program to ensure alignment with Council's strategic outcomes.

Open Space and Infrastructure

S2.6	Maintain and operate new public space at Berrys Bay. This includes operation of Woodleys Shed as a community facility.
O2.8	Operational costs associated with infrastructure improvements aimed at increasing the capacity and utilisation of sportsfields.
O4.15	Maintain Wendy's Secret garden.
ED3.6	Replant and maintain the Mitchell Street green wall in St Leonards.

Transport Initiatives

T1.1	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.
T3.6	Undertake a holistic review of parking in the LGA, including on-road and in council-operated car parks. 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.
T3.8	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.

Economic Development Initiatives

ED2.5	Develop a program to support small business-led initiatives that enhance local trade.
ED2.9	Collaborate with local businesses to develop and deliver a program that encourages increased local spend.
ED2.10	Undertake a data and analytics project to gather insights to support businesses within the LGA and grow the local economy.
	Economic development resource to support business and tourism initiatives.

Governance Initiatives

G4.4	Implement a risk and audit management system to enable the recording and tracking of risk and audit actions.

5. New corporate systems – $17.9 million over ten years ($8.9 million in 2026–2029)

North Sydney Council's IT environment consists of a diverse mix of legacy systems that have developed over many years. These systems are largely disconnected and often outdated, limiting the Council's ability to deliver efficient and effective services. A history of underinvestment has restricted opportunities to modernise, integrate, and improve the IT infrastructure. As a result, Council faces challenges with operational efficiency, data quality, security, and overall user and customer experiences.

If the SV is approved, Council will be able to invest in a long-term sustainable technology solution that includes:

- full implementation of a new enterprise resource planning (ERP) platform to unify Council's business systems and streamline end-to-end processes
- AI-powered planning solution for development application triage, compliance checking, and accelerated assessments, aligned with NSW Government initiatives for faster planning approvals
- asset management system for proactive maintenance, better lifecycle planning, and reduced risk of unexpected failures
- enhanced Contact Centre/Customer Service capability with for 24/7 resident support, faster issue resolution, and multi-channel engagement
- enterprise AI productivity platform rolled out Council-wide to automate routine tasks, refine reporting, and augment staff capabilities in everyday work

The implementation and change management period for the new corporate system is expected to take approximately 5 years.

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。

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JAPANESE
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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.

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North Sydney Council's Delivery Program and Operational Plan have been prepared in accordance with the Integrated Planning and Reporting Framework requirements.

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Adopted: 30 June 2025

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CAPACITY TO PAY

NORTH SYDNEY COUNCIL

January 2026

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Executive summary

Background

North Sydney Council ('Council') is currently considering an application for a Special Variation ('SV') to rates, and Council has released three rate rise options for community consultation. These options include the base case (rate peg only) and two Special Variation (SV) scenarios. All options incorporate annual rate peg increases.

Option 1: No change – increased deterioration of infrastructure

- Rate peg only: 4% in 2026–27, 3% in 2027–28 and 2028–29.
- Cumulative increase: 10.33% by 2028–29.

Option 2 (SV): Treading water – restore renewal funding and address critical backlogs

- Additional increases: 20% in 2026–27, 10% in 2027–28, 6% in 2028–29.
- Cumulative increase: 39.92% (29.59% above rate peg) by 2028–29.

Option 3 (SV): An eye to the future – enhanced contribution to infrastructure investment and planning

- Additional increases: 23% in 2026–27, 14.58% in 2027–28, 8.32% in 2028–29.
- Cumulative increase: 52.66% (42.33% above rate peg) by 2028–29.

In addition to capacity to pay, Council will need to consider 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.

Option 3 is the staff-recommended option, and it is considered that ratepayers have the capacity to pay the rate increases proposed under this 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 five 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]

[1] Employment status | North Sydney Council | Community profile

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 10 and 11 of this report.

Council submitted an application for a Special Variation (SV) in the previous financial year; however, the application was fully rejected by IPART. The accompanying Capacity to Pay report was prepared by external consultants and relied primarily on 2021 ABS Census data.

While the 2021 Census remains the most recent and authoritative dataset and continues to underpin this year's SV applications of all Councils, commissioning consultants again would be financially imprudent, especially given financial situation of North Sydney Council. Doing so would result in a report substantially similar to last year's, offering no additional value and incurring unnecessary expenditure.

For the 2026-27 SV application, Council has adopted a more robust and cost-effective approach by preparing the Capacity to Pay report in-house. This report continues to utilise ABS data as its foundation but has been enhanced through:

- incorporation of IPART's feedback from the previous SV application.
- integration of more current data and forward projections where available, supplementing the 2021 Census baseline.

This approach ensures that the report is tailored, evidence-based, and responsive to regulatory expectations, while demonstrating prudent financial management and accountability.

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, The 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.

Residential rates

All parts of North Sydney Council's area exhibit a strong general capacity to pay higher rates. The socio-economic data such as high incomes, low unemployment, strong home values, and low rates delinquency indicate that the proposed Special Rate Variation (SV) can be introduced without undue financial strain on the majority of residential ratepayers. Each geographic grouping, despite minor demographic differences, reflects this overall affluence and stability. The analysis did not find any locality in North Sydney with systemic inability to pay; even the most "disadvantaged" pockets are still well above regional averages for income and advantage.

Council will continue to prioritise measures such as flexible payment plans and its Financial Hardship Policy, for the small number of vulnerable households, to ensure those on limited incomes are supported. The report emphasises that an appropriate hardship policy is a vital complement to any rate increase, to prevent marginalisation of vulnerable ratepayers. North Sydney Council has such provisions in place (and has recently refined them), which will serve to cushion pensioners, low-income earners, or others in genuine hardship from the impact of higher rates.

At the end of 2028-29, residential ratepayers would be paying an average (depending on the SV option) of between $307 and $481 more per year than they would under the normal rate increases.

The average increase in residential rates does not differ significantly among the five groups.
The average annual increase would be between $102 and $160 per year (2026-27, 2027-28, 2028-29), or $1.97 - $3.09 per week.

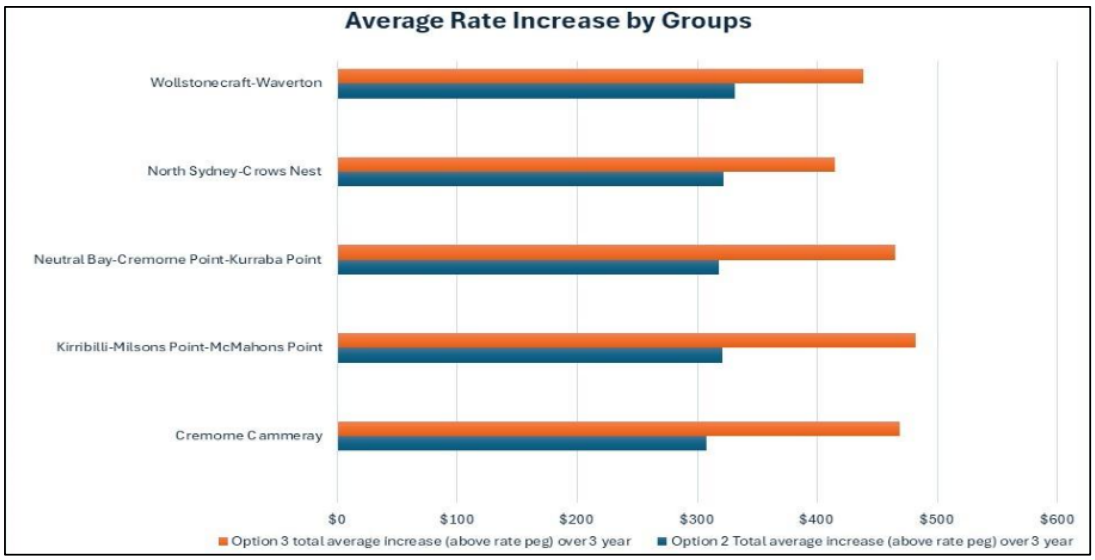


CHART 1: AVERAGE INCREASE BY GROUP - RESIDENTIAL (TOTAL INCREASE OVER 3 YEARS)

Business rates

North Sydney's business community demonstrates a strong capacity to absorb higher rates, supported by:

- Robust Economic Growth: The local economy grew by 33% over the past decade, with Gross Regional Product reaching $12.2 billion and over 15,000 new full-time jobs added.
- High-Value Commercial Property: Office rents in North Sydney and St Leonards are among the highest in Greater Sydney, reflecting strong demand and business affluence.
- Affluent Market Environment: All suburbs rank in the top 1% nationally for socio-economic advantage, ensuring strong consumer spending and business viability.
- Resilient Business Mix: Dominated by professional services, tech, and finance sectors, which are high-income and low risk.
- Low Rates Arrears: Business rate arrears remain below 4%, consistently outperforming metropolitan benchmarks, indicating reliable payment behaviour.
- Geographic Strength: The North Sydney–Crows Nest grouping contributes over half of business rate revenue and shows the highest capacity, while smaller centres like Neutral Bay and Cammeray remain stable and well-supported by local affluence.

Council's hardship provisions remain available for isolated cases, however overall, the business sector is well-positioned to manage proposed rate increases without significant financial strain.

Due to the significant size of individual landholdings within North Sydney, the majority of business assessments are calculated using the Ad Valorem. Higher densities property holdings owned individually, by nature, have a higher average rate than those with smaller individual landholdings or strata developments. Due to the number of large business land holdings, the calculation of average increases under the SV are not reflective of the broader assessment base. The current average business rates are lower than those of comparable councils with a CBD.

At an overall level, North Sydney's average business rates currently sit towards the lower end (using 2023-24 OLG time series data) when compared against comparable councils – seventh lowest from 18 Councils in OLG Group 3 as presented in the table below.

Ranking	Council	Average Business Rate ($)
1	Georges River	3,634
2	Canada Bay	3,705
3	Sutherland	3,726
4	Northern Beaches	4,047
5	Ku-ring-gai	4,454
6	Bayside	4,907
7	**North Sydney**	**6,318**
8	Inner West	6,696
9	Liverpool	6,766
10	Willoughby	7,236
11	Waverley	7,257
12	Canterbury-Bankstown	7,470
13	Cumberland	7,869

Ranking	Council	Average Business Rate ($)
14	Fairfield	8,704
15	Randwick	9,556
16	Blacktown	10,939
17	Ryde	10,974
18	Parramatta	12,763

TABLE 1: AVERAGE BUSINESS RATES (2023-24)[2]

After breaking business rates into five geographical groups, on average, business ratepayers across the LGA will receive an increase of between $671 and $3,920 over three years, depending on the SV option selected.

From all the groupings, North Sydney-Crows Nest would receive the highest average increase in rates of between $2,688 and $3,920 over three years. 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.

Under the proposed scenarios, business rates will move to the mid-top end of this grouping of comparable councils. The substantial increase in jobs (15,722 FTE) and value added by industry ($5,525 million) 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. All these factors indicate that there is capacity within the business community to absorb the potential rate rises.

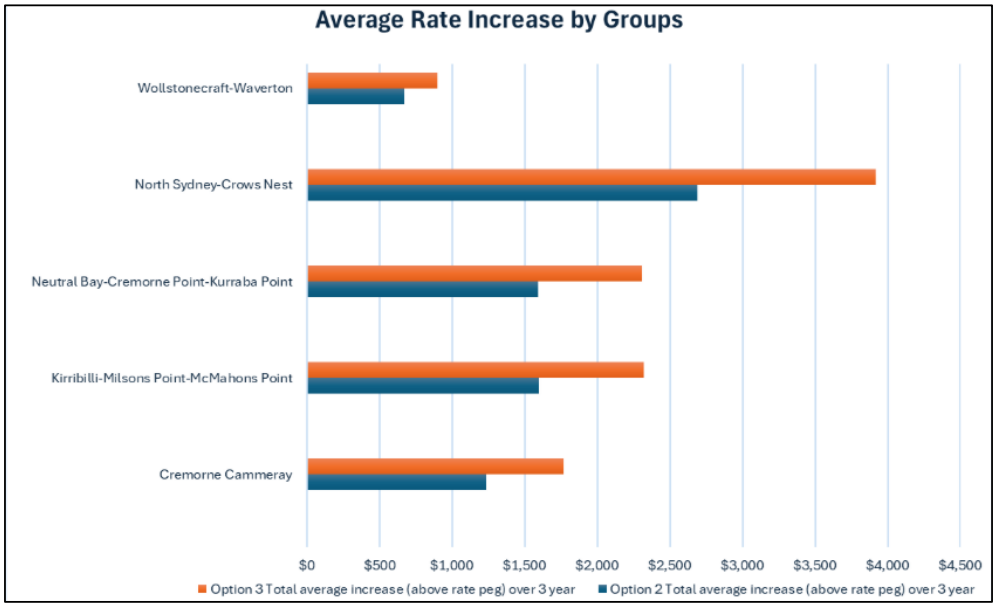


CHART 2: AVERAGE INCREASE BY GROUP – BUSINESS (TOTAL INCREASE OVER 3 YEARS)

- [2] Time series data for NSW councils, maintained by the Office of Local Government (OLG)

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
- Department of Social Services
- Time series data for NSW councils, maintained by the Office of Local Government (OLG)
- National Economics (NIEIR) - Modelled series

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 Table 2 and Figure 1.

Grouping	Population	Suburbs
Cammeray-Cremorne (identified green on map)	19,545	Cammeray, Cremorne
Kirribilli-Milsons Point-McMahons Point (blue)	10,183	Kirribilli, McMahons Point, Milsons Point -Lavender Bay
Neutral Bay-Cremorne Point-Kurraba Point (yellow)	14,193	Cremorne Point, Kurraba Point, Neutral Bay
North Sydney-Crows Nest (grey)	18,694	Crows Nest - St Leonards, North Sydney
Wollstonecraft-Waverton (pink)	11,537	Waverton, Wollstonecraft
North Sydney Council total	74,152	

TABLE 2: NORTH SYDNEY COUNCIL AREA GROUPING SUMMARY (2025)[3]

[3] Social atlas | North Sydney Council area | atlas.id

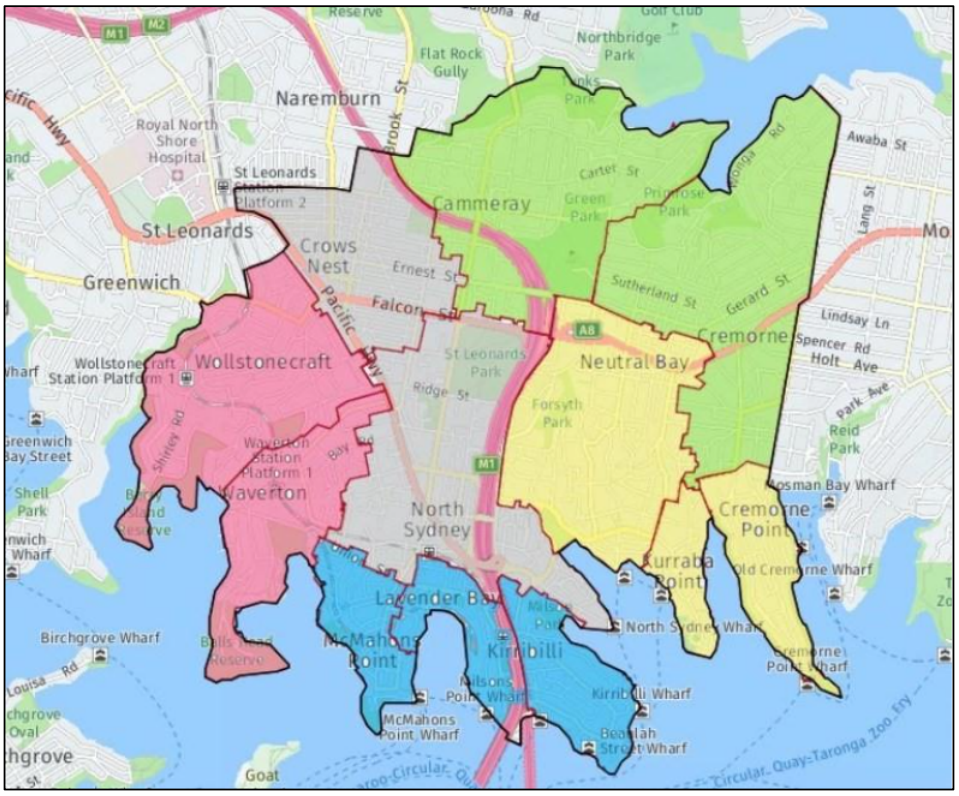


FIGURE 1: NORTH SYDNEY COUNCIL AREA MAP

Methodology

The methodology used in this report is grounded in OLG Criterion 3, which stipulates that Council must demonstrate the reasonableness of the impact on ratepayers. In undertaking this analysis, the report considers both quantitative and qualitative factors to ensure a comprehensive evaluation of community affordability and the fairness of the rate increase.

The report focuses on the following:

- ## Areas of social disadvantage
  Investigate the characteristics and composition of each area to identify any regions experiencing social disadvantage. This investigation includes:
  - Age structure of each region
  - Typical household composition
  - Household income, including the impact of dependants
  - SEIFA (Socio-Economic Indexes for Areas) rankings

- ## Particularly vulnerable groups of individuals
  Identify groups within each area who may be especially vulnerable and affected by changes in rates, even if the overall area is relatively wealthy. These include:
  - Persons requiring or receiving core assistance
  - Individuals currently unemployed

- Households experiencing housing stress
- Pensioners

- ### Patterns in household expenditure
  Examine trends in household expenditure and discuss potential impacts on individuals' ability to pay.

- ### Industry
  Compare employment by industry type, assess value added by each industry sector, and identify the key productive sectors.

The findings are then assessed against the proposed rating changes to identify whether any specific groups or individuals would experience a significant impact.

In addition, the report benchmarks North Sydney Council's average rates against those of other Group 3 councils and neighbouring councils, councils with comparable SEIFA rankings and councils with CBD areas. It also considers outstanding rates ratios and other indicators that provide insight into the community's capacity and willingness to pay increased rates.

Areas of social disadvantage and advantage

Each area has unique demographic characteristics. Our first step is to understand the people who live there - who they are, what they do, and how they live.

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 1,000.

This report explores 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.

A comparison summary, including related comparison metro and national percentiles, is provided in the following table.

Area	SEIFA IRSD	Percentile	SEIFA IRSAD	Percentile
Mosman Council area	1,110	98	1,169	100
Ku-ring-gai Council Area	1,108	98	1,165	100
Lane Cove Council Area	1,105	98	1,162	100
Hunters Hill Municipality	1,101	97	1,156	100
North Sydney Council area	1,096	96	1,164	100
NSROC Region	1,085	92	1,137	99
Hornsby Shire	1,082	91	1,116	97
Willoughby City	1,075	88	1,142	99
City of Ryde	1,055	76	1,099	95
Greater Sydney	1,010	48	1,045	82
Australia	1,001	42	1,003	60
New South Wales	1,000	42	1,016	67

TABLE 3: COMPARISON SEIFA SCORES AND PERCENTILES (2021)[4]

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 ISRD 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.

[4] Social atlas | North Sydney Council area | atlas.id

A grouping-level summary is provided in the following table.

Area	SEIFA IRSD	Percentile	SEIFA IRSAD	Percentile
Cammeray-Cremorne	1,101	97	1,162	100
Kirribilli-Milsons Point-McMahons Point	1,082	88	1,161	100
Neutral Bay-Cremorne Point-Kurraba Point	1,105	97	1,169	100
North Sydney-Crows Nest	1,093	95	1,169	100
Wollstonecraft-Waverton	1,111	99	1,170	100

TABLE 4: GROUPING-LEVEL SEIFA SCORES AND PERCENTILES (2021)[5]

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.

Suburb	SEIFA IRSD	Percentile	SEIFA IRSAD	Percentile
Kurraba Point	1118.4	99	1178.7	100
Wollstonecraft	1112.0	99	1170.9	100
Waverton	1109.5	98	1170.0	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 – Lavendar Bay	1092.3	95	1175.9	100
North Sydney	1089.2	94	1165.7	100
Neutral Bay	1087.5	93	1153.0	99
Kirribilli	1049.8	72	1135.4	99

TABLE 5: SUBURB SEIFA RANKINGS (2021)6

When scoring is considered at a suburb level, as shown in Table 5 on the previous page, 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 99th or 100th percentile. Kirribilli can therefore be considered to have some pockets of disadvantage, including being home to over 300 community housing units, however, overall is considered an extremely advantaged suburb, with substantial opportunity and wealth.

[5] Social atlas | North Sydney Council area | atlas.id
[6] Social atlas | North Sydney Council area | atlas.id

Summary

North Sydney Council ranks among the most advantaged areas in Australia, with all suburbs in the top 1–2% nationally for socio-economic advantage. The LGA's SEIFA scores are well above state and Sydney averages, indicating very low levels of disadvantage and high levels of opportunity, income, and education across all groupings. While there are minor differences between suburbs, every area is classified as highly advantaged.

The North Sydney LGA is one of the most advantaged areas in Australia and LGA's socio-economic profile reflects exceptional capacity to pay.

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.

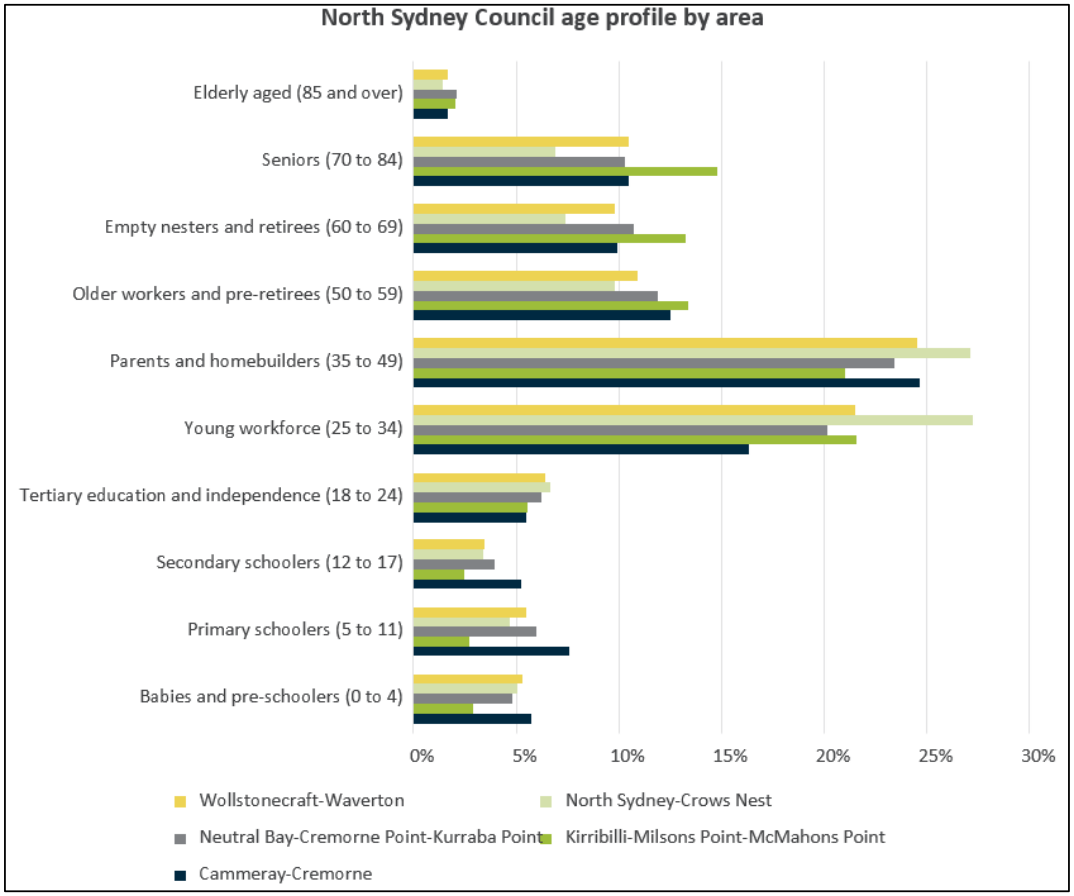


CHART 3: SERVICE AGE GROUPS (2021)[7]

[7] Home | North Sydney Council | Community profile

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.

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

TABLE 6: SERVICE AGE RANKINGS (2021) [7]

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%).

Summary

North Sydney's demographic profile supports its capacity to pay higher rates, with a large working-age population (64%), a strong presence of young professionals, and low dependency ratios (15%) compared to regional averages. These factors, combined with high income levels, indicate households are well positioned to absorb moderate rate increases.

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 chart.

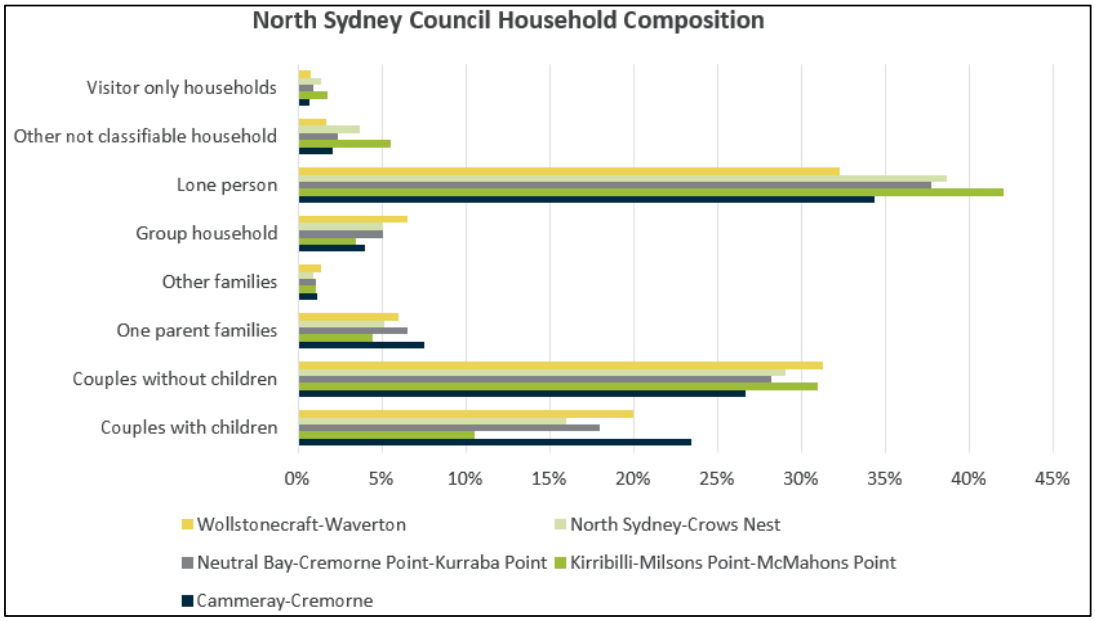


CHART 4: NORTH SYDNEY HOUSEHOLD COMPOSITION (2021)[7]

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 (18%) is significantly lower than the NSROC and Greater Sydney averages (36% and 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 is 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 32% in this category.

Summary

North Sydney Council has a higher proportion of households classified as 'at risk' (43%) compared to regional averages and this could suggest a reduced capacity to pay when considered in isolation from other indicators. However, this figure is largely driven by the

prevalence of lone-person households rather than one-parent families. Importantly, these lone-person households in North Sydney tend to be financially secure, well-educated professionals or retirees, rather than individuals experiencing economic hardship. The socio-economic profile of the area supports this distinction.

Only 4% of rateable dwellings in North Sydney receive pensioner rebates, which is significantly lower than in comparable metropolitan councils. This demonstrates that the proportion of elderly residents on fixed incomes is relatively small, and that most retirees in the area are not financially vulnerable. Furthermore, 2.5% of residents require daily assistance with core activities which is less than half the rate seen across Greater Sydney (5.2%), indicating a healthier, more independent population with fewer households facing compounded financial or care burdens.

The broader financial indicators reinforce this picture. Approximately 77% of households fall into the top half of NSW's income distribution, compared to around 55% in Greater Sydney. Even among lone-person households, many are high-income earners or homeowners with substantial equity, capable of meeting rate obligations without difficulty. Rates arrears remain consistently low, with only 3.7% of rates outstanding in 2024 which is well below the 5% benchmark, demonstrating that the community reliably meets its financial commitments.

Taken together, these factors show that while North Sydney may have more lone-person households, they are not inherently vulnerable in this context. The combination of high incomes, low pensioner dependency, minimal disability support needs, and strong payment history all point to a community with the capacity to absorb rate increases without widespread hardship.

Council's *Financial Hardship Policy* remains an important safety net for isolated cases, but the overall profile of ratepayers supports the conclusion that North Sydney remains well-positioned to manage higher rates.

Housing tenure

Analysis of housing tenure levels within the LGA provides insights into which households are most directly impacted by changes in council rates. Rate increases are borne directly by owner-occupiers, while renters are not expected to experience an immediate or equivalent impact due to the nature of residential lease arrangements.

Although rate increases may be passed through to tenants over the longer term, rental prices are primarily determined by market conditions rather than individual property outgoings. For example, it is unlikely that an equivalent rental property located on the North Sydney side of an LGA boundary would attract a materially different market rent to a comparable property on the Mosman side of the same street solely due to differences in council rates, or borrowing costs etc., borne by the owner of the property.

Private rental properties, which make up 49% of residential dwellings in North Sydney, are predominantly owned by investors, who can offset rate increases through taxation deductions

and other concessions available for rental outgoings. As a result, the net financial impact of rate increases on investor-owned properties is generally lower than that experienced by owner-occupied households.

Social housing rents are typically calculated as a percentage of household income, plus any Commonwealth Rent Assistance, making them income-dependent rather than based purely on market rates or outgoings.[8] Consequently, these households are largely insulated from changes in council rates.

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**	**5,133**	**6,640**	**8,324**	**5,263**	**33,790**

TABLE 7: NORTH SYDNEY COUNCIL HOUSING TENURE (2021)[9]

The North Sydney LGA resident ratepayer (fully owned plus mortgaged) average of 45% 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 in line 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.

[8] NSW Community Housing Rent Policy

[9] Housing tenure | North Sydney Council | Community profile

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 57%. The overall LGA private renter average is well above the NSROC and Greater Sydney averages (33% and 35% respectively). As outlined above, while it is possible that rate increases could be passed on over the longer term, rental prices are typically driven by market forces rather than outgoings. Most renters live in apartments, which are generally subject to the minimum residential rate. Under Option 3, this minimum rate will increase by $396 cumulative over three years, which is $7.60 per week. Compared to the median weekly unit rent of $800 in North Sydney, this represents less than 1% of weekly rent, suggesting that investors and lessees can absorb the increase without significant hardship. This does not take into account likely tax benefits which would reduce the impact further.

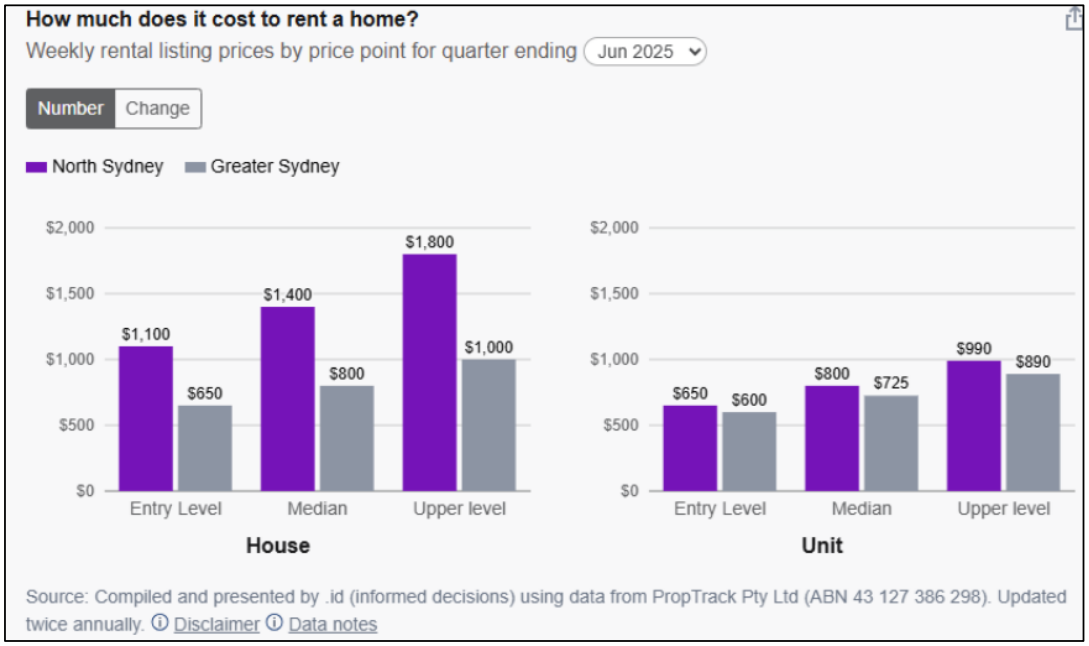


CHART 5: WEEKLY RENTAL PRICE COMPARISON OF NORTH SYDNEY AND GREATER SYDNEY (2025)[10]

The chart on the next page demonstrates that rental prices follow general market forces, with the North Sydney market closely tracking the broader trends observed across Greater Sydney. This alignment suggests that, despite local variations, the pricing dynamics in North Sydney are largely influenced by the wider Sydney rental market.

[10] North Sydney Council | housing monitor

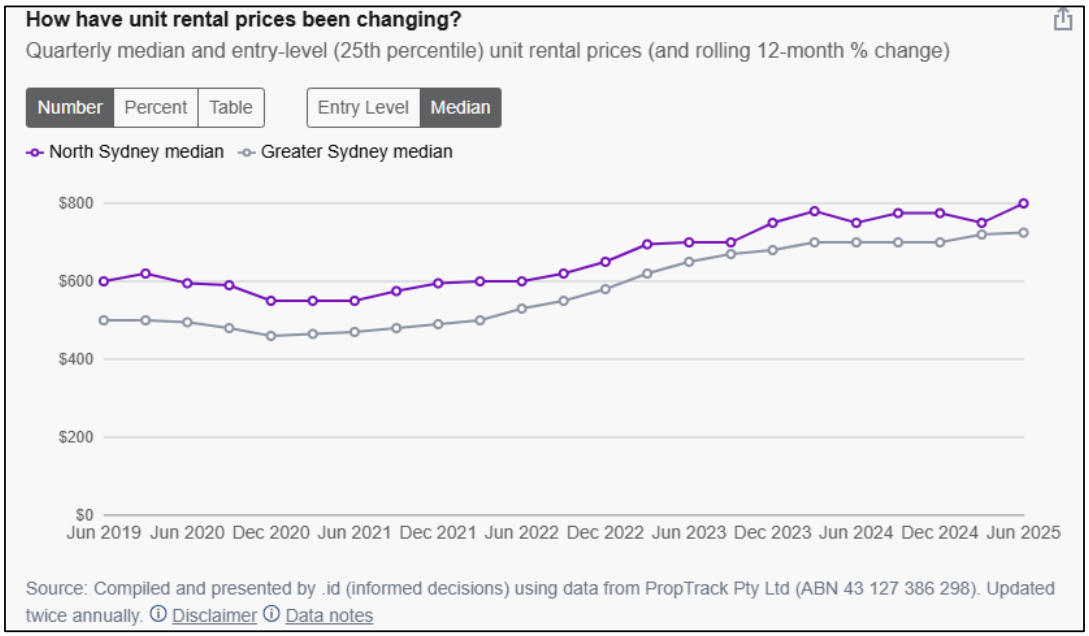


CHART 6 :UNIT PRICES TREND COMPARISON OF NORTH SYDNEY AND GREATER SYDNEY[11]

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 are unlikely to be impacted by the increase. Rentals are typically set as a percentage of household income, plus any Commonwealth Rent Assistance, making them income-dependent rather than based purely on market rates or outgoings.

Summary

While homeowners will experience the most direct impact from rate changes, the overall financial impact on most renters is expected to be minimal, given the small proportion of rate increases relative to median rents, the nature of market pricing, and the possible tax concessions enjoyed by investors.

Household income

North Sydney LGA ranks among the most affluent communities in Australia. Even when adjusting for household size (using equivalised income, which standardises income to a "per standard household" basis), North Sydney's incomes are significantly higher than Greater Sydney and the NSROC region.

Median weekly household income (gross, 2021 Census): $2,526 per week. This is the actual median income of households in 2021, unadjusted for household size, and far exceeds the Greater Sydney median of $2,099. Within the City, median household incomes range from a low of $2,310 in Kirribilli to a high of $3,202 in Kurraba Point.

[11] North Sydney Council | housing monitor

Analysis of household income levels in North Sydney Council area in 2021 compared to Greater Sydney shows that there was a larger proportion of high-income households (those earning $3,000 per week or more) and a lower proportion of low-income households (those earning less than $800 per week).

Overall, 43.2% of the households earned a high income and 12.0% were low-income households, compared with 30.1% and 17.9% respectively for Greater Sydney.

When adjusted for household size (*equivalised*), North Sydney's median remains well above state averages – in fact, over three-quarters of North Sydney households had an equivalised income above the NSW median in 2021.

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.

Chart 7 compares equivalised North Sydney income to Greater Sydney.

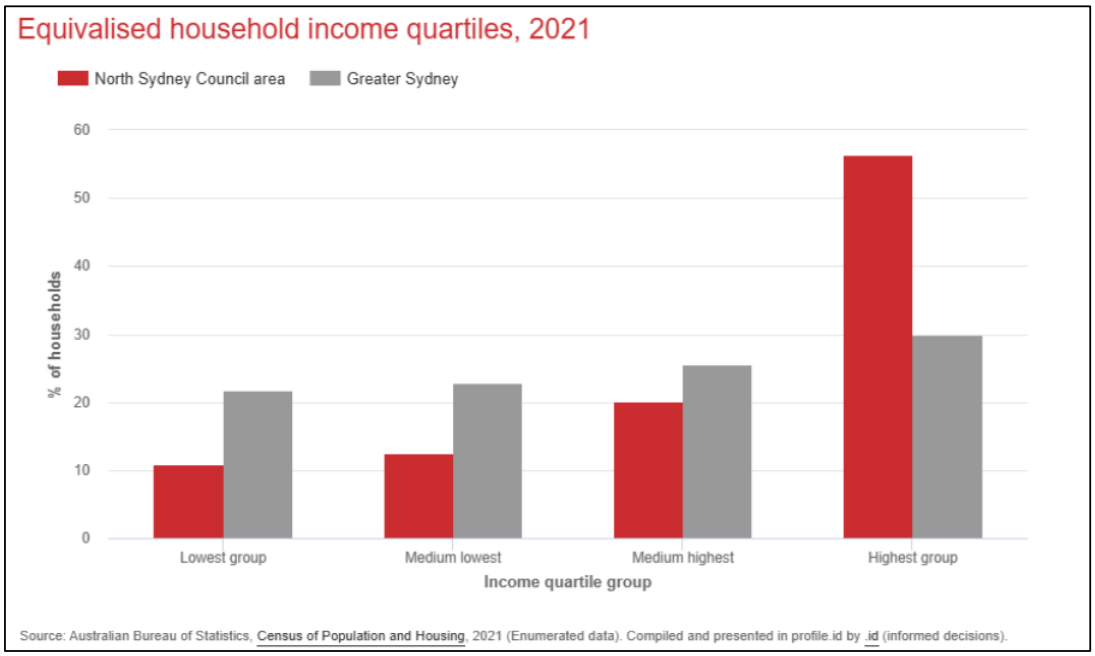


CHART 7: EQUIVALISED HOUSEHOLD INCOME QUARTERLIES (2021)[12]

Chart 8 summarises the equivalised household income ranges for each area.

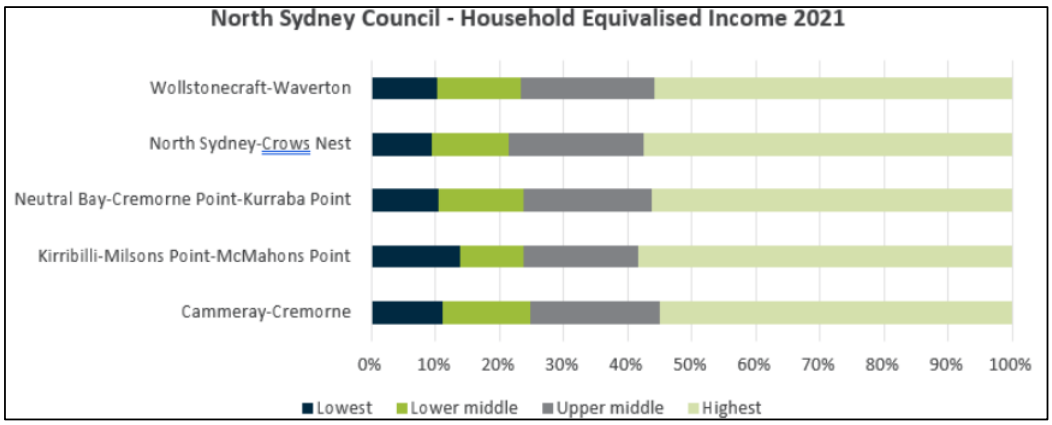


CHART 8: NORTH SYDNEY COUNCIL - HOUSEHOLD EQUIVALISED INCOME (2021) [11]

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.

[12] Equivalised household income | North Sydney Council | Community profile

The most significant change in North Sydney Council area between 2016 and 2021 was in the medium highest quartile which showed an increase of 1,050 households.
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 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%).

Summary

North Sydney LGA is highly affluent, with a median weekly household income of $2,526, well above Greater Sydney ($2,099). 43% of households earn $3,000+ per week, and only 12% are low-income, compared to 30% and 18% regionally. When adjusted for household size, 77% of households fall into the top two income quartiles, confirming strong economic capacity and minimal disparity across the LGA.

Residential rates to annual household income ratio

The chart below demonstrates the ratio between annual average residential rates and median annual household income for North Sydney Council, in comparison to metropolitan and fringe metropolitan councils, based on information from ABS and Time Series data 2023-24. The ratio for North Sydney residents is the second lowest out of 33 councils, indicating that North Sydney residents spend the second lowest percentage of their household income on rates. In fact, the ratios for Wollondilly, Central Coast, Burwood, Campbelltown, Canterbury-Bankstown, Hawkesbury, and Penrith are more than double that of North Sydney. This suggests that there is capacity for North Sydney ratepayers to pay higher rates.

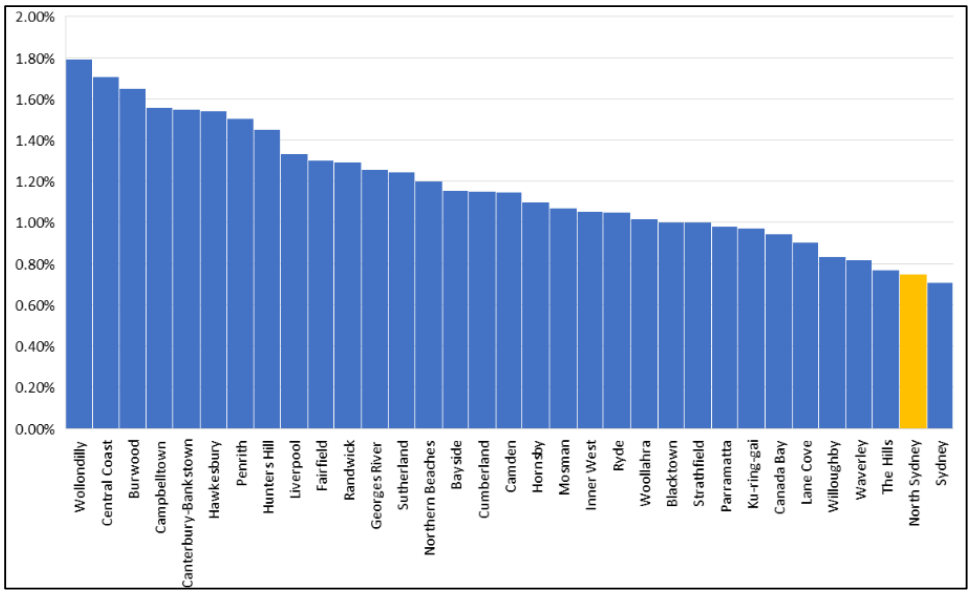


CHART 9: AVERAGE RESIDENTIAL RATE TO MEDIAN HOUSEHOLD INCOME (2023/24) [13]

Summary

North Sydney residents spend one of the lowest proportions of household income on council rates among 33 metropolitan and fringe councils - second lowest overall. In contrast, several councils have ratios more than double North Sydney's. This indicates strong capacity for North Sydney ratepayers to absorb potential rate increases without significant financial strain.

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.

Workforce status	Cammeray -Cremorne	Kirribilli-Milsons Point-McMahons Pt	Neutral Bay-Cremorne Point-Kurraba Point	North Sydney-Crows Nest	Wollstonecraft-Waverton	North Sydney LGA
Employed	97%	96%	96%	97%	97%	97%

- [13] Time series data for NSW councils, maintained by the Office of Local Government (OLG) and ABS data

Employed full-time	66%	68%	67%	71%	70%	68%
Employed part-time (p/t)	24%	22%	50%	58%	48%	50%
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 p/t work	1%	1%	2%	1%	1%	1%
Total labour force	**10,799**	**5,644**	**8,468**	**10,763**	**6,980**	**42,668**

TABLE 8: COMMUNITY WORKFORCE STATUS (2021)[14]

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%.
According to the Labour Market Dashboard prepared by Australian Government – Jobs and Skills Australia, as at the end of June 2025, the unemployment rate as at the end of June 2025, remained within the 4% range. This indicates that the workforce landscape hasn't significantly changed and using 2021 data as a baseline is appropriate.

Summary

A low unemployment rate is a strong indicator of ratepayers' capacity to pay.

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.

Group Category	Statutory pensioner assessments	Total Assessments	Statutory pensioner assessments %
Cammeray-Cremorne	444	8,977	5%
Kirribilli-Milsons Point-McMahons Point	117	5,830	2%
Neutral Bay-Cremorne Point-Kurraba Point	266	7,421	4%

[14] Employment status | North Sydney Council | Community profile

North Sydney-Crows Nest	279	9,407	3%
Wollstonecraft-Waverton	226	5,712	4%
Grand Total	**1,332**	**37,347**	**4%**

TABLE 9: PENSIONERS RECEIVING REBATES COMPARED TO TOTAL NO. OF ASSESSMENTS (2023/24)

It is observed that the grouping with the largest proportion of pensioners is Cammeray-Cremorne (5%), which has 34% of the LGA's pensioners (444 individuals). Kirribilli-Milsons Point-McMahons Point has the lowest proportion and number of pensioner rebates, at 2% or 117 individuals, which is lower than the LGA average of 4%.

The average proportion of residential pensioners across Group 3 councils is 10%, with a range from 4% to 21%. North Sydney sits at the lowest end of this range, despite 16.7% of its population being aged 65 and over (compared to 15.2% for Greater Sydney and 17.4% for the NSROC region).

Eligible pensioners have access to mandatory rebates (up to a maximum of $250 per year) on their rates. In addition to the mandatory rebates, North Sydney Council also offers further support to pensioners through a voluntary domestic waste rebate, providing a 50% discount on the standard Domestic Waste Management Charge (DWMC), which equates to $242 in the 2025/26 financial year.

Summary

Only 4% of North Sydney assessments receive statutory pensioner rebates, compared to a Group 3 council average of 10%, despite 16.7% of the population being aged 65+. This low uptake reflects that most retirees are not eligible for concessions, indicating they have sufficient financial resources. Eligible pensioners receive mandatory rebates of up to $250 per year, plus a voluntary domestic waste rebate of $242, ensuring support for those most in need.

The low proportion of pensioner concessions, despite a sizeable retiree population, is a strong indicator of high overall capacity to pay among retirees in North Sydney.

Core assistance

Table 10 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.

Assistance required	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**	**2.5 %**

TABLE 10: NUMBER OF PEOPLE REQUIRING CORE ASSISTANCE (2021)[15]

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

Summary

2.5% of North Sydney residents require core assistance with daily activities, well below NSROC (4%), Greater Sydney (5%), and NSW (6%) averages. Even in the highest groupings - Kirribilli-Milsons Point-McMahons Point and Wollstonecraft-Waverton - the proportion is 3%, indicating a relatively small vulnerable population compared to other regions.

Housing stress

Housing stress is a specific term which refers to households having trouble meeting their financial housing obligations – rent or mortgage payments. For those who are purchasing or renting their dwellings, we use the definition of housing stress used by some State Governments across Australia, which is households in prescribed income brackets, spending more than 30% of their gross household income on either rent or mortgage repayments. Income brackets for this definition are classified as Very Low (< 50% of median), Low (50% to 80% of median), and Moderate (80% to 120% of median). Households on high incomes are not counted as being in housing stress, even if payments are above 30% of income, as this is more likely to contain an element of choice (e.g. paying extra on a mortgage to complete the loan sooner).

Housing stress is expressed as a percentage of total households, (i.e. includes full homeowners) and so is often lower than either mortgage or rental stress on its own.

Households facing housing stress are highly likely to be under significant financial stress and vulnerable to sudden increases in council rates.

Within the North Sydney Council area, 3,134 households, accounting for 9.3% of all households, are experiencing housing stress, which may involve either mortgage or rental stress as discussed in greater detail in this report.

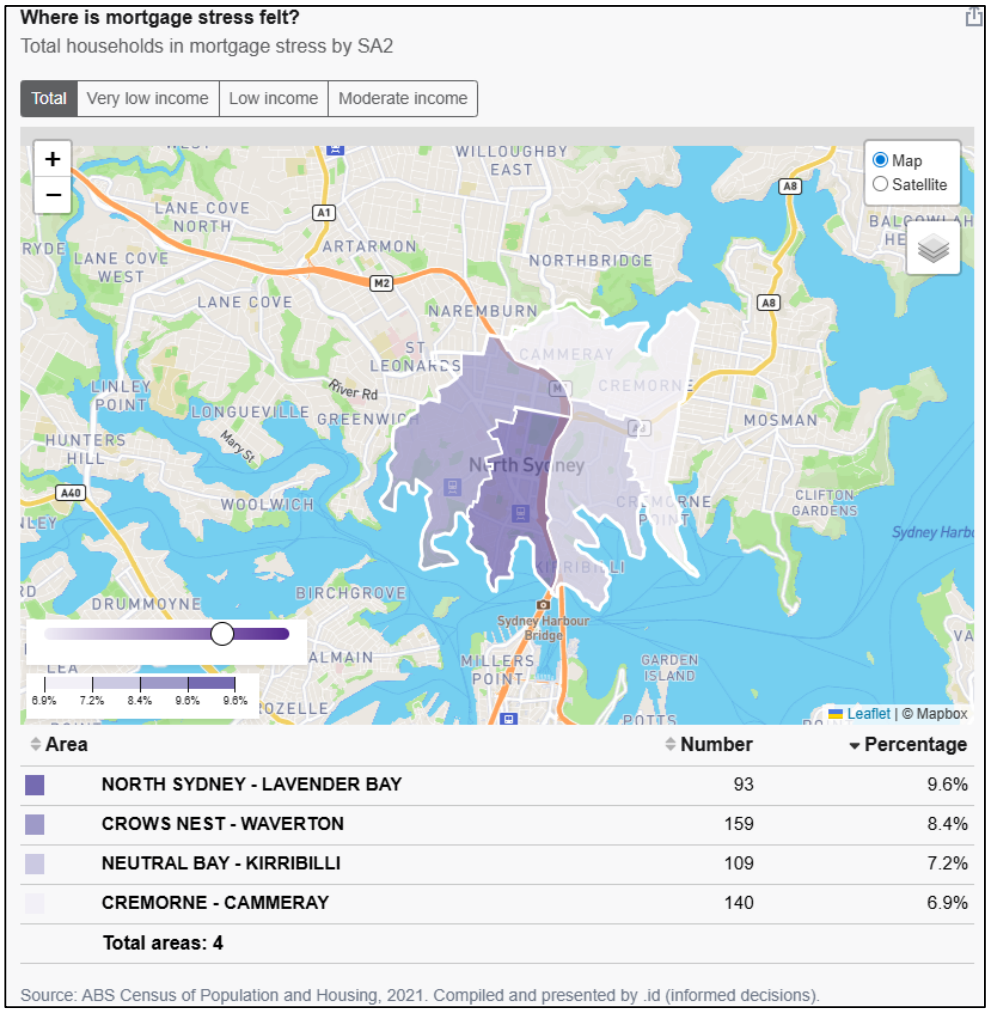
Mortgage stress

A comparison of households - where mortgage costs exceed 30% of income - is as follows (excluding high and very high-income brackets as required by “housing stress” definition): of the 6,636 households with a mortgage in North Sydney, 538 (8.1%) are in mortgage stress. This is significantly lower than the Greater Sydney average of 14.5%.

Each of the geographical areas, as summarised in the table below, individually does not exceed the Greater Sydney average for mortgage stress.

[15] Need for assistance | North Sydney Council | Community profile

The North Sydney–Lavender Bay area exhibits the highest level of mortgage stress within the region, affecting 9.6% of households. This equates to 93 households experiencing mortgage repayments that exceed 30% of their gross income. Despite being the highest in the local government area, this proportion remains below the benchmarks for the broader region, indicating comparatively lower levels of vulnerability.



Area	Number	Percentage
NORTH SYDNEY - LAVENDER BAY	93	9.6%
CROWS NEST - WAVERTON	159	8.4%
NEUTRAL BAY - KIRRIBILLI	109	7.2%
CREMORNE - CAMMERAY	140	6.9%
Total areas: 4		

Source: ABS Census of Population and Housing, 2021. Compiled and presented by .id (informed decisions).

FIGURE 2: HOUSEHOLD WHERE MORTGAGE COSTS EXCEED 30% OF INCOME (EXCLUDING HOUSEHOLDS ON HIGH INCOMES) [16]

Summary

North Sydney residents' mortgage stress is below the NSROC and Greater Sydney averages. Overall, 1.44% of residential ratepayers (538 divided by 37,347 total assessments) are experiencing mortgage stress.

[16] Housing Stress | North Sydney Council | housing monitor

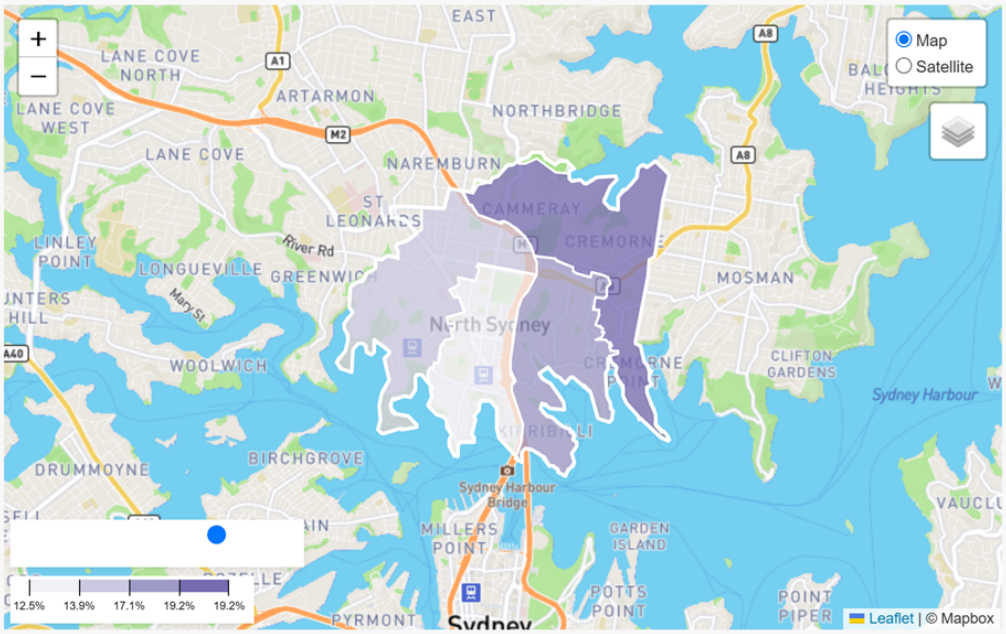
Council's *Financial Hardship Policy* provides support for households experiencing difficulty adjusting to increased rates.

Rental stress

While it is possible that rate increases could be passed on over the longer term, rental process is typically driven by market forces rather than outgoings. Regardless, it is 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 (excluding high income households).

Where is rental stress felt?

Total households in rental stress by SA2



Area	Number	Percentage
CREMORNE - CAMMERAY	690	19.2%
CROWS NEST - WAVERTON	570	13.9%
NEUTRAL BAY - KIRRIBILLI	739	17.1%
NORTH SYDNEY - LAVENDER BAY	443	12.5%
Total areas: 4		

Source: ABS Census of Population and Housing, 2021. Compiled and presented by .id (informed decisions).

FIGURE 3: HOUSEHOLDS WHERE RENTAL COSTS EXCEED 30% INCOME (2021) [17]

Across the LGA, of the 16,431 households in private rentals in North Sydney, 2,596 (15.8%) are in rental stress which is below the NSROC (33%) and Greater Sydney averages of 28.6%. Cremorne-Cammeray has the highest proportion of all groupings at 19.2% (690 households), which is still below the Greater Sydney average.

[17] Housing Stress | North Sydney Council | housing monitor

Summary

North Sydney residents' rental stress is significantly below the NSROC and Greater Sydney averages. Overall, 6.95% of residential ratepayers (2,596 divided by 37,347 total assessments) are experiencing mortgage stress. As discussed within this report, rental prices for investment properties are typically determined by market forces rather than unique property outgoings.

Trends in cost of living

The cost of living refers to the expenses required to maintain a particular standard of living. It is important to identify trends in future costs, especially in relation 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.

Household expenditure	2023/24		2018/19		Change		
Household expenditure (totals)	$ per household	% of expenditure	$ per household	% of expenditure	$ per household	% of expenditure	%
Food	$18,671	9.6%	$18,295	9.1%	$376	1%	2%
Alcoholic Beverages & Tobacco	$6,772	3.5%	$8,831	4.4%	-$2,059	-1%	-23%
Clothing & Footwear	$7,903	4.1%	$6,737	3.4%	$1,166	1%	17%
Furnishings & equipment	$8,925	4.6%	$8,667	4.3%	$258	0%	3%
Health	$11,444	5.9%	$9,908	4.9%	$1,536	1%	16%
Transport	$23,861	12.3%	$25,424	12.7%	-$1,563	0%	-6%
Communications	$3,609	1.9%	$3,118	1.6%	$491	0%	16%
Recreation & Culture	$19,990	10.3%	$19,761	9.8%	$229	0%	1%
Education	$6,085	3.1%	$5,894	2.9%	$191	0%	3%
Hotels, Cafes, & Restaurants	$18,165	9.4%	$17,347	8.6%	$818	1%	5%
Miscellaneous Goods & Services	$25,241	13.0%	$26,409	13.2%	-$1,168	0%	-4%
Housing	$37,751	19.5%	$44,516	22.2%	-$6,765	-3%	-15%
Utilities	$5,462	2.8%	$5,862	2.9%	-$400	0%	-7%
Total Expenditure	$193,878	100.0%	$200,770	100.0%	-$6,892	0%	-3%
Net Savings	$43,626	18.4%	$43,568	17.8%	$58	1%	0%
Total Disposable Income	$237,505	0%	$244,338	0%	-$6,833		-3%
Non-discretionary	108,701	56%	113,860	57%	-5,159	-1%	-5%
Discretionary	85,178	44%	86,909	43%	-1,733	1%	-2%
Source: National Institute of Economic and Industry Research (NIEIR) ©2025.Compiled and presented in economy.id by.id (informed decisions).							

TABLE 11: FIVE-YEAR COMPARISON COST OF LIVING IN NORTH SYDNEY COUNCIL LGA

***NON-DISCRETIONARY SPENDING INCLUDES THE FOLLOWING CATEGORIES: FOOD, CLOTHING AND FOOTWEAR, HEALTH, TRANSPORT, COMMUNICATIONS, HOUSING AND UTILITIES**

Table 11 on the previous page illustrates that, over the past five years, total disposable income across the LGA has declined by an average of $6,833 (3%). Despite this reduction, net annual savings have marginally increased by $58 to $43,626 per year as a result of reduced spending.

Total household expenditure has decreased by $6,892 (3%), driven primarily by a 5% reduction in discretionary spending, while net savings have remained stable. The most significant reductions occurred in housing expenses (-$6,765), alcoholic beverages and tobacco (-$2,059), and transport (-$1,563).

This trend is consistent with patterns observed across Greater Sydney (Table 12, below), where total disposable income fell by 2.5%. However, Greater Sydney households experienced a 6% decline in net savings (approximately $1,607), whereas North Sydney residents maintained savings at previous levels.

Based on 2023/24 data, North Sydney households allocated, on average, 3% more of their income to net savings compared with households across Greater Sydney, highlighting stronger financial resilience within the LGA.

	2023/24				2018/19			
Household expenditure (totals)	NSC $ per household	NSC % of expenditure	Greater Sydney	Greater Sydney %	NSC $ per household	NSC % of expenditure	Greater Sydney	Greater Sydney %
Food	$18,671	9.6%	$13,72	9.5%	$18,295	9.1%	$13,294	9.1%
Alcoholic Beverages & Tobacco	$6,772	3.5%	$4,984	3.5%	$8,831	4.4%	$6,417	4.4%
Clothing & Footwear	$7,903	4.1%	$5,823	4.0%	$6,737	3.4%	$4,892	3.3%
Furnishings & equipment	$8,925	4.6%	$6,561	4.6%	$8,667	4.3%	$6,299	4.3%
Health	$11,444	5.9%	$8,829	6.1%	$9,908	4.9%	$7,831	5.3%
Transport	$23,861	12.3%	$16,302	11.3%	$25,424	12.7%	$18,039	12.3%
Communications	$3,609	1.9%	$2,633	1.8%	$3,118	1.6%	$2,271	1.5%
Recreation & Culture	$19,990	10.3%	$14,642	10.2%	$19,761	9.8%	$14,388	9.8%
Education	$6,085	3.1%	$5,257	3.7%	$5,894	2.9%	$4,968	3.4%
Hotels, Cafes & Restaurants	$18,165	9.4%	$12,066	8.4%	$17,347	8.6%	$12,009	8.2%
Miscellaneous Goods & Services	$25,241	13.0%	$18,319	12.7%	$26,409	13.2%	$19,438	13.3%
Housing	$37,751	19.5%	$30,752	21.4%	$44,516	22.2%	$32,454	22.1%
Utilities	$5,462	2.8%	$3,978	2.8%	$5,862	2.9%	$4,287	2.9%
Total Expenditure	$193,878	100.0%	$143,868	100.0%	$200,770	100.0%	$146,587	100.0%
Net Savings	$43,626	18.4%	$25,688	15.2%	$43,568	17.8%	$27,295	15.7%

Total Disposable Income	$237,505	0%	$169,556	0%	$244,338	0%	$173,883	0%
Source: National Institute of Economic and Industry Research (NIEIR) ©2025.Compiled and presented in economy.id by.id (informed decisions).								

TABLE 12: FIVE-YEAR COMPARISON OF COST OF LIVING IN NORTH SYDNEY COUNCIL LGA VS GREATER SYDNEY

Summary

Stable savings levels and reduced housing costs, despite minor income declines, indicate that North Sydney households maintain a high capacity to absorb moderate rate increases without significant financial stress.

Industry

In 2024, the primary industries in the North Sydney LGA, ranked by full-time equivalent (FTE) employment, are as follows:

- professional, scientific and technical services, representing 36.6% of total employment. This sector continues to dominate as the major employer within the region.
- financial and insurance services accounting for 11.2% of FTE positions. This industry maintains its place as a significant contributor to local employment.
- information media and telecommunications with 9.8% of employment. This sector has seen notable growth over the past decade.

In combination, these three fields accounted for 53,929 people in total, or 57.6% of the local workers.

In comparison, Greater Sydney employed 13.9% in Professional, Scientific and Technical Services; 7.7% in Financial and Insurance Services and 2.5% in Information Media and Telecommunications.

The major differences between the jobs held by the full-time equivalent local workers of North Sydney Council area and Greater Sydney were:

- a *larger* percentage of full-time equivalent local workers employed in Professional, Scientific and Technical Services (36.6% compared to 13.9%);
- a *larger* percentage of full-time equivalent local workers employed in Information Media and Telecommunications (9.8% compared to 2.5%);
- a *smaller* percentage of full-time equivalent local workers employed in Health Care and Social Assistance (5.7% compared to 12.9%);
- a *smaller* percentage of full-time equivalent local workers employed in Transport, Postal and Warehousing (1.6% compared to 6.1%).

Full-time equivalent employment by industry sector							
North Sydney Council area			**2023/24**			**2013/14**	**Change**
Industry	**Number**	**%**	**Greater Sydney**	**Number**	**%**	**Greater Sydney**	**2013/14 - 2023/24**
Professional, Scientific and Technical Services	34,264	36.6	13.9	24,329	31.3	11.1	+9,935
Financial and Insurance Services	10,467	11.2	7.7	8,884	11.4	7.0	+1,583
Information Media and Telecommunications	9,198	9.8	2.5	5,439	7.0	3.3	+3,759
Construction	7,291	7.8	8.6	4,752	6.1	9.2	+2,539
Health Care and Social Assistance	5,287	5.7	12.9	4,183	5.4	10.1	+1,104
Education and Training	3,999	4.3	7.8	3,675	4.7	7.0	+324
Retail Trade	3,599	3.8	8.1	3,068	3.9	8.5	+532
Public Administration and Safety	2,901	3.1	6.3	3,001	3.9	5.7	-100
Administrative and Support Services	2,888	3.1	2.8	3,477	4.5	3.2	-589
Accommodation and Food Services	2,263	2.4	4.7	3,455	4.4	5.6	-1,193
Manufacturing	2,218	2.4	6.3	2,521	3.2	8.5	-303
Wholesale Trade	2,085	2.2	3.9	2,461	3.2	5.0	-376
Rental, Hiring and Real Estate Services	2,021	2.2	2.0	1,939	2.5	2.1	+83
Other Services	1,690	1.8	3.0	2,148	2.8	4.0	-458
Transport, Postal and Warehousing	1,480	1.6	6.1	1,947	2.5	6.3	-467
Arts and Recreation Services	1,033	1.1	1.7	1,097	1.4	1.6	-64
Mining	474	0.5	0.3	585	0.8	0.4	-111
Electricity, Gas, Water and Waste Services	294	0.3	1.0	803	1.0	1.1	-510
Agriculture, Forestry and Fishing	118	0.1	0.5	85	0.1	0.4	+33
Total industries	93,571	100.0	100.0	77,849	100.0	100.0	+15,722
Source: National Institute of Economic and Industry Research (NIEIR) ©2025.Compiled and presented in economy.id by.id (informed decisions). NIEIR-ID data are adjusted each year, using updated employment estimates.							

TABLE 13: FULL-TIME EQUIVALENT EMPLOYMENT BY INDUSTRY SECTOR

When compared to data from 2014, the overall order of prevailing industries has remained consistent. In 2014, professional, scientific, and technical services accounted for 31.3% of employment, financial and insurance services for 11.4%, information media and telecommunications for 7%, and construction for 6.1%. Over the past ten years, there has been an increased concentration in professional, scientific, and technical services (+9,935 FTEs), information media and telecommunications (+3,759 FTEs), and construction (+2,539 FTEs). Conversely, the accommodation and food services sector has experienced a decrease in its share of employment, declining by 2% (-1,193 FTEs).

The number of full-time equivalent local workers in North Sydney Council area increased by 15,722 between 2013/14 and 2023/24.

In North Sydney Council, 48,677 residents were employed as of June 2024. The chart below shows a consistent post-pandemic increase, suggesting economic growth.

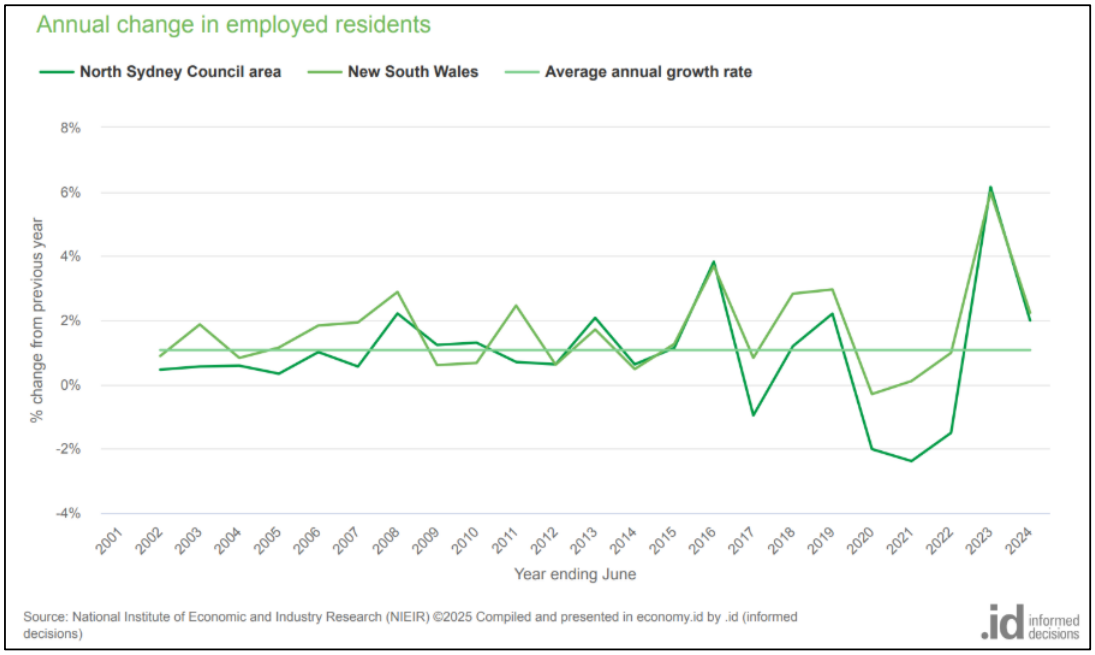


CHART 10: ANNUAL CHANGE IN EMPLOYED RESIDENTS

In line with the FTE allocation per industry, an analysis of the valued added by industry sectors in North Sydney Council area in 2023-24 shows the three largest industries were:

- professional, scientific and technical services (5,980 million or 27.3%)
- information media and telecommunications (3,978 million or 18.2%)
- financial and insurance services (2,828 million or 12.9%)

In combination, these three industries accounted for 12,786 million in total, or 58.4% of the total value added by industry in the North Sydney Council area.

In comparison, the same three industries in Greater Sydney accounted for 13.0% in professional, scientific and technical services; 5.0% in information media and telecommunications, and 14.8% in financial and insurance services.

The total value added by industry in North Sydney Council area increased by $5,525 million between 2013-14 and 2023-24.

The largest changes in the value added by industries between 2013-14 and 2023-24 in North Sydney Council area were for:

- information media and telecommunications (+$2,993 million)
- professional, scientific and technical services (+$1,894 million)
- construction (+$739 million)

- rental, hiring and real estate services (+$176 million).

North Sydney Council area	2023/24					2013/14	Change
Industry	**$m**	**%**	**Greater Sydney**	**$m**	**%**	**Greater Sydney**	**2013/14 - 2023/24**
Agriculture, Forestry and Fishing	16.4	0.1	0.3	4.7	0.0	0.3	+11.6
Mining	141.0	0.6	0.4	255.6	1.6	0.5	-114.6
Manufacturing	475.4	2.2	6.8	663.5	4.1	8.5	-188.1
Electricity, Gas, Water and Waste Services	131.1	0.6	1.7	338.6	2.1	2.3	-207.5
Construction	2,241.4	10.2	8.0	1,502.7	9.2	8.3	+738.7
Wholesale Trade	661.6	3.0	5.7	580.6	3.5	5.9	+81.0
Retail Trade	453.1	2.1	4.7	339.5	2.1	5.2	+113.6
Accommodation and Food Services	271.3	1.2	2.7	325.1	2.0	2.9	-53.8
Transport, Postal and Warehousing	384.5	1.8	6.5	486.7	3.0	7.1	-102.2
Information Media and Telecommunications	3,977.9	18.2	5.0	984.9	6.0	3.4	+2,993.0
Financial and Insurance Services	2,828.4	12.9	14.8	2,886.3	17.6	15.9	-57.8
Rental, Hiring and Real Estate Services	949.8	4.3	4.4	773.8	4.7	4.3	+176.0
Professional, Scientific and Technical Services	5,980.1	27.3	13.0	4,086.6	25.0	10.4	+1,893.5
Administrative and Support Services	1,450.8	6.6	5.2	1,283.4	7.8	4.9	+167.4
Public Administration and Safety	538.9	2.5	5.1	542.8	3.3	5.0	-3.9
Education and Training	535.4	2.4	5.4	546.5	3.3	5.7	-11.2
Health Care and Social Assistance	617.6	2.8	7.7	477.0	2.9	6.4	+140.6
Arts and Recreation Services	116.2	0.5	0.9	129.6	0.8	1.0	-13.4
Other Services	128.4	0.6	1.5	166.2	1.0	2.0	-37.8
Total industries	21,899.4	100.0	100.0	16,374.2	100.0	100.0	+5,525.2
Source: National Institute of Economic and Industry Research (NIEIR) ©2025.Compiled and presented in economy.id by.id (informed decisions).							

TABLE 14: VALUE ADDED BY INDUSTRY SECTOR

Despite having relatively low rates as compared with other CBD locations, 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 $855 and $645 per square metre respectively. This indicates that it is unlikely that an increase in rates alone will have a significant impact on the ability to attract tenants or influence investment decisions.

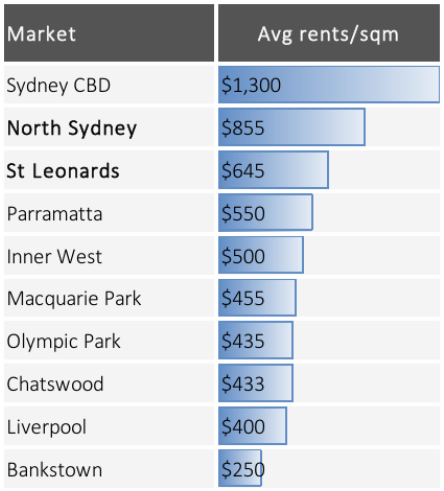


CHART 11: AVERAGE RENT PER SQUARE METER (2024)[18]

Summary

The overall value added by industries for the North Sydney LGA has increased by $5.5 billion since 2013-14, which, when combined with the significant increase in full-time equivalent jobs of 15,722, highlights a significant level of increasing opportunity and advantage within the area.

Average rents when compared with other CBD locations suggests an increase in rates based on SV options will not have material influence on the ability to attract tenants or broader investment decisions.

Impacts on small businesses within the LGA

This section addresses IPART's concerns about how North Sydney Council's proposed Special Variation (SV) may affect local business viability. According to last year's IPART report: *Submissions highlighted that rate increases could make it harder for small businesses like retailers and cafes to operate, increasing risks of closures and job losses, and potentially weakening the local economy rather than supporting recovery*.

According to ABS data (Table 27) as at 30 June 2025, of the 15,284 registered businesses in North Sydney, 7,718 report annual turnover below $200,000. However, this figure alone does not accurately reflect vulnerability. Many of these businesses operate in industries such as professional, scientific and technical services (2,076 businesses), financial and insurance services (1,018), rental, hiring and real estate services (1,280), and construction (661). These sectors are typically characterised by sole traders or micro-enterprises, often non-employing and operating from home, who do not pay business rates and have minimal overheads. ABS data shows that 61% of all registered businesses in North Sydney (9,312) are non-employing (Table 28).

According to council records only 3,453 business assessments exist, meaning over 75% of registered businesses will not be directly impacted by the proposed Special Variation. While landlords can pass on outgoings such as council rates to tenants, based on Council's own large

[18] North Sydney Economic Development Study

investment property portfolio managed by a commercial real estate agency, this is not typical for small businesses in the area. Small business tenants are generally charged rent on a gross basis, meaning council rates and other outgoings are included in the rent and not passed on separately. This approach has been confirmed by the agency as standard practice for small premises across North Sydney.

In contrast, a net lease structure where outgoings are passed on directly is more common in large commercial offices, typically leased by major corporations. These tenants are more likely to absorb rate increases as part of broader operating costs.

In addition, commercial rents are typically more negotiable than residential rents, providing business tenants with greater capacity to renegotiate lease terms and limiting a landlord's ability to pass on rate increases. Furthermore, increases in operating costs such as council rates are generally tax-deductible for business, which helps to offset the financial impact.

For most small operators, particularly those not directly rateable, the SV will have no material impact on viability or employment.

Importantly, North Sydney's economic profile is structurally different from Greater Sydney and other metropolitan areas, making it more resilient to financial shocks. Over 57% of local employment is concentrated in high-value, low-risk sectors such as professional services, finance, and information media and telecommunications, compared to just 24% in Greater Sydney. These industries are less exposed to discretionary consumer spending and more likely to operate in flexible or remote arrangements, reducing their sensitivity to rate increases.

Furthermore, retail and accommodation/food services which are industries typically considered vulnerable due to low margins, make up a relatively small proportion of North Sydney's business base, representing just 6% of all registered businesses.

50% of retail businesses have a turnover of less than $200k, while 55% of total retail businesses are non-employing. This may indicate include ecommerce businesses which are likely to be operated from home and not subject to business rates.

259 accommodation and food services businesses report turnover below $200,000, with 156 being non-employing.

Council's *Financial Hardship Policy* is available to any business experiencing financial difficulty for any reason, ensuring Council is supporting local businesses during difficult times.

Industry	zero to 200K	$200 k - $2m	$2m - $5m	$5m - $10m	$10 m or more	Total
Professional, Scientific and Technical Services	**2,076**	1,459	291	151	188	4,165
Financial and Insurance Services	**1,018**	600	144	54	92	1,908
Rental, Hiring and Real Estate Services	**1,280**	963	125	41	50	2,459
Construction	**661**	288	60	31	65	1,105
Health Care and Social Assistance	**500**	623	51	11	26	1,211
Retail Trade	**299**	203	51	13	27	593
Wholesale Trade	**234**	144	51	31	76	536
Transport, Postal and Warehousing	**219**	44	6	6	11	286
Administrative and Support Services	**263**	220	50	23	40	596
Information Media and Telecommunications	**186**	104	21	15	34	360
Education and Training	**180**	115	15	5	9	324
Accommodation and Food Services	**159**	301	67	24	21	572
Agriculture, Forestry and Fishing	**109**	42	10	7	11	179
Manufacturing	**107**	96	19	7	15	244
Other Services	**189**	140	15	6	0	351
Arts and Recreation Services	**153**	96	5	3	4	261
Mining	**37**	0	4	0	0	43
Electricity, Gas, Water and Waste Services	**31**	11	5	5	6	58
Currently Unknown	**7**	3	0	0	0	10
Public Administration and Safety	**8**	9	0	0	3	23
Total	**7,718**	5,461	991	433	681	15,284

TABLE 15: NORTH SYDNEY BUSINESSES BY TURNOVER[19]

Industry	Non employing	% of non-employing	1-4 Employees	5-19 Employees	20-199 Employees	200+ Employees	Total
Professional, Scientific and Technical Services	**2,118**	**51%**	1,359	478	196	14	4,165
Rental, Hiring and Real Estate Services	**2,109**	**86%**	267	64	18	0	2,459
Financial and Insurance Services	**1,332**	**70%**	429	104	41	0	1,908
Health Care and Social Assistance	**759**	**63%**	294	108	38	12	1,211
Construction	**776**	**70%**	237	62	26	4	1,105
Administrative and Support Services	**262**	**44%**	196	73	57	8	596
Retail Trade	**326**	**55%**	174	71	20	3	593
Accommodation and Food Services	**156**	**27%**	206	143	63	4	572
Wholesale Trade	**241**	**45%**	162	80	48	5	536
Information Media and	**179**	**50%**	101	43	37	0	360

[19] https://www.abs.gov.au/statistics/economy/business-indicators/counts-australian-businesses-including-entries-and-exits/latest-release

Industry	Non employing	% of non-employing	1-4 Employees	5-19 Employees	20-199 Employees	200+ Employees	Total
Telecommunications							
Other Services	**163**	**46%**	137	45	4	0	351
Education and Training	**170**	**52%**	103	32	15	4	324
Transport, Postal and Warehousing	**216**	**76%**	48	12	9	0	286
Arts and Recreation Services	**160**	**61%**	68	25	7	0	261
Manufacturing	**116**	**48%**	81	33	14	0	244
Agriculture, Forestry and Fishing	**129**	**72%**	36	7	7	0	179
Electricity, Gas, Water and Waste Services	**43**	**74%**	5	6	4	0	58
Mining	**36**	**84%**	3	3	3	0	43
Public Administration and Safety	**11**	**48%**	7	3	3	0	23
Currently Unknown	**10**	**100%**	0	0	0	0	10
Total	**9,312**		3,912	1,392	608	60	15,284

TABLE 16: NORTH SYDNEY BUSINESSES BY EMPLOYMENT SIZE[19]

Summary

The proposed Special Variation is unlikely to have a material impact on small business viability within North Sydney LGA. Despite there being 7,718 registered businesses from the 15,284 registered businesses reporting turnover of less than $200K, more than 75% of registered businesses in North Sydney are not directly rateable and therefore will not be directly affected by the SV.

The majority of businesses with low reported turnover operate as non-employing sole traders or micro-enterprises in professional, financial, property, and construction services, many of which are home-based with minimal overheads. In addition, Council's *Financial Hardship Policy* provides a safety net for any business experiencing financial difficulty, ensuring appropriate support is available in adjusting to modest rate increases if required.

Outstanding rates trend

North Sydney Council has one of the lowest % of outstanding rates in annual charges within metropolitan and metropolitan-fringe councils. Out of 33 councils, North Sydney has the seventh lowest percentage of rates and annual charges outstanding as at 30 June 2024 (the most recent time series data available). With the group average of 5.4%, North Sydney, is way below average with 3.7% outstanding.

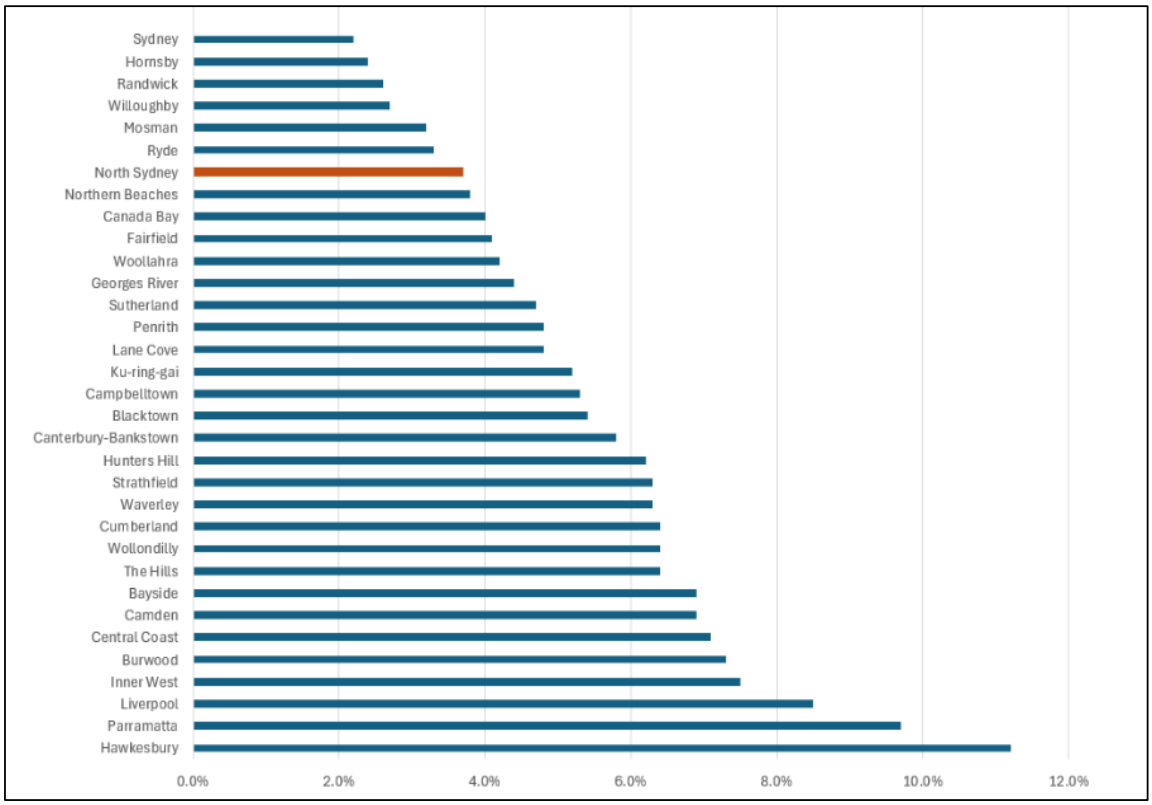


CHART 12: OUTSTANDING ANNUAL RATES AND CHARGES AS OF 30 JUNE 2024 COMPARISON[20]

Chart 12 below illustrates the trend in outstanding rates and annual charges for the North Sydney Council area over the past five years. Throughout this period, the percentage of outstanding rates has consistently remained well below the 5% benchmark, reflecting sound financial management and a strong payment culture among ratepayers.

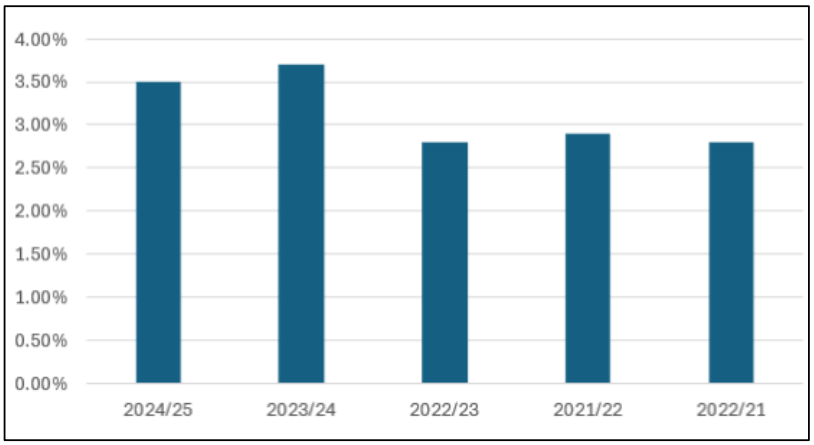


CHART 13: OUTSTANDING RATES AND ANNUAL CHARGES FOR NORTH SYDNEY COUNCIL (2021-25)

It is important to highlight that the outstanding balance for 2024-25 includes several significant business rate accounts that are considered anomalies. These anomalies comprise substantial

[20] Time series data for NSW councils, maintained by the Office of Local Government (OLG)

unpaid business rates owed to council by another government agency, as well as outstanding balances payable by developers due to apartment ownership transfer rather than lacking capacity to pay.

Chart 13 below presents the outstanding rates and annual charges outstanding trend with adjustments made to the 2023-24 and 2024-25 data to account for these one-off anomalies. This adjusted trend provides a more accurate representation of the true level of residential and business rates outstanding, offering a clearer indicator of the community's capacity to meet rate increases. Evidently, over the past five years, the percentage outstanding did not exceed 3.5%, with significant improvement in 2024-25, which supports North Sydney ratepayers having capacity to pay their rates in a timely manner.

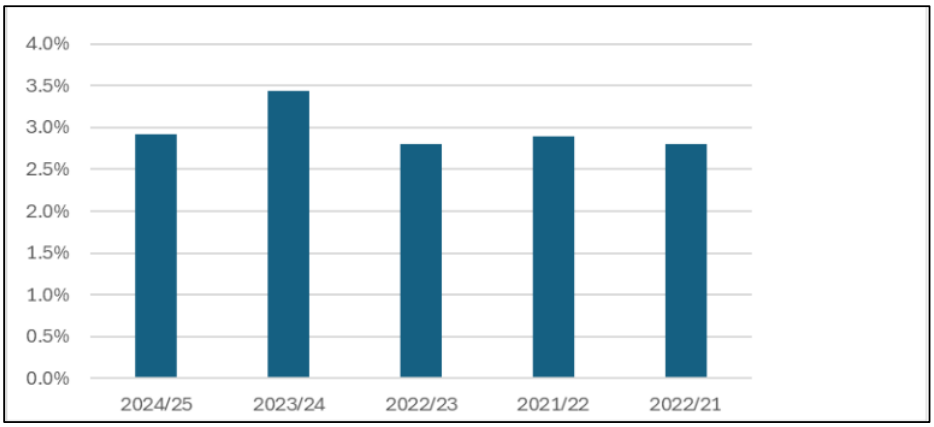


CHART 14: OUTSTANDING RATES AND ANNUAL CHARGES (ADJUSTED FOR ANOMALIES) FOR NORTH SYDNEY COUNCIL (2021-25)

Business rates outstanding

The table below summarises outstanding business rates as at 30 June 2025. Balances owed by other government agencies, as well as outstanding amounts payable by developers due to apartment ownership transfers rather than a lack of capacity to pay, were excluded from the calculation to provide a true picture of balances outstanding that relate to local businesses.

	in $	No of notices
Total Business rates and annual charges	$ 25,331,355	3,459
Outstanding rates and annual charges (inc. DWM)	$566,372	351
Outstanding %	**2.2%**	**10.1%**
Less individual balances below $50	1,034	110
Outstanding %	**2.2%**	**7.0%**
Less individual balances between $50 and $1,000	$57,741	136
Outstanding %	**2.0%**	**3.0%**
Average balance outstanding:	$1,614	

TABLE 17: OUTSTANDING BUSINESS RATES

It has been observed that businesses tend to make payments based on previous year's rate notices, which often leads to several small outstanding balances accumulating on their accounts. These minor amounts are typically cleared once the rate details are updated, but in

the meantime, they inflate the number of outstanding rate notices. Furthermore, business rates payments are frequently made after the due date, with $403K out of a total $566K outstanding business rates (71%) relating to the most recent charges. When small balances below $1,000 are excluded from the statistics, the percentage of outstanding rate notices drops to 3%, and the outstanding balance represents just 2% of the total, indicating an exceptionally low level of unpaid rates overall.

Residential rates outstanding

	in $	No of notices
Total residential rates and annual charges	$56,809,235	36,194
Outstanding rates and annual charges (inc. DWM)	$1,698,232	3,073
Outstanding %	**3.0%**	**8.5%**
Less individual balances below $50	5,133	1245
Outstanding %	**3.0%**	**5.1%**
Less individual balances between $50 and $500	$316,613	967
Outstanding %	**2.4%**	**2.4%**
Average balance outstanding:	$ 552.63	

TABLE 18: OUTSTANDING RESIDENTIAL RATES

As shown in the table above, the overall percentage of outstanding residential rates is 3.0%, which is well below the benchmark of 5.0%. When excluding small balances under $500, both the percentage of outstanding rates notices, and the proportion of the total balance outstanding are 2.4%. The average outstanding balance stands at $552.63, which is less than the annual minimum rate. Additionally, it is important to note that 81% of the outstanding balance relates to the most recent charges within the last year, indicating that the bulk of arrears are recent and not long-term debts.

Ratepayers on payment plans

Table 19 on the next page summarises the number of ratepayers who have requested a payment plan. This figure was substantially higher during the COVID-19 pandemic, reflecting increased financial hardship in the community at that time. Since then, the number of payment plan requests has decreased markedly and has stabilised, consistently remaining within the range of 21 to 27 per year.

North Sydney Council has *Financial Hardship Policy* that is available to both residential and business ratepayers.

	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Total:
No. of Payment Plans set up:	**71**	**25**	**26**	**21**	**27**	**24**	**194**

TABLE 19: NO. OF RATEPAYERS FOR REQUESTED PAYMENT PLAN

Summary

The consistently low percentage of outstanding rates and annual charges in both residential and business sectors, coupled with the majority of arrears being recent rather than long-term, strongly suggests that North Sydney Council ratepayers possess a robust capacity to meet their financial obligations. The area's outstanding rates have remained well below established benchmarks, and most unpaid balances are minor or relate to the most recent billing cycle. These trends, alongside a demonstrated history of timely payments, indicate that the community is well placed to accommodate potential rate increases without significant hardship.

Grouping Summary

Our analysis shows that the North Sydney Council area has significant advantage, 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). It should be noted that 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. This presence contributes to a broader mix of household types and influences measures of disadvantage within the grouping.

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%);
- proportion of at-risk households is consistent with the LGA;
- 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%); and
- has the highest proportion of pensioners within the LGA at 5%, representing 444 individuals which accounts for 34% of all pensioners in North Sydney.

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:

- 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;
- lowest proportion of dependents (8%) and second lowest proportion of working age (62%), with the highest proportion of retirees (30%);
- 47% of households are vulnerable, including 42% lone person households;

- 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%) effected by social housing 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; and
- lowest proportion of pensioners (2%).

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.

Proposed rating changes

This Long-Term Financial Plan provides three options for the future of services and infrastructure in North Sydney. The options are:

Option 1 – No change – deterioration of infrastructure
Under this option, ordinary rates would increase by rate peg (4% for 2026-27 and assumed 3% annually thereafter). This represents a cumulative increase of 10.33% over three years.

Option 2 – Treading water – Restore renewal funding and address critical backlogs
Under this option, rating revenue would increase by a cumulative amount of 39.92% (29.59%

above rate peg) over three years: 20% in 2026-27, 10% in 2027-28; and 6% in 2028-29. This would generate an additional $190 million in revenue over a ten-year period.

Option 3 (Preferred) – An eye on the future – Enhanced contribution to infrastructure investment and planning
Under this option, rating revenue would increase by a cumulative amount of 52.66% (42.33% above rate peg) over three years: 23% in 2026-27, 14.58% in 2027-28, and 8.32% in 2028-29. This would generate an additional $278 million in revenue over a ten-year period.

Option	2026/27	2027/28	2028/29
Option 1 Base case (do nothing)	rate peg (4%) $773.60/$773.60	rate peg (3%) $796.81/$796.81	rate peg (3%) $820.71/$820.71
Option 2 - cumulative increase of 39.92% at the end of 2028/29 Minimum Rate: Residential/Business	20% $970.72/$970.72	10% $1,094.98/$1,094.98	6% $1,171.63/$1,171.63
Option 3 - cumulative increase of 52.66% at the end of 2028/29 Minimum Rate: Residential/Business	23% $970.72/$970.72	15% $1,116.32/$1,116.32	9% $1,216.79/$1,216.79

TABLE 20: PROPOSED OPTIONS FOR RATE CHANGE

The table above summarises the projected minimum rates payable by residential ratepayers under each scenario, illustrating the differing levels of increase aligned with each approach to funding Council services and infrastructure.

Rates – Residential

Option 2 – average rate impact analysis

Residential - average rates	2025/26 average rate by grouping $	2028/29 Base case - do nothing $	2028/29 Option 2 average $	Annual increase (above rate peg) by end of 2028/29 $	Weekly increase above rate peg $	Total average increase (above rate peg) over 3 years $
Cremorne Cammeray	$1,149	$1,268	$1,575	$102	$2	$307
Kirribilli-Milsons Point-McMahons Point	$1,173	$1,295	$1,615	$107	$2	$321
Neutral Bay-Cremorne Point-Kurraba Point	$1,126	$1,243	$1,560	$106	$2	$318
North Sydney-Crows Nest	$943	$1,040	$1,362	$107	$2	$322
Wollstonecraft-Waverton	$1,015	$1,120	$1,451	$110	$2	$331

TABLE 21: OPTION 2 RESIDENTIAL AVERAGE RATES IMPACTS ANALYSIS

Option 2 results in an average increase of $307 for Cremorne Cammeray and $331 for Wollstonecraft-Waverton ratepayers, with little variation across suburbs.

Option 2 will maintain the same order of suburbs in terms of average rates paid, with Kirribilli-Milsons Point-McMahons Point continuing to have the highest average rates, and North Sydney-Crows Nest, the lowest. This ensures consistency in the rating structure and does not alter the relative burden across the various suburbs.

This is primarily because North Sydney-Crows Nest has the highest concentration of apartment buildings, where most properties are charged the minimum rate. The prevalence of high-density housing in the area leads to a lower average rate compared to other suburbs.

Option 3 - Residential Average rate impact analysis

Residential - average rates	2025/26 average rate by grouping $	2028/29 Base case - do nothing $	2028/29 Option 3 average $	Annual increase (above rate peg) by end of 2028/29 $	Weekly increase above rate peg $	Total average increase (above rate peg) over 3 years $
Cremorne Cammeray	$ 1,149	$1,268	$1,736	$156	$3	$468
Kirribilli-Milsons Point-McMahons Point	$ 1,173	$1,295	$1,776	$160	$3	$481
Neutral Bay-Cremorne Point-Kurraba Point	$ 1,126	$1,243	$1,707	$155	$ 3	$464
North Sydney-Crows Nest	$943	$1,040	$1,455	$138	$3	$415
Wollstonecraft-Waverton	$1,015	$1,120	$1,558	$146	$3	$438

TABLE 22: OPTION 3 RESIDENTIAL AVERAGE RATE IMPACT ANALYSIS

Option 3 results in an average increase of $415 for North Sydney-Crows Nest and $481 for Kirribilli-Milsons Point-McMahons Point ratepayers, with little variation across suburbs.

Option 3 will maintain the same order of suburbs in terms of average rates paid, with Kirribilli-Milsons Point-McMahons Point continuing to have the highest average rates and North Sydney-Crows Nest, the lowest. This ensures consistency in the rating structure and does not alter the relative burden across the various suburbs.

Minimum Rates

Council's current rating structure for ordinary rates is based on a minimum rate, with each property paying a minimum of $744. Of the 37,347 residential assessments, 77.48% 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.

Option	2026/27	2027/28	2028/29	overall increase $ (vs. Base case)	overall increase % (vs base case)
Option 1 Base case (do nothing)	$773.60	$796.81	$820.71		
Option 2 Minimum Rate: Residential	$970.72	$1,094.98	$1,171.63	$350.92	43%
Option 3 Minimum Rate: Residential	$970.72	$1,116.32	$1,216.79	$396.08	48%

TABLE 23: PROPOSED MINIMUM RESIDENTIAL RATES

Option 2 and Option 3 propose an increase on minimum rates by $350.92 and $396.08 respectively. This increase will impact mainly apartments and will have the greatest impact on North Sydney and Neutral Bay areas.

Suburb	Count of No. of Assessment	%
North Sydney	4,662	16%
Neutral Bay	4,306	15%
Cremorne	4,258	15%
Wollstonecraft	3,757	13%
Cammeray	2,106	7%
Crows Nest	1,736	6%
Milsons Point	1,688	6%
St Leonards	1,495	5%
Kirribilli	1,458	5%
Waverton	1,122	4%
McMahons Point	855	3%
Cremorne Point	746	3%
Kurraba Point	449	2%
Lavendar Bay	297	1%
Grand Total	28,935	

TABLE 24: MINIMUM RATES BY SUBURB

Summary

The recommended SV Option 3 is considered to represent a reasonable impact across all groupings within the Local Government Area, with no area disproportionately affected by the changes.

Rates – Business

While comparison of average business rates is a standard section in Capacity to Pay reports prepared for special rate variation applications - and is included further in this report - it is important to highlight that comparing average business rates across councils or even across suburbs within the same council is not meaningful. This is because business rate assessments can vary significantly, especially in CBD-like areas. For example, some business properties, such as large office buildings without strata, are rated on extremely high land values (sometimes around $100 million), whereas similar-sized buildings next door that are strata-titled may pay

only the minimum rate per office and per assessment. As a result, using averages in this way does not necessarily provide an accurate picture of the real-world impacts on businesses.

It is also important to note that the majority of large office buildings within the CBD are owned or occupied by major corporations with financial capacity to absorb increases in business rates. In fact, 5.04% of total business assessments within North Sydney LGA pay 57.31% of the total business rating revenue. This highlights that the application of average business rates across the sector does not necessarily reflect the differing financial resilience of businesses, particularly between large corporate occupiers and smaller commercial operators.

In North Sydney, of the 3,431 business assessments:

- 1,129 or 33% will pay the minimum rate;
- 2,302 or 67% will pay the ad valorem rate based upon unimproved land value;
- 5.04% or 173 business assessments of business ratepayers will pay $14.1M or 57.31% of the total business rate, and 59.53% of the total business ad valorem rate.

Option 2 – average rate impact analysis

Business - average rates	2025/26 average rate by grouping	2028/29 Base case - do nothing ($)	2028/29 Option 2 average ($)	Annual increase (above rate peg) by end of 2028/29 ($)	Weekly increase above rate peg ($)	Total cumulative average increase (above rate peg) over 3 years
Cremorne Cammeray	$4,106	$4,530	$5,766	$412	$8	$1,236
Kirribilli-Milsons Point-McMahons Point	$5,413	$5,972	$7,571	$533	$10	$1,599
Neutral Bay-Cremorne Point-Kurraba Point	$5,394	$5,951	$7,543	$531	$10	$1,592
North Sydney-Crows Nest	$9,136	$10,080	$12,768	$896	$17	$2,688
Wollstonecraft-Waverton	$2,046	$2,258	$2,928	$224	$4	$671

TABLE 25: AVERAGE BUSINESS RATE IMPACT ANALYSIS (OPTION 2)

Option 2 raises Wollstonecraft-Waverton business rates by an average of $671 and North Sydney-Crow's Nest by $2,688. As mentioned, modern multi-storey offices owned by single entities significantly impact the average increase.
Option 2 will maintain the same order of suburbs in terms of average rates paid, with North Sydney-Crow's Nest continuing to have the highest average rates and Wollstonecraft-Waverton, the lowest.

Option 3 – average rate impact analysis

Business - average rates	2025/26 average rate by grouping	2028/29 Base case - do nothing ($)	2028/29 Option 3 average ($)	Annual increase (above rate peg) by end of 2028/29 ($)	Weekly increase above rate peg ($)	Total cumulative average increase (above rate peg) over 3 years
Cremorne Cammeray	4,106	4,530	6,297	589	11	1,767
Kirribilli-Milsons Point-McMahons Point	5,413	5,972	8,290	773	15	2,318
Neutral Bay-Cremorne Point-Kurraba Point	5,394	5,951	8,261	770	15	2,310
North Sydney-Crows Nest	9,136	10,080	14,000	1,307	25	3,920
Wollstonecraft-Waverton	2,046	2,258	3,160	301	6	902

TABLE 26: AVERAGE BUSINESS RATE IMPACT ANALYSIS (OPTION 3)

Option 3 raises Wollstonecraft-Waverton business rates by an average of $902, and North Sydney-Crow's Nest by $3,910. As mentioned, modern multi-storey offices owned by single entities significantly impact the average increase.

Option 3 will maintain the same order of suburbs in terms of average rates paid, with North Sydney-Crow's Nest continuing to have the highest average rates and Wollstonecraft-Waverton, the lowest.

Minimum rate – business

Option	2026/27	2027/28	2028/29	overall increase $ (vs. base case)	overall increase % (vs base case)
Option 1 Base case (do nothing)	$773.60	$796.81	$820.71		
Option 2 Minimum Rate: Business	$970.72	$1,094.98	$1,171.63	$350.92	43%
Option 3 Minimum Rate: Business	$970.72	$1,116.32	$1,216.79	$396.08	48%

TABLE 27: MINIMUM RATES - BUSINESS

As shown in the table above, the increase in the minimum rate over three years is quite modest, with Option 3 assuming a total increase of $396.08. When comparing this to a small business rent, for example, a coffee kiosk in the North Sydney suburb with an annual market rent of $35,000, and considering that business rates are tax-deductible expenses, the impact appears minimal.

Even before factoring in tax deductions, by the end of year three, a business would pay an additional $7.60 per week, representing just a 1.1% increase in total rent for a small business, assuming all rate increases are passed onto the tenant.

It is also important to note that, for most small commercial rentals, tenants generally do not pay outgoings directly (based on Council's own investment portfolio). Instead, the lease is usually structured on a gross basis, meaning all rates and outgoings are factored into the rent, depending on the negotiation with the landlord. As a result, tenants may not experience the full effect of rate increases as these are absorbed into the overall rent package.

Out of 3,453 business assessments, 33% are on minimum rates, with 40% of those minimum rates concentrated in the North Sydney suburb. This is understandable given North Sydney's status as a high foot traffic area, supported by the presence of North Sydney train station and metro access.

Suburb	Count of No. of Assessment	%
Cammeray	22	2%
Cremorne	170	15%
Cremorne Point	1	0%
Crows Nest	87	8%
Kirribilli	12	1%
Kurraba Point	5	0%
Lavendar Bay	6	1%
McMahons Point	19	2%
Milsons Point	77	7%
Neutral Bay	148	13%
North Sydney	447	40%
St Leonards	69	6%
Waverton	11	1%
Wollstonecraft	55	5%
Grand Total	1,129	

TABLE 28: MINIMUM RATES BY SUBURB

When considering the capacity to pay higher minimum business rates, it is important to note that 49% of the assessments (representing 595 of assessments) pertain to 138 business owners who own more than one business property within North Sydney Council. This suggests that a significant proportion of property owners may possess greater financial capability, making them more likely to manage slightly higher minimum rates without undue hardship.

Of the 612 business assessments still paying minimum rates, 229 are owned by separate legal entities with limited liability, so only 383 properties - representing 32% of the total - are owned by individuals.

How North Sydney Council's rates compare to other councils

A comparison of Council's average residential rates is set out in Table 29, below. It shows that:

- in 2025-26, its average residential rates are lower than the averages for comparable councils based on locality, SEIFA, CBD councils and OLG Group 3 councils.
- in the final year of the proposed Special Variation period, 2028-29, Council's average rates are projected to remain lower than those of comparable councils when assessed on the basis of both locality and CBD status. Rates will be slightly higher than the average rates of councils grouped by SEIFA and OLG groupings, with the difference amounting to $15 above the SEIFA grouping average and $80 above the OLG grouping average.

Council	2025-26	2026-27	2027-28	2028-29
North Sydney Council (Option 3)	**1,076**	**1,327**	**1,515**	**1,638**
North Sydney Council (Option 2)	1,076	1,295	1,422	1,506
Comparable based locality				
Lane Cove	1,433	1,501	1,546	1,592
Mosman	1,759	1,831	1,886	1,943
Northern Beaches	1,902	2,124	2,188	2,254
Waverley	1,326	1,394	1,436	1,479
Willoughby	1,323	1,392	1,434	1,477
Average	**1,549**	**1,649**	**1,698**	**1,749**
Comparable based on SEIFA rank				
Ku-ring-gai	1,718	1,793	1,847	1,902
The Hills	1,293	1,354	1,394	1,436
Canada Bay	1,286	1,345	1,385	1,427
Hornsby	1,527	1,611	1,659	1,709
Average	**1,456**	**1,526**	**1,572**	**1,619**
Comparable based on councils with CBD				
Burwood	1,808	1,882	1,938	1,996
Parramatta	1,170	1,226	1,263	1,301
Strathfield	1,458	1,567	1,614	1,663
Sydney	909	931	959	1,700
Average	**1,336**	**1,402**	**1,444**	**1,665**
Comparable based on OLG group average	1,374	1,455	1,508	1,558

TABLE 29: COMPARISON OF COUNCIL'S AVERAGE RESIDENTIAL RATES UNDER THE PROPOSED SV

While comparison of average business rates is a standard section in Capacity to Pay reports prepared for special rate variation applications, it is important to highlight that comparing average business rates across councils or even across suburbs within the same council is not meaningful. This is because business rate assessments can vary significantly, especially in CBD-like areas. For example, some business properties, such as large office buildings without strata, are rated on extremely high land values (sometimes around $100 million), whereas similar-sized buildings next door that are strata-titled may pay only the minimum rate per office and per assessment. As a result, using averages in this way does not necessarily provide an accurate picture of the real-world impacts on businesses.

Table 30 presents a comparison of the council's average business rates. The analysis indicates that:

- the current average business rates are lower than those of comparable councils with a CBD, as well as lower than the OLG grouping average. However, business rates exceed those of councils of similar SEIFA ranking and locality.
- for 2025-26, North Sydney's average business rate remains notably below the average for councils with a CBD. With the proposed Special Variation, the average business rate for 2028-29 is projected to be below the CBD council average.

Council	2025-26 $	2026-27 $	2027-28 $	2028-29 $
North Sydney Council (Option 3)	**7,193**	**8,810**	**10,151**	**11,022**
North Sydney Council (Option 2)	7,193	8,583	9,476	10,059
Comparable based locality				
Lane Cove	5,781	6,053	6,234	6,421
Mosman	4,181	4,286	4,462	4,733
Northern Beaches	4,508	5,053	5,645	5,988
Waverley	8,346	8,554	8,999	9,547
Willoughby	9,146	9,987	10,506	11,146
Average	**6,392**	**6,787**	**7,169**	**7,567**
Comparable based on SEIFA rank				
Ku-ring-gai	4,981	5,285	5,683	5,853
The Hills	2,574	2,734	2,948	3,037
Canada Bay	3,901	4,050	4,363	4,494
Hornsby	3,637	3,826	4,157	4,282
Average	**3,773**	**3,974**	**4,288**	**4,417**
Comparable based on councils with CBD				
Burwood	8,567	9,218	9,884	10,180
Parramatta	14,258	15,142	16,345	16,835
Strathfield	8,609	10,116	11,200	11,536
Sydney	14,438	15,030	16,348	16,838
Average	**11,468**	**12,376**	**13,444**	**13,848**
Comparable based on OLG group	**8,057**	**8,437**	**8,690**	**8,950**

TABLE 30: COMPARISON OF COUNCIL'S AVERAGE BUSINESS RATES UNDER THE PROPOSED SV

Table 31 on the next page provides a comparison of the current minimum rates for both residential and business categories across metropolitan councils. It also presents the projected minimum rates for 2028-29 for North Sydney Council under Option 3 of the Special Variation, alongside the projected rates of other metropolitan councils.

The comparison of minimum residential rates clearly demonstrates that the current minimum rates in North Sydney Council are significantly lower than the average across other metropolitan councils. In fact, North Sydney's minimum residential rate is the fourth lowest out of 22 councils surveyed, highlighting its position at the lower end of the spectrum for rate charges in the Sydney metropolitan area.

By 2028-29, North Sydney's minimum rates will be just above the projected average, yet it will still rank as the fifteenth lowest among 22 councils for minimum residential rates (assuming no other councils introduce new special variations in that time, which would bring North Sydney Council even further towards the lower end). This means that North Sydney will be positioned close to the middle of the metropolitan rate spectrum, even after the proposed changes.

Similarly, North Sydney's minimum business rates are currently significantly below the metropolitan average, ranking as the third cheapest out of 21 councils. The projected minimum rates for 2028-29 indicate that North Sydney's business rates will remain below the metropolitan average, with Council moving to the 11th cheapest position among the 21 metropolitan councils that have minimum rates. This demonstrates that, even after the proposed changes, North Sydney Council will continue to offer affordable business rates compared to most other metropolitan councils.

Council	2025-26 Residential	2028-29 Residential	2025-26 Business	2028-29 Business
North Sydney Council (Option 3)	**744**	**1,217**	**744**	**1,217**
North Sydney Council (Option 2)	744	1,172	744	1,172
Ku-ring-gai	669	742	669	742
Ryde	695	776	695	776
Sydney	696	780	891	998
Waverley	775	865	n/a	n/a
Woollahra	815	914	871	977
Hunters Hill	827	927	n/a	n/a
Parramatta	839	933	860	956
Cumberland	921	1,020	1,409	1,561
Bayside	926	1,021	926	1,021
Inner West	978	1,083	944	1,045
Canada Bay	1,030	1,143	1,030	1,143
Willoughby	1,052	1,174	1,496	1,669
Lane Cove	1,073	1,192	1,096	1,218
Canterbury-Bankstown	1,087	1,183	1,087	1,183
Sutherland	1,102	1,218	1,102	1,218
Randwick	1,126	1,255	1,815	2,022
Blacktown	1,140	1,275	1,221	1,365
Northern Beaches	1,233	1,461	1,605	1,902
Georges River	1,257	1,227	1,257	1,227
Strathfield	1,282	1,406	1,282	1,406
Burwood	1,299	1,435	1,657	1,830
Liverpool	n/a	n/a	830	896
Fairfield	n/a	n/a	n/a	n/a
Mosman	n/a	n/a	n/a	n/a
Average	**992**	**1,097**	**1,137**	**1,258**

TABLE 31: MINIMUM RATES FOR COUNCILS IN SYDNEY METROPOLITAN AREA, 2025-26 ACTUAL AND 2028-29 PROJECTED

Conclusion

Residential Ratepayers – Capacity to Pay

North Sydney's residential community is among the most socio-economically advantaged in Australia, with all suburbs ranking in the top 1–2% nationally. The majority of households fall into the top half of NSW's income distribution, and unemployment is low. Although 43% of households are classified as "at risk" (lone-person or single-parent), this is largely driven by financially secure professionals and asset-rich retirees, not vulnerable groups. Pensioner rebate uptake is low (4%), and only 2.5% of residents require daily assistance, indicating minimal financial stress.

Mortgage and rental stress levels are significantly below Greater Sydney averages, and rates arrears are low, with most being recent balances.

Given the area's high incomes, low debt stress, and strong payment history, the report concludes that North Sydney's residential ratepayers have the capacity to pay the proposed rate increases, with Council's hardship provisions ensuring equity and support where needed.

Business Ratepayers – Capacity to Pay

North Sydney's business sector is financially robust, supported by a thriving local economy. The area is dominated by high-income, resilient industries such as professional services, tech, and finance. Commercial rents are among the highest in Greater Sydney, and all business precincts rank in the top 1% nationally for socio-economic advantage. Business rate arrears are low (under 4%), and most businesses pay on time, indicating strong capacity and willingness to meet financial obligations.

The rate base is skewed towards large landholders - just 5% of business accounts contribute over 57% of total business rates. These entities typically have the financial strength to absorb increases, while smaller businesses often pay only the minimum rate. Given tax deductibility the net impact on rates increase on most businesses is modest.

Council's *Financial Hardship Policy* is available for isolated cases, but the overall financial indicators such as low arrears, strong growth, and high-value property holdings support the conclusion that North Sydney's business community is well-positioned to absorb the proposed rate increases without significant strain.

NORTH SYDNEY –

TOWARDS A SUSTAINABLE FUTURE

COMMUNITY ENGAGEMENT REPORT

January 2026

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Executive Summary

On 30 June 2025 Council approved its *Delivery Program 2025-2029* and *Operational Plan 2025-2026* and budget. These documents outline concerns regarding Council's financial strength and financial sustainability, including its ability to maintain and renew community infrastructure.

To inform a review of Council's Long - Term Financial Plan and options for financial repair, the adopted *2025-2026 Operational Plan* committed to undertaking comprehensive engagement in relation to services and infrastructure.

On 28 July 2025, North Sydney Council endorsed a comprehensive two-phase community engagement plan: *North Sydney – Towards a Sustainable Future*. The purpose of the community engagement plan was to actively consult residents and stakeholders in discussions around the current levels of service and the condition of local infrastructure, with the aim of informing Council decision-making.

By seeking community input through this engagement plan, Council seeks to balance the financial realities with public expectations, priorities, and willingness to support service levels, especially where ageing infrastructure may require increased investment.

The community engagement plan is designed to ensure transparency and help build trust as Council considers resourcing needs, develops financial strategies, including rating increases, and plans for a sustainable future.

The engagement focussed on understanding and aligning financial sustainability with community expectations across four key areas:

1. service levels – including whether Council should do less, the same or more;
2. infrastructure conditions – including desired standards of infrastructure
3. community willingness to pay for service and infrastructure outcomes; and
4. other financial strategies.

The engagement was conducted in two stages: Stage 1: Service levels and infrastructure; and Stage 2: Consideration of a revised Long - Term Financial Plan and rating options.

The plan has been developed in compliance with Council's Community Engagement Strategy 2025-2029 (CES) as well as the International Association for Public Participation (IAP2) Australasia Quality Assurance Standard. Two phases were undertaken in accordance with the plan:

- Phase 1 (Aug 2025):
  - raised awareness in relation to Council's financial position and the impacts on services and infrastructure assets.
  - explored community expectations in relation to service levels and infrastructure asset conditions.
  - explored community sentiment towards financial strategies to reduce the need for a rate rise, including additional revenue sources and loan funding.
- Phase 2 (Oct–Dec 2025):
  - raised awareness in relation to Counci'ls financial position and the impact of this on infrastructure condition, technology, service levels and responsiveness to current and emerging challenges.
  - explored community sentiment towards the new Long-Term Financial Plan and associated Special Variation options.

- explored community sentiment towards sale of Council property.

Information, communication, and engagement activities were designed and delivered internally using a mix of digital, print, and face-to-face channels to ensure cost-effective implementation while maximising community reach. Community sentiment was independently measured by research consultancy Micromex, providing transparency and methodological rigour. Micromex conducted statistically representative surveys of residents and businesses, with identical surveys also made available for voluntary participation via Council's *Your Say* platform.

The engagement program met all six OLG Special Variation criteria by:

- demonstrating financial need through surveys and clear communication;
- ensuring broad awareness via diverse engagement methods;
- clearly outlining the impacts of proposed rate changes and hardship support;
- exhibiting Integrated Planning and Reporting (IP&R) documents for the required period;
- demonstrating cost-containment and productivity improvements; and
- addressing community concerns and enabling genuine two-way communication.

The two-phase engagement significantly strengthened community understanding of Council's financial challenges and options and provides a sound evidence base for Council's decision-making. While views differ on the preferred SRV level, the community broadly recognises the need for long-term financial sustainability and ongoing investment in essential services and infrastructure.

The campaign generated strong visibility across the community. Phase 2 results indicate that 49 percent of resident survey respondents were aware that Council was seeking community feedback on a potential application for Special Rate Variation.

Overall, the campaign reach included:

- Phase 1: 4,464 'Your Say' webpage views; 1,982 unique visitors
- Phase 2: 8,814 page views; 3,809 unique visitors

Survey participation provided both representative and opt in completion:

- Phase 1 representative – service levels and financial strategies: 605 residents (greatest margin of error +/- 4.0%)
- Phase 1 representative follow up survey – informed response infrastructure: 302 residents (greatest margin of error +/- 5.6%)
- Phase 1 opt-in – combined service levels, financial strategies and asset conditions: 433 completions
- Phase 2 representative: 403 residents (greatest margin of error +/- 4.9%)
- Phase 2 representative: 104 businesses (greatest margin of error +/- 10%)
- Phase 2 opt-in: 661 residents + 11 businesses

Key finding from the independent research are outlined below.

Community Priorities (Phase 1 and 2)

- Strong support for maintaining or improving service levels despite financial pressures.
- Recognition of infrastructure renewal needs, particularly for roads, stormwater, and footpaths.

Special Rate Variation preferences

- 48% of residents support some level of SRV (options 2 or 3). According to an independent market research consultant, Micromex Research, compared with other recent council consultations, support for an SRV in North Sydney is relatively stronger, with preferences closer to an even split rather than the 40/60 preference for an SRV observed elsewhere.
- Business sentiment is evenly split between the rate-peg only and an SRV
- Preferences were influenced by continued concerns regarding Council's financial management (the North Sydney Olympic Pool project), cost-of-living concerns, the need for improvement in the area, opportunity for faster progress and better outcomes along with general service expectations.

Minimum Rate

- Views were divided, but a majority of residents supported increasing the minimum rate to assist in addressing equity concerns.
- Almost two thirds of business respondents supported Council increasing the business minimum rate.

Financial Sustainability

- 87% of residents rated infrastructure maintenance as important or very important.
- Most residents opposed selling assets unless proceeds were reinvested for long-term benefit.
- 47% do not support increased debt, with the underlying expectation being that Council should take a cautious approach to using loans.
- Strong support for exploring alternative revenue sources (e.g., naming rights, event hire, commercial fees).

Council Performance

- 79% of residents and 64% of businesses reported being at least somewhat satisfied with Council's performance over the past 12 months.

Phase 2 Submissions

Council received 73 submissions during the Phase 2 exhibition period plus an additional 9 captured soon after to allow precinct responses. Submissions included commentary from residents, precincts, and several major organisations (e.g., Arkadia, Lendlease, Stockland).

These submissions have been reviewed, coded, and categorised into themes to align with OLG criteria and are detailed on page 46.

Background

As previously reported, North Sydney Council's financial position is unsustainable, and is facing several critical challenges including:

1. Ongoing operating deficits: Maintaining current service levels and meeting legislative obligations will continue to result in structural operating deficits.

2. Underfunded infrastructure renewal: Over the next ten years, funding for infrastructure renewal is projected to meet only 69% of the minimum required investment, leading to further deterioration of community assets.

3. Escalating Infrastructure Backlog: The current renewal backlog of $157 million could substantially within a decade, intensifying pressure on the operating budget as more reactive maintenance is required to ensure public safety.

4. No Funding for New Infrastructure: Council lacks the financial capacity to invest in new infrastructure or provide co-contributions toward priority projects identified in the Development Contributions Plan.

5. Low Financial Resilience: Council holds low levels of unrestricted cash and investments, leaving it vulnerable to financial shocks or unplanned expenses. Council's financial challenges have been consistently documented in Council reports and in the previous Long-Term Financial Plan (LTFP). Following a year of liquidity measures and further reductions to asset renewal funding in the 2025-26 Budget, a detailed assessment of the current financial position is included in the Draft 2026-2036 LTFP.

A special variation (SV) to rates will be required if Council intends to continue to meet community expectations, deliver existing services and service levels, and improve its financial strength and sustainability.

In February 2025, Council applied to IPART for special variation to rating income to strengthen Council's weak financial position, address infrastructure concerns, and support long-term strategic plans.

The application was rejected in full by IPART which, while acknowledging Council's poor financial position, concluded amongst other observations that the community's understanding in relation to the need and purpose for special variation was not clear.

To inform a review of Council's Long-Term Financial Plan and options for financial repair, North Sydney Council's *2025-2026 Operational Plan* committed to undertaking comprehensive engagement in relation to services and infrastructure.

The two-phase 'North Sydney – Towards a Sustainable Future' engagement plan and new Long-Term Financial Plan has sought to improve the community's understanding in relation to the need for and purpose of special variation to support improved financial sustainability.

Engagement objectives

The objectives of the 'North Sydney – Towards a Sustainable Future' community engagement process were to:

- ensure public awareness of Council's two stage community engagement campaign and encourage participation.
- enhance public understanding of the range of services and infrastructure assets provided by Council.
- help the community understand the intergenerational role of local government.
- help the community understand local government financial considerations and reporting.
- enhance community understanding of how Council is funded, and the role rates play in financing Council services and assets.
- facilitate genuine two-way communication between Council and its diverse stakeholders.
- provide clear, accessible information about service levels, asset conditions, financial sustainability, and proposed special rate options.
- close the feedback loop by demonstrating how community input informs Council decisions.
- manage and mitigate misinformation.

Engagement Approach

The 'North Sydney – Towards a Sustainable Future' Engagement Plan was planned, implemented, and reported in accordance with Council's Community Engagement Strategy (2025-2029). It was designed to meet both the inform and consult levels under IAP2 engagement standards as well as the criteria for community engagement contained in the Office of Local Government Guidelines for the preparation of an application for a special variation.

This engagement was 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 was also considered to have 'high complexity', as the information presented to the community will be based on relatively complex financial analysis and a wide range of service and infrastructure considerations.

A comprehensive stakeholder mapping exercise was completed to identify and ensure the tactics developed in the engagement and communications plan would achieve broad community awareness and an understanding of the opportunity to provide feedback.

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
Non-resident ratepayers	Homeowners who are not 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 the 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.
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 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 changes to rates.

The plan took a comprehensive two-phase implementation approach. The first phase sought to explore community expectations around service levels, infrastructure conditions, and financial repair options, as outlined within the *2025-2026 Operational Plan*. Council used the findings from this phase to inform modelling for a new Draft Long-Term Financial Plan and potential future rating options.

Phase two of the engagement plan aimed to explain and seek community feedback on the purpose, need for and impact of the proposed special variation to rates options and the draft Long-Term Financial Plan. It also included information to enhance the community's understanding of Council's current financial position, savings and efficiencies already achieved and ongoing productivity measures. A key criterion in the application to IPART is evidence that the community is aware of the need for, and extent of a rate rise and that the impact on affected ratepayers is reasonable.

Phase one ran for four weeks from 1 – 29 August 2025. Phase two ran for five weeks from 29 October – 3 December 2025.

Survey methodology

Council commissioned an independent market research consultant, Micromex Research, to conduct community surveys for both phases of the engagement.

Phase One survey

The first stage of the consultation involved a representative survey of residents living in the North Sydney LGA and aimed to provide a community baseline measure for Council. This baseline stage involved a mixed mode methodology, with residents recruited via telephone and online community panels. The survey aimed to explore residents' perceptions regarding Council's financial investment across services and asset classes and support for increased rates to cover maintenance and improvement costs.

Interviews were conducted between 28 July to 11 August 2025, with 605 residents interviewed (505 via telephone and 100 online).

A sample size of N=605 residents provides a maximum sampling error of plus or minus 4.0% at 95% confidence. This means that if the survey was replicated with a new universe of N=605 residents, 19 times out of 20 we would expect to see the same results, i.e. +/- 4.0%. For example, an answer such as 'yes' (50%) to a question could vary from 46% to 54%.

The second stage of the community consultation consisted of a self-complete online survey. Residents from the baseline survey were provided with the opportunity to receive an SMS or email link to an online, self-complete survey. The survey sought to explore residents' preference for conditions and desired level of investment across community asset classes, based on more detailed text/image-based information.

The online survey was open between 28 July to 11 August 2025, with 302 residents completing this second stage of the consultation.

A total of N=302 residents completed Stage 2 of the research, all of whom had completed the Stage 1 questionnaire. A total sample size of N=302 residents provides a maximum sampling error of plus or minus 5.6% at 95% confidence. This means that if the survey was replicated with a new universe of N=302 residents, 19 times out of 20 we would expect to see the same results, i.e. +/- 5.6%. For example, an answer such as 'yes' (50%) to a question could vary from 44% to 56%.

Phase Two survey

For Phase two, North Sydney Council again commissioned Micromex Research to conduct a random telephone survey with residents living in the North Sydney Council local government area (LGA). The survey sought to:

- identify community priorities for the North Sydney Council LGA;
- identify the community's overall level of satisfaction with Council performance and importance of infrastructure maintenance and renewal; and
- evaluate resident attitudes toward a potential Special Rate Variation (SRV), including levels of support for each proposed option and the community's overall preference for how Council should proceed.

Interviews were conducted between 25th November – 5th December 2025 with 403 residents interviewed by phone (landline N=37 and mobile N=366).

A sample size of 403 residents provides a maximum sampling error of plus or minus 4.9% at 95% confidence. This means that if the survey was replicated with a new universe of N=403 residents, 19 times out of 20 we would expect to see the same results, i.e. +/- 4.9%. For example, that an answer such as 'yes' (50%) to a question could vary from 45% to 55%.

A second representative survey was also conducted by Micromex Research with businesses in the LGA. This survey sought to:

- identify priorities for businesses in the North Sydney Council LGA;
- evaluate business attitudes toward a potential Special Rate Variation (SRV), including levels of support for each proposed option and the overall preference for how Council should proceed; and
- identify the overall level of satisfaction with Council performance and importance of infrastructure maintenance and renewal.

A total of 104 interviews were conducted using a mixed methodology of online and telephone data collection between 25 November and 5 December 2025.

To ensure consideration was given to widespread views across the community, and all members had the chance to participate, the same surveys (for both phases) were also shared by Council. Community members and businesses could opt in to complete these surveys online (via the 'Your Say' consultation webpage) or on paper at community pop up events, at the customer service centre, or by requesting a hard copy to be sent to them direct.

Communication process

For each phase, a project page was established on Council's 'Your Say' website platform with information in a range of formats including fact sheets, related reports, graphics, and tables, and an extensive frequently asked questions (FAQ) section that was regularly updated during the public exhibition in response to new questions arising from the community. For Phase two, the 'let's talk rates' project page also included a range of explanatory videos and a rates calculator.

- North Sydney Council | Let's Build a Stronger Future Together (phase one)
- North Sydney Council | Let's Talk Rates (phase two)

Each phase was promoted through a multi-channel communications campaign to promote visitation to the 'Your Say' project webpage. Promotion was delivered through Council's regular e-newsletters and a variety of other channels, including social media, media coverage, pop-up market stalls, drop-in information sessions, and information displays at key customer contact points and community noticeboards across the LGA.

For Phase two, additional channels were used including print advertising, a community newsletter (North Sydney News) and a letter from the Mayor which was mailed directly to ratepayers, providing information and inviting them to visit the 'Your Say' page via a QR code. The use of QR codes was also deployed across all key print and digital collateral to promote easy access to the project page.

For both phases, Council's Customer Service team was provided with information to assist first contact resolution for customers and to assist in the efficient management of telephone, counter, and online enquiries. Print copies of the survey were readily available at all customer contact points as well as pop ups, and assistance provided wherever requested.

Feedback was captured through opt-in online surveys linked from the 'Your Say' project webpage. These surveys were exact replicas of the independent representative surveys conducted by Micromex Research enabling everyone in the community to participate.

An open comment box was also provided as part of phase two to capture more detailed feedback. Email and written comments were also received during both phases.

A summary of the community engagement and communication tools used to support the engagement is as follows:

Community Engagement summary	**Communication tools summary**
Phase One:	
• 'Your Say' website project page • Factsheets and posters • Snapshots / Graphic tables • Photo gallery of infrastructure conditions • Frequently Asked Questions • Accessibility options • Contact information for more help • Opt in survey (online / print)	• E-newsletters to community members on subscriber distribution lists • Social media posts, reels, videos • Drop-in sessions and pop-up stalls • Media release and news stories • Precinct Committee meeting presentations

• Written submissions via email/post	• Display screens at Customer Service Centre plus IVR message • Information displays at key community contact points (posters, factsheets etc) and at 60 community noticeboards across the LGA
Community Engagement summary	**Communication tools summary**
Phase Two:	
Same as phase one plus: • Rates calculator • Explanatory videos x 6 • Ask the Executive community drop-in sessions • Follow up email to previous engagement participants • Business breakfast briefing	Same as phase one plus: • Press advertising (Mosman Daily & Northshore Times) • North Sydney News printed community newsletter delivered to all residents • Mayoral letter box mailout to all ratepayers • Targeted emails / factsheets for businesses

Engagement method and reach

Across the two-phase campaign Council delivered a comprehensive suite of communication materials across a range of digital, print, and face to face channels.

With over 13,000 combined 'Your Say' project webpage views, extensive survey participation, and thousands reached through email and social media, the engagement program successfully expanded public awareness and drove participation.

Factsheets, FAQs, videos, and the rates calculator were highly used resources on the 'Your Say' pages, reflecting the community's desire for transparent, easy-to-understand information in a range of different formats.

Diverse engagement methods supported broad reach across both digital and non-digital audiences across the LGA. 'Ask-the-Executive' sessions and business-focused activities saw low attendance, indicating the need for alternate formats for future consultations.

Phase One - Let's Talk Services and Infrastructure

Method	Description	Reach
Representative surveys conducted by Micromex Research	Community baseline telephone and online survey to explore residents' perceptions regarding Council's financial investment across services and asset classes and support for increased rates to cover maintenance and improvement costs. Follow-up online survey with stage 1 participants. All were invited to self-complete a more detailed online survey and sent a link directly by Micromex. Survey sought to explore residents' preference for conditions and desired level of investment across community asset classes based on more detailed text/image-based information.	Stage 1 baseline survey: 605 residents interviewed (505 via telephone and 100 online). Stage 2 follow-up survey : 302 participants
Council generated consultation responses (surveys & submissions)	• Opt-in online and hard copy survey promoted by Council (accessible to all ratepayers, replicating the representative community survey) • Written submissions (emails and letters to Mayor/Council)	Opt-in survey (baseline): 631 clicks, 433 completions 3 written submissions were received requesting a link to the online opt-in survey.
'Your Say' consultation page	Content included: • 3 x Downloadable factsheets/posters • Asset and Infrastructure image gallery • Information on services / assets provided by Council and the impact of potential future budget cuts • Accessibility tools and Google Translate are also built into the 'Your Say' website to support equal access for all.	'Your Say' project page: • 4,464 Page views • 1,982 unique visitors • 76 documents downloaded • 54 unique visitors viewed the image gallery 211 times
Frequently Asked Questions	18 FAQs were published on the 'Your Say' page and updated based on feedback received throughout the consultation period. Answers were revealed once clicked on.	'Your Say' FAQs section: • 367 views • 79 unique visitors
Council website	News article x 1 Council meeting papers & summary article x 1 Homepage link to 'Your Say' Consultation page	Let's Talk Services & Infrastructure website article generated: Total clicks: 5 Total impressions: 59 Average CTR: 8.5%

Method	Description	Reach
		Council meeting/papers summary article generated: Total clicks: 3 Total impressions: 187 Average CTR: 1.6% 5 people clicked through to the 'Your Say' consultation page from the website homepage Website visitors searched for North Sydney Council Rates and North Sydney Council Meetings. There were no specific searches for 'Let's Talk, Services, Infrastructure' or similar keywords during the consultation period. Search results: Rates: 145 clicks, 206 impressions Meetings: 57 clicks, 88 impressions
Social media	Organic posts were shared on North Sydney Council's Facebook, Instagram and LinkedIn channels.	20 posts were shared between August 1 to 28 2025. Combined total: • 9,490 reach • 26,400 impressions • 240 engagements
Print collateral	Infrastructure and assets factsheet & poster and a Services poster were developed providing information about the infrastructure and services provided by Council, the financial situation and a call to action to participate in the opt-in survey via QR codes and URL	• 65 views & 52 infrastructure and assets factsheets downloaded from 'Your Say' page • 11 views/downloads of assets poster from 'Your Say' page • Services poster views/download figures were not recorded • A single QR code driving people to the 'Your Say' page was used across all assets. It received 3 scans in total.
Electronic (email) newsletters	11 enewsletters were issued containing articles explaining the consultation and links to participate in the opt-in survey.	• Precinct news (1/8) 400+ subscribers, 258 opens, 35 clicks • Sustainability news (5/8) 4218 subscribers, 2,233 opens, 50 clicks • Events news (6/8) 3296 subscribers, 1,428 opens, 64 clicks • Precincts news (8/8) 400+ subscribers, 217 opens, 18 clicks • Business news (8/8) 1,071 subscribers, 465 opens / 32 clicks • Council news (12/8) 2,080 subscribers,1,059 opens, 199 clicks • Stanton Library news (15/8) 11,848 subscribers, 4,986 opens, 98 clicks • Precinct news (15/8) 400+ subscribers, 207 opens, 10 clicks

Method	Description	Reach
		• Precinct news (22/8) 400+ subscribers, 257 opens/ 12 clicks • Coal Loader news (27/8) 4,902 subscribers, 2,491 opens, 19 clicks • Precinct news (29/8) 228 opens / 7 clicks
Media	Media release distributed to local and key metro media contacts Media coverage	• 28 journalists received the release with 16 opening and 1 clicking on the supplied information link • Media generated a potential total audience reach of 7,898,003 with coverage across broadcast, online and print media nationally and locally. Full media report is provided in the attached Communication collateral and Engagement activities report.
Face to face sessions	4 x community pop up stalls were held to raise awareness, provide information and answer questions about the consultation	• Total 325 people participated • (13/8) Council staff spoke with 107 members of the public at Stanton Library • (16/8) Council staff spoke with 101 members of the public at Northside Markets • (20/8) Council staff spoke with 15 members of the public at Neutral Bay Community Centre • (23/8) Council staff spoke with 102 members of the public at Kirribilli Markets
Stakeholder engagement	The Mayor, Councillors, CEO and Director of Planning attended local precinct committee meetings to provide advice on the consultation and answer questions.	• Combined Precinct meeting 19/8/25 - CEO of NSC spoke to 18 members • representing 11 of 18 active precinct areas. • A further seven other precinct meetings were also held between 5-28 August. • 153 people participated in total.
Community Noticeboards & information displays	Printed information was displayed at the Library, 4 x Community Centres, Customer Services and across 60 community noticeboards.	• 6 community contact points • 60 community noticeboards
Staff communications	A series of all staff emails and updates were shared via the internal newsletter and VIVA Engage platform as well as by the CEO. Detailed briefings and FAQs were also provided to the Customer Service team to assist with any enquiries.	
Other	Customer Service digital display screen, IVR messaging, Council email signature	

Phase Two - Let's Talk Rates

Method	Description	Reach
Representative surveys conducted by Micromex Research	Community survey: Random telephone survey with local residents to identify community priorities for Council, overall level of satisfaction with Council's performance and importance of infrastructure maintenance and renewal as well as to evaluate resident attitudes toward a potential special rate variation including levels of support for each proposed option and the community's overall preference for how Council should proceed. Business survey: Mixed methodology of online and telephone data collection with local businesses to identify their priorities, evaluate business attitudes toward a potential Special Rate Variation (SRV), including levels of support for each proposed option and the overall preference for how Council should proceed.	Resident survey: 403 responses Business survey: 104 responses
Council generated consultation responses (opt-in surveys/submissions)	• Opt in survey (residents) – the Micromex survey was shared via the 'Your Say' page and council's communication channels to encourage wider participation • Opt in survey (business) – the Micromex survey was shared via the 'Your Say' page and emailed directly to Council's business news subscribers and key business contacts to encourage wider participation • Written submissions (consultation page feedback, emails and letters to Mayor/Council)	Opt in survey (residents): 661 responses Opt in survey (business): 11 responses 82 written submissions
'Your Say' consultation page	Content included: • Summary information on reason for the proposal • Tables and information show annual, total and cumulative increase for average and minimum rates for both residents and businesses as well as information on the cost difference between the SRV options • Links to residential and business surveys	'Your Say' project page: • 8,814 Page views • 3,809 unique visitors • 626 registered portal users • 264 video views • 789 key documents downloaded by 498 unique visitors • 320 views of factsheets by 268 unique visitors

Method	Description	Reach
	• Rates calculator • Information on what ratepayers would receive for their money, ie what each option would deliver • Explanation of Council's financial position • Explainer videos • Ask the Exec/pop up session schedule with locations • Feedback comment box, • Factsheets: Rate Options summary, How to read your Business / Residential Rates notice, Letter from the Mayor, Information for Businesses, What each rate option delivers/means for North Sydney • Key documents including the Draft Long-Term Financial Plan (LTFP), Productivity and Improvement Plan, Report to Council on the Draft LTFP and SRV options, Asset Management Strategy 2025-2035, Phase One Community Representative Survey and Opt-In Survey Results • Weekly consultation updates • FAQs • Accessibility tools and Google Translate are also built into the Your Say website to support equal access for all.	55 FAQS were published on the 'Your Say' page and updated based on feedback received throughout the consultation period. Answers were revealed once clicked on. Totals: 1,320 views by 253 unique visitors Four weekly updates on the consultation were provided updating visitors on new resources or changing information, extra drop-in sessions etc. Total of 61 views by 35 unique visitors across all 4 updates.
Council website	News articles x 3: Councillors to discuss draft LTFP proposal, Consultation open announcement, Council meeting / papers summary Updated information on Rates pages including 'How to read your rates' factsheets	News articles: LTFP – 75 impressions, 2 clicks Consultation open – 389 impressions, 35 clicks Council Meeting - 204 impressions, 5 clicks Council Rates homepage: 3,380 impressions, 309 clicks Rates factsheets: 880 views, 31 downloads
Rates calculator	Interactive online rates calculator that showed individual ratepayers (residents and businesses) the actual dollar impact on their property as a result of the 3 proposed rate options.	Data on number of visits is unavailable, although general feedback about the availability of a rates calculator was positive.
Social media	Organic posts were shared on North Sydney Council's Facebook, Instagram and LinkedIn channels covering a range of topics including explaining why Council was consulting, how to get more	A total of 41 organic posts were shared between 29 October and to 2 December. Totals:

Method	Description	Reach
	information on the proposed rate options and Draft Long-erm financial plan, links to the 'Your Say' page and consultation dates, ask the executive schedules, pop up stall schedules, videos with staff explaining recent productivity improvements (street cleaning, bushland, compliance and customer service teams), promotion of the business breakfast and business survey, highlighted results from the Phase One community survey with links to the full report, awareness-raising of the SRV calculator and that domestic waste and stormwater management charges were not included in the proposed rate options, reminders to provide feedback before consultation closes.	23,600 reach 45,420 impressions 215 engagements 20 comments 4,044 video views 28 clicks to SRV calculator
	One paid ad on LinkedIn was run to promote the SRV business breakfast between 11-19 November.	2,151 reach 3,639 impressions 59 clicks
Videos	A series of six videos were created and share via YouTube and the 'Your Say' consultation page. These explained various elements of the Draft Long-Term Financial Plan, the three proposed rate options, Council's financial performance and productivity and improvement plan, and why Council was seeking feedback on the proposed special rate variations.	YouTube views: • Your rates at work 48 views • Message from CEO 27 views • Financial performance 35 views SRV introduction 48 views IT Infrastructure 59 views • Productivity and Improvement plan 55 views • Asset Management 37 views YourSay page views: 105 unique visitors viewed the videos a total of 264 times • Your rates at work: 35 • Message from CEO: 49 • IT Infrastructure: 57 • Financial Performance: 40 • Productivity and Improvement plan: 45 • Asset Management: 38

Method	Description	Reach
Mayoral letter	Mayoral letter to residents provided information on why Council was consulting and the reasons for the SRV proposal as well as call to actions to the 'Your Sa'y page including QR code and URLs and consultation deadline. The back page was a replica of the proposed rate option summary factsheet which provided tables displaying annual, total and cumulative increases for each option for both minimum and average residential and business rates. It also provided a link to more information on financial hardship and an explanation of why Council was proposing increasing the minimum rate to make rates fairer for everyone.	44,100 letters were issued w/c 19 November 2025 Generated 182 scans to the consultation page
North Sydney News	Three-page article (including front cover) providing the following information: • Explanation of Council's financial situation and reasons for the challenges • Summary information on ageing infrastructure underfunding • Key results from community representative survey regarding assets condition and maintenance • Summary information on Council productivity and efficiency measures (past and planned) • Information on the three proposed rate options, minimum rates and financial hardship • Promotion of the SRV rates calculator • Multiple calls to have your say via QR codes and URLs with date of consultation closure	Australia Post delivered to 46,422 residents within the LGA 113 QR code scans taking readers to the 'Your Say' page and rates calculator
Electronic (email) newsletters	17 enewsletters were issued containing articles explaining the reason for the consultation, information on the three proposed rate options, calls to action on how to have your say via the consultation page and online survey, prompts to use the SRV rates calculator and specific information about the business breakfast event and dates and locations of the community information pop ups and ask the executive drop-in sessions	• Council eNews (30/10) 1220 opens, 230 clicks • Precinct (31/10) 241 opens, 33 clicks • Stanton Library eNews (1/11) 5091 opens, 146 clicks • Events (4/11) 1650 opens, 76 clicks • Sustainability (5/11) 2235 opens, 36 clicks • Precinct (7/11) 253 opens, 15 clicks • Arts & Culture (10/11) 1161 opens, 8 clicks • Business Breakfast (10/11) 751 opens, 114 clicks • Precinct (14/11) 247 opens, 5 clicks

Method	Description	Reach
		• Stanton Library (15/11) 7254 opens, 142 clicks • Council (21/11) 1368 opens, 79 clicks • Precinct (21/11) 253 opens, 2 clicks • Business survey (25/11) 659 opens, 21 clicks • Coal Loader (26/11) 2407 opens, 15 clicks • Events (28/11) 1613 opens, 38 clicks • Business (1/12) 573 opens, 17 clicks • Stanton Library (1/12) 6850 opens, 72 clicks
Email to Phase 1 consultation participants	Registered participants who had interacted with the Phase One project page were emailed to close the loop and ensure they were aware of the new consultation.	98 participants were sent this email
Targeted business stakeholder email	Identified local business contacts were emailed to promote the Business Survey and share the Business factsheet as well as be invited to the Business Breakfast. North Sydney Chamber of Commerce was also contacted to assist with sharing information with its member organisations.	Over 745 business contacts were emailed via Outlook. Open rates are not trackable via this platform. The Chamber of Commerce and CBRE assisted with contacting their members/clients but did not provide data on recipient numbers.
Print collateral	Factsheets provide information on: • Proposed rates options • Information for Businesses • What each option would deliver/mean for North Sydney • How to read rates (business) • How to read rates (residential) Posters advertised: • Drop in / Ask the Executive schedule • Business breakfast event • Business survey link via QR code • How Council currently spends average residential rates • Proposed rate options • What each option would deliver/mean for North Sydney	'Your Say' project page: Total 320 views / 268 unique visitors • Rates options: 213 views, 170 unique visitors • Business factsheet: 50 views, 40 unique visitors • How to read Business Rates: 26 views, 24 visitors • How to read Residential Rates: 31 views by 34 visitors QR Codes were scanned as follows: • Residential rate options – 184 • Business Breakfast – 3 • Let's Talk Business Survey – 1 scan No data was collected for other collateral.
Community Noticeboards & information displays	Information Displays / Community Noticeboards highlighted the 3 rate options and drove customers to the 'Your Say' page through a call to action and QR code. Displays featured both the factsheets and posters.	• 6 community contact points (4 x local community centres, Stanton Library and Customer Service Centre) • 60 community noticeboards

Method	Description	Reach
Newspaper adverts	Adverts were placed in local newspapers providing information on the consultation and a QR code and URL linking to the 'Your Say' project page	• North Shore Times: 49,000 readership generating 6 QR code scans • Mosman Daily: 34,000 readership generating 31 QR code scans
Media coverage	No media release was issued because of limited pick up in Phase 1. Council responded to 3 direct media enquiries. Several journalists also contacted the Mayor directly.	Media generated a potential total audience reach of 8,251,567 with coverage across broadcast, online and print media nationally and locally. Full media report is provided in the attached Communication collateral and Engagement activities report.
Ask the Executive public forums/drop-in sessions (Face to face)	Council's Executive team were available for community drop-in sessions where they answered questions and provided detailed information on the consultation, rate options and Draft Long-Term Financial Plan. Following community feedback sessions times were changed to include lunchtimes and early evening.	• 5 sessions totalling 10.5 hours. • 8 members of the public attended.
Business Breakfast (Face to face)	Council scheduled a business breakfast which included presentations from the CEO and Executive to explain Council's financial situation, the proposed rate options and the Draft Long-Term Financial Plan from a business perspective and answer any questions from the audience.	Due to low registrations (8), Council cancelled the session. Instead, all invitees (753) were emailed a copy of the 'information for businesses' factsheet, a link to the online business opt in survey and those who registered were provided an invitation to attend a pop-in session with the Council's Executive Team, of which 3 attended.
Community pop-up stalls (Face to face)	To raise awareness of the engagement Council staff undertook six community pop up stalls during the consultation period.	201 people talked to staff at: • 2 x Market stalls • 2 x Library pop up stalls • 2 x Community centre stalls
Stakeholder engagement (Face to face)	The Mayor, Councillors, CEO and Community Engagement staff attended local precinct committee meetings to provide advice on the consultation and answer questions.	Total of 146 attendees The CEO presented to the Combined Precinct Committee meeting on 18/11 where 11 precincts were represented by 13 members. The Mayor and/or the CEO also attended the following Precinct meetings: • Willoughby Bay (13/11) 15 attendees • Hayes & Kurraba (19/11) 22 attendees • Kirribilli (4/12) 35 attendees • Wollstonecraft (10/12) 37 attendees The Community Engagement Specialist also attended the Brightmore Precinct meeting (12/11) 24 attendees.
Other	Customer service Digital display screen, IVR messaging, Council email signature	

Survey respondent profile

Phase One - Survey Demographic Data

The representative sample was weighted by age and gender to reflect the 2021 ABS Census data for the North Sydney local government area. The opt-in survey was self-selecting so not demographically representative of the population.

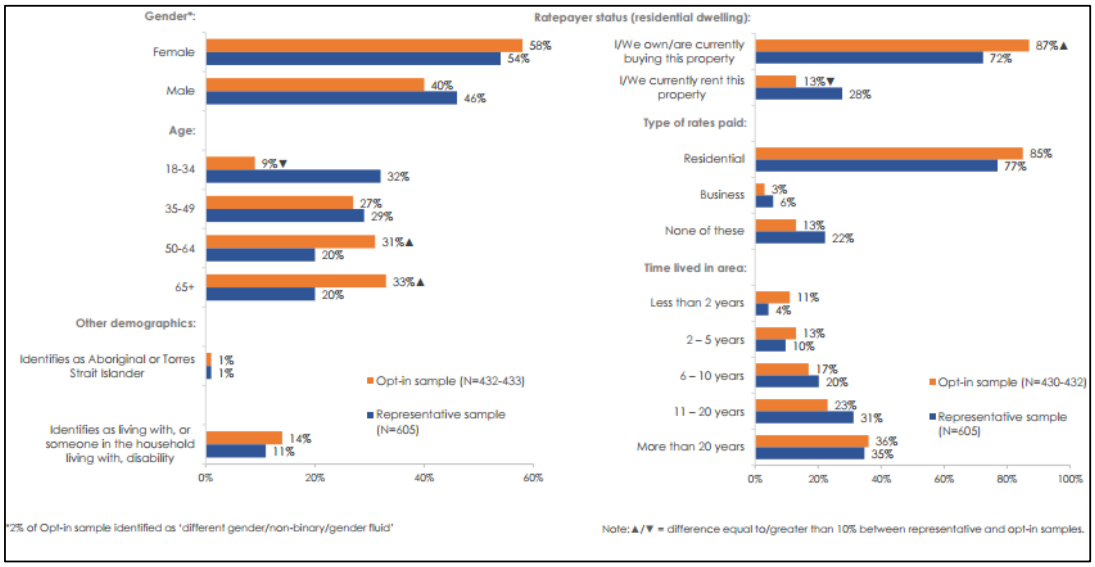
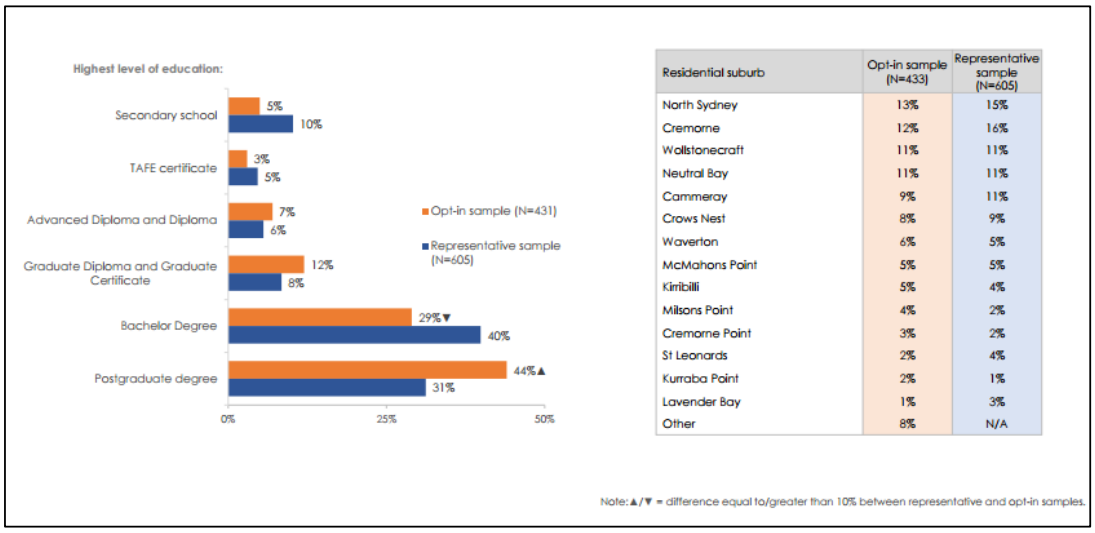


Figure 1: Participant profiles by age, gender, rate payer status, time lived in area, and other demographics.



Residential suburb	Opt-in sample (N=433)	Representative sample (N=605)
North Sydney	13%	15%
Cremorne	12%	16%
Wollstonecraft	11%	11%
Neutral Bay	11%	11%
Cammeray	9%	11%
Crows Nest	8%	9%
Waverton	6%	5%
McMahons Point	5%	5%
Kirribilli	5%	4%
Milsons Point	4%	2%
Cremorne Point	3%	2%
St Leonards	2%	4%
Kurraba Point	2%	1%
Lavender Bay	1%	3%
Other	8%	N/A

Figure 2: Participant profiles by highest level of education and residential suburb.

Phase Two - Survey Demographic Data

The resident representative sample was weighted by age and gender to reflect the 2021 ABS Census data for the North Sydney local government area.

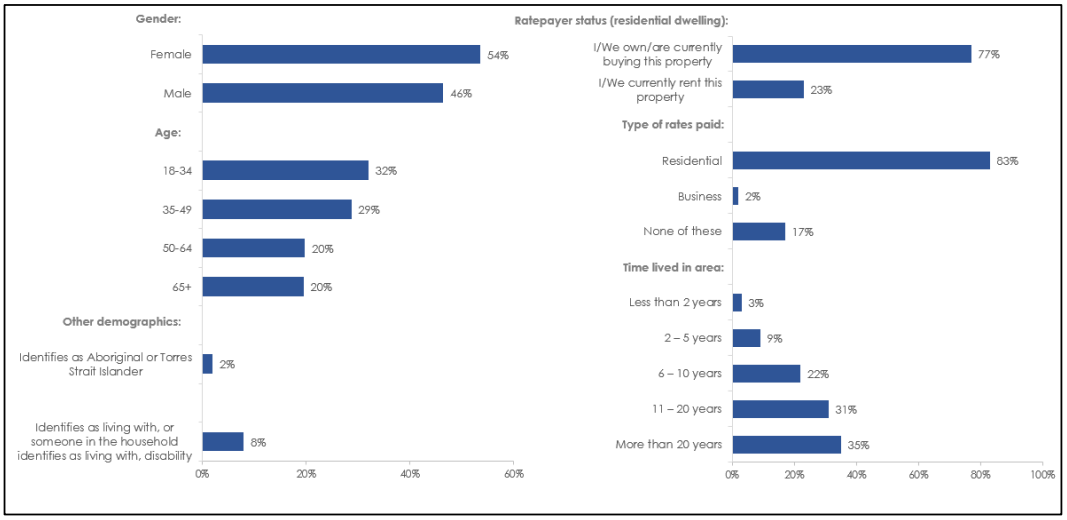
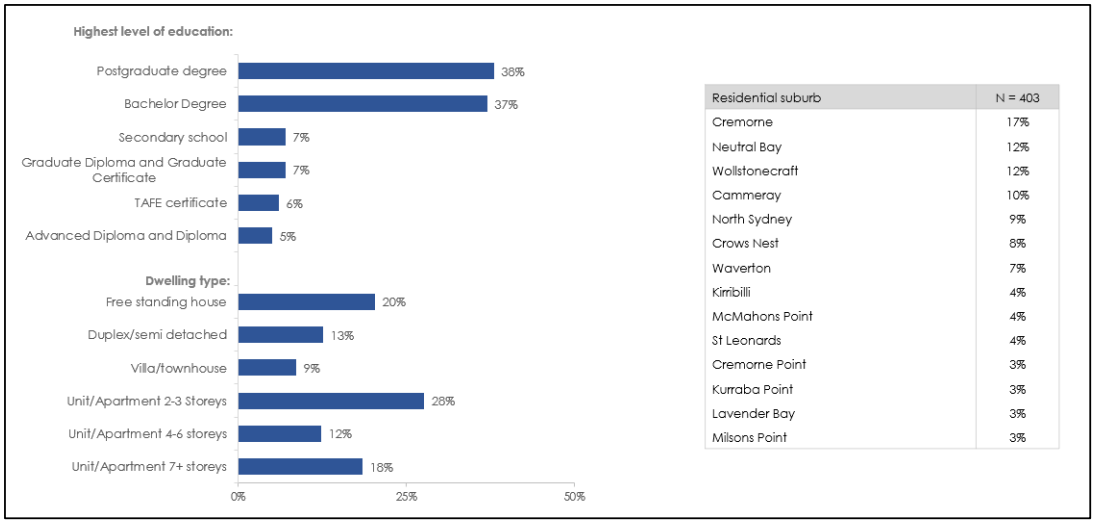


Figure 3: Participant profiles by age, gender, rate payer status, time lived in area, and other demographics.



Residential suburb	N = 403
Cremorne	17%
Neutral Bay	12%
Wollstonecraft	12%
Cammeray	10%
North Sydney	9%
Crows Nest	8%
Waverton	7%
Kirribilli	4%
McMahons Point	4%
St Leonards	4%
Cremorne Point	3%
Kurraba Point	3%
Lavender Bay	3%
Milsons Point	3%

Figure 4: Participant profiles by highest level of education and residential suburb.

The representative Business sample profile (104 respondents) demographic data is illustrated below.

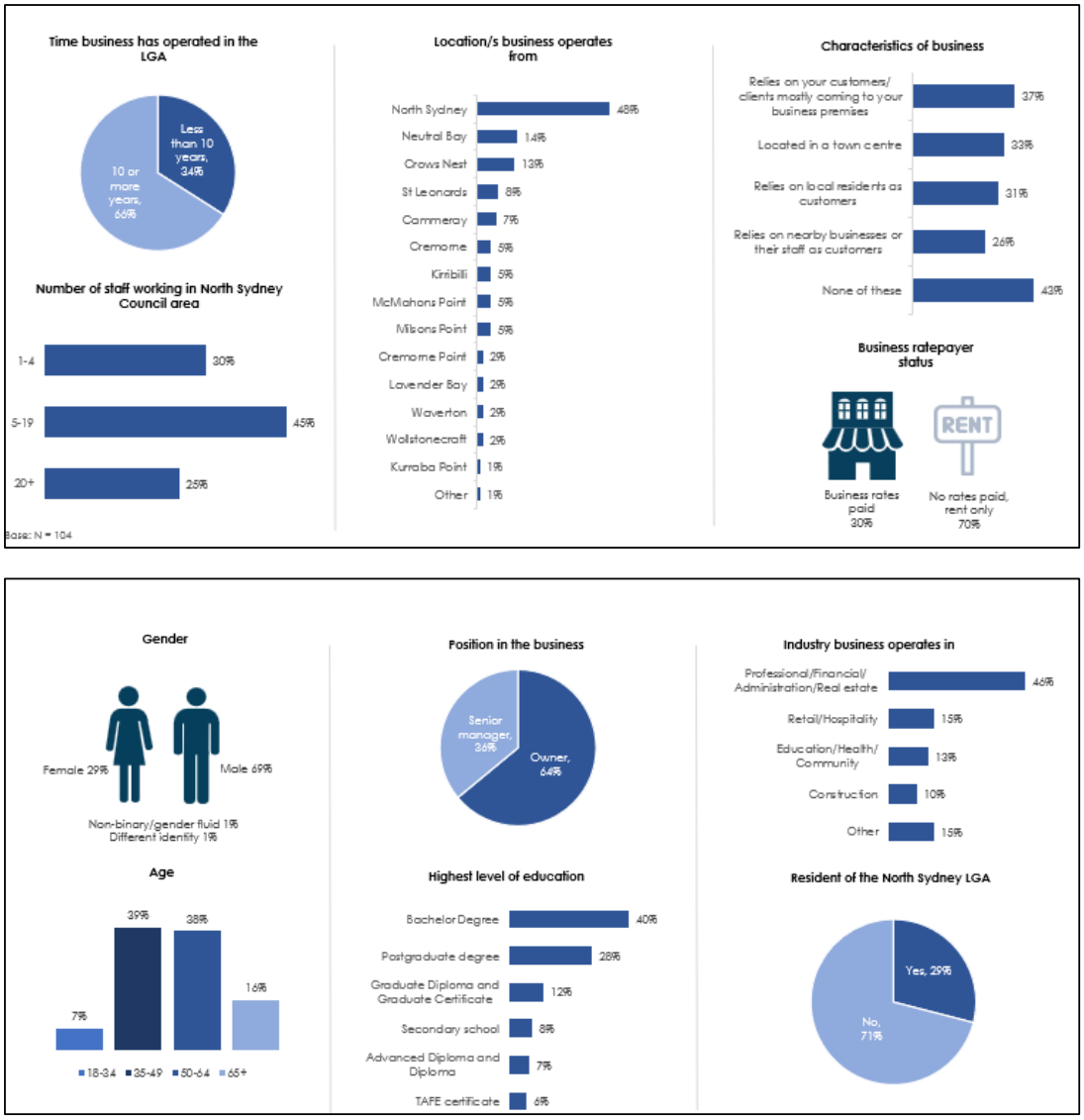


Figure 5: Demographic profile of representative business survey respondents

Awareness of consultation

Survey data indicates that the key awareness channels for Phase One survey participants were:

- opt-in sample: Social media (27%), council e-newsletters (24%), word of mouth (20%)
- representative sample: Word of mouth (20%), social media (20%), precinct committees (19%)

The representative sample's awareness channels were more evenly distributed than those of the opt-in sample, with the "other" category being higher as people found out about the consultation by being contacted to participate in the survey.

Insights from Phase Two show that the key awareness channels for resident survey participants were:

- opt-in sample: North Sydney News (34%), word of mouth (33%), letter from the Mayor (27%).
- representative sample: Word of mouth (43%), social media (36%), letter from the Mayor (30%).

It is clear from these results that Council's direct channels (social media, enewsletters, North Sydney News, and letters from the Mayor) coupled with word of mouth were far more effective than paid advertising and media coverage.

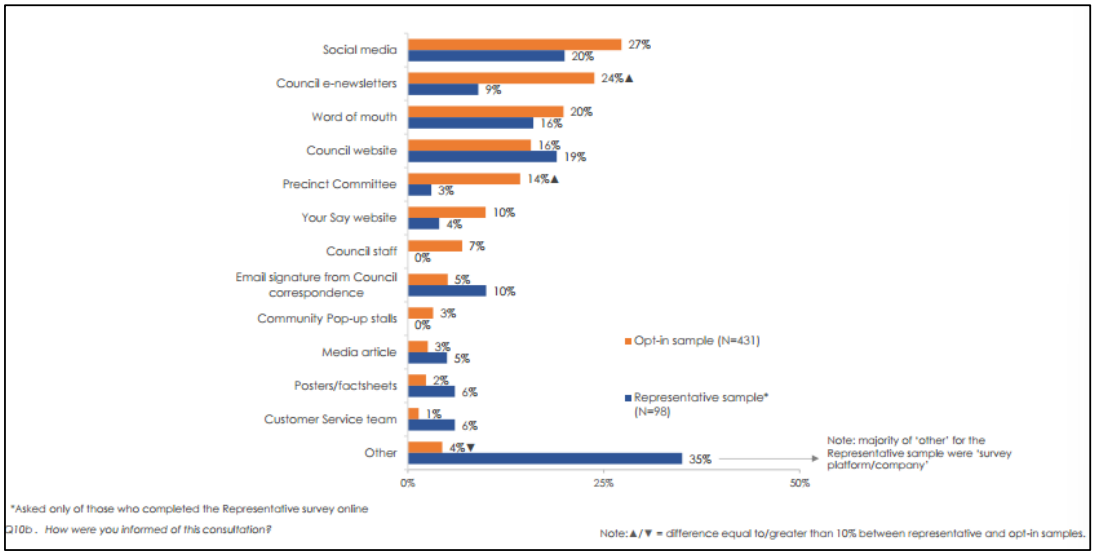


Figure 6: Phase One respondents were asked how they were informed of this consultation

Phase Two community survey respondents were asked if they were aware that Council were exploring sentiment towards a rate options including SV as well as the method of awareness.

- Awareness of the Special Rate Variation was moderate (49%) and slightly above the Micromex historic benchmark (44%), driven mainly by word of mouth, social media, and Council communications.
- 68% of those having participated in the opt-in survey were aware of Council's exploration of community sentiment towards a SRV, which is higher than the representative sample (49%).

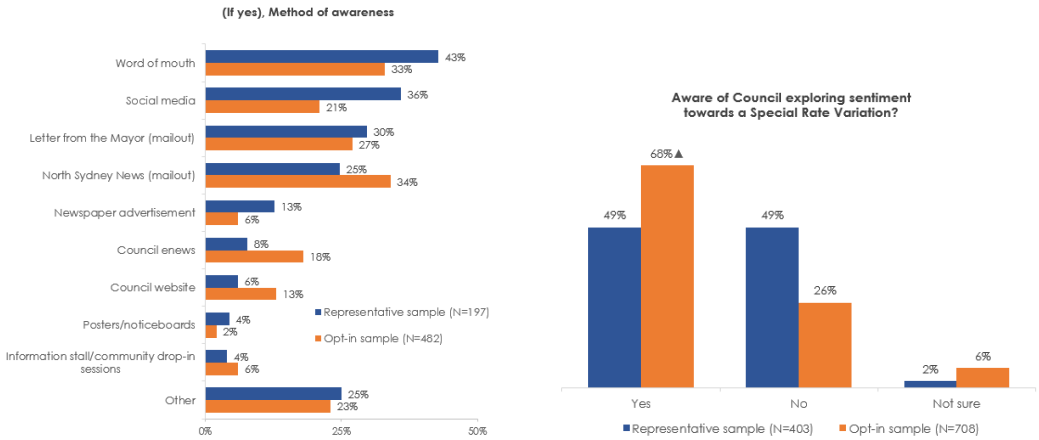


Figure 7: Phase Two Community surveys respondents' awareness of and sentiment towards the proposed SRV

Survey data from the Phase Two business representative sample indicated that social media (31%) and word of mouth (31%) were the most common ways businesses had been informed of Council's exploration of the SRV.

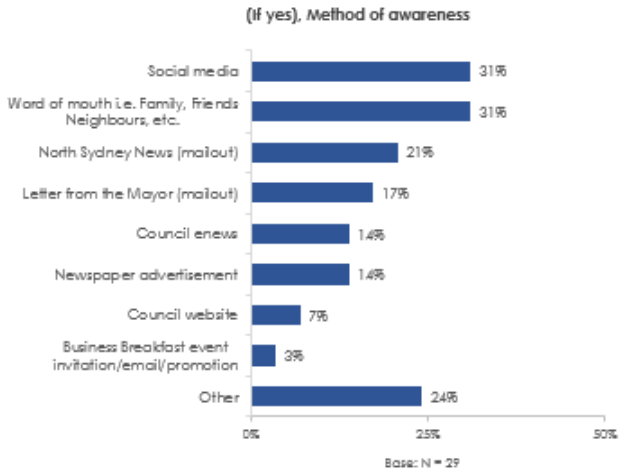


Figure 8: Representative business survey awareness of and sentiment towards the proposed SRV

Over one quarter of respondents were aware, prior to the survey, of Council's exploration of sentiment towards a special rate variation. Awareness was higher among those currently paying business rates, and those with a larger workforce. 55% of respondents recruited via the opt-in link were aware, compared to 25% from the Managed Sample.

Participation in consultation

For the 'Your Say' consultation pages, Phase One recorded 4,464 views and 1,982 unique visitors, increasing in Phase Two to 8,841 views and 3,809 unique visitors. By comparison, the previous SV consultation page for the February 2025 application had 5,100 views, meaning this campaign achieved a 73% increase year-on-year. These figures indicate exceptionally high engagement; well above Council's 'Your Say' webpage averages and significantly higher than the previous SV consultation.

Council received 433 completed opt-in surveys for Phase One and 661 for Phase Two from residents. This represents 22% of unique visitors to Phase One and 17% to Phase Two. Combined, 81% of unique visitors did not participate in either survey.

Adjustments during the consultation process

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

For Phase One, minor adjustments were made to FAQs following individual community queries. The key learning was from the representative survey responses to open-ended questions.

This revealed common themes related to ongoing transparency from Council and past financial mismanagement, particularly the North Sydney Pool project, which have created mistrust and scepticism about rate rises. As a result, the Phase Two engagement plan created targeted messaging as part of its communications including detailed videos, FAQs, and a Mayoral letter to address these issues upfront.

For Phase Two, adjustments during consultation included:

- Refreshed Council Rates website page
  Information on Council's website was updated to make it easier for residents/businesses to understand. This included the addition of FAQs and downloadable guides on how to read rates notices as well as a call to action to find out more about the three rates options on the 'Your Say' website consultation page.
- Further highlighting that Domestic Waste and Stormwater Management Charges were not included in as part of the three proposed rate options:
  As a result of feedback and questions raised by some members of the community, Council elevated information on the DWMC and SWMC charges in relation to the proposed rate options to the top of the rates calculator page as well as highlighting more prominently in the proposed rate options information on the 'Your Say' webpage. Council also posted on social media to raise awareness about their exclusion from the proposed rate options.
- Out of business hours 'Ask the Executive' drop-in sessions
  As a result of feedback including social media commentary, sessions times were changed to include lunchtimes and 4.30- 7pm sessions.
- 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 and were also included in the 55 Frequently Asked Questions responses published on the 'Your Say' webpage.

Office of Local Government (OLG) Criteria

A key focus of the Engagement Plan was to ensure Council met all six of the OLG's criteria for a special rate variation application in relation to its communication and engagement approach and materials.

OLG SV Criterion 1 – Financial need

- Phase 1 communication and engagement materials provided substantial information regarding Council's financial situation and infrastructure condition through a series of FAQs and factsheets on the 'Your Say' consultation page as well as through community conversations at pop up stalls
- Phase 1 representative and opt-in surveys provide evidence of community expectations in relation to service levels and infrastructure condition based upon an understanding that this expectation would require rate increases.
- Phase 1 representative and opt-in surveys provide evidence of community support towards improvement of services and infrastructure based upon an understanding that this expectation would require rate increases.
- Phase 1 representative and opt-in surveys provide evidence of support towards various alternatives to a rate rise, to assist Council's development of the new Long-Term Financial Plan.
- Phase 1 representative and opt-in surveys provide evidence of community sentiment in relation to loan funding, to assist Council's development of the new Long-Term Financial Plan.

Note: The full questionnaire with the level of information provided (including images and descriptions of asset conditions) is available for each survey in the associated survey results reports attached in attachments.

- Phase 2 communication and engagement materials provided detailed information regarding Council's financial need through the development of a new Long-Term Financial Plan (LTFP) which clearly outlined explanations in relation to Operating Performance ratio calculations and needs, the various alternatives to a rate rise that had been considered in developing the LTFP, the relationship of the North Sydney Olympic Pool project to Council's financial position, an analysis of actual vs forecast from the former LTFP prepared in 2019-20 and an explanation of where funds from SV revenue would be allocated. This LTFP was exhibited on Council's 'Your Say' project webpage.
- Information taken from the LTFP was shared in a range of formats for different audiences (including explainer videos, FAQs, factsheets, newsletter articles, mayoral letter, and in the North Sydney News) which were promoted across both digital and non-digital Council's communication channels and used at face to face drop in sessions, community pop up stalls, precinct meetings and at information displays across the LGA. Topics covered included: Council's financial performance and position, an overview of the proposed special rate variation and the reasons for it, the intent of the SRV and what each option will deliver (detailed information provided on the need to update IT infrastructure and fund infrastructure and assets), what Council has done to date and is planning to do in relation to productivity and efficiency improvements, past community survey results, financial modelling and asset management plans, what other options Council had considered before proposing the SV options and information to challenge common misconceptions in relation to surpluses, levels of cash and investments, property value increases and increased development in the area, as well as lingering concerns about the North Sydney Olympic Pool project.
- Phase 2 representative and opt-in surveys provide evidence of community awareness, along with sentiment toward a potential special rate variation including levels of support for each proposed option.

- Phase 2 representative and opt-in surveys provide evidence of community sentiment in relation to the sale of public infrastructure and assets to assist Council in their consideration of options.
- The Phase 2 representative surveys also meet the requirement to seek feedback from a representative group of ratepayers who will fund the SV.

Note: The full questionnaire with the level of information provided is available for each survey in the associated survey results reports attached in attachments.

OLG SV Criterion 2 – Community awareness and engagement

Council adhered to the OLG community engagement guidelines meeting the 28 days exhibition requirement for Phase 1 and increasing this to 36 days for Phase 2.

Awareness of the Special Rate Variation was moderate (49%) and slightly above the Micromex historic benchmark (44%), driven mainly by word of mouth, social media, and Council communication channels.

Over one quarter of business respondents were aware, prior to the survey, of Council's exploration of sentiment towards a special rate variation. Awareness was higher among those currently paying business rates, and those with a larger workforce. 55% of respondents recruited via the opt-in link were aware, compared to 25% from the Managed Sample.

During Phase One Council received 433 opt in survey responses and a total of 38,280 interactions with Council's communication and engagement campaign. In Phase Two this increased to 661 resident and 11 business opt-in survey responses with a further 82 submissions received. A total of 94,000 interactions were recorded with Council's communication and engagement campaign. Cumulative potential total media audience reach across both campaigns totalled 16,149,570. Print advertising reach totalled 83,000 based on readership figures.

The combined opt-in feedback participation total was 1105 participants. Key findings from the surveys are included on page 33. Submission themes are discussed from page 43 with all redacted verbatim responses provided as an attachment.

All surveys (both representative and opt-in) as well as the full verbatim of all submissions received are included within the attachments of this report.

A wide variety of engagement methods were used to target Council's identified audiences. These included:
- face-to-face: precinct meetings, community pop-up stalls, 'Ask the Executive' drop-in sessions;
- digital: social media, enewsletters, direct emails, Council website, 'Your Say' consultation page, online surveys, downloadable printed resources;
- print: North Sydney News, Mayoral letter, local newspaper advertising, and a variety of posters and factsheets as well as printed surveys on request;
- other: information displays across the community (60 noticeboards, 6 community contact points), email signatures, customer service digital display, and IVR messaging.

Communication materials clearly and transparently communicated:
- the full impact of the proposed permanent rate increases to ratepayers (e.g. SV rate calculator, rate option summary factsheet, Mayoral letter) as well as the rate peg option;

- what the SV would fund and how additional income would be allocated (e.g. 'Your Say' project page information, what the rate options mean for North Sydney factsheet, FAQs, and the Draft Long-Term Financial Plan published on the 'Your Say' and Council websites);
- alternative options explored by Council (e.g. 'Your Say' project page FAQs, North Sydney News, social media, and the Draft Long-Term Financial Plan as well as the Message from the CEO explanatory video);
- Council's ongoing efficiency measures (e.g. social media videos showcasing the productivity work of individual teams across Council, video explainer on the Productivity and Improvement plan, FAQs, and the Productivity and Improvement plan published on the 'Your Say' and Council websites); and
- made the community aware of the need for and extent of the rate rise (see all activities/methods listed in the tables above).

Information about the rates options clearly communicated the full cumulative increase of the proposed SV in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category. The following summary rate options factsheet illustrates this information.

let's talk...

RATES - Funding better local infrastructure

What are the proposed rate changes?

Council is seeking community feedback on three rate options. Two involve a permanent increase in rates above the NSW Government rate peg (known as special rate variations) to fund improved infrastructure outcomes.

Average residential rate

	Option 1	Option 2	Option 3
FY 25-26	$1,076	$1,076	$1,076
Annual increase	*$43*	*$219*	*$251*
FY 26-27	$1,119	$1,295	$1,327
Annual increase	*$34*	*$127*	*$193*
FY 27-28	$1,153	$1,422	$1,520
Annual increase	*$34*	*$84*	*$134*
FY 28-29	$1,187	$1,506	$1,654
Total increase	*$111*	*$430*	*$578*
Total 3 year cumulative increase above rate peg	*$0*	*$319*	*$467*

Minimum residential rate

	Option 1	Option 2	Option 3
FY 25-26	$743.85	$743.85	$743.85
Annual increase	*$29.75*	*$226.87*	*$226.87*
FY 26-27	$773.60	$970.72	$970.72
Annual increase	*$23.21*	*$124.26*	*$145.60*
FY 27-28	$796.81	$1,094.98	$1,116.32
Annual increase	*$23.90*	*$76.65*	*$100.47*
FY 28-29	$820.71	$1,171.63	$1,216.79
Total increase	*$76.86*	*$427.78*	*$472.94*
Total 3 year cumulative increase above rate peg	*$0*	*$350.92*	*$396.08*

Average business rate

	Option 1	Option 2	Option 3
FY 25-26	$7,193	$7,193	$7,193
Annual increase	*$288*	*$1,390*	*$1,617*
FY 26-27	$7,481	$8,583	$8,810
Annual increase	*$244*	*$893*	*$1,380*
FY 27-28	$7,705	$9,476	$10,190
Annual increase	*$231*	*$583*	*$947*
FY 28-29	$7,936	$10,059	$11,137
Total increase	*$763*	*$2,866*	*$3,944*
Total 3 year cumulative increase above rate peg	*$0*	*$2,103*	*$3,181*

Minimum business rate

	Option 1	Option 2	Option 3
FY 25-26	$743.85	$743.85	$743.85
Annual increase	*$29.75*	*$226.87*	*$226.87*
FY 26-27	$773.60	$970.72	$970.72
Annual increase	*$23.21*	*$124.26*	*$145.60*
FY 27-28	$796.81	$1,094.98	$1,116.32
Annual increase	*$23.90*	*$76.65*	*$100.47*
FY 28-29	$820.71	$1,171.63	$1,216.79
Total increase	*$76.86*	*$427.78*	*$472.94*
Total 3 year cumulative increase above rate peg	*$0*	*$350.92*	*$396.08*

Making Rates Fairer for Everyone

Council rates are based on the unimproved land value, not the market value of your built property. Every Council sets a minimum rate which is the lowest amount a household can be charged.

This minimum rate mostly applies to apartments, because many units share the same block of land. Houses and townhouses usually pay much more.

In North Sydney, 77% of North Sydney residents currently pay the minimum rate of $743 – the third lowest minimum rate in metro Sydney.

Increasing the minimum is important to ensure everyone contributes fairly to the cost of local services and infrastructure. It also ensures that as more high-density developments are built, there is enough funding to support the extra demand on services and facilities.

Help with financial hardship

Council recognises cost-of-living pressures. There are a wide range of financial hardship support options available for the community. These include pensioner rebates, flexible payment plans, deferral and other options. Find out more: **northsydney.nsw.gov.au/FinancialHardship**

Have your say – WE WANT TO HEAR FROM YOU

Consultation closes on Wednesday 3 December 2025: yoursay.northsydney.nsw.gov.au/lets-talk-rates

OLG SV Criterion 3 – Impact on ratepayers

Information about the rates options clearly communicated the full cumulative increase of the proposed SRV in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category.
In addition, Council developed a rates calculator to assist ratepayers in understanding the individual impacts on their assessment.

The representative and opt-in surveys across both engagement phases canvassed ratepayers' willingness to pay. Questions covered desired levels of investment and support for increased rates to cover asset and infrastructure maintenance and improvement costs, alternative funding sources / revenue raising strategies as well as community attitudes toward a potential special rate variation including levels of support for each proposed option and the community's overall preference for how Council should proceed.

Council promoted its *Financial Hardship Policy* and resources through information on a variety of factsheets, posters, Council's website and the 'Your Say' project page for Phase Two. An example of how this was promoted can be seen in the summary rate options factsheet image provided against criterion 2.

Information regarding the proposed special rate variations and minimum rate increases was also articulated on this and other factsheets/posters displayed around the LGA and available for download, through FAQs, information and explainer videos on the 'Your Say' project page, in the North Sydney News and the mayoral letter as well as in the draft LTFP.

OLG SV Criterion 4 – Exhibition and adoption of IP&R documents

The *Community Strategic Plan*, *Delivery Program*, and *Asset Management Plan* were all been adopted by Council in the previous financial year, in accordance with OLG guidelines. The new Draft Long-Term Financial Plan was exhibited as part of the SRV consultation and will be considered by Council prior to any application to IPART at its extraordinary meeting on 19 January 2026.

The public exhibition period ran from 27 October to 3 December 2025 to provide extra time for community consideration and avoid the Christmas break.

OLG SV Criterion 5 – Productivity and cost containment

Internal engagement across service units within Council resulted in extensive documentation of Council's improvement journey to date, including productivity and cost containment outcomes. In addition, productivity and cost containment panel sessions were held with each Manager to explore future opportunities which were then also documented.

The Productivity and Improvement Plan was exhibited as an attachment to the Draft Long-Term Financial Plan.

Council's productivity and cost containment activities were communicated externally through a variety of methods including:

- social media videos showcasing the productivity work of individual teams across Council;
- video explainer on the Productivity and Improvement Plan;
- FAQs;

- article in the North Sydney News;
- Productivity and Improvement Plan published on the 'Your Say' and Council websites

OLG SV Criterion 6 – Other matters

Based on the previous IPART application and Phase 1 social media commentary, several key topics indirectly related to the Phase 2 consultation were identified. The Council website rates pages were updated to ensure the community could better understand how rates worked and how to read rates notices. Multiple FAQs were also added to the 'Your Say' webpage covering topics related to Developer Contributions and their connection to rates, the link between increased property development and rating income, school exemption from council rates, updated information on the North Sydney Olympic Pool project in relation to the Draft Long-Term Financial Plan, and more. The full list is available here: Faq List - Engagement Hub Platform.

Findings

Representative surveys

Phase One representative survey key findings:

Key findings from the research show residents understand the financial trade-offs, are prepared to invest in essential infrastructure and support innovative funding approaches. There is little appetite for 'less' – the majority of residents want services/infrastructure to at least be maintained, if not improved – even knowing that maintaining/increasing services will require an increase in rates.

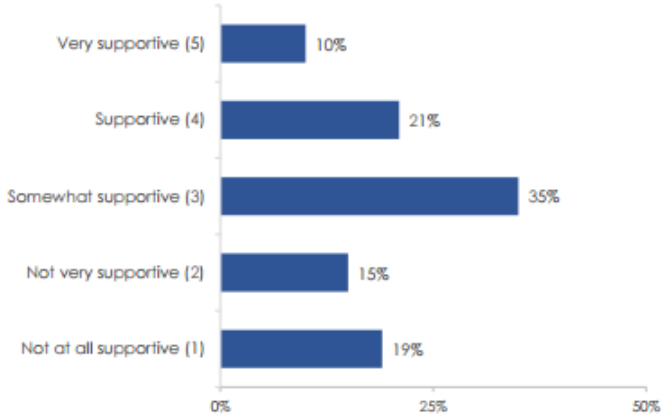


Figure 9: Phase One representative respondent support for paying more in rates to improve services/infrastructure

Residents who are supportive/ very supportive believe improvement are needed/ will benefit the area and that current rates are manageable compared to other council areas. For those less supportive, residents cited cost of living pressures and Council's financial management as key concerns.

When asked about alternative revenue sources, there was stronger support for corporate/private event pool hire (87%), commercial/large group park fees (77%), and facility naming rights (74%). Residents were asked if they believe Council should reduce, maintain, or improve service levels across 51 service areas.

As a principle 72% of residents agree or strongly agree with the statement 'each generation should contribute to the renewal of community infrastructure they have used and benefited from'.

In summary, the majority of residents prefer for Council to maintain – if not improve – service levels, with some areas seen as higher priorities for improvement.

- 66% of residents are at least somewhat supportive of paying more in rates to maintain or improve services.

Although all services rated higher on maintain and/or improve, those services which had higher levels of 'reduce' tended to be lower cost, lower reach services, however highly valued by those that participate. For example, Environmental education/workshops, for which 36% of respondents agreed with reducing. In considering these results, perspective must be given to the level of investment.

In relation to asset investment, nearly one in three residents prefer more Council spending, and 63% support paying more in Council rates. Support for paying more in rates to cover maintenance and renewal costs was strongest for roads and transport (67%), stormwater (66%) and footpaths (65%). It was lowest for bus shelters and street furniture (57%).

There was also considerable support for Council to cater for increasing density in the LGA. 80% of residents would like Council to maximise use of existing spaces (e.g. better drainage, multi-use fields). Most residents also supported using public land near the metro for socio/economic benefit (67%) and revitalising CBDs with social spaces and upgrades.

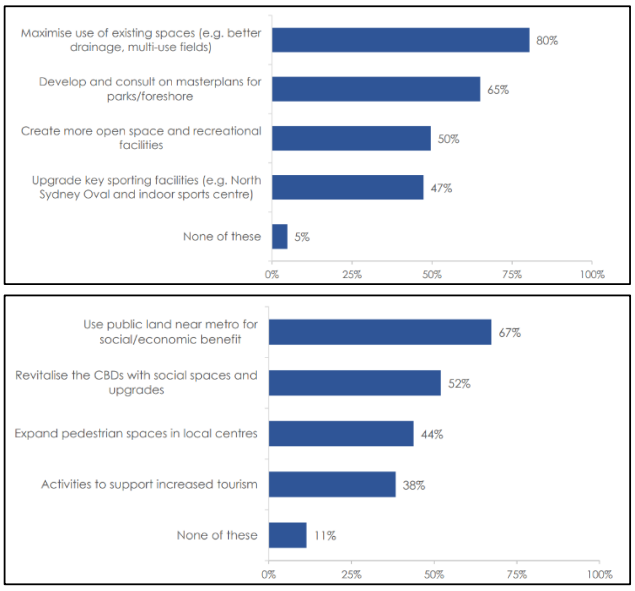


Figure 10: Phase One representative respondent support for potential actions Council should implement for open space and recreation and economic development.

Phase Two representative community survey key findings:

Key findings from the residential survey show that 48% of residents prefer Council proceeding with some level of rate variation. Compared with other recent council consultations, support for an SRV in North Sydney is relatively stronger, with preferences closer to an even split rather than the 40/60 preference for an SRV observed elsewhere.

Preferences are balanced between cost-of-living pressures and recognition of the need for adequate funding to maintain services and infrastructure.

Rate Peg Only:

- 70% are at least somewhat supportive.
- 52% selected rate peg only as their first preference, with their main reason for preference being 'Council should use funds more wisely/lack confidence in Council's financial management'.
- This option had higher support among those residing in lower-density dwellings such as free-standing houses (77%) and duplex/ semi-detached houses (74%).

Option 2:

- 59% are at least somewhat supportive of Council proceeding with Option 2, this increases to 83% amongst non-ratepayers and 67% for those currently living in a duplex/ semi-detached house.
- 26% selected this option as their first preference, with their main reasons being 'it is needed for improvements in the area' and 'it is a fair amount/not unreasonable/most balanced'

Option 3:

- 45% are at least somewhat supportive. Support for this option is higher among non-ratepayers, younger residents and those living in higher density apartments.
- 22% selected this option as their first preference, with their main reasons being 'it is needed for improvements in the area' and 'higher rates will lead to faster progress and better outcomes'.

First preference	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Rate peg only	52%	47%	57%	49%	55%	56%	46%	58%	30%	47%	54%	53%
Option 2	26%	28%	24%	16%	31%	30%	30%	24%	32%	24%	32%	23%
Option 3	22%	25%	19%	35%	14%	14%	24%	18%	38%	29%	14%	24%
Base	403	216	187	129	116	80	79	311	92	138	126	139

First preference	Overall	Awareness of SRV (Q4a)		Overall satisfaction with Council (Q1c)			Importance of maintaining/ renewing local infrastructure		
		Yes	No/ not sure	Very satisfied/ satisfied	Somewhat satisfied	Not at all/ not very satisfied	Very important	Important	Not at all to somewhat important
Rate peg only	52%	54%	49%	40%	53%	80%	43%	55%	88%
Option 2	26%	26%	26%	29%	28%	15%	31%	23%	8%
Option 3	22%	20%	25%	31%	19%	5%	27%	22%	4%
Base	403	197	206	210	107	86	255	95	53

Figure 11: Options ranked in order of preference by demographic status / survey themes

Minimum Rate

Views on the fairness of the minimum rate are divided, with around half of residents considering it fair (49%) and 40% believing it is either inequitable or unfair.

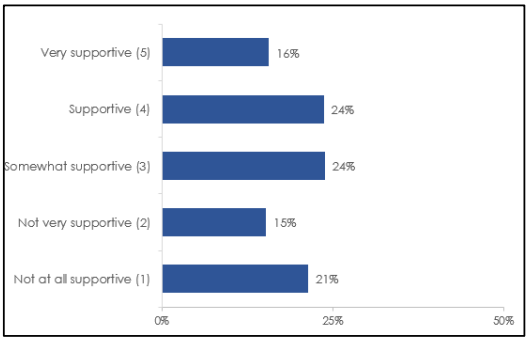
Perceptions appear closely linked to whether residents are likely to be paying the minimum rate. Residents in higher-density housing, who are more likely to be minimum-rate payers, are more likely to view the minimum rate as fair.

In contrast, residents in lower-density housing, who are less likely to be paying the minimum rate, are less likely to consider it fair.

Nearly two-thirds of residents (63%) are at least somewhat supportive of increasing the minimum rate to better balance contributions across ratepayers.

Support is strongest among residents least likely to be paying the minimum rate, particularly those living in free-standing and duplex/semi-detached dwellings.

By contrast, support is lower among higher-density residents, who are more likely to be paying the minimum rate.



	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Top 3 Box %	63%	67%	79%	60%	58%
Mean rating	2.97	3.20	3.44	2.84	2.78
Base	403	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	63%	65%	61%	54%	70%	65%	67%	61%	71%	59%	70%	61%
Mean rating	2.97	2.98	2.96	2.81	3.00	3.14	3.01	2.86	3.33	2.91	3.12	2.89
Base	403	216	187	129	116	80	79	311	92	138	126	139

Scale: 1 = not at all supportive, 5 = very supportive A significantly higher/lower level of support (by group)
Figure 12: Community representative respondents support for changing the minimum rate in total and by demographics / dwelling type.

Findings on Infrastructure and Public Assets:

- 87% of residents rate infrastructure maintenance and renewal as important or very important.
- Importance is particularly high among residents living in higher-density apartments (92%) and non-ratepayers (99%).
- Residents believe that Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations (80% agree).
- Residents are more likely to disagree than agree that Council should deal with the current and any future financial issues by selling investment properties now, rather than increasing rates or fees (41% disagree, while only 30% agree).

Satisfaction with the performance of Council over the past 12 months

79% of residents are at least 'somewhat satisfied' with the performance of Council over the last 12 months.

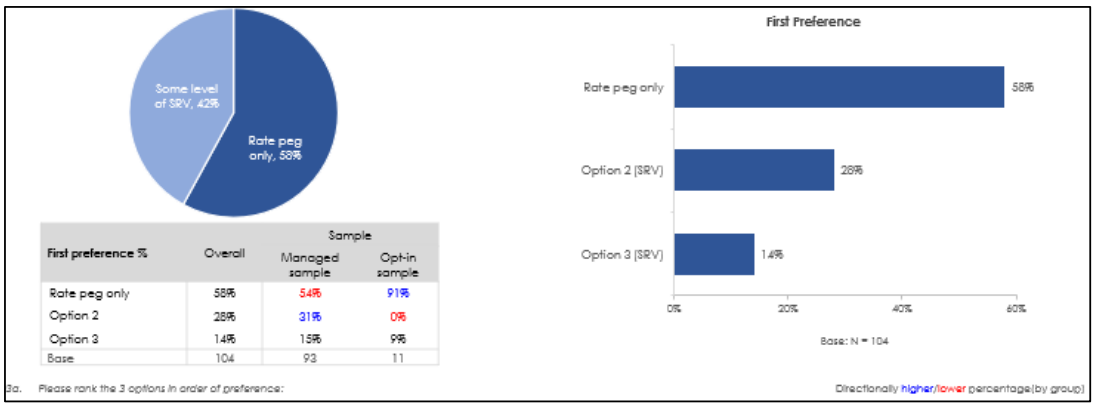
Phase Two representative and opt-in business survey key findings

Results for the Phase Two business surveys have been combined due to the number of participants. A total of 104 representative sample interviews were conducted using a mixed methodology of online and telephone data collection. A further 11 respondents completed the opt-in survey via Council's 'Your Say' project page.

Special rate variation

When reviewing the managed representative sample alone, preferences are closely divided, with 54% preferring a rate peg only and 46% preferencing an SRV option. This difference falls within the margin of error and is not statistically distinguishable. 10 out of the 11 Opt-In respondents gave preference to the Rate Peg Only.

These results indicate that business sentiment, like resident sentiment, is finely balanced, with views influenced by both cost-of-living pressures and recognition of Council's need for sustainable funding.



First preference %	Overall	Sample: Managed sample	Sample: Opt-in sample
Rate peg only	58%	54%	91%
Option 2	28%	31%	0%
Option 3	14%	15%	9%
Base	104	93	11

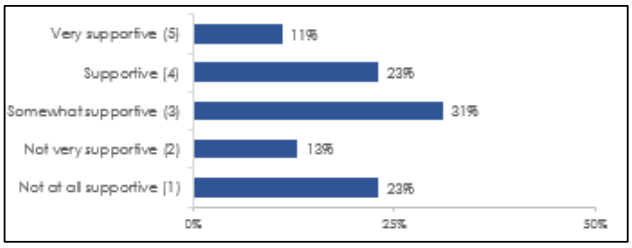
Figure 13: Business survey respondent preferences towards the proposed rate options

Those who prefer the rate variation options believe the SRV is needed for improvements in the area. Specifically, those who prefer Option 2 were most likely to believe the cost was fair/most reasonable, while those who prefer Option 3 believe it to be the best option for business.

For those who prefer the rate peg only, concerns raised included Council's financial management, the current cost of business operations and the affordability of the Option.

Minimum rate

- Almost two thirds of respondents support Council increasing the minimum rate (64%).
- Those from the professional/financial/administration/real estate industry were less likely to support the increase.
- Analysis by sample source shows respondents recruited via the managed sample were more likely to support increasing the minimum rate (67% v 45%).



	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed sample	Opt-in sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Top 3 Box %	64%	67%	45%	69%	62%	57%	68%	50%	69%	74%	60%	62%
Mean rating	2.86	2.91	2.36	2.80	2.88	2.71	2.93	2.43	3.00	3.16	2.77	2.65
Base	104	93	11	35	69	35	71	30	70	31	47	26

	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Top 3 Box %	64%	52%	69%	93%	70%	69%	60%	54%	70%	52%	69%
Mean rating	2.86	2.71	2.94	3.36	2.70	2.88	3.07	2.43	3.00	2.45	3.03
Base	104	48	16	14	10	16	15	28	61	29	71

Q5. *How supportive would you be of Council increasing the minimum rate to better reflect the cost of service delivery to all businesses?*

Scale: 1 = not at all supportive, 5 = very supportive
Directionally higher/lower level of support (by group)

Figure 14: Business survey respondents support for changing the minimum rate in total and by demographics / dwelling type.

Support for Council acting to secure and grow employment across the LGA and its economic development services

Over three-quarters support Council implementing at least one employment-focused initiative, with the highest priority placed on using public land near metro stations for social and economic benefit and revitalising CBDs through upgrades and social spaces. These preferences reflect a strong desire for Council-led activation, improved amenity and place-based investment to attract workers, stimulate foot traffic, and strengthen the long-term economic vitality of North Sydney.

There is strong support for Council maintaining or improving its economic development services, with little appetite for service reductions. At least three-quarters of businesses believe Council should maintain or enhance services such as town centre promotion, events and festivals, public space quality, cleaning, and graffiti removal. The most supported service includes, business support initiatives, where more than one third of respondents would like Council to increase its efforts, highlighting a desire for Council to play an active role in supporting business resilience and activity.

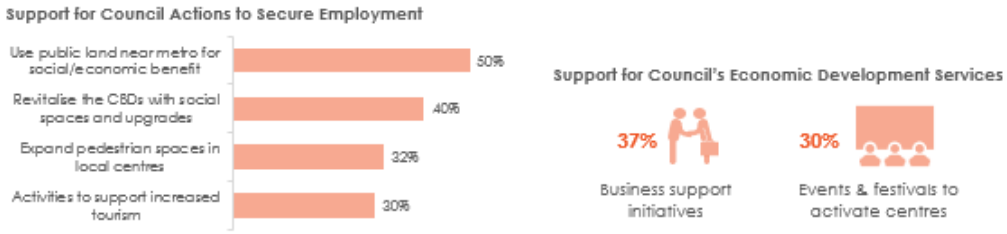


Figure 15: Business survey respondents for Council's proposed business support activities

Satisfaction with the performance of Council over the past 12 months

64% of businesses in the North Sydney LGA at least somewhat satisfied with Council's performance. Satisfaction is notably higher among businesses that feel confident about their future prospects and among those that do not directly pay business rates.

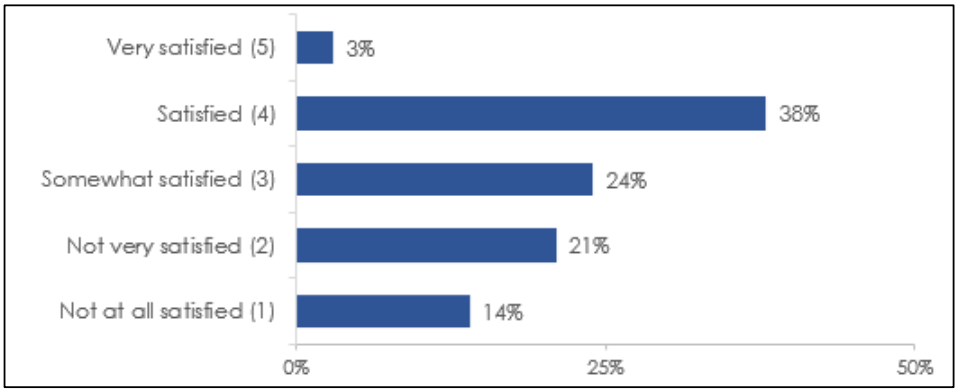


Figure 16: Business survey respondents satisfaction with Council over past 12 months

See attachments for the full survey finding reports for both Phase One and Two.

Opt-in surveys

Phase One opt-in survey key findings

The opt-in online survey link (a replica of the representative survey produced by Micromex Research) was made available by North Sydney Council from 1 August to 2 September 2025. A total of 631 participants clicked on the link, and 433 completed the survey.

The opt-in survey data is from a self-select sample rather than a random sample. As such:

- the results are only reflective of those who have participated and cannot be generalised across the broader population. When seeking survey results which reflect the broader community, the representative (that is randomly selected) survey should be preferred.
- the opt-in results have not been weighted by age and gender to reflect the broader North Sydney community. As the opt-in sample was not generated randomly, tests of statistical significance cannot be applied.

Key results:

- 64% of respondents are at least somewhat supportive of paying more in rates to maintain or improve services.
- The majority of respondents prefer for Council to maintain – if not improve – service levels, with some areas seen as higher priorities for improvement.
- Compared to the Representative sample, the Opt-in respondents were more likely to suggest that Council could reduce a range of services/facilities. However, for 49 of the 51 listed services/facilities, a majority of respondents wanted them at least maintained if not improved.
- 47% of Opt-in respondents favoured higher quality services/infrastructure even if it comes at a higher cost. In contrast, 22% favoured lower cost/lower quality services/facilities.
- Support for paying more in rates to cover asset maintenance and renewal costs was strongest for stormwater (73%), roads and transport (69%), and footpaths (69%); It was lowest for bus shelters and street furniture (60%).
- Across the seven asset classes, the majority of Opt-in respondents (around two thirds in most cases) were at least somewhat supportive of paying more rates to maintain or improve the assets.

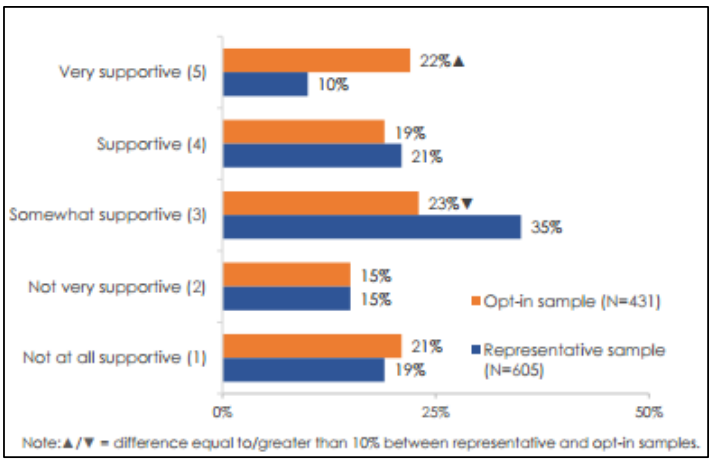


Figure 17: Phase One opt-in survey respondent support for paying more in rates to improve services/infrastructure

Phase Two Opt-in residential survey key findings

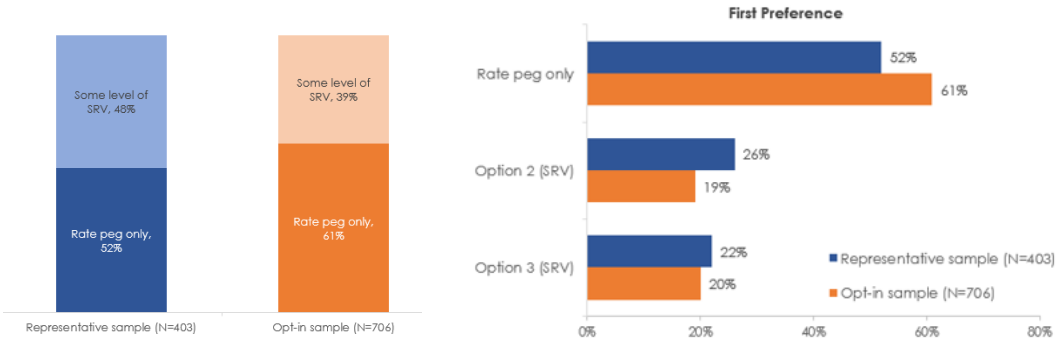
The opt-in online resident survey link was made available by North Sydney Council from 3 November to 12 December 2025. A total of 661 participants completed the survey.

The opt-in survey data is from a self-select sample rather than a random sample. As such:

- the results are only reflective of those who have participated and cannot be generalised across the broader population. When seeking survey results which reflect the broader community, the representative (that is randomly selected) survey should be preferred.
- the opt-in results have not been weighted by age and gender to reflect the broader North Sydney community. As the opt-in sample was not generated randomly, tests of statistical significance cannot be applied.

Special rate variation

39% of residents in the opt-in sample were supportive of some level of SRV, which is lower than the results of the representative survey (48%).



First preference Opt-in sample only	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Rate peg only	61%	53%	62%	60%	66%
Option 2	19%	27%	20%	18%	16%
Option 3	20%	20%	18%	22%	18%
Base	687	156	85	236	217

Figure 18: Phase Two opt-in survey respondent SRV rate option preferences

Minimum rates

Views on the fairness of the minimum rate are divided, with 41% of residents considering it fair, 38% considering it either inequitable or unfair, and 21% being unsure.

Like the representative survey, 57% of residents are at least somewhat supportive of increasing the minimum rate to better balance contributions across ratepayers.

Findings on Infrastructure and Public Assets:

- 62% of residents rate infrastructure maintenance and renewal as important or very important.
- 66% of residents believe that Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations.
- Residents are split on whether they agree that Council should deal with the current and any future financial issues by selling investment properties now, rather than increasing rates or fees (40% disagree, while 40% agree, 20% remained neutral).

Satisfaction with the performance of Council over the past 12 months

- 55% of residents were somewhat satisfied with Council's performance, while 45% responded as unsatisfied.

Non-survey submissions

Methodology for assessment

Submissions were accepted if they are in writing and received either via the online comment box on the 'Your Say' project page, hardcopy online form, letter, or email addressed to Council or Councillors. Anonymous submissions by mail and email are accepted as a submission. (A total of two submissions were received by email or letter where the individual could not be identified for registration as a customer in Council's document management system).

- Submissions via email/letter
  Submissions received via email and mail are registered in Council's record management system and recorded in the Submission Register. An initial check is performed to establish if the writer/ respondent has already made a submission. All submissions are read, and the sentiment coded against themes in the Submission Register. An acknowledgement is sent to the customer and the action closed in Council's document management system.

- Submissions via the online form
  The information from the hardcopy submission is extracted and recorded. All submissions are read, and the sentiment coded against themes in the register. An automated acknowledgement is sent when the writer/respondent submits the form.

- Duplicate submissions
  Duplicate submissions containing the same content were removed. Any additional submissions with new content made by the same person are added to the sentiment in their original submission. A secondary review is undertaken to capture new/additional sentiment.

- Online form
  Customers were required to provide their name, contact number, email, subject descriptor and message on the 'Your Say' page to make a submission. Options were available to upload documents. The system does not limit the account holder to one submission. Submissions were deemed to be duplicate where name, email, subject and message were identical. If the subject or message was different but the name and email were the same this was treated as an 'add-on' to the original submission. Where the name, contact number and/or email were different but the subject and/or message were the same as a different individual this was treated as a separate submission.

- Emails
  Where more than one submission from the same account was received and the sign off on the email was either the same, unsigned, one was signed and the other unsigned, or the Christian name initials were used and then written in full it was considered a duplicate submission.
  Submissions from different legal entities (Company + an individual) using the same email and signed were treated as individual submissions.

- Letters
  Letters were also treated as the same and a similar process undertaken in cross checking and eliminating duplicates from the letters/email register and online form register.

- Precinct submissions
  Submissions were accepted as meeting minutes or standalone documents. Each was treated as a single submission on behalf of all attendees unless individual vote counts for each preference option were specified.

Quality checking of coding themes

The qualitative comments in submissions are coded against the six OLG criterion and 25 sub-themes with initials of the reviewer recorded against the submission. A secondary review of the coding of comments against themes was completed, including those flagged as having additional submissions added and initials of the reviewer recorded against the submission. All submissions were read to ensure the sentiment coded against each theme is reflective of the writers expressed intent.

Analysis of feedback

Phase 1

A total of three submissions were received during the public exhibition. Submissions received by Council up until midnight 29 August 2025 have been included in this report. Of these, three respondents made submissions via email to Council requesting a link to complete the online opt-in survey.

Note: Phase One feedback was designed to be captured via the online surveys, so no feedback comment box was provided on the 'Your Say' consultation page.

Phase 2

A total of 73 submissions were received during the public exhibition ending at midnight on 3 December 2025. A further nine submissions received by Council up until close of business Friday 12 December 2025 have also been included in this report, to ensure Precinct Committees had the opportunity to respond as a group in line with their last meetings of the year. This extended the initial consultation period by a further eight days.

The submissions represent 2% of unique visitors to the Phase Two project page.

Of these, 58 respondents made submissions via the 'Your Say' webpage, one via the Customer Service Call Centre, two were in person, five through precinct meeting minutes, and 17 were received directly via email or letter.

The approach to completing the analysis involved identifying the issues within every submission, including aligning them to the six OLG special variation criteria, establishing overarching themes within each criterion and coding the issues and feedback in accordance with the themes.

Some people made more than one submission, and it should be noted that one submission could contain several themes.

A quality control process was also implemented so that submissions could be further cross checked.

All submissions received were reviewed, coded, and categorised within the following six OLG criterion and associated themes.

OLG SV Criterion 1 – Financial Need
1. Financial sustainability/position
2. Financial modelling
3. Temporary vs permanent SV
4. Alternative funding options

OLG SV Criterion 2 – Community awareness and engagement
5. Accessibility of engagement tools
6. Survey design and usability
7. Communications timing
8. Communications/engagement quality
9. Complexity of information

OLG SV Criterion 3 – Impact on ratepayers
10. Cost-of-living, affordability & capacity to pay
11. Impact on business ratepayers including tenants
12. Fairness of the minimum rate
13. Preferences for specific SRV options (support or opposition)

OLG SV Criterion 4 – Exhibition and adoption of IP&R documents
14. Requests for more detail and availability of supporting documents
15. Learnings or expectations relating to prior IPART processes

OLG SV Criterion 5 – Productivity and cost-containment
16. Council governance, accountability, and decision-making quality
17. Operational efficiency and organisational performance
18. Staffing costs, duplication, and resource allocation
19. Proposed service reductions or rationalisation
20. Asset sales and portfolio optimisation

OLG SV Criterion 6 – Other matters
21. North Sydney Olympic Pool project
22. School rate contributions
23. Views about what services Council should or should not provide
24. Local amenity or neighbourhood issues unrelated to the SRV
25. Election transparency

Qualitative analysis – Limitations and restrictions

The analysis of submissions in this report is qualitative. It is not representative data, rather it provides some representation of community sentiment. Feedback was captured through several channels including an online comment box, emails, letters, and Precinct Committee meeting papers. Some submissions provided extensive and detailed information specific to many aspects of the project. Others were shorter or commented on unrelated issues.

One of the challenges in analysing this type of feedback is in identifying the key issues whilst mitigating bias. Therefore, the comments and issues within each submission were analysed in accordance with 25 high level themes that emerged from the data. This was ascertained through a process of sampling and testing and a quality control review. This data should be read together with the independent representative survey results provided by Micromex Consulting.

Non-survey submissions - preferred rate option

The consultation page provided a feedback tool for page visitors to comment on issues relating to the proposed rate options and Draft Long-Term Financial Plan. Respondents by email and letter also provided feedback and minutes were received from several Precinct Committees. The submissions were initially categorised by OLG special variation criterion and sub-categorised into key themes. The tables below show this categorisation with verbatim comments or curated statements that summarise similar sentiment. The number of submissions raising each of the criteria or expressing sentiment in relation to the key themes identified is also included. A full copy of all deidentified submissions is available as an attachment.

In total, Council received 82 submissions during the consultation process and has included submissions received up until 12 December 2025 to ensure all Precinct Committees could submit in line with their scheduled final meetings for the year.

Rating preferences were identified as follows based on a mixture of sentiment analysis and explicit preferences being quoted:

Rating option preference	Number of responses
Option 1	38 (including individual precinct attendees where a clear vote was recorded)
Option 2	16 (including individual precinct attendees where a clear vote was recorded)
Option 3	33 (including individual precinct attendee votes where a clear vote was recorded)
Not applicable (could not be inferred / not stated/ did not support any of the three options)	65 (including 35 individual precinct attendees where votes were recorded not supporting any of the three options)

Submission theme and response

OLG SV Criterion 1 – Financial Need

45 submissions were classified as covering Financial Need mentioning one or more themes.

Themes with verbatim examples	Response
Financial sustainability/position (9 coded responses) Some respondents appreciate Council's focus on long-term financial sustainability, with many acknowledging the need for an SRV, though views differ on the scale required and on whether recent surpluses undermine the case for larger increases. • You achieved a $15M surplus in FY2025 and a $13M surplus in FY2024, and you met all State Government financial benchmarks. These are not the numbers of a council in financial distress. • There is a long history of public infrastructure being built and forgotten about. The State is the worst with example in schools, hospitals, roads and transport. At the local level we have a responsibility to maintain our assets. • regarding proposed rate increases I accept there is a need for this • It is apparent that some form of SV is required due to the financial position. Perhaps a more acceptable rate of 25% over 3 years. • For the record, I'm a supporter of Option 3. We can't expect good service provision without Council having a secure financial position. • Good luck with your admiral goal of improving services and facilities under a difficult financial situation. • A council that has reported two consecutive surpluses cannot credibly claim that choosing the base option will trigger service decline. • Parks Precinct supports Council continuing to apply for modest SRV rate increases to provide resources for the community and ensure its financial independence. • I am a long-term rate payer and understand the financial predicament that our Council faces. I don't object to the necessity that all residents will have to pay more to provide services and maintain/improve infrastructure into the future.	To support the community's understanding of Council's financial position, the Long-Term Financial Plan provides a detailed financial assessment and commentary, along with analysis of past results. The term 'surpluses' has been used in varying contexts within submissions. Operating surpluses are the remaining funds available after all operating expenses are removed from operating revenue. This surplus is represented through a performance ratio called the 'Operating Performance Ratio' (OPR). The OPR is a measure of council's ongoing financial performance or sustainability. The ratio provides an indication that it receives sufficient revenue to fund the cost-of-service delivery. The operating revenue within this calculation does not include capital grants and developer contributions as those revenue items fund capital expenditure and not operating expenditure. The Office of Local Government provides a benchmark of over 0% as an indicator of sustainability. However, each Council is unique and requires different levels of operating performance above 0% to ensure sustainability. The Draft Long-Term Financial Plan provides a detailed example of commitments unique to North Sydney that require higher levels of OPR, including loan commitments, restricted revenue, infrastructure backlogs and new infrastructure requirements. 'Accumulated surpluses' is a term that has been used to describe reserve balances over time. To strengthen governance in relation to Council reserves, Council recently adopted a Restricted Reserves Policy which will ensure full transparency in relation to the purpose for and movements from and to reserves. In considering the appropriateness of reserve levels, consideration is firstly given to liquidity, and whether Council's unrestricted current ratio and

Themes with verbatim examples	Response
• Council is facing a financial crisis. It needs to plan for the future. Option 3 is the fiscally responsible option.	unrestricted cash expense ratio is sufficient to ensure Council can honour its commitments and any unforeseen financial shocks or expenses. Historic reserve balances should not be used as a benchmark for future reserves. This is because the cash and investment levels cannot be viewed in isolation of commitments. Some examples: Council's level of debt changes over time, infrastructure backlogs change over time, and the need for new infrastructure changes over time as the population growth increases. An example of this is Council's *Development Contributions Plan*, which contains projects to support the growing population. Developers contribute some but not all funding towards projects within the plan. Council must contribute more than half of the total plan value through rating revenue. Developing reserves to support this is important. Council's current reserve balances are low. While Options 2 and 3 provide some improvement in these reserves, this improvement is not forecast until the second half of the decade and remains below metropolitan average levels throughout the ten-year period. When considering financial forecasts, it is also important to acknowledge that forecasts beyond approximately four years become increasingly sensitive to change. For example – a reduction in user charges and fees of $1 million per year (while immaterial to Council's annual OPR), may materially impact reserve levels over time. Council holds two types of cash and investments. Restricted cash and investments and unrestricted cash and investments. **Restricted cash and investments** cannot be used for any other purpose than what they were generated for. This includes developer contributions reserves which, by legislation, can only be used for projects approved in the Development Contributions Plan. **Unrestricted cash and reserves** are generally used for three key purposes, including:

Themes with verbatim examples	Response
	1. Working funds to allow cashflow for the operation of council – Council's cash flow fluctuates due to quarterly rate collections and variable timing of capital project expenditures. To ensure financial stability, we maintain reserves equivalent to one month of operating expenses and loan repayments. 2. Cash provision for employee leave entitlements and deposits, retentions and bonds – Council currently aims to hold at least 50% of employee leave liabilities in cash, and 100% bonds and deposits. In addition, reserves are held for operational priorities such as plant replacement. In recent years, we have also received financial assistance grants in advance. These grants are to assist with operational expenditure in a given year and are therefore held for that purpose. 3. Financial strength and stability - Typically councils put funds away much like savings to ensure they can fund: • new or upgraded infrastructure that will be required by the community as it changes and grows. Much like your own household savings for larger purchases. Co-contribution funding is required under Council's Development Contributions Plan, making it essential for project delivery. • to support major maintenance of infrastructure – which may be lumpy and or unexpected. These reserves support stability. • seed funding for income producing assets or investments is another reason councils hold reserves – to ensure the financial capacity to take opportunities when they are presented. This can include opportunities for grant funds where matching dollars are required. • Contingencies – financial shocks including unusual pricing increases outside CPI or to address unexpected events, like the pandemic we experience between 2020 and 2021. The environment in Local Government means financial inflows can't be changed easily – the special rate variation is an example of this. To ensure Council has sufficient funding to address unforeseen costs or to address infrastructure issues, it is important that sufficient reserves are held to sustain the council until a financial strategy can be developed and approved. By having reserves available for the short-term it avoids reactive and accelerated change process which can have longer term implications on Council, as we are currently experiencing.

Themes with verbatim examples	Response
	Currently Council's cash and investments available for financial strength and stability is very low. While Options 2 and 3 provide some improvement in these reserves, this improvement is modest and not forecast until the second half of the decade. The Audit Office of NSW included in its report on the conduct of the audit for the year ended 30 June 2025 that, in 2023–24, metropolitan councils held an average of eight months of available cash to cover expenses. North Sydney Council continues to fall below this average, demonstrating increased pressure on meeting obligations as they fall due.
Financial modelling (15 coded responses) Some respondents expressed concern that some of Council's asset and backlog figures may be overstated or insufficiently justified. • Residents should not be asked to fund inflated backlog estimates, uncollected revenue, or strategic decisions to retain underperforming assets while expanding Council's long-term revenue base. • Ageing asset inventory shows no futureproofing strategy e.g. consolidate, sell, refurbish, lease/commercialise • The infrastructure backlog is overstated as you have quoted full asset replacement rather than repair. • The $157m infrastructure backlog you cite appears overstated. • Based on your own financial statements and the information presented, there is no justification for a large, permanent SRV.	As at 30 June 2025, the total value of infrastructure condition 4 and 5 was recorded as $157 million. Assets in condition 5 (very poor) has increased from 2.9% to 4.6% of gross replacement cost in the past year and now total $69.77 million. Further information is available in Part 3 Financial Need of the draft long-term financial plan. Council's infrastructure assets are valued periodically by independent valuers who assess both replacement cost and condition. The valuations are audited by the NSW Audit Office. Infrastructure assets are componentised for the purposes of this valuation, meaning if a component of a building is in poor condition, and requiring replacement, the whole building is not included as poor. As at 30 June 2025, infrastructure assets in poor or very poor condition totalled $157m, with buildings and stormwater assets having the higher backlog levels. Funding cuts over the past three years have reduced renewal funding to levels that require reactive asset management. E.g. funding priorities are diverted to asset failures. Examples of asset failures including structural and component failure across a number of buildings including but not limited to heritage bus shelters, Council administration building, Crows Nest Community Centre, Kirribilli Community Centre, North Sydney Indoor Sports Centre, Forsyth Park Community Centre as well as public amenities. The contribution towards this backlog within both SV options will not fund the $157m backlog and rather aims to provide a reduction (maximum 28% over 10

Themes with verbatim examples	Response
	years - Option 2 and maximum 48% over 10 years - Option 3) in backlog and/or at a minimum to stop it growing. Renewal funding needs are calculated based upon annual depreciation to ensure intergenerational equity across the generations enjoying use of the infrastructure. Given the age of many buildings and stormwater assets within North Sydney, it would have been prudent for Council to have built reserves to address renewals as and when they fall due, however this has not been the case, and no reserves have been developed over the years for this purpose. Depreciation and therefore renewal funding forecasts are based upon audited infrastructure asset valuations and useful life calculations. Renewal values are indicative only and provide estimates for like renewal only and not for upgrade costs based on new community needs. Council manages infrastructure through technical service levels and community service levels.
Temporary vs permanent SV (7 coded responses) Some respondents felt a temporary, time-limited SRV option should have been offered, as it would provide clearer accountability and reduce concerns about permanent rate increases. • It was observed that there is no option put forward for a temporary and time-limited rate increase above the rate-peg to fund discrete projects (for example the proposed $18M upgrade to corporate systems). • Whilst not on a pension at the moment, I feel I will be in a few years time. It worries me that an increased SRV could be permanent with an ever increasing rate rise. I understand that there needs to be more spent on infrastructure, but the increased SRV should be temporary. • You are proposing a permanent SRV without offering a temporary alternative. • A temporary SRV (3–5 years) allows accountability, review, and adjustment.	Council clearly stated in its communication materials that any proposed SRV will be permanent and applied progressively over three years. Council's proposed Special Rate Variation is fundamentally directed at addressing long-term financial sustainability. The underlying pressures on Council's financial position are structural rather than temporary in nature. A time-limited SV would therefore result in Council returning to an unsustainable financial position at the conclusion of the temporary period, significantly constraining its capacity to maintain existing service levels and infrastructure. The SV options are not intended to fund infrastructure at levels required to accommodate anticipated population growth over the next five years. Meeting these future demands will require separate financial strategies, including consideration of the redevelopment of Council-owned sites and other long-term funding mechanisms. Option 3 provides only modest additional capital funding, distributed over a ten-year period, and is primarily focused on upgrading existing open space assets, improving stormwater and protecting bushland. This investment is intended to ensure these assets can withstand increased intensity of use and

Themes with verbatim examples	Response
	support the maintenance of current service levels as the community continues to grow, rather than delivering new infrastructure or expanded services.
Alternative funding options (14 coded responses) Some respondents felt Council should more fully explore alternatives to a rate increase, e.g. efficiencies, reprioritisation, asset sales, or other funding sources, before relying on higher rates. • The proposal frames a rate increase as the only path forward. I haven't seen any discussion about alternatives, such as cost-saving measures, operational efficiencies, project reprioritisation, reducing discretionary spending, or assessing whether any non-essential assets could be sold or repurposed. • The Council has not exhausted all other possibilities, such as levying large corporations, seeking relief from State/Federal Government, or selling assets • Consider asset sales or recycling before increasing rates • The shortfall that is apparently needed can be managed through an increase in efficiency or extra debt if required • explore alternative strategies for addressing its financial challenges that do not disproportionately burden the business community	Before considering any increase to rates, Council has explored a range of alternative financial strategies to strengthen its financial position. In line with responsible financial management and community expectations, Council has examined opportunities to reduce costs, improve operational efficiency, increase non-rate revenue, and reprioritise capital and service expenditure. Full details are available between pages 46 - 53 of the Draft Long-Term Financial Plan. This information was also included in Council's communications including FAQs.

OLG SV Criterion 2 – Community awareness and engagement

30 submissions were classified as covering Community awareness and engagement mentioning one or more themes.

Themes with verbatim examples	Response
Accessibility of engagement tools (8 coded responses) Respondents value Council's commitment to engagement and are eager to participate, but some found it difficult to locate the survey or register their preferences. Several users noted that simplifying the sign-in and submission process would make it much easier for them to contribute their views. • I would have completed the survey if I could have found it.	Council transitioned to a new engagement platform on 30 June 2025 to improve usability. A generic homepage registration prompt initially confused some respondents, though no detailed sign-up was required. Submissions only needed a name, phone number, email, subject, message, and optional attachment. The prompt was removed following community feedback.

Themes with verbatim examples	Response
• Needlessly complex sign-in. • NSC effort to engage their community regarding identified concerns is appreciated. • I could not find any other way to register my preference. • It should not be so difficult to make a submission. • I have registered with the Have Your Say website however there is no link available to obtain the survey so I can have my say. • I am writing to you by email because the Let's Talk web page requires multiple hoops to be jumped through.	Links to the opt-in surveys were prominently displayed at the top of the 'Your Say' project page, and survey URLs and QR codes were included in digital and print materials. Anyone who requested a survey link received one in response.
Survey design and usability (6coded responses) Some respondents felt the survey design, and the perceived need to register before completing it, made it hard to give genuine feedback. Many said the questions were too limiting or overly personal, and they wanted simpler requirements and more flexible response options. • I completed the survey but like all surveys the questions and possible answers did not allow me to enter my real concerns or answers. • The survey narrows residents into three versions of the same outcome, which limits transparency and genuine consultation. • Why did the survey ask about male or female or gay, aboriginal, education level and a host of other personal details that have little or no bearing on the survey outcome? • In the survey there was also no opportunity to suggest a rate option between the Peg and 40%(option 2) which I think is still way too high. • I totally disagree with the very invasive questionnaire which is required to be completed in order to address concerns regarding any matter within the council. Name and address should be adequate - why is there a need to ask personal information? In what way does that assist? • Excessive survey requirements • I only wanted to support one option and could not then complete the rest of the survey. Why should I need to have a preference when I don't support the other two?	To ensure the survey was independent, reliable and statistically valid, Council engaged Micromex Research. The detailed demographic questions were essential to confirm the sample accurately reflected the community across age, gender, ratepayer status, tenure and geography, and to allow fair comparison between the representative and opt-in surveys where the *same* demographic questions were used. [Collecting this information allows Micromex to identify and correct any gaps in participation (for example, by re-dialling under-represented age groups) so results can be properly weighted and comparable across communities and benchmarked against other councils. Respondents were also asked to give more than one preference so Council could understand not only their first choice but also how they viewed all available options. This ensures Council has a detailed understanding of community sentiment prior to making any decisions.
Communications timing (5 coded responses)	Council delivered 94,000 engagement interactions during the consultation period, including two direct mail-outs to residents and businesses.

Themes with verbatim examples	Response
Some respondents felt the timing of the communication left them without a fair chance to review information or participate before the consultation closed**.** • I only found out about this by chance last week and have had no proper time to review all the information. • Yesterday Friday 5 December we received in our mailbox the North Sydney News. My neighbours report receiving their News yesterday too. Page 1 of the News "Have Your Say" announces consultation about the proposed rate options closes on 3 December, that's 2 days prior to receiving your message saying "please, participate in the consultation".	Australia Post did not deliver some copies of North Sydney News according to the scheduled booking paid for by Council. To avoid disadvantaging affected residents, all submissions received between 3 and 12 December 2025 were accepted. Council is investigating the delivery issue with Australia Post. All households also received a separate mayoral letter in w/c 19 November 2025, and Council has not received any complaints about its non-delivery.
Communication / engagement quality (9 coded responses) Some respondents expressed appreciation for the opportunity to engage citing the Mayoral letters, newsletters, and conversations. Reactions ranged from gratitude and support to concern that some communications felt lengthy or repetitive. • An over-long letter of explanation from the Mayor. • Thank you for your newsletter regarding rates. • I spent time with the CEO last night at Ros Creighton pavilion and gained a much better understanding of the issues facing council. I am 100% behind option 3. • Thank you for the opportunity to give feedback on the proposed council rate increases.	Council provided a wide variety of communication materials with differing levels of detail to raise awareness and inform the North Sydney LGA community about the consultation. This varied from one-page factsheets and posters, explanatory videos and social media reels, emails and newsletters to face to face conversations and multiple page reports. A full list of all materials with sample images is attached in the attachments.
Complexity of information (2 coded responses) Two respondents appreciate the information provided but found some materials, particularly the rate calculator and rates tables confusing or unclear. Suggestions were given that simpler explanations would make the proposal easier to understand. • I regard myself as reasonably savvy with finances etc but fell into the trap of thinking my TOTAL council bill of rates plus garbage etc was going to increase, when in fact its only the rates component that goes up under this proposal. • Please note this rate calculator regarding the proposed rate does not take into account the cost we pay – attached to our rates – for our garbage collection. The calculator as it stands is VERY MISLEADING.	As a result of feedback, messaging on the calculator page was updated throughout the engagement period to ensure it was clear that Domestic Waste and Stormwater Management charges were not impacted by the proposal. Social media posts were also shared to communicate this fact and information regarding the rates options on the 'Your Say' project page was also updated to make this clearer. This query was also included as an FAQ from the start of the consultation. Rate table labelling was based on the IPART SV application guidelines and aimed to present all option scenarios for average and minimum rates annually and cumulatively.

Themes with verbatim examples	Response
• The tables on the Mayor's letter were not labelled sufficiently. I don't know how you expect anyone to understand them. • Where is a simple to read list of the projects ? Same for option 3 - $186 million to be spent on what ? • Under option 2 Council will spend $151 million on infrastructure - where is a simple to read list of the projects ? Same for option 3 - $186 million to be spent on what ? • The majority of people are too busy, not in touch or too lazy to look into this…the SV messaging needs to be simpler if possible.	The 'What each rate option delivers/means for North Sydney' factsheet provided a simple list of projects/services funded by each rate option. This was also explained in the section under the same name on the 'Your Say' project page and in the FAQs. Part 5 'Detailed Purpose Statement' of the Draft Long-Term Financial Plan (LTFP) provided further examples of what options 2 and 3 special rate variations would fund along with indicative timing. Council's Long-Term Financial Plan outlines the process for identifying and prioritising infrastructure renewal requirements. As a result of several years of underinvestment in asset renewals, Council is currently required to manage infrastructure in a largely reactive manner. Renewal priorities are therefore determined annually through the *Operational Plan*, with decisions primarily informed by risk, condition and service impact considerations. These works programs are subject to community consultation and engagement. Notwithstanding this, the existing backlog of renewal works has necessitated periodic reprioritisation throughout the year in response to asset failures and emerging risks. Through increased infrastructure funding and investment in improved corporate systems, the Special Rate Variation will support Council's transition toward a more proactive and sustainable operating model.

OLG SV Criterion 3 – Impact on ratepayers

64 submissions were classified as covering Impact on ratepayers mentioning one or more themes.

Themes with verbatim examples	Response
Cost-of-living, affordability & capacity to pay (9 coded responses)	Council has prepared a capacity to pay report to assess the overall impact of the SV options. This report concludes that while there may be financial pressure in some households, North Sydney is primarily one of the most socio-economically advantaged areas in Australia, while having relatively

Themes with verbatim examples	Response
Some respondents feel that significant rate increases are unrealistic during a cost-of-living crisis, with some preferring Option 1 or increases aligned more closely to household incomes and inflation • Rates should increase at the same level as the income of your residents and no more. • I prefer Option 1 as many North Sydney Council residents cannot afford more than the usual rate rise. • Your Option 1 increases at 4% p.a. which is higher than the inflation rate. • You are expecting rate payers to contribute to much with Options 2 & 3. There is a cost of living crisis occurring. • The cost of living is what is impacting my decision. If all cost are up and rates are up as well . We are back to the same situation of struggling to maintain a balance. • We're in a cost of living crisis and increasing rates will materially worsen the situation for many households.	low levels of Council rates. Based upon the SV options and the level of increase, the report concludes that the financial impact will be minimal. We acknowledge that any rate increase may place financial pressure on some residents. Council offers support through its Hardship Policy and can offer alternative payment arrangements to assist ratepayers. This policy has been recently redrafted and adopted by Council. In addition to the standard pensioner rebate on rates, Council also offers a voluntary rebate on domestic waste charges to support the less advantaged.
Impact on business ratepayers including tenants (6 coded responses) The 11 business respondents all opposed the proposed SRV, arguing it would significantly increase already high occupancy costs for commercial properties, and potentially hinder tenant retention, attraction, future development, and investment in North Sydney. Some also considered the rates disproportionately high, given perceptions of limited services received. • As a representative of a business owner in the area, it is NOT evident at all what we get for our rates, we don't even get rubbish collected. On that basis, the rates should not change. • The proposed SRV will significantly impact both future commercial development and the refurbishment of existing office stock. • Introducing an SRV that further increases rates for business ratepayers will significantly worsen these inequities for the reasons outlined in this submission. • The proposed Special Rate Variation (SRV) will have significant adverse effects on existing commercial and retail properties within the North Sydney Council LGA. • We wish to express our strong opposition to the proposal, both as owners/managers We wish to express our strong opposition to the proposal,	Council has prepared a capacity to pay report that demonstrates a strong capacity for the business community to absorb the increases proposed in the SV options. This is supported by: • Robust Economic Growth: The local economy grew by 36% over the past decade, with Gross Regional Product reaching $12.2 billion and over 19,000 new full-time jobs added. • High-Value Commercial Property: Office rents in North Sydney and St Leonards are among the highest in Greater Sydney, reflecting strong demand and business affluence. • Affluent Market Environment: All suburbs rank in the top 1% nationally for socio-economic advantage, ensuring strong consumer spending and business viability. • Resilient Business Mix: Dominated by professional services, tech, and finance sectors, which are high-income and low-risk. • Low Rates Arrears: Business rate arrears remain below 4%, consistently outperforming metropolitan benchmarks, indicating reliable payment behaviour. • Geographic Strength: The North Sydney–Crows Nest grouping contributes over half of business rate revenue and shows the highest

Themes with verbatim examples	Response
both as owners/managers of xxxx and on behalf of our tenants, who are responsible for council rate charges in accordance with their lease obligations and on behalf of our tenants, who are responsible for council rate charges in accordance with their lease obligations. • The proposed SRV will compound the issue of high occupancy costs, further impacting the competitiveness of North Sydney assets and our ability to retain and attract tenants. • The level of council rates in North Sydney are already an issue for our tenants and the proposed SRV will compound this issue by significantly increasing the cost for tenants to occupy commercial and retail premises within North Sydney Council.	capacity, while smaller centres like Neutral Bay and Cammeray remain stable and well-supported by local affluence. In perspective, the level of rating increases as compared to total rental income or overall property expenses is not expected to have a significant impact on commercial property investment. At an overall level, North Sydney's average business rates currently sit towards the lower end (using 2023-24 OLG time series data) when compared against comparable councils – seventh lowest from 18 councils in OLG Group 3. This is despite the large landholdings within North Sydney elevating this average. The current average business rates are lower than those of comparable councils with a CBD. It should also be noted that, as a business expense, rate increases are generally tax deductible, and the resulting net financial impact on businesses is therefore expected to be lower than the headline increase. 33% of business assessments pay the minimum rates, and 67% of business assessments pay ad-valorem rates. 4% of total business rating revenue is generated through minimum rate assessments, while 96% is generated through ad valorem rate assessments. Council is proposing to increase the minimum business rate over the next three years, to better reflect the cost of delivering services to all businesses. North Sydney's minimum business rate is $743 per annum and the third lowest in Metropolitan Sydney. In comparison, neighbouring councils charge: Lane Cove ($1,096), Willoughby ($1,496), and Northern Beaches ($1,605). Increasing the minimum is important to ensure everyone contributes fairly to the cost of local services and infrastructure. It also ensures that as more high-density developments are built, there is enough funding to support the extra demand on services and facilities.

Themes with verbatim examples	Response
	Council's hardship provisions remain available for isolated cases, but overall, the business sector is well-positioned to manage proposed rate increases without significant financial strain.
Fairness of the minimum rate (7 coded responses) Some respondents highlighted ongoing concerns about fairness in the rating system, noting inequities between houses, apartments, and minimum-rate properties and calling for a more modern, equitable structure. • In my view, Council should be working towards changing the rating system so that fairness for everyone is properly achieved. With Sydney moving more and more towards apartment dwelling, changes to the rating system are required because this problem in equity will increasingly arise right across the city. • Council should focus on getting more income from apartment dwellers and Businesses who are receiving the same services as free standing homes. • I think our rates have been relatively modest. I hope sense will prevail over the rates issues. • The greatest anomaly in the rates payments is the tiny rates on the 75% of ratepayers who are on the minimum rate, many of them in multi-million dollar dwellings. This should be increases substantially. • The inequity of the minimum rates charge is only partially addressed.	Council rates are based on the unimproved land value not the market value of a built property. Council sets a minimum rate which is the lowest amount a household can be charged. This minimum rate mostly applies to apartments, because many units share the same block of land. Those properties that do not pay the minimum, such as houses and townhouses on average pay more than double the rates paid by those subject to the minimum rate. Unfortunately, unimproved land value is not reflective of market value and therefore inequities can exist between unit owners and single dwelling owners, particularly in a location like North Sydney. Council continues to advocate for changes to rating legislation to acknowledge this inequity. In North Sydney, 77% of North Sydney residents currently pay the minimum rate of $743 - the third lowest minimum rate in Metro Sydney. Making application to increase the minimum rate at the same time as applying for SV ensures equitable contribution towards the increases. However, it is acknowledged that given the high density of North Sydney, it only makes a small shift in equity between units and single dwellings. Consideration was given to feedback from the last special variation application in developing proposals to increase minimums. The proposed minimums aim to move North Sydney towards the average for metropolitan Sydney. Council should continue to monitor and review these minimum levels in future.
Preferences for specific SRV options (27 coded responses for explicit mention rather than sentiment inference) Respondents appreciated being able to express a view but held widely differing preferences across all three options, with some opposing any increase and others favouring Options 1, 2, or 3, while also questioning the framing and flexibility of the choices presented. Some had little understanding that the rate peg (option 1) is set by NSW government not Council.	All respondents received confirmation that their submission had been received and that their preferences would be reported to Council. Respondents were advised that a 'no-change' option was not offered because the NSW Government-set rate peg (option 1) already served as the base scenario.

Themes with verbatim examples	Response
• You have presented Option 1 as “no facility upgrades, declining service levels, and deteriorating infrastructure.” This is not an evidence-based projection — it is a pressure tactic. • There should be NO INCREASE to rates at all (whether average or minimum), and certainly no SRVs. • It is noted that you propose a selection of three options, with no possibility to deviate. • I am in favour of keeping rates at their lowest which is option 1. • I am 100% behind option 3. • We wish to advise that we agree a rate increase is necessary for the NSC LGA and our preference is for OPTION 2. • Offer Option 1 to Concession Holders and Seniors with other rate holders to pay option 2. • Our vote would be for option 3. Being realistic I have no problem in the Council raising the rates and I do think over a time scale to when a breakeven is achieved is the correct way to do it. • Option 2 is my preferred option. • I prefer Option 1 as many North Sydney Council residents cannot afford more than the usual rate rise. • Thanks to Council for coming back to residents with more moderate proposal options compared to the earlier more extreme option. I'm OK with option 3. • We wish to advise that we agree a rate increase is necessary for the NSC LGA and our preference is for OPTION 2. • I'm very supportive of the SRV option #3 • Option 1 (do nothing) is for low effort thinkers. This option will erode and undermine service levels, from what are already cheap rates by comparison to other LGA's.	

OLG SV Criterion 4 – Exhibition and adoption of IP&R documents

25 submissions were classified as covering Impact on ratepayers mentioning one or more themes.

Themes with verbatim examples	Response
Requests for more detail and availability of supporting documents (6 coded responses) Some respondents asked for clearer, detailed project breakdowns, the full findings from the Phase One consultation, and a broader set of scenarios to inform their decisions. • Where exactly do we find a detailed breakdown of what the Council intend to do if one choose Option 2 or Option 3. Just naming Transport, Greenspaces roads is not enough. I would be grateful in anyone could send me the link to this. • Please can you send me the full findings summary report for the Let's Talk research study you conducted earlier this year. • I'm asking the council to publish a broader set of scenarios, including cost reductions and asset strategies, so the community can make an informed decision.	Respondents were emailed relevant document links and attachments, including guidance on which sections of the draft long-term financial plan addressed their queries.
Learnings or expectations relating to prior IPART processes (11 coded responses) Some respondents questioned whether Council had adequately addressed issues raised in the previous IPART decision, with some feeling little had changed since the last rejected proposal. • North Sydney Council has not demonstrated it has learnt the embarrassing lesson from the last IPART decision. • Nothing has changed since the last attempt to sting the ratepayers. • It is very disappointing that IPART, whilst acknowledging the council's poor financial position, chose previously to deny any consideration to any rate increases. • Has Council addressed the issues raised by IPART when it rejected Council's application last year.	Despite rejecting Council's previous application, the Independent Pricing and Regulatory Tribunal (IPART) recognised Council's financial challenges and the need to address inequities in the rating structure. In refusing the application, IPART made the following recommendations which Council has now addressed: 1. Complete a service level review with the community: Council has now undertaken a service level review through research consultants Micromex Research. The report concluded that there was little appetite for reduced service levels, with most residents wanting services/infrastructure to be maintained, if not improved. The detailed results of this survey are available as an attachment. 2. Consider various alternatives to an SRV including a reduction in services or considering higher levels of debt: Improved documentation of considerations made in relation to various alternatives to an SRV have

Themes with verbatim examples	Response
	been detailed within the Draft Long Term Financial Plan. Specific new or increased revenue opportunities have been included within the forecasts as opposed to percentage assumptions. 3. Develop an on-going framework to identify and implement productivity and efficiency savings: Council developed and commenced implementing a performance improvement framework and pathway in 2023; however, it is acknowledged that this work was not sufficiently detailed within the SRV application submitted. In response, a detailed Performance and Improvement Plan has been developed which details Council's considerable efforts towards improvement over the past three years. This plan outlines productivity, cost containment, and revenue opportunities. The document is available via the 'Your Say' project page and Council website. 4. Reconsider the extent and timing of the increase to minimum rates: A reduced minimum rate over three years has been included for consideration in this plan. 5. Improvement of Council's Hardship Policy: A new Hardship Policy has been developed and publicly exhibited. This Policy approved by Council's at its ordinary meeting on 27 October 2025. Financial Hardship Policy – North Sydney Council In addition to the above, the following actions were taken to manage Council's immediate financial challenges: 1. Council's Delivery Program and Operational Plan were updated to adjust priorities to accommodate the limited financial constraints. These plans included a $6 million financial repair target which would require additional income, service reduction, and further productivity improvements. Current projections suggest that $3 million of this target may be achievable in 2025-26 in the absence of service reductions (excluding continued short term cost containment measures). 2. To address liquidity concerns in the absence of an SV, infrastructure renewal budgets were reduced for a third year, and cost-cutting initiatives were implemented including holding workforce vacancies, leave management plans, and general spending restraint. While some ongoing

Themes with verbatim examples	Response
	savings have been identified, the scale of reduction in expenditure is not sustainable and has increased operational risk. 3. Council proceeded with the approval of an additional $10 million loan to support the North Sydney Olympic Pool project. 4. Council's Long-Term Financial Plan has been extensively reviewed and redeveloped. 5. New rating options have been developed. These options provide a medium-term strategy and are primarily focused on infrastructure renewal and improvement, with some support for new infrastructure. To support service delivery and improved decision-making, new corporate systems are also recommended in the SV options. 6. Included within the rating options presented is a clearly labelled baseline scenario as an option for exhibition which will provide the community with an option to reduce services and infrastructure. 7. To address confusion regarding the North Sydney Olympic Pool project, the plan acknowledges the commitments made in relation to the project regardless of special variation. All costs associated with the North Sydney Olympic Pool will be funded through existing revenue in all options. The special variation funding will be primarily focused on restoring the sustainability of services and infrastructure, while providing a modest contribution to new service and infrastructure needs. Commentaries in relation to the financial impacts of the project are included within the LTFP. 8. A *Restricted Reserves Policy* has been adopted following public exhibition to improve control and transparency of Council's cash and investment reserves. 9. The Capacity to Pay Report has been reviewed and redeveloped based upon the three special variation options and proposed changes to minimum rates.

OLG SV Criterion 5 – Productivity and cost-containment

52 submissions were classified as covering Productivity and cost-containment mentioning one or more themes.

Themes with verbatim examples	Response
Council governance, accountability, and decision-making quality (15 coded responses) Some respondents emphasised the need for stronger fiscal discipline and transparency, with some willing to support rate increases if Council demonstrates improved governance and responsible financial management. • Responsible governance is working within budget and if the revenue stream is not there then expenditure should be reduced accordingly. • A more modest increase could be more palatable to a majority of ratepayers if more transparency and open discussion was available. • I would be supportive of a full rate increase as per the latest advice provided the Council returns to and maintains the governance and fiscal discipline that was evident in the era prior to the embarkation on the Olympic pool debacle. • I would be inclined to support the rate increases – option 2 or 3 – but would like some reassurances that the people responsible for getting us into this mess in the first place are kept a very long way from any financial decisions going forward.	Over the past three years, Council has been on a determined path of improvement – strengthening financial management, governance and efficiency. This includes: • Clearer organisational accountability The 2023 organisational realignment simplified reporting lines, strengthened executive oversight, and added key capability in financial management, risk, compliance and customer experience—improving visibility, performance and governance. • Service reviews Ongoing service reviews (Customer Service, Development Services, Street Cleaning completed to date) have introduced standardised processes, clearer documentation, real-time reporting and faster workflows. This ensures decisions are more consistent, transparent and based on reliable data. • Stronger risk management Updated WHS, compliance and financial controls, along with improved contract management and standardised templates, have reduced legal, financial and operational risk and strengthened Council's accountability. • Improved transparency and customer experience Expanded online services, clearer communication and online forms provide more consistent, accessible information to the community, which is helping to rebuild trust and reinforce transparent decision-making. • Embedded continuous improvement Over the past three years, Council has started to embed continuous improvement initiatives including process mapping, quality assurance frameworks, and automation (where possible), ensuring services are delivered more consistently, efficiently, and in line with strategic and statutory requirements.
Operational efficiency and organisational performance (14 coded responses) Some respondents emphasised that Council should prioritise efficiency and stronger leadership, with some questioning past financial management and	Over the past three years, Council has been on a determined path of improvement – strengthening financial management, governance and efficiency. These efforts are projected to deliver $66 million in savings and productivity gains over the next decade.

Themes with verbatim examples	Response
expressing concern that rate increases are being considered before operational improvements are perceived to be demonstrated. • Cut your operating costs instead. I know, it's a novel proposition for government, but it's time to wake up. • Remove the duplication of all the central functions and get better leaders. It's what happens in business and I see no difference here. • Efforts to review and streamline processes are also commended. • To put up rates is unacceptable when your focus should be driving efficiency. I do not believe I see that with the level of central staffing. • I don't believe we need a rate rise. We need the money to be used more efficiently. • I don't want a 'strong future' as defined by what is close to what is now the most incompetent, arrogant and apparently dishonest council in the country. • based on history the council is not great with effectively utilising its budget. I have very little faith in the council not to repeat mistakes of the past.	Specifically, Council will: • save $23 million by reducing expenditure on staff, materials, and services • earn an extra $29 million through increased fees, charges and other revenue sources. • avoid $43 million in costs through efficiency and cost containment measures. Examples of productivity and cost containment initiatives undertaken to date include: • reducing senior roles to make room for essential but currently unfunded positions • building specialist skills in-house (rather than outsourcing) • modernising service delivery • smarter procurement and contract negotiation • streamlining workflows • increasing revenue from events and user fees • improving staff scheduling to cut down on overtime and casual workers Without these savings, the proposed rate increase would need to be about 14.9% higher over three years.
Staffing costs, duplication, and resource allocation (8 coded responses) Some respondents had concerns about councillor expenses, pay rises, and overall salary costs at Council. • There was criticism of councillors spending a large amount on travel and conferences with what appeared to be unnecessary duplication. • we are being asked to find money to pay for Council financial mismanagement whilst in the same breath the Councillors vote to accept a pay rise and benefits. This is preposterous • Cut salaries of council employees then ask us for more money • Please cut back on your salary bill before you come back to ask rate payer again.	Council's workforce is an important resource to support the legislative, regulatory, services and infrastructure responsibilities of the Local Government Area. Council salaries are set based on Award wages and market considerations. Should Council consider reducing salary levels, it is likely to be unable to compete and attract employees with the right level of skill and/or performance to undertake the various jobs. This type of strategy is likely to increase both risk and cost over time. Councils are already experiencing a skills shortage in many traditional council disciplines as well being unable to compete with the corporate environment in more universal roles such as IT. Council staffing numbers are continually reviewed through workforce realignment processes, the new service review framework and performance and improvement processes. These reforms will ensure the right resources

Themes with verbatim examples	Response
• Cut salaries of council employees and then ask us for more money.	in the right areas, help staff work smarter and faster and deliver better value for money without compromising community service. In 2023-24 a significant workplace realignment was undertaken to reduce the number of senior level staff and address gaps in the organisation. Had this not occurred, this would have increased the level of rate increase. More recently, a number of vacant positions have been held to assist with liquidity measures. This type of reduction is considered reactive and doesn't take into consideration the overall impact on service delivery and increase in risk. The level of this reduction is not sustainable if services are to be maintained. Councillor expenses are immaterial when compared with the overall Council budget and include Councillor fees based upon Local Government Remuneration Tribunal determination. These fees are fixed and not reflective of the time commitment given by each councillor.
Proposed service reductions or rationalisation (3 coded responses) A few respondents suggested Council consider modest service reductions or delaying non-essential work to manage costs before relying on higher rates. • I have not seen any evidence of cost management as an option. Could we not consider slightly reducing services - e.g. monthly not fortnightly green bin and council clean up collections? It might well be that the existing surplus plus Option Two rises is adequate for Option Three outcomes with some belt tightening. • until finances are restored and normalised, commence seriously culling or delaying nonessentials.	Recent community research found that most people want current service levels and infrastructure to be maintained or improved. This feedback was one of the key considerations in shaping Council's Long-Term Financial Plan. Options 2 and 3 only provide funding to maintain existing services.
Asset sales and portfolio optimisation (12 coded responses) Some respondents questioned why Council was not proposing asset sales or disposals, with some suggesting that selling high-cost or non-essential assets, e.g. the North Sydney Pool, should be considered before increasing rates. • NSC needs to sell the North Sydney Pool because it is not essential. • The LTFP does not demonstrate any significant asset sales/disposals/ changes/shifts • Why isn't the council proposing to sell some assets? • Sell high cost/high maintenance assets	Council currently holds a mix of income-generating and community-use properties that form an important part of its asset base. While asset sales may provide a short-term injection of funds, Council has determined that this is neither a sustainable nor prudent solution to the structural financial issues it faces. Unplanned or reactive disposal of public land could result in significant opportunity costs for future generations and diminish Council's ability to meet long-term community needs. Instead, Council will develop a property strategy to assess financial needs alongside community service requirements, ensuring that any decisions are evidence-based and future-focused. Under Option 3 this process will begin with the prioritisation of

Themes with verbatim examples	Response
• Sell off some assets that are not providing a return	property planning for three key sites: the Crows Nest Community Centre precinct, the North Sydney Civic precinct, and the Ward Street car park. Most residents support selling Council assets only when there is a clear long-term community benefit, transparent consultation, and reinvestment for future generations. Results from the Phase 2 representative community survey showed that 80% of residents agree that Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations. Only 30% of residents agreed that Council should deal with the current and any future issues by selling investment properties now.

OLG SV Criterion 6 – Other matters

39 submissions were classified as covering Other Matters mentioning one or more themes.

Themes with verbatim examples	Response
North Sydney Olympic Pool project (15 coded responses) Some respondents raised strong concerns about the North Sydney Olympic Pool project specifically its rising costs, transparency, and oversight. Calls for clearer accountability before any rate increase is considered were also made. Some respondents acknowledged that the existing Council had not approved the original project. • Has Council also satisfied itself that all of the known costs arising from the contracts from the construction and design of the North Sydney Olympic Pool have been properly assessed and that the final cost will not exceed @122 million. • Given the significant cost and time increases with the NS Pool since the PwC report of April 2023, will the full report now be released in the interests of transparency and accountability? • I am dismayed at the cost of North Sydney Olympic Pool Redevelopment and wonder why staff of Council responsible for contracting and overseeing for	The North Sydney Olympic Pool project (still under construction at the time of writing) is expected to have a capital cost of $122 million. To date, Council has taken out $61 million in loan funding for this project. An additional $20.9 million has been sourced from grants and developer contributions. A report submitted to Council in 2023 outlined key findings from the independent review into the project. There have been two Council elections since Council resolved to proceed with the project. Legal proceedings are ongoing and financial risk remains present. Information is released on a monthly basis after giving consideration to the commercial and legal risk environment. To avoid confusion, the proposed Special Variation acknowledges that commitments made in relation to the project are locked in and need to be funded regardless of any special rate variation. Therefore, no special rate variation funding is proposed to be allocated to the project as part of any new special variation application.

redevelopment have not been demoted and lawyers involved sued or dismissed. • Bite the bullet, admit the failure then sell the pool to recover the costs. • I do not think you can look at a rate increase until you have opened the pool. • ICAC should be investigating this utter shambles and prosecuting those responsible. • Whilst NSC have removed the cost of the North Sydney Olympic Pool in the allocation of the additional SRV revenue, it stands to reason that the SRV is required in part because the cost of the pool is now required to be funded through its existing budget. • I'm very disappointed that there's been almost no attempt to assign responsibility where it belongs. I'm also aware that you were not a supporter of the project but a majority of Councillors, at that time, were.	The prioritisation of existing revenue towards the NSOP has placed pressure on Council's financial position and reduced its capacity to maintain services and also fund infrastructure renewals across the local government area. The special rates variation aims to address this by prioritising funding towards restoring the sustainability of services and infrastructure. Commentaries in relation to the financial impacts of the North Sydney Olympic Pool project are included within the draft LTFP.
School rate contributions (6 coded responses) Some respondents felt private schools should contribute more to ensure fairness before additional costs are placed on residents and businesses. • Private Schools should pay council rates. They report a considerable profit each year, • How much does the Colleges / Schools contribute to the North Sydney Council. Each and every College is expanding their footprint/ Construction to their Colleges which would be in the multi millions!! • I believe strongly the council should tax the schools a small amount before it asks faithful residents and business to pay more for its short comings. • how earnestly is Council pursuing private schools in the NSC catchment area to pay their fare share, or any share at all ? They should be forced to contribute • I request that thought be given to charging schools (especially the many private schools) for their ongoing & heavy use of council parks, ovals etc	In NSW, both public and private schools are generally exempt from paying council rates under the Local Government Act 1993 (NSW). This exemption is grounded in the principle that certain land uses, such as education, health, and religious services, provide public benefit and are therefore not subject to local government taxation in the same way as residential or commercial properties. The Mayoral Minute from 28 July 2025 provided an update on the 9 December 2024 Mayoral Minute entitled "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". Council has since requested that the State Government implement the recommendations of the recent Upper House Inquiry into the ability of local governments to fund infrastructure and services, particularly an urgent review of rate exemptions and concessions under the Local Government Act 1993 and, if necessary, urgently amend the Act to exempt voluntary contributions to councils from operation of s83C of the Education Act 1990.
Views about what services Council should or should not provide (7 coded responses)	Providing services and infrastructure for an entire community is a complex task, because people use and value these services in different ways. What one person sees as essential, another may not use at all. Unlike shopping for

These respondents felt Council should carefully reassess which services and projects it prioritises to ensure spending aligns more closely with community expectations and essential needs. • Emergency PA systems for North Sydney Oval are not necessary and are unlikely to be used - another waste of money. • One could list a near never ending projects which provide no benefit to the ratepayers. • Stop wasting money on bicycle lanes, • There is obviously not a lot of project detail but having read the survey results from earlier this year it would appear some of the initiatives are inconsistent with how residents rate their importance. e.g. low support for cycleways, sustainability initiatives, reducing emissions, affordable housing etc • The BIKE tracks are another complete waste of money restricting traffic flow and parking spaces. • Request that Council strike a special low rate applicable to the lease of water envelopes which as a matter of convenience, are managed via a Strata Plan Scheme.	individual products, community members don't get to pick and choose which services they want to pay for. Instead, services and infrastructure are delivered as a shared package - often referred to as a "basket of goods" - designed to meet the overall needs of the community. One of the most difficult roles of a Council is to determine the right balance and mix of services. They do this by considering a broad understanding of community priorities, supported by research, engagement, and expert technical advice. In August 2025, Council undertook independent research to understand the service and infrastructure expectations of the community. 605 demographically selected participants and 433 'opt in' community members completed the survey. The results of the survey demonstrated that there is little appetite for less services, with the majority of residents wanting services and infrastructure to at least be maintained if not improved – even knowing that maintaining/increasing services will require an increase in rates. The Phase 1 survey report was made publicly available on both the 'Your Say' project page and Council website (as part of Council papers). The Phase 2 survey reports are provided as attachments. Individual queries will be followed up by relevant teams in Council.
Local amenity or neighbourhood issues unrelated to the SRV (8 coded responses) A variety of other issues were raised by individual respondents during the consultation. Some examples are given below. • When is Council going to clean up the filthy paths along Willoughby Road on both sides from the Pacific Highway down through the shopping area? They are a disgrace.	Council has contacted individual respondents to follow up on unrelated issues directly.

• Carradah Park is an embarrassing neglected area that has not been maintained.	
Election transparency (three coded responses) A few respondents questioned why Council's financial challenges were not raised during the election, noting the shift from earlier statements that finances were healthy. • I cannot understand why we were told when the new councillors were elected that out finances were healthy. Why the sudden change? • It was very poor form that this financial issue was not brought up during the council elections.	Council's financial position was raised through various reports prior to the September 2024 Council elections. The financial position is continually updated and reported on a quarterly basis. In addition, a separate report containing information regarding the North Sydney Olympic Pool is submitted to Council on a monthly basis.



Service Level/Asset Management – Community Survey

Community Baseline Measure (Stage 1)

Informed Community Response (Stage 2)

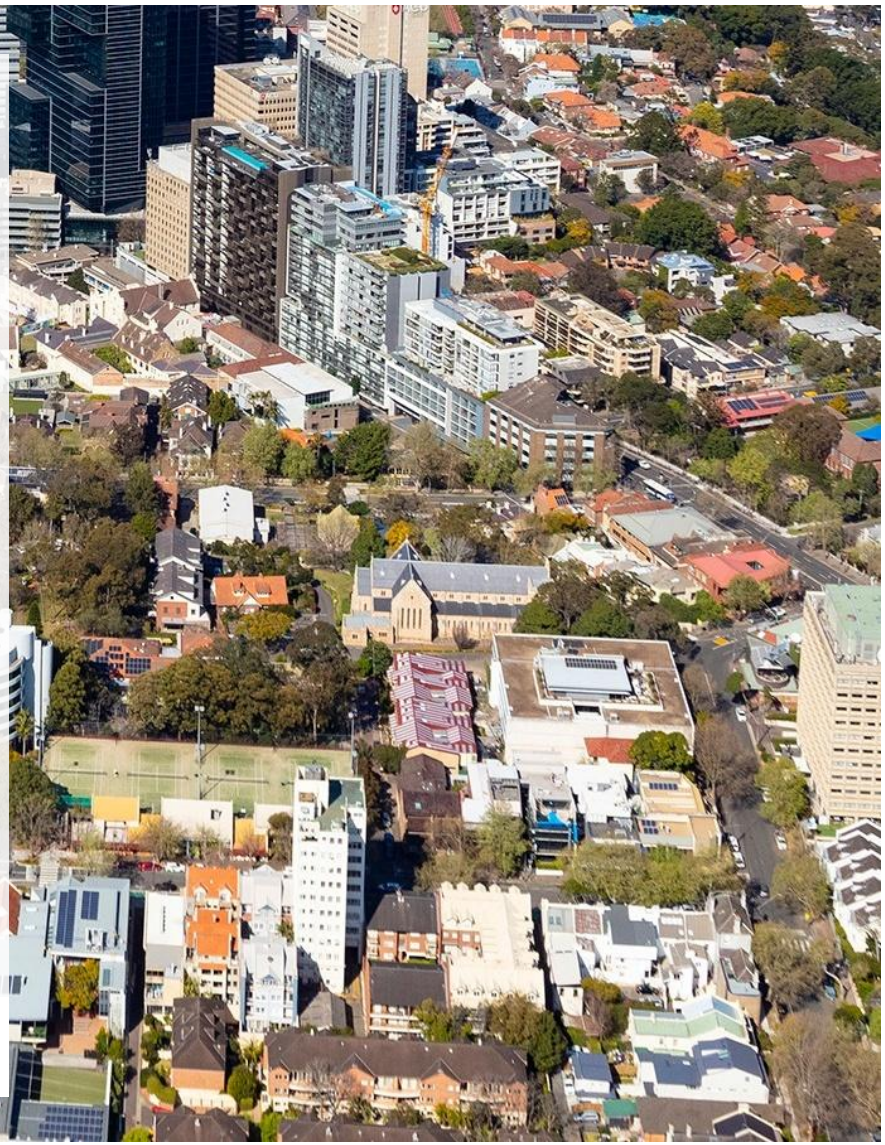
Prepared by: Micromex Research
Date: Updated October 9, 2025

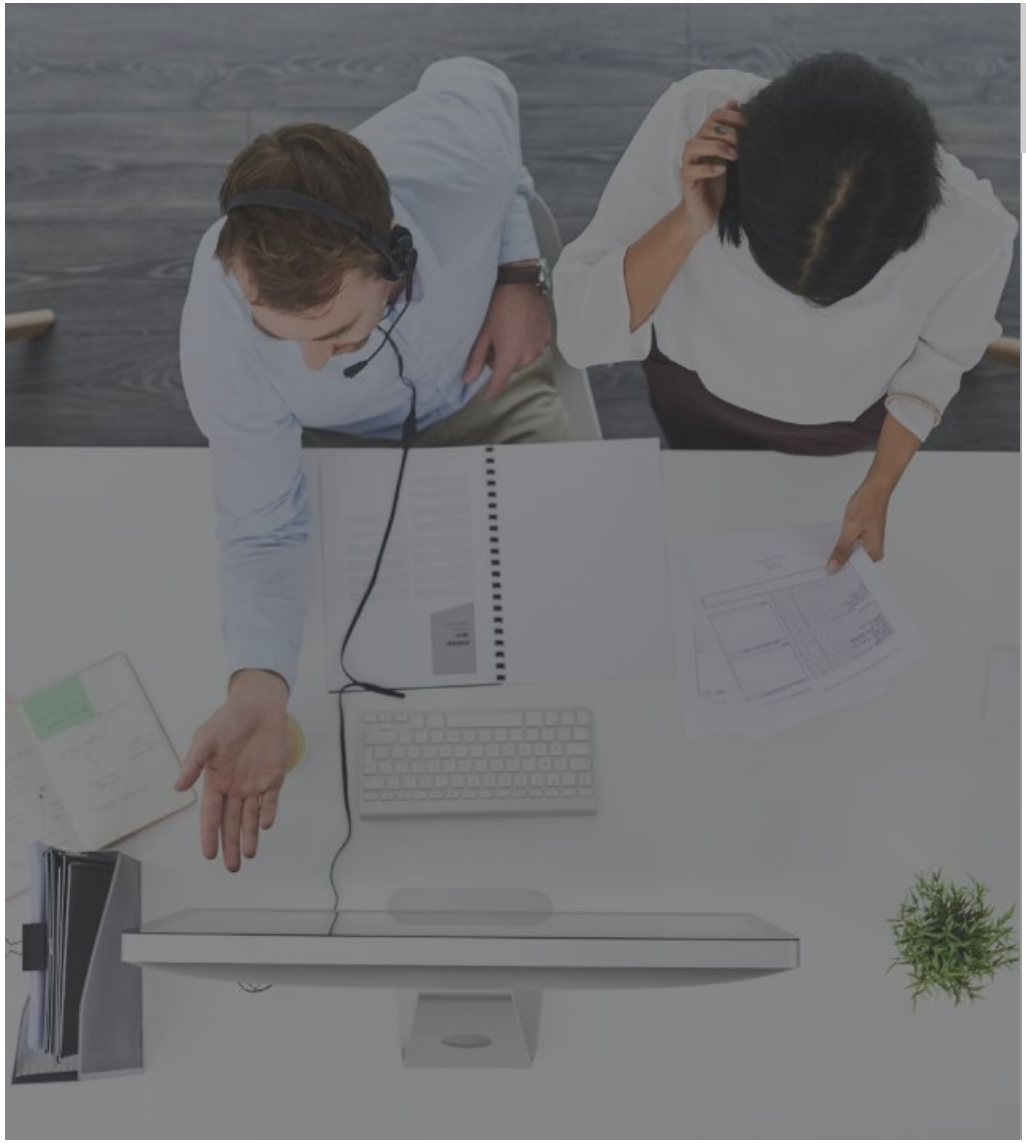
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Research Objectives

North Sydney Council commissioned Micromex Research to conduct a two-stage consultation project with residents regarding asset management within the North Sydney Council local government area (LGA). Below is a summary of the methodology:

- **Community Baseline Measure:** The first stage of the consultation involved a representative survey of residents living in the North Sydney LGA. This baseline stage involved a mixed mode methodology, with residents recruited via telephone and online community panels. The survey aimed to explore residents' perceptions regarding Council's financial investment across asset classes and support for increased rates to cover maintenance and improvement costs:
    - Interviews conducted between 28th July to 11th August 2025
    - N=605 residents were interviewed during this stage (Telephone: N=505; Online: N=100)
- **Informed Community Response:** The second stage of the community consultation consisted of a self complete online survey. Residents from the baseline survey were provided with the opportunity to receive an SMS or email link to an online, self complete survey. The survey sought to explore residents' preference for conditions and desired level of investment across community asset classes, based on more detailed text/image-based information:
    - Conducted between 28th July to 11th August 2025
    - N=302 residents completed Stage 2 of the consultation

Methodology and Sample

Sample selection and error

- **Community Baseline Measure:** A total of N=505 resident interviews were completed via telephone, N=100 were completed via online community panels (together with Stage 2). A sample size of N=605 residents provides a maximum sampling error of plus or minus 4.0% at 95% confidence. This means that if the survey was replicated with a new universe of N=605 residents, 19 times out of 20 we would expect to see the same results, i.e. +/- 4.0%. For example, an answer such as 'yes' (50%) to a question could vary from 46% to 54%.
- **Informed Community Response:** A total of N=302 residents completed Stage 2 of the research, all of whom had completed the Stage 1 questionnaire. A total sample size of N=302 residents provides a maximum sampling error of plus or minus 5.6% at 95% confidence. This means that if the survey was replicated with a new universe of N=302 residents, 19 times out of 20 we would expect to see the same results, i.e. +/- 5.6%. For example, an answer such as 'yes' (50%) to a question could vary from 44% to 56%.

Interviewing

Interviewing was conducted in accordance with The Research Society Code of Professional Behaviour.

Data analysis

The data within this report was analysed using Q Professional.

Within the report, blue and red font colours are used to identify statistically significant differences between groups, i.e., gender, age, etc.

Significance difference testing is a statistical test performed to evaluate the difference between two measurements. To identify the statistically significant differences between the groups of means, 'One-Way Anova tests' and 'Independent Samples T-tests' were used. 'Z Tests' were also used to determine statistically significant differences between column percentages.

Note: All percentages are calculated to the nearest whole number and therefore the total may not exactly equal 100%.

Ratings questions

The Unipolar Scale of 1 to 3 was used in investment questions, where 1 was less and 3 was more.

The Unipolar Scale of 1 to 5 was used in satisfaction/support questions, where 1 was not at all satisfied/supportive, and 5 was very satisfied/supportive.

This scales allowed us to identify different levels of these questions across respondents.

Top 2 (T2) Box: refers to the aggregate percentage (%) score of the top two scores for agreement. (i.e. agree & strongly agree)

Top 3 (T3) Box: refers to the aggregate percentage (%) score of the top three scores for support and satisfaction. (e.g. somewhat supportive/satisfied, supportive/satisfied and very supportive/ satisfied)

Micromex LGA Benchmark

Micromex has developed Community Satisfaction Benchmarks using normative data from over 80 unique councils, more than 200 surveys and over 100,000 interviews since 2012.

Summary Findings



micromex research



Executive Summary

Purpose

This two-stage community consultation, conducted by Micromex Research, is designed as an early step in building the evidence base for a potential future Special Rate Variation (SRV). The findings provide a clear, resident-driven picture of priorities, willingness to pay, and funding expectations.

Why This Matters

IPART's decision earlier this year to reject North Sydney Council's SRV application highlighted three main concerns:

1. Transparency of purpose – the need for a clear link between rate increases and specific asset/service priorities.
2. Community consultation – evidence that residents had been fully informed of financial implications.
3. Reasonableness of the proposal – demonstrating that increases were justified, measured, and supported by evidence.

This research directly addresses those concerns and sets the foundation for a staged, transparent SRV development process.

Framing as Early Input

This consultation is not a rate proposal in itself. Instead, it provides:

- Baseline evidence of community attitudes and informed preferences.
- A foundation for financial modelling, linking investment needs with feasible rate paths.
- A roadmap for staged consultation, ensuring the eventual SRV application is tested, refined, and community-endorsed



Executive Summary

Key Findings from the Research

- Strong recognition of shared responsibility/intergenerational equity: 72% agree every generation should contribute to renewing infrastructure (see Slides 57-59)
- There is little appetite for 'less' – the majority of residents want services/infrastructure to at least be maintained, if not improved – even knowing that maintaining/increasing services will require an increase in rates (see Slides 19, 25 and 63):
    - Targeted willingness to pay: Residents prioritise stormwater (66% support), roads/transport (67%), and footpaths (65%) for increased investment once backlogs and funding gaps are explained – whereas support is less for asset classes such as bus shelters/street furniture and supporting infrastructure such as fences, retaining walls, etc (see Slide 63)
    - Selective trade-offs: The community can discriminate between services, providing Council with opportunities for savings. For instance, 'reducing greenhouse gas emissions' has one of the highest 'improve' scores – but 'environmental education/workshops' has one of the highest 'reduce' scores (see Slide 25). Other lower priority areas that could be streamlined include town promotion, cycleways, street beautification and car parking/enforcement
- Support for innovation: High endorsement of alternative revenue sources, including partnerships, naming rights, and event hire (see Slide 22).

In summary:

This research represents a first, transparent consultation step toward a potential SRV. It shows residents understand the financial trade-offs, are prepared to invest in essential infrastructure, and support innovative funding approaches. By positioning this as early input, Council demonstrates responsiveness to IPART's concerns and commitment to building a community-aligned, future-focused financial strategy.



Executive Summary

The Qualitative Perspective

Part of Council's task in the subsequent stages of community engagement will be to rebuild trust amongst some in the community:

- 74% of residents are at least somewhat satisfied with the performance of Council – this is well down on both our metropolitan benchmark of 89% and Council's previous score of 92% in 2023 (obtained prior to the recent SRV application process) (see Slide 86)
- Encouragingly, based on the follow-up questionnaire, 84% were at least somewhat satisfied with the current community consultation, and 86% were at least somewhat satisfied with the amount of information provided in this consultation – suggesting continued engagement by Council with the community may help to rebuild community trust (see Slides 87 and 89)
- Based on open-ended questions, past 'mismanagement' and concerns around transparency, especially the North Sydney Pool project, has created mistrust in Council and created scepticism that rate rises will be used effectively (see Slides 20, 59 and 88).



Executive Summary

Next Steps

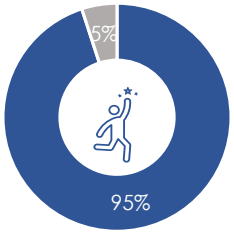
Council will use this research to:

1. Model targeted SRV scenarios tied directly to asset renewal priorities.
2. Conduct further consultation with residents on specific funding options.
3. Demonstrate to IPART that future SRV proposals are based on transparent, staged, and evidence-driven engagement.

Community Baseline Measure

Summary Findings – Stage 1

Baseline sample



95% of residents rated their quality of life as good to excellent

Rates and Spending:

66% of residents are at least somewhat supportive of paying more in rates to maintain or improve services.

Residents who are supportive/ very supportive believe improvements are needed/ will benefit the area and that current rates manageable compared to other council areas. For those less supportive, residents cited cost of living pressures and Council's financial management as key concerns.

When asked about alternative revenue sources, there was stronger support for corporate/private event pool hire (87%), commercial/large group park fees (77%) and facility naming rights (74%).

Service/Infrastructure Priorities:

When residents were asked about their preference for Council to focus on lower-cost services and infrastructure, resulting in lower quality or fewer options, or high-quality services and infrastructure at a higher cost, 43% took a balanced view, 36% preferred higher-quality services, at higher cost, and 21% leaned toward lower-cost, lower-quality options.

Residents were asked if they believe Council should reduce, maintain or improve service levels across 51 service areas. In summary, the majority of residents prefer for Council to maintain – if not improve – service levels, with some areas seen as a higher priorities for improvement.

Improve (top 3):

- Affordable/diverse housing (39%), reducing greenhouse gas emissions (33%) and Council input into transport planning (33%)

Reduce (top 3):

- Environmental education/workshops (36%), town centre promotion (33%) and cycleways (33%)

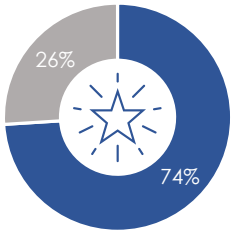
Maintain (top 3):

- Libraries (opening hours and physical spaces – 78%), sportsfields (78%), wharves and jetties (77%).

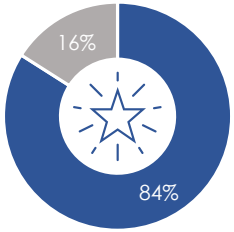
Informed Community Response

Summary Findings – Stage 2

Informed sample



Overall, 74% of residents are at least somewhat satisfied with the performance of Council across all responsibility areas.



84% of residents were at least somewhat satisfied with the community consultation.

Future Funding:

Almost three quarters of residents (72%) agree or strongly agree with the statement 'each generation should contribute to the renewal of community infrastructure they have used and benefited from'.

Whilst a sizeable minority (47%) do not want Council to take on further debt, the underlying expectation is that if debt is required, Council should take a cautious approach; that is, borrowing tied to current financial sustainability and income-generating projects, rather than debt-driven acceleration of infrastructure delivery.

Asset Investment:

On average, overall, nearly 1 in 3 residents prefer more Council spending, and 63% support paying more in Council rates.

Support for paying more in rates to cover maintenance and renewal costs was strongest for roads and transport (67%), stormwater (66%) and footpaths (65%); It was lowest for bus shelters and street furniture (57%).

- Stormwater: 95% want same/more investment and 66% support paying more.
- Supporting Infrastructure: 94% want same/more investment and 62% support paying more.
- Roads and Transport: 92% want same/more investment and 67% support paying more.
- Bus Shelters and Street Furniture: 86% want same/more investment and 57% support paying more.
- Footpaths: 90% want same/more investment and 65% support paying more.
- Buildings: 90% want same/more investment and 62% support paying more.
- Parks, Reserves and Sportsfields: 89% want same/more investment and 63% support paying more.

Baseline sample

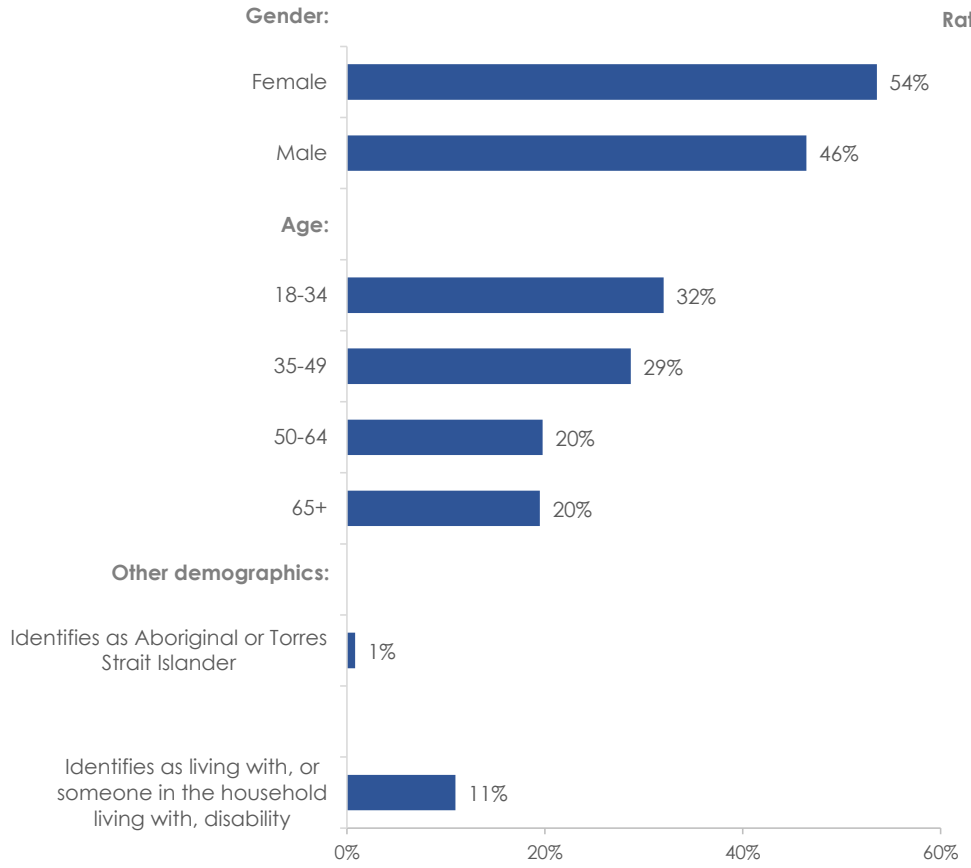
Section One:
Community Baseline Measure

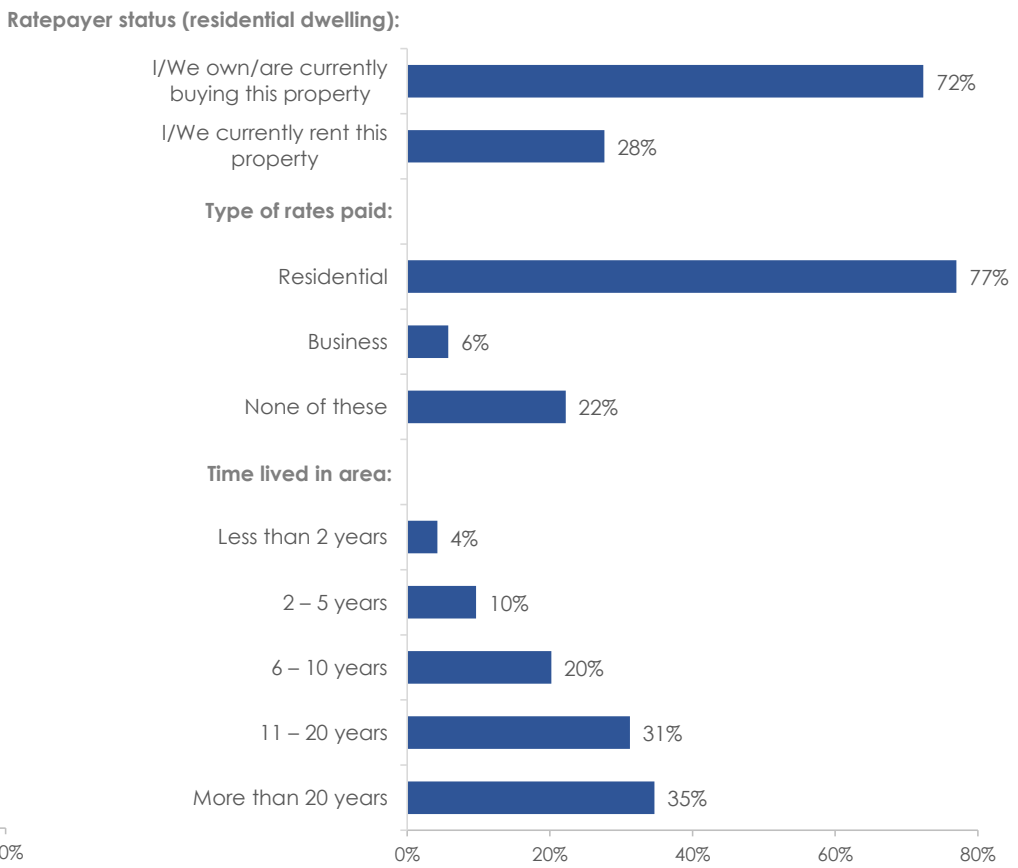


Sample Profile

Baseline sample

The sample was weighted by age and gender to reflect the 2021 ABS Census data for the North Sydney local government area.





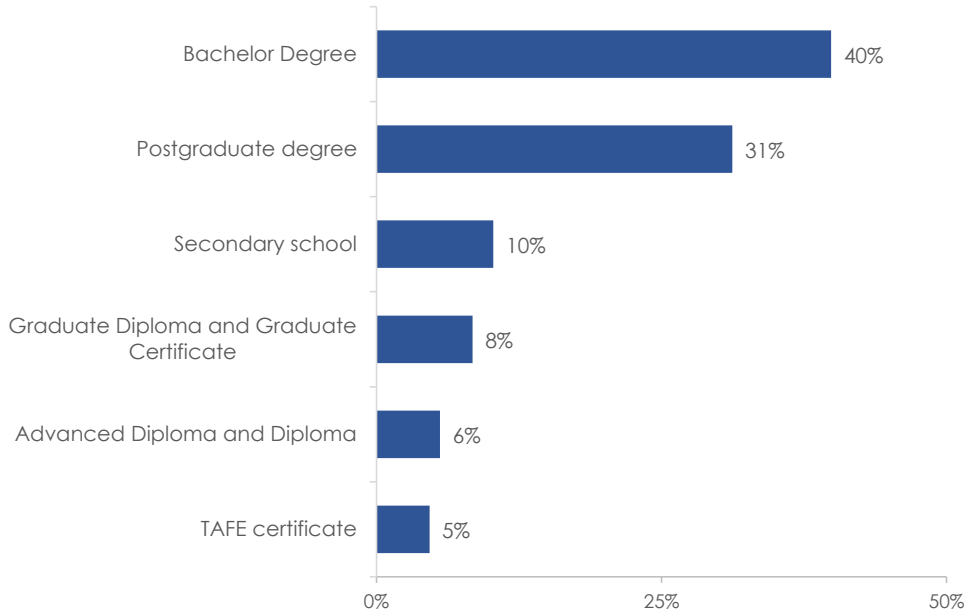
Base: N = 605

Sample Profile

Baseline sample

The sample was weighted by age and gender to reflect the 2021 ABS Census data for the North Sydney local government area.

Highest level of education:



Residential suburb	N=605
Cremorne	16%
North Sydney	15%
Wollstonecraft	11%
Cammeray	11%
Neutral Bay	11%
Crows Nest	9%
McMahons Point	5%
Waverton	5%
St Leonards	4%
Kirribilli	4%
Lavender Bay	3%
Milsons Point	2%
Cremorne Point	2%
Kurraba Point	1%

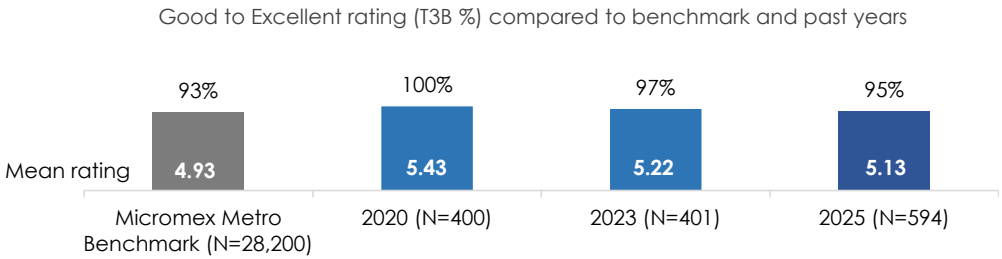
Base: N = 605

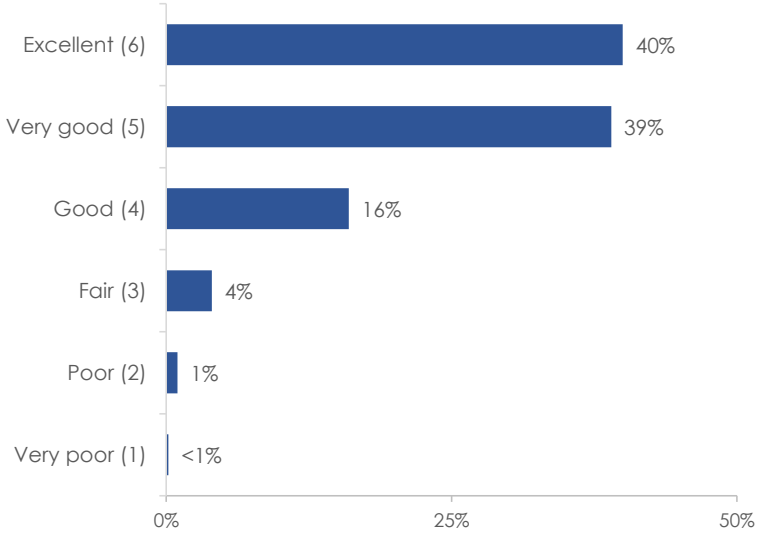
Quality of Life

Baseline sample

Overall, 95% of residents rated their quality of life living in the North Sydney LGA as good to excellent – there was minimal difference across key demographics (which is not surprising given the very high overall score).

Whilst still very high, and higher than the Metro Benchmark, quality of life ratings have seen a downward trend from 2020 (100% to 95% top 3 box rating). Whilst this may reflect factors such as the increased cost of living in recent years, our metropolitan quality of life benchmarks have not declined since the COVID years.





	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	95%	95%	96%	97%	94%	95%	95%	96%	94%	96%	93%	96%
Mean rating	5.13	5.13	5.13	5.10	5.08	5.25	5.13	5.12	5.14	5.12	5.10	5.17
Base	594	277	317	188	169	119	118	438	156	199	187	208

Base: N = 594

Q2. *Overall, how would you rate the quality of life you have living in the area?*

Scale: 1 = very poor, 6 = excellent



Section 1a.

Services and Infrastructure in the LGA

Baseline sample

This section explores support for increased rates to maintain or improve services in the local area, support for alternative revenue sources and preference for cost vs quality.

Section One Introduction

Baseline sample

Note: The following information was provided to respondents at the beginning of the survey in Stage 1 of the research.

North Sydney Council is currently working to strengthen service and infrastructure delivery to support quality of life now, and into the future.

Based on Council's current financial position, together with ageing infrastructure, it has been determined that current service levels are unsustainable. A review of rating levels has also indicated the average rates in North Sydney Local Government area are low compared to many local councils.

Together with the community, Council must make some difficult decisions and compromises to shape the future. Council is asking for your help to guide this process by sharing your opinion on services, infrastructure, and rating levels.

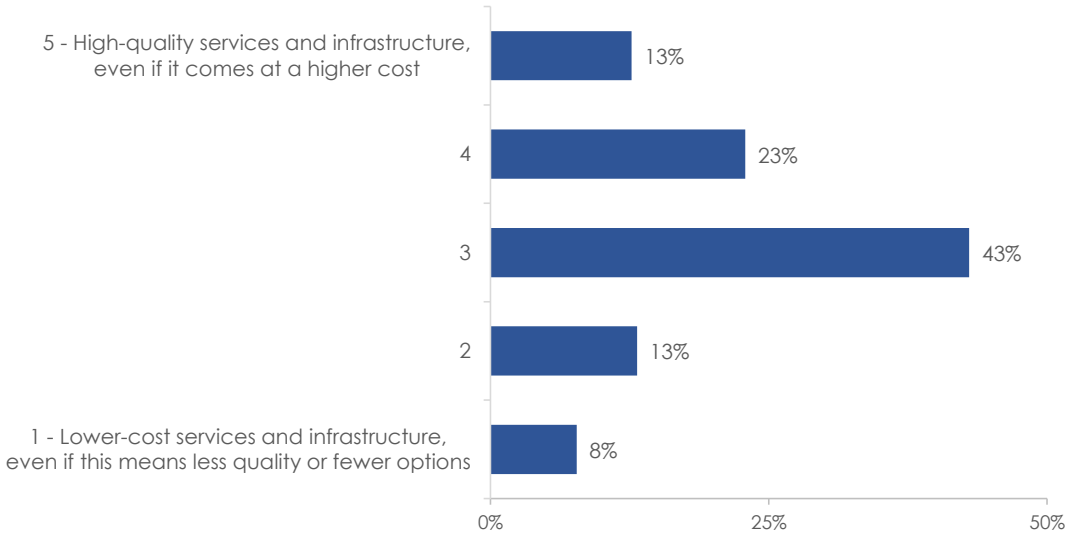
Cost vs. Quality

Baseline sample

43% of residents sit in the middle on the cost-quality trade-off, perhaps suggesting an interest in at least maintaining services at their current levels.

Focussing on those who leaned away from the midpoint, 36% favoured higher quality services at higher cost, while 21% preferred lower-cost, lower-quality options.

Support for high-quality services is stronger among those aged 18-34 and 65+, while those aged 35-64 are more cost-conscious.



	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Rated 4 to 5 (high-quality, higher cost)	36%	35%	36%	41%	27%	28%	46%	35%	37%	38%	37%	32%
Rated 1 to 2 (lower-cost, lower-quality or fewer options)	21%	24%	19%	21%	22%	24%	16%	23%	16%	19%	17%	26%
Base	602	280	322	194	174	118	117	435	167	206	187	209

Q3. *Thinking generally about service provision. On a scale of 1 to 5, where 1 means you would prefer for Council to focus more on lower-cost services and infrastructure, even if this means lower quality, or fewer options, and 5 means you prefer to see Council focus on providing high-quality services and infrastructure, even if it comes at a higher cost. How would you rate your position on this area?*

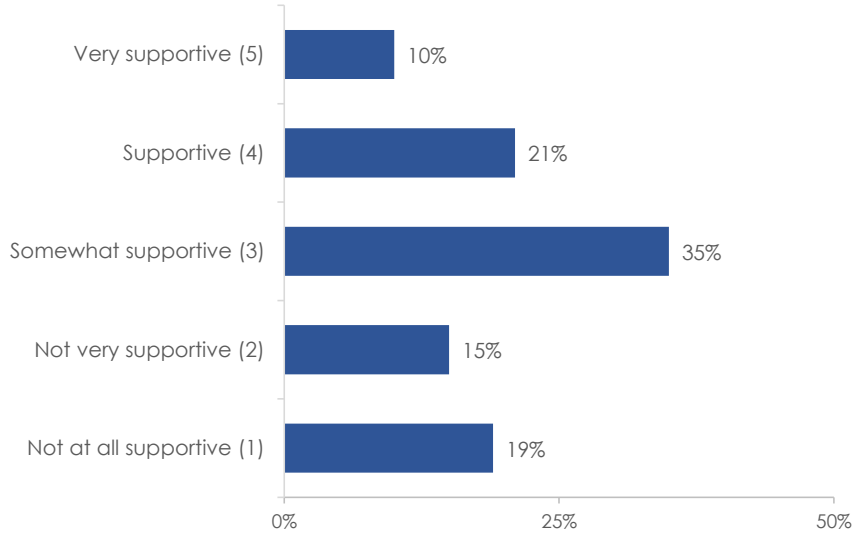
Support for Paying More in Rates to Improve Services/Infrastructure

Baseline sample

Context: *North Sydney Council's average residential rates for 2025/26 will be $1,079. This is compared with neighbouring councils in the North Shore, Mosman $1,762, Lane Cove $1,439, Willoughby $1,323, and the Northern Beaches $1,901.*

Two thirds of residents were at least somewhat supportive of paying more in rates to maintain or improve services and infrastructure in the local area.

Note that amongst those who gave the mid-point code 3 on Q3 (see previous slide), 68% were at least somewhat supportive of paying more in rates, suggesting that as hypothesised on the previous slide, they have an interest in at least maintaining services at their current levels.



	Overall	Cost vs. Quality rating (Q3)		
		Rated 4-5 (higher quality)	Rated 3	Rated 1-2 (lower cost)
Top 3 Box %	66%	82%	68%	33%
Mean rating	2.87	3.48	2.83	1.91
Base	605	214	262	126

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	66%	67%	64%	68%	63%	60%	70%	64%	70%	65%	69%	64%
Mean rating	2.87	2.93	2.82	2.94	2.76	2.71	3.07	2.81	3.02	2.90	2.93	2.78
Base	605	281	324	194	174	120	118	438	167	206	189	210

Base: N = 605

Q12a. *In considering the services and infrastructure provided by North Sydney Council, and your aspirations for the local area, how supportive are you of paying more in rates to maintain or improve services and infrastructure in the local area?*

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support (by group)

Support for Paying More in Rates to Improve Services/Infrastructure

Baseline sample

Residents who are supportive/very supportive of paying more in rates to improve services/infrastructure believe improvements are needed/will benefit the area and that current rates are not that high/manageable compared to other councils.

Those not supportive highlight financial concerns, past mismanagement (e.g., pool spending), and feel they don't get value for money, with mention of alternative funding sources available (charging private schools).

Example verbatims are provided on the next slide.

Reason for rating	N=605
Supportive/Very supportive (4-5)	**31%**
Improvements are needed/it will benefit the area	22%
Our rates are not that high/comparable/within reason	10%
Financial mismanagement/transparency (e.g. spending on the pool)	5%
Other funding sources are available, e.g. private schools	1%
Other comments	4%
Don't know/no response	1%
Somewhat supportive (3)	**35%**
Improvements are needed/it will benefit the area	14%
Financial mismanagement/transparency/disagree with previous spending	13%
Financial concerns/can only afford a small increase	12%
Other funding sources/ideas for saving money	6%
Do not pay rates	1%
Other comments	6%
Don't know/no response	1%
Not very/Not at all supportive (1-2)	**34%**
Financial concerns	17%
Financial mismanagement/transparency/disagree with previous spending	17%
Other funding sources/ideas for saving money	9%
Don't get enough value for money for rates paid/no increase needed/maintain what we have	4%
Comparison with other councils, is not fair	3%
Other comments	3%
Don't know/no response	<1%

Base: N = 605

Q12a. In considering the services and infrastructure provided by North Sydney Council, and your aspirations for the local area, how supportive are you of paying more in rates to maintain or improve services and infrastructure in the local area?
Q12b. Why do you say that?

Support for Paying More in Rates to Improve Services/Infrastructure

Baseline sample

Example verbatims

Supportive/ Very supportive

"Not happy to see all the services reduced to a minimum, so rates will need increases in line with other council areas"

"Where we live is wonderful, Council do a great job and offer excellent services and facilities"

"Do not mind paying more in rates but it should be spent wisely"

"Costs are increasing and compared to other councils it's reasonable to increase them"

"I am aware that the Council is not in a great financial position because they used funds for a pool that no one needs"

"Supportive of a rate increase, though I would like private schools to pay more for being in the area"

"Recognise hardship for some, thus the importance of spending wisely"

Somewhat supportive

"Happy with improvements at a reasonable cost"

"Very happy with the way the area is maintained"

"Depends on how much the increase is"

"Rates increase will be difficult due to cost of living"

"The money needs to be spent wisely, not wasted"

"More transparency about what the money is being used for and how much"

"I'm not more supportive because Council could work with the community to save money such as; more residents doing at home composting, more community education and consultation from council, asking for money to attend markets"

"Those suburbs quoted with higher rates, do look a lot cleaner and sharper"

Not at all/Not very supportive

"Council has mismanaged finances where they need to look at other ways to source funding"

"Council overspent on the pool and residents shouldn't have to cover the costs of that"

"Council need to be more transparent and accountable with using funds"

"Comparing rates between councils is irrelevant as every council is vastly different"

"Council should charge privates schools rates"

"I don't see where the money is spent or how the amounts are justified"

"The rent for small business are very high and they are already suffering, so rate increases would affect owners a lot"

"Cost of living crisis - high strata fees, water rates, electricity etc., plus, I'm already paying a lot of taxes - I don't understand why I have to pay more at the local level"

Base: N = 605

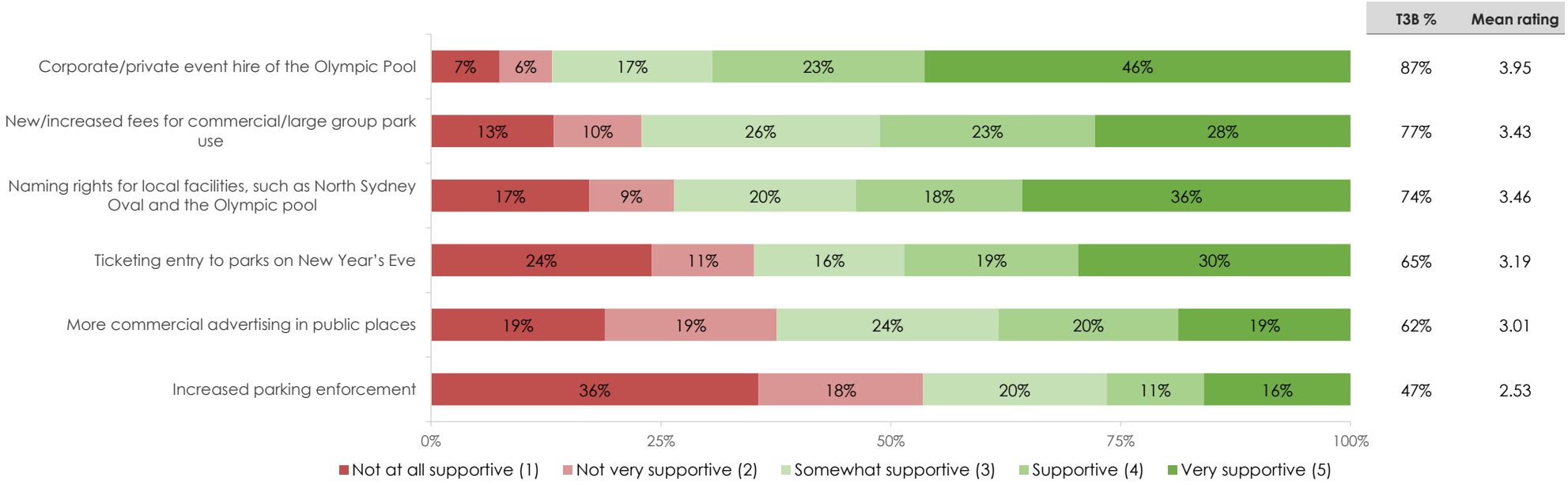
Q12a. *In considering the services and infrastructure provided by North Sydney Council, and your aspirations for the local area, how supportive are you of paying more in rates to maintain or improve services and infrastructure in the local area?*
Q12b. *Why do you say that?*

Alternative Sources of Revenue

Baseline sample

Residents are most supportive of corporate/private event hire of the Olympic Pool (87%), new/increased fees for commercial or large group park use (77%), and naming rights for local facilities (74%) as ways to offset Council rate pressures. Ticketed park entry on New Year's Eve (65%) and more commercial advertising in public places (62%) received moderate support, while increased parking enforcement had the lowest levels of support (47%).

Support levels vary by demographics, with males and ratepayers generally more supportive across most measures.



Base: N = 604-605

Q12c . To offset or reduce the pressure on Council rates as a revenue source, how supportive are you of the following?

Scale: 1 = not at all supportive, 5 = very supportive
Please see Appendix 1 for results by demographics



Section 1b.

Community Priorities for Service Levels

Baseline sample

This section is split across 7 sub-sections to explore resident infrastructure investment priorities across 51 services/facilities.

Section 1b Introduction



Baseline sample

The following information was provided to respondents prior to them rating the 51 services/facilities – note that respondents were told there would be an increase in average rates for maintaining or improving services/infrastructure:

We would now like you to think about specific services and infrastructure in the North Sydney local area. For each of these we will ask you if you think Council should:

- *Reduce services/ reduce maintenance of infrastructure (i.e. shorter opening hours, reduced quality)*
- *Maintain services or infrastructure*
- *Improve services or infrastructure, which may include more services, better services, longer opening hours, new or upgraded infrastructure*

Please note that maintaining or improving services or infrastructure will require an increase in average rates.

Service Level Priority Summary

Baseline sample

Residents were asked whether Council should reduce/maintain/improve each of 51 services/infrastructure classes, which we grouped into seven categories. This slide provides a summary of outcomes across all 51 services/infrastructure classes.

On average, almost two thirds of residents (64%) favoured maintaining current service levels – and a further 23% on average supported improvements. In contrast, only 13% of residents on average favoured reducing service levels. Of course, results varied across the 51 attributes:

- Service areas with higher preference for improvement include affordable/diverse housing initiatives (39%), reducing greenhouse emissions (33%), Council input to transport planning (33%), programs for disadvantaged residents (32%), disability/access programs (32%), online services (31%), public toilets (31%) and affordable local events (30%).
- Areas most nominated for reduction include environmental education/workshops (36%), town centre promotion (33%), cycleways (33%), public art/creative activations (28%), street beautification (27%), and parking/enforcement (26%).

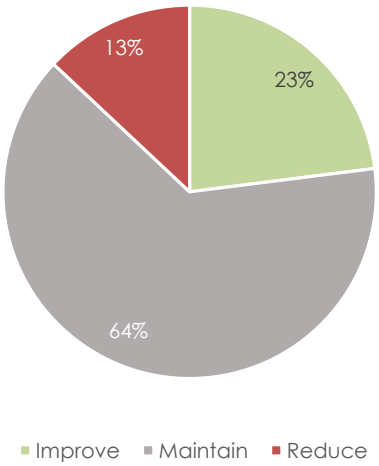
Improve (highest %)

Affordable/diverse housing initiatives	39%	Disability support and access programs	32%
Reducing greenhouse gas emissions	33%	Public toilet maintenance	31%
Council input into transport planning	33%	Online services	31%
Programs for disadvantaged residents	32%	Affordable local events (e.g. Festivals, music, art, workshops)	30%

Reduce (highest %)

Environmental education/workshops	36%	Public art and creative street activations	28%
Town centre promotion	33%	Street beautification programs (i.e. streets alive and community gardens)	27%
Cycleways	33%	Car parking and enforcement	26%

Average future service expectation across 51 services/facilities:



Base: N = 605

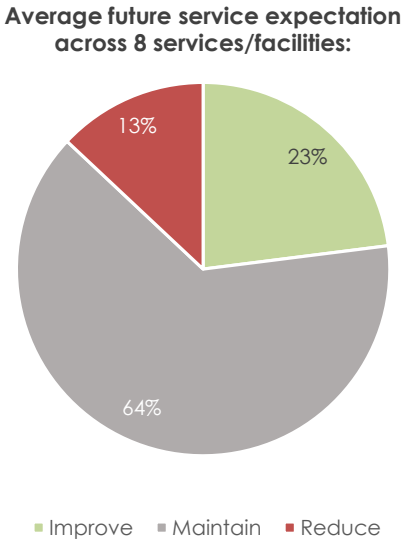
Section 1b(a).

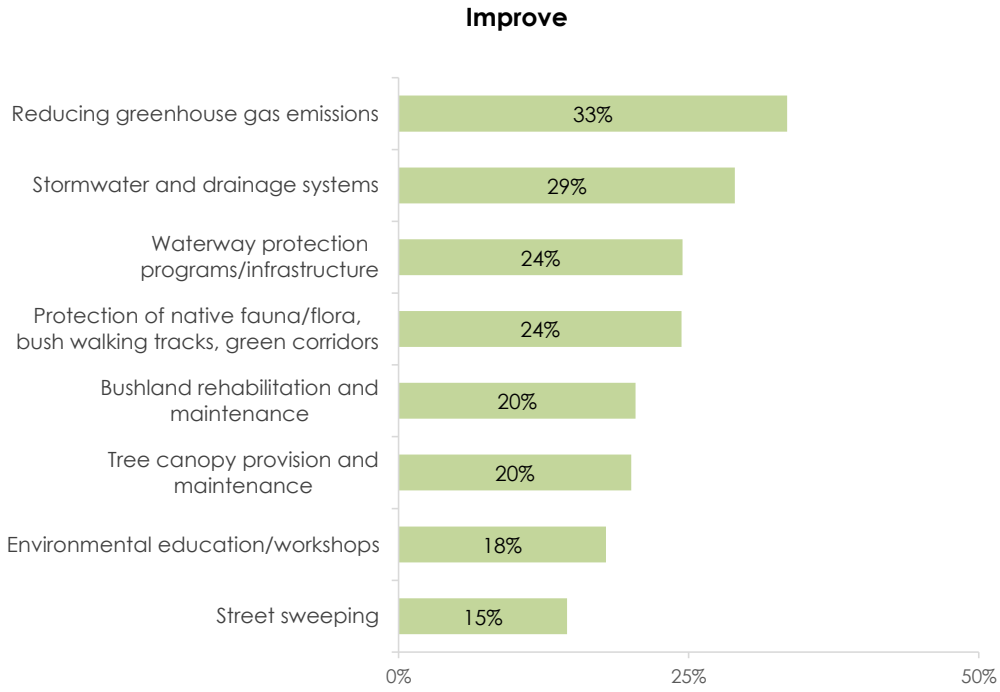
Environmental Sustainability

Baseline sample

On average, almost 1 in 4 (23%) residents would like to see Council improve Environmental Sustainability services and infrastructure. 64% would like to see the service level maintained and 13% reduced.

Residents are most likely to want to see Council make improvements in 'reducing greenhouse gas emissions' and 'stormwater and drainage systems' (the latter perhaps reflecting what had been a wet winter in Sydney).





Base: N = 604-605

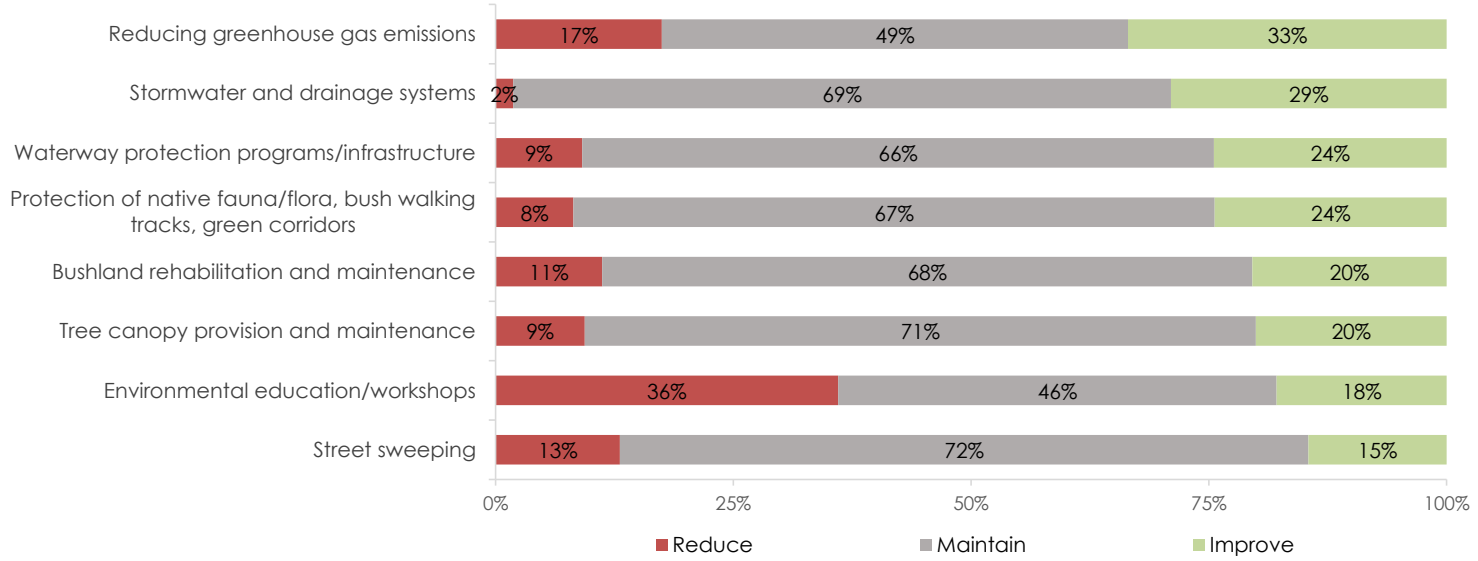
Environmental Sustainability

Baseline sample

Across all eight Environmental attributes, the majority of residents wanted the services at least maintained, if not improved:

- In particular, there is almost universal agreement that attention to 'Stormwater and drainage systems' cannot be reduced
- The one potential opportunity for Council to reduce service delivery is with 'environmental education/ workshops', with 36% believing Council should reduce its level of service.

Younger residents (18-34) and non-ratepayers are more likely to desire improvements across almost all environmental sustainability areas. Those aged 18-34 are significantly more likely to want Council to improve their 'environmental education/workshops', while those aged 65+ are significantly more likely to want improvements in 'tree canopy provision and maintenance' and 'street sweeping'.



Base: N = 604-605

Q5. Thinking about our local environmental sustainability, do you think Council should reduce, maintain, or improve…

Environmental Sustainability

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Reducing greenhouse gas emissions	33%	29%	37%	41%	32%	26%	30%	29%	46%	36%	33%	31%
Stormwater and drainage systems	29%	29%	29%	32%	24%	26%	35%	26%	38%	34%	24%	28%
Waterway protection programs/ infrastructure	24%	24%	25%	27%	25%	22%	23%	20%	36%	31%	23%	19%
Protection of native fauna/flora, bush walking tracks, green corridors	24%	27%	22%	27%	25%	21%	23%	21%	32%	29%	24%	20%
Bushland rehabilitation and maintenance	20%	22%	19%	25%	19%	15%	19%	17%	29%	25%	20%	16%
Tree canopy provision and maintenance	20%	21%	19%	14%	22%	19%	28%	20%	21%	17%	23%	20%
Environmental education/workshops	18%	19%	17%	27%	14%	10%	17%	14%	28%	21%	20%	13%
Street sweeping	15%	18%	12%	10%	17%	13%	21%	15%	14%	10%	14%	19%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q5. Thinking about our local environmental sustainability, do you think Council should reduce, maintain, or improve…

A significantly higher/lower percentage (by group)

Section 1b(b).

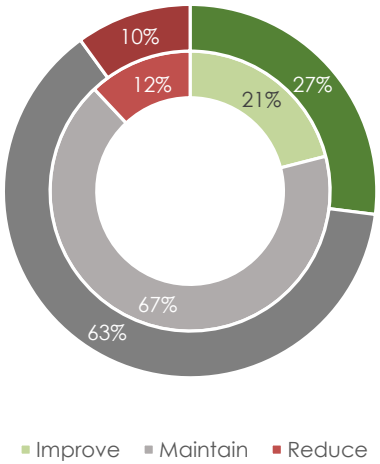
Social Inclusion

Baseline sample

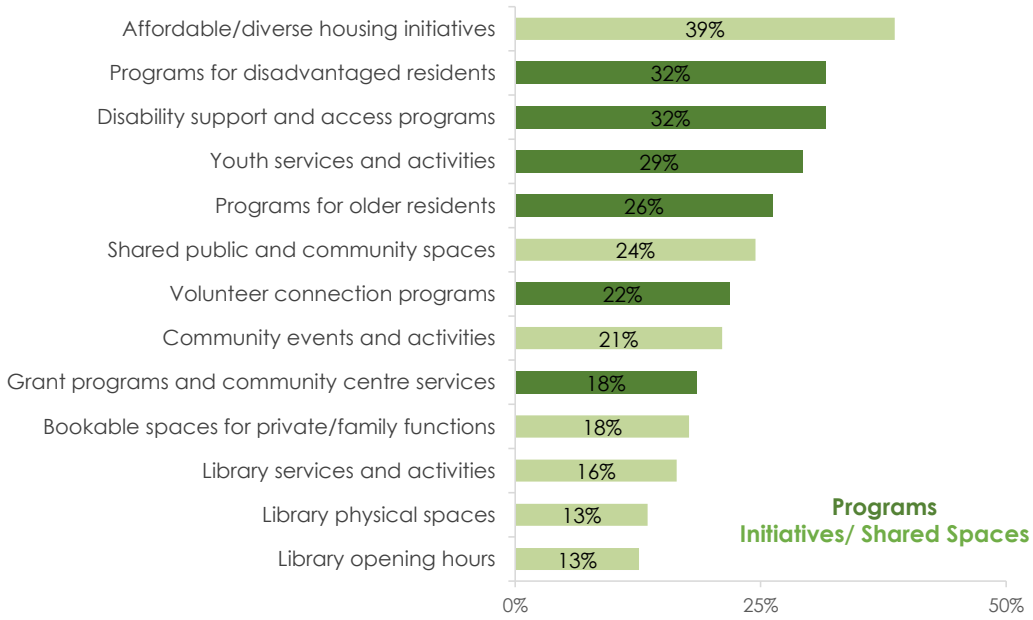
On average, 27% of residents would like to see Council improve community programs, with 63% preferring the provision to be maintained (outer circle of pie chart below). 21% would like to see improvements in initiatives and shared spaces (such as libraries) and 67% would like to see the service level maintained.

Residents are most likely to want to see Council make improvements on 'affordable/diverse housing initiatives' (39%).

Average future service expectation across services/facilities:
6 community programs (outer circle)
7 initiatives/shared spaces (inner circle)



Improve



Base: N = 603-605

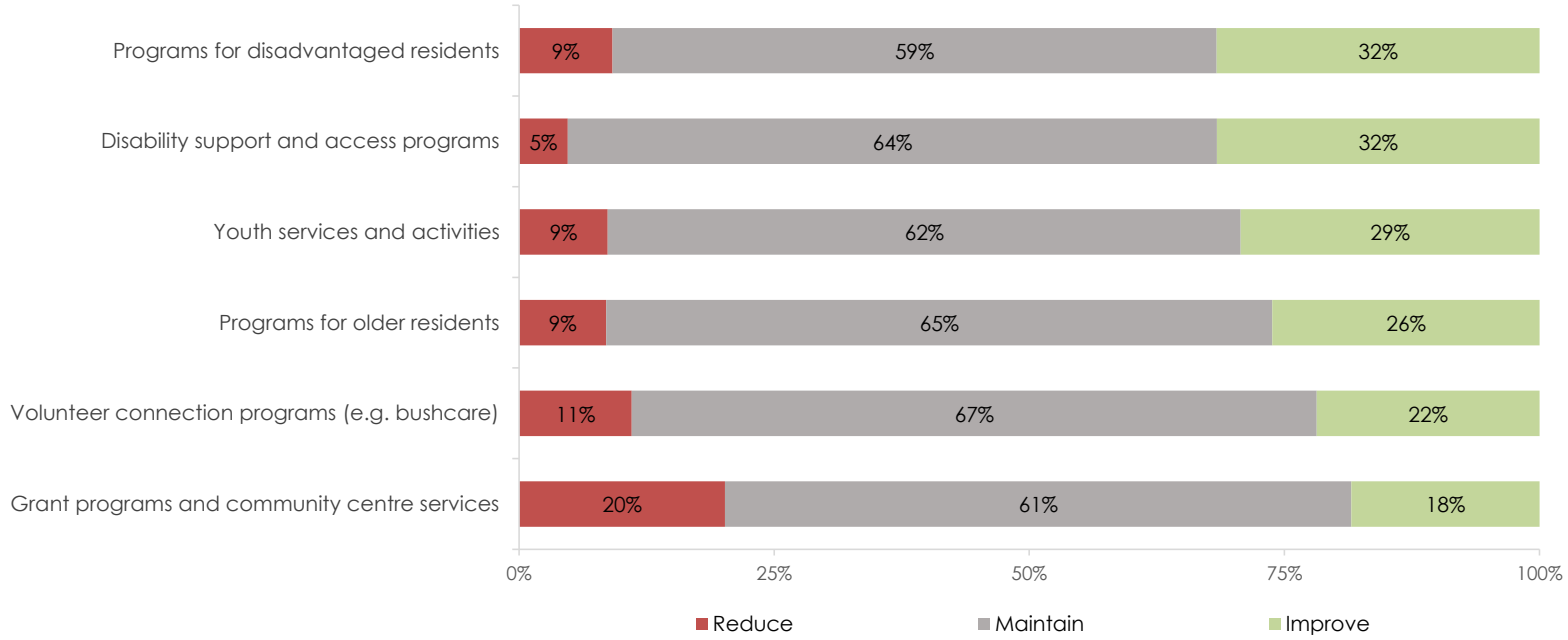
Social Inclusion – Community Programs

Baseline sample

Across the six program-focussed Social Inclusion services, the majority of residents wanted the services at least maintained, if not improved.

Almost 1 in 3 favoured improvement in 'programs for disadvantaged residents' and 'disability support and access programs' – and relatively few wanting a reduction in these services. 'Grant programs and community centre services' generated a more polarised response, with 18% wanting improvement and 20% wanting reduced service levels.

Non-ratepayers have a higher preference for improvements across all community programs.



Base: N = 603-605

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

Social Inclusion – Community Programs

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Programs for disadvantaged residents	32%	30%	33%	43%	28%	23%	28%	27%	43%	36%	34%	25%
Disability support and access programs	32%	29%	34%	43%	29%	19%	29%	26%	47%	40%	27%	28%
Youth services and activities	29%	32%	27%	37%	28%	20%	29%	24%	43%	35%	27%	25%
Programs for older residents	26%	23%	29%	32%	24%	21%	26%	21%	39%	27%	23%	28%
Volunteer connection programs	22%	22%	21%	19%	25%	18%	26%	19%	29%	22%	26%	18%
Grant programs and community centre services	18%	15%	21%	24%	19%	11%	16%	15%	29%	19%	22%	15%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

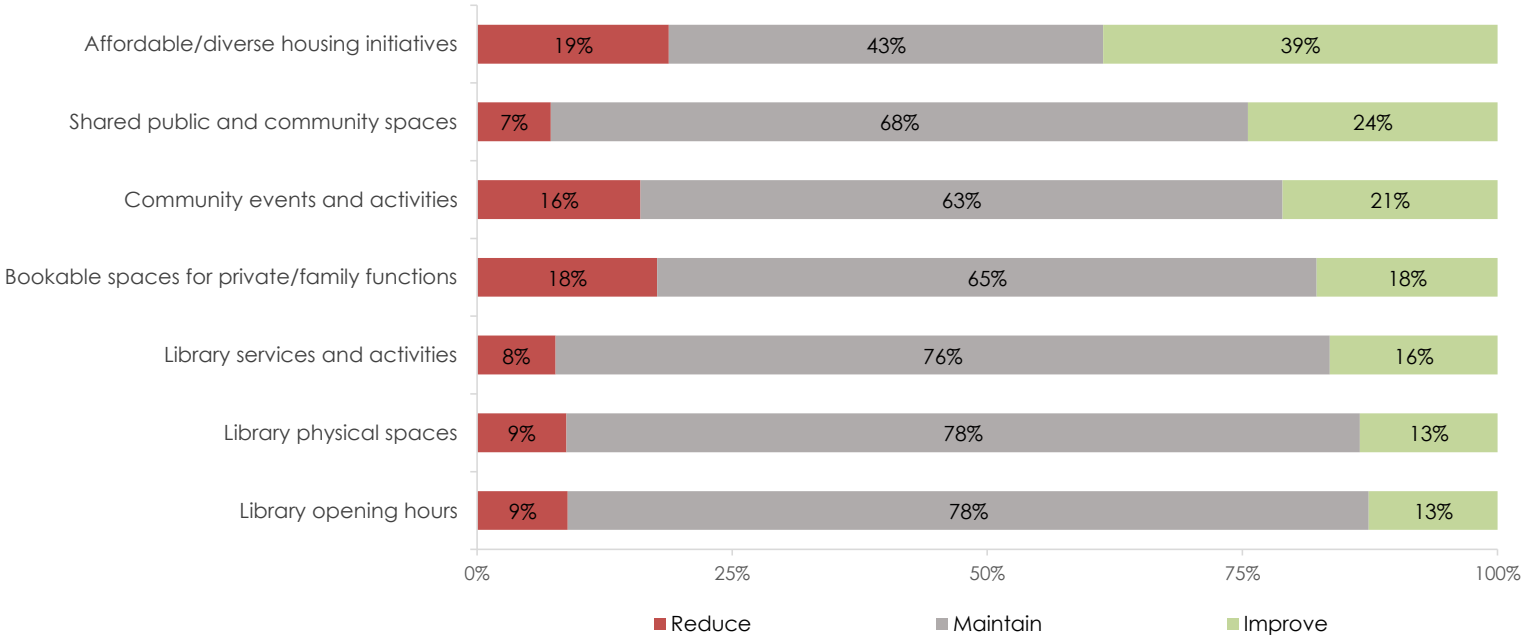
A significantly higher/lower percentage (by group)

Social Inclusion – Initiatives and Shared Spaces

Baseline sample

Across the seven other Social Inclusion services that are more initiative/shared-space based, there was generally lower support for improving the services – but higher interest in maintaining current service levels. This was particularly noticeable for the three library attributes, where maintain scores were all above 75%

39% believe Council should improve efforts in 'affordable/diverse housing initiatives', while 19% believe they should be reduced – Younger residents and non-ratepayers are significantly more likely to want to see improvements in this area.



Base: N = 603-605

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

Social Inclusion – Initiatives and Shared Spaces

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Affordable/diverse housing initiatives	39%	35%	42%	47%	32%	30%	44%	30%	60%	41%	39%	36%
Shared public and community spaces	24%	25%	24%	32%	27%	16%	17%	19%	39%	29%	24%	20%
Community events and activities	21%	23%	20%	33%	20%	9%	15%	16%	34%	24%	23%	17%
Bookable spaces for private/family functions	18%	16%	19%	24%	17%	11%	16%	14%	28%	25%	15%	12%
Library services and activities	16%	17%	16%	22%	19%	9%	9%	13%	26%	21%	21%	8%
Library physical spaces	13%	14%	13%	13%	19%	10%	9%	11%	21%	14%	18%	9%
Library opening hours	13%	15%	10%	21%	14%	6%	4%	10%	20%	19%	16%	4%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

A significantly higher/lower percentage (by group)

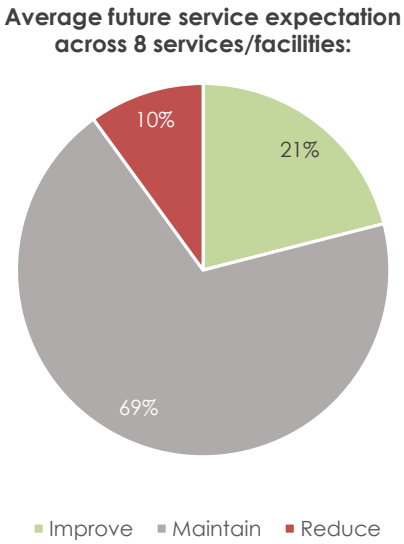
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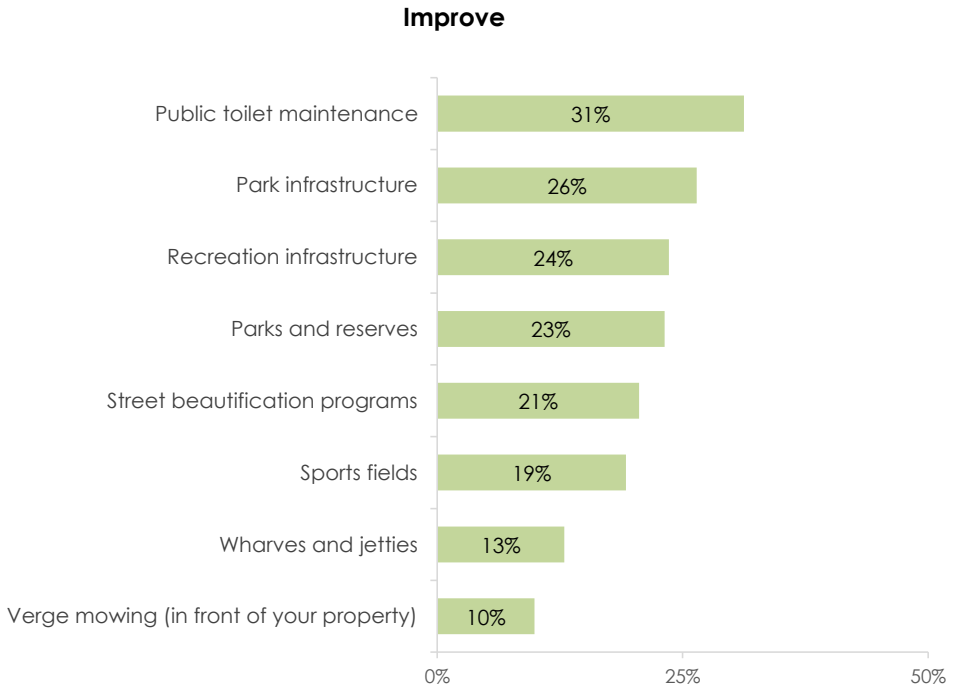
Open Space and Recreation

Baseline sample

On average, 1 in 5 (21%) residents would like to see Council improve Open Space and Recreation services and infrastructure. 69% would like to see the service level maintained and 10% reduced.

Residents are most likely to want to see Council make improvements in 'public toilet maintenance' (31%) and 80% believe Council should maximise the use of existing spaces.





Base: N = 605

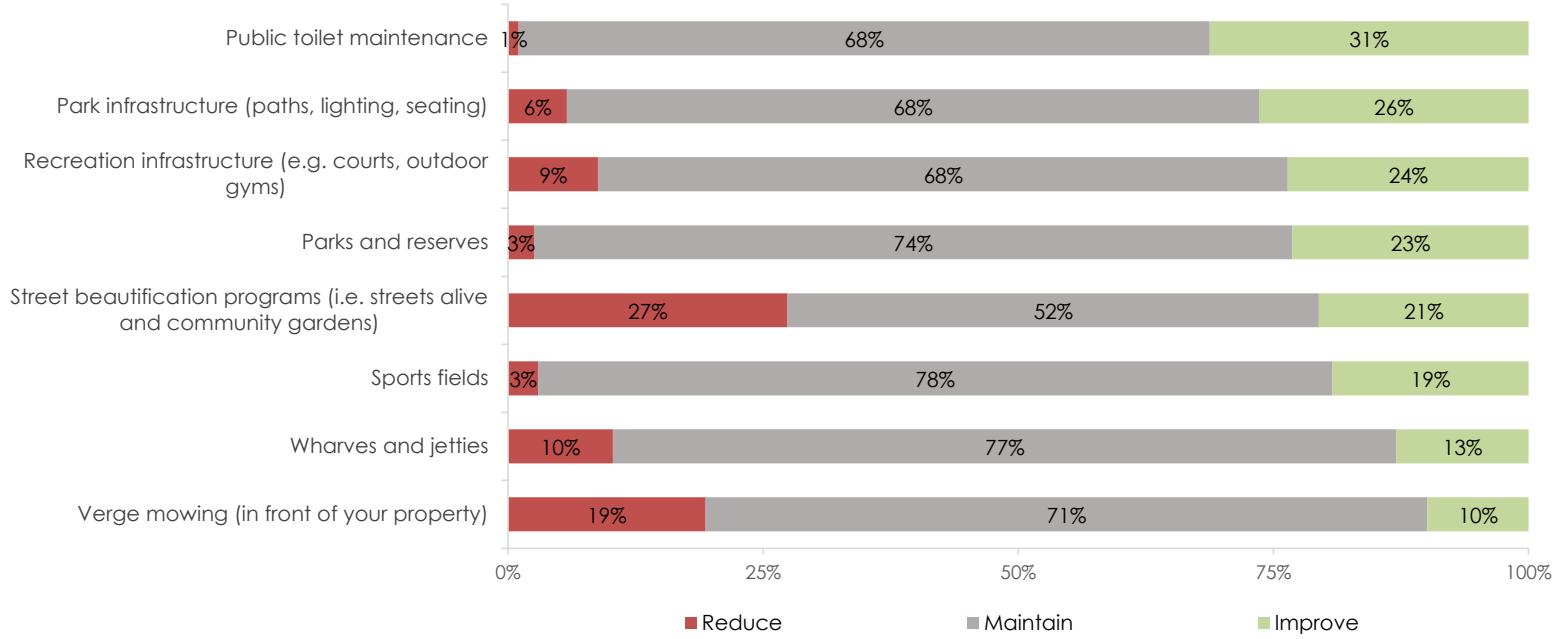
Open Space and Recreation

Baseline sample

Across all eight Open Space and Recreation attributes, the majority of residents wanted the services at least maintained, if not improved. 31% believe Council should improve 'public toilet maintenance' (and only 1% wanted to see it reduced), and 26% desire improvements in 'park infrastructure' (with only 6% favouring a reduction).

The one potential opportunity for Council to reduce service delivery is with 'street beautification programs', where 27% believe Council should reduce their servicing - although this still means 73% want this service at least maintained if not improved.

Younger residents (18-34) and non-ratepayers are more likely to desire improvements across all open space and recreation spaces. Those aged 18-34 years are significantly more likely to want Council to improve 'public toilet maintenance', 'recreation infrastructure', 'parks and reserves' and 'sports fields'.



Base: N = 605

Q7a. Thinking about our open space and recreation, do you think Council should reduce, maintain, or improve…

35

Open Space and Recreation

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Public toilet maintenance	31%	30%	33%	41%	32%	22%	23%	26%	44%	36%	28%	29%
Park infrastructure (paths, lighting, seating)	26%	24%	28%	33%	24%	21%	24%	23%	37%	28%	23%	28%
Recreation infrastructure	24%	23%	24%	36%	22%	17%	12%	19%	36%	31%	24%	16%
Parks and reserves	23%	29%	18%	32%	20%	14%	22%	20%	30%	28%	24%	18%
Street beautification programs	21%	19%	22%	24%	17%	14%	27%	19%	25%	21%	21%	19%
Sports fields	19%	24%	15%	30%	17%	12%	12%	19%	20%	17%	22%	19%
Wharves and jetties	13%	14%	12%	16%	11%	10%	14%	11%	19%	16%	11%	12%
Verge mowing (in front of your property)	10%	9%	11%	11%	8%	9%	12%	10%	11%	11%	8%	11%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q7a. Thinking about our open space and recreation, do you think Council should reduce, maintain, or improve…

A significantly higher/lower percentage (by group) 36

Open Space and Recreation

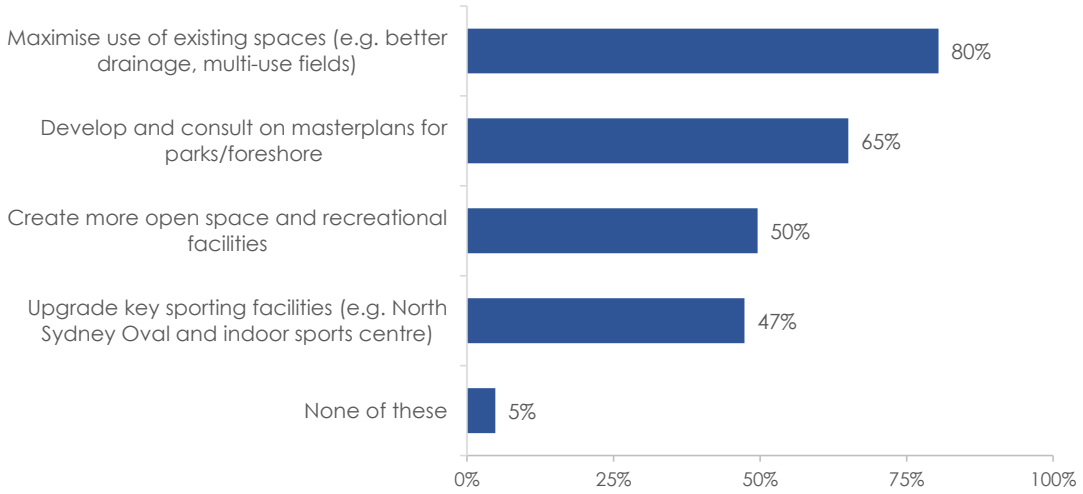
Baseline sample

For the Open Space/Recreation category, we also asked residents which potential new actions Council should implement (from a list of four).

Support for new services was high – only 5% of residents felt Council should not implement any of the four possible options.

Residents prefer making better use of current spaces and planning strategically (top two bars at right), with less interest in new facilities and upgrades. For instance, 80% would like to see existing spaces maximised, compared to 50% who want more open spaces/rec facilities.

Support is broadly consistent across demographics, though younger residents (18-34) show more interest in creating more open space (63%) compared to older residents (65+, 41%).



	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Maximise use of existing spaces	80%	79%	81%	79%	83%	80%	80%	83%	75%	77%	83%	81%
Develop and consult on masterplans for parks/foreshore	65%	65%	65%	64%	64%	71%	63%	66%	63%	63%	69%	64%
Create more open space and recreational facilities	50%	49%	50%	63%	44%	43%	41%	46%	59%	53%	52%	44%
Upgrade key sporting facilities	47%	48%	47%	56%	47%	41%	41%	43%	59%	46%	49%	47%
None of these	5%	6%	4%	5%	3%	7%	6%	5%	5%	5%	2%	7%
Base	605	281	324	194	174	120	118	438	167	206	189	210

Q7b. Research has shown that based upon the population of North Sydney, there is a shortage of open space and recreation facilities. Which, if any, of the following actions do you think Council should implement?

A significantly higher/lower percentage (by group) 37

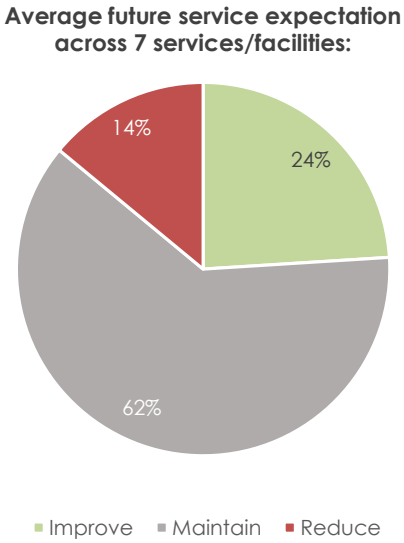
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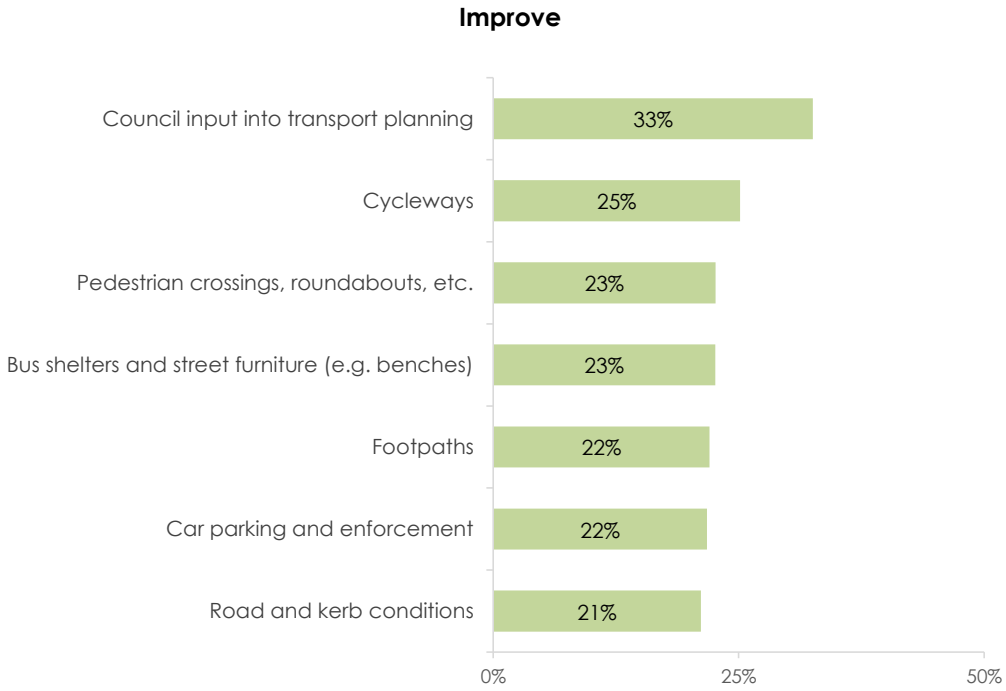
Integrated Transport

Baseline sample

On average, 1 in 4 (24%) residents would like to see Council improve integrated transport infrastructure and 62% would like to see the service level maintained – while 14% on average suggested services could be reduced.

Residents are most likely to want to see Council make improvements with input into transport planning (33%).





Base: N = 602-605

Integrated Transport

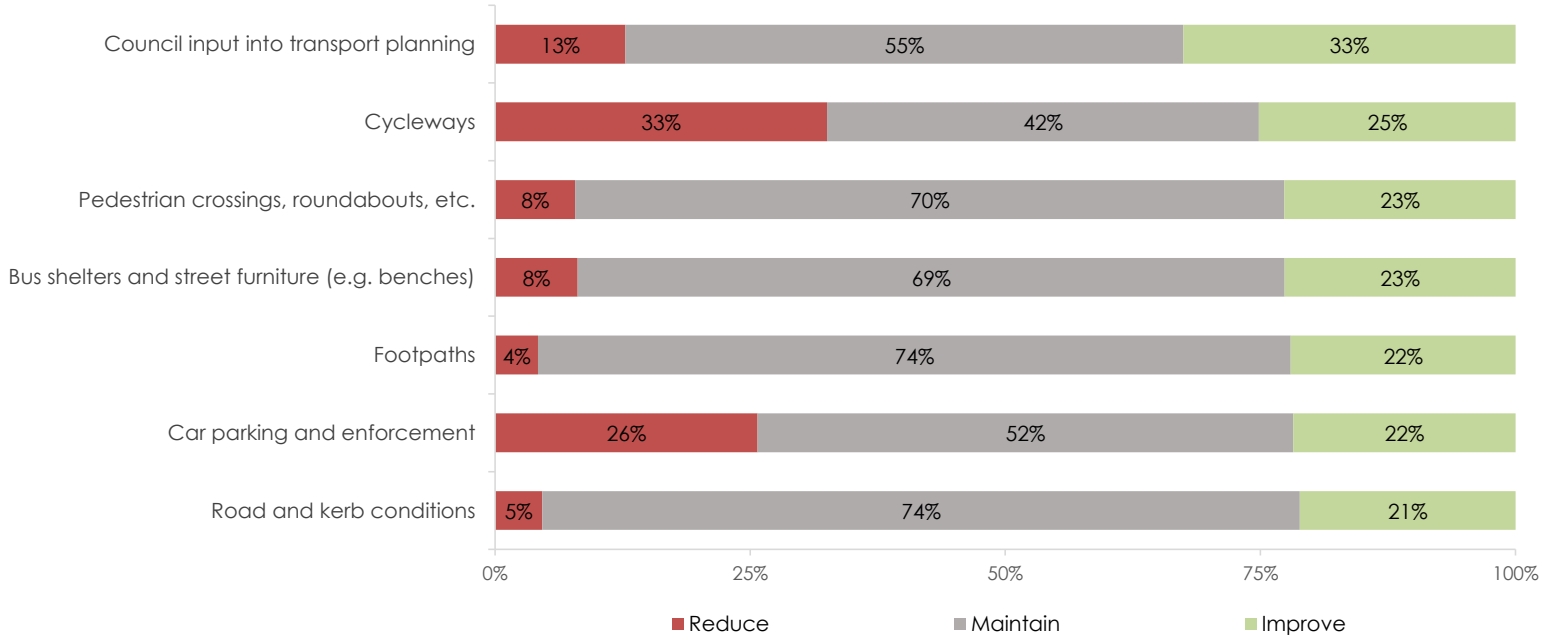
Baseline sample

Across all seven Integrated Transport attributes, the majority of residents wanted the services at least maintained, if not improved.

However:

- In terms of cycleways, residents are divided, with 25% wanting improvements and 33% wanting to see a reduction
- Similar polarisation was seen for 'car parking and enforcement'.

Those aged 18-34 are significantly more likely to want to see Council improve 'bus shelters and street furniture' (33%) and 'car parking and enforcement' (32%).



Base: N = 602-605

Q8. Thinking about our integrated transport, do you think Council should reduce, maintain, or improve…

Integrated Transport

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Council input into transport planning	33%	33%	32%	32%	36%	30%	32%	31%	36%	39%	31%	27%
Cycleways	25%	28%	23%	29%	28%	24%	15%	21%	35%	34%	26%	16%
Pedestrian crossings, roundabouts, etc.	23%	23%	22%	29%	25%	15%	17%	18%	35%	32%	18%	18%
Bus shelters and street furniture	23%	18%	27%	33%	19%	16%	17%	16%	40%	32%	19%	17%
Footpaths	22%	23%	21%	21%	23%	20%	24%	19%	30%	24%	20%	23%
Car parking and enforcement	22%	22%	21%	32%	15%	17%	21%	16%	37%	32%	17%	16%
Road and kerb conditions	21%	24%	19%	21%	23%	18%	21%	20%	23%	23%	18%	23%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q8. Thinking about our integrated transport, do you think Council should reduce, maintain, or improve…

A significantly higher/lower percentage (by group)

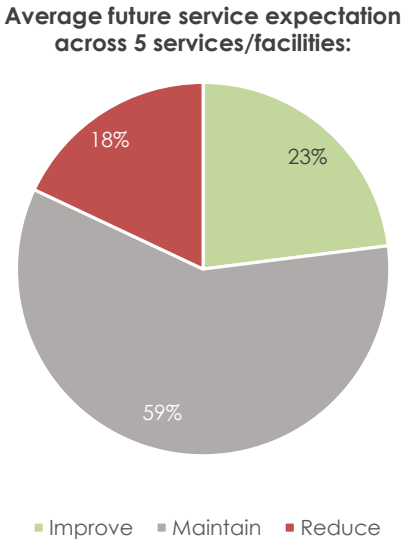
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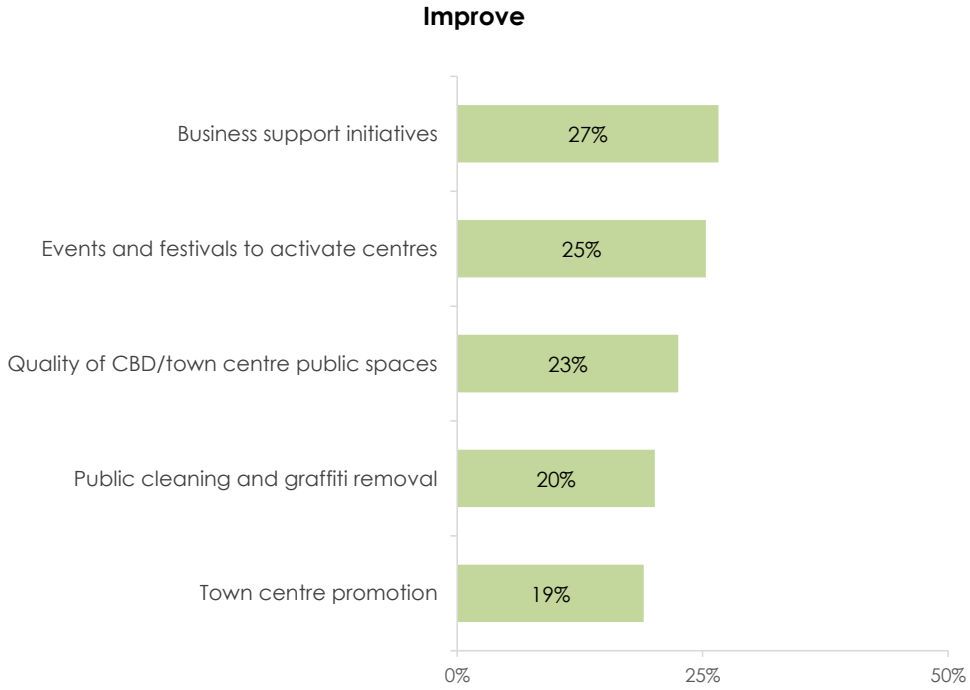
Economic Development

Baseline sample

On average, 23% of residents would like to see Council improve Economic Development, and a further 60% would like to see efforts maintained. A relatively high average of 18% were in favour of reduced Economic Development services.

Residents are most likely to want to see Council make improvements to 'business support initiatives' (27%).





Base: N = 604-605

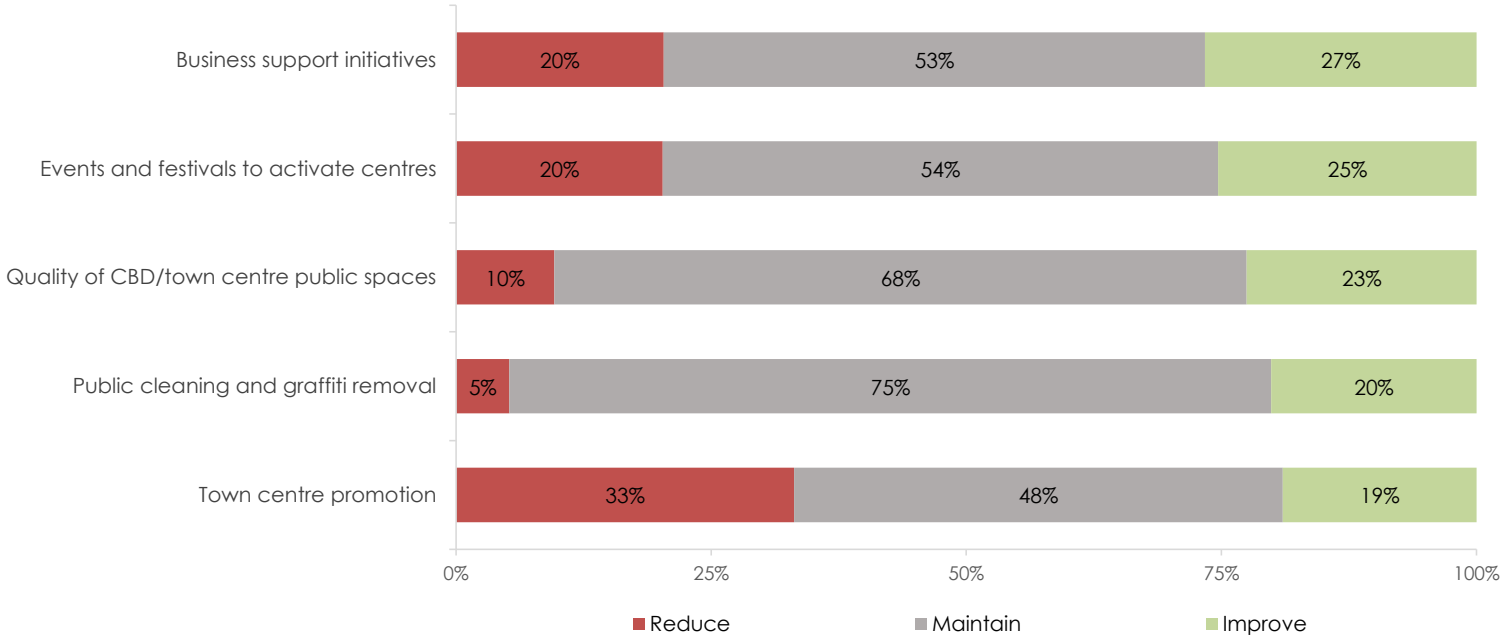
Economic Development

Baseline sample

The majority of residents want Council to maintain current service levels, with slightly higher support for improvements in 'business support initiatives' (27%) and 'events/festivals' (25%).

33% would like to see a reduction in 'town centre promotion' – these residents are more likely to be older and have lived in the LGA longer-term.

Younger residents and non-ratepayers are more likely to desire improvements across all economic development areas.



Base: N = 604-605

Q9a. Thinking about our economic development, do you think Council should reduce, maintain, or improve…

Economic Development

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Business support initiatives	27%	27%	26%	35%	29%	19%	17%	21%	42%	33%	27%	20%
Events and festivals to activate centres	25%	24%	27%	33%	27%	21%	15%	20%	39%	27%	30%	19%
Quality of CBD/town centre public spaces	23%	21%	24%	24%	23%	19%	23%	19%	32%	25%	21%	21%
Public cleaning and graffiti removal	20%	22%	18%	30%	14%	15%	18%	18%	27%	25%	16%	19%
Town centre promotion	19%	18%	20%	22%	21%	14%	15%	13%	34%	28%	17%	12%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q9a. Thinking about our economic development, do you think Council should reduce, maintain, or improve…

A significantly higher/lower percentage (by group)

Economic Development

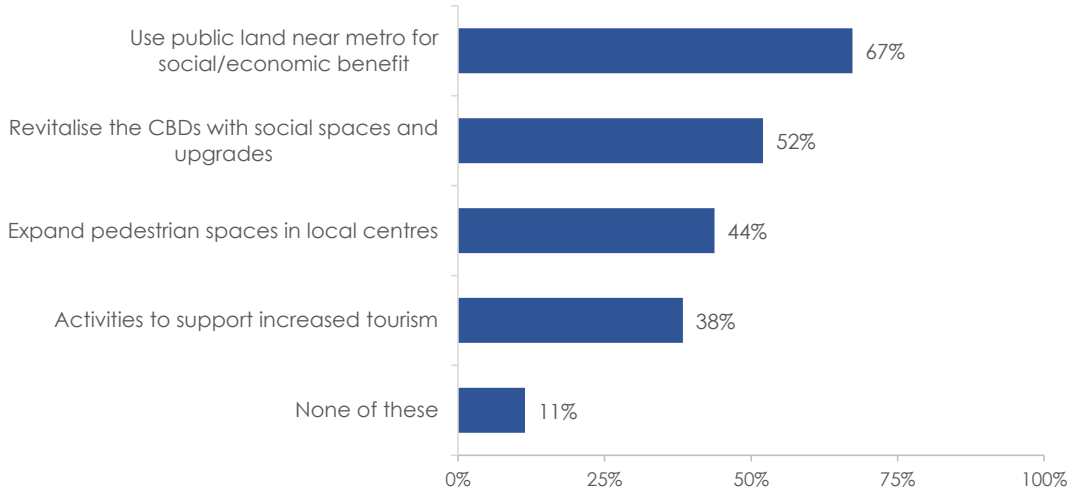
Baseline sample

For the Economic Development category, we also asked residents which potential new actions Council should implement (from a list of four).

We noted earlier for the Open Space/Recreation category that only 5% of residents felt Council should not implement any of the four possible options. This is now 11% for Economic Development, which is consistent with the reduce/maintain/improve results on the previous slides – but still suggests the community favours additional services.

Most residents support using public land near the metro for social/economic benefit (67%) and revitalising CBDs with social spaces and upgrades (52%).

Younger residents are more supportive of revitalisation and expanding pedestrian spaces in local centres.



	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Use public land near metro for social/ economic benefit	67%	70%	65%	68%	75%	65%	57%	67%	67%	68%	70%	64%
Revitalise the CBDs with social spaces and upgrades	52%	53%	51%	68%	44%	44%	46%	45%	69%	58%	52%	47%
Expand pedestrian spaces in local centres	44%	49%	39%	54%	37%	36%	45%	42%	49%	44%	48%	40%
Activities to support increased tourism	38%	36%	40%	44%	40%	30%	35%	32%	55%	39%	43%	34%
None of these	11%	11%	12%	3%	9%	19%	20%	14%	4%	8%	10%	16%
Base	605	281	324	194	174	120	118	438	167	206	189	210

Q9b. *Recent community consultation within North Sydney, has indicated a need to secure employment in North Sydney. Which, if any, of the following actions do you think council should implement?*

A significantly higher/lower percentage (by group)

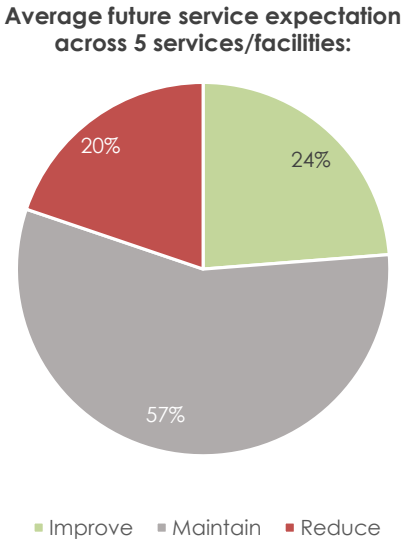
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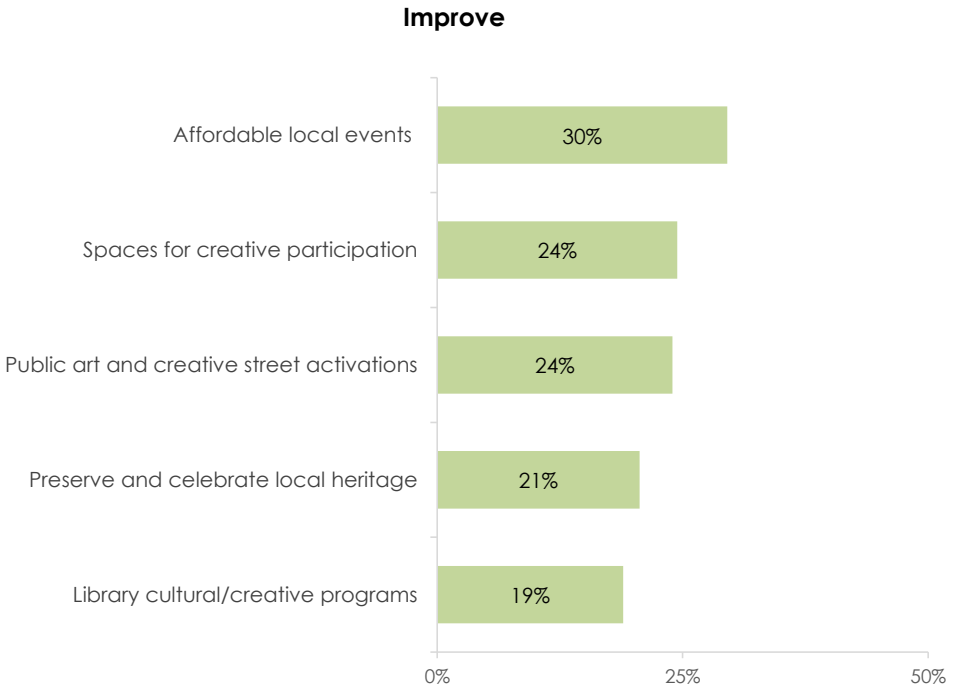
Culture and Creativity

Baseline sample

On average, 24% of residents would like to see Council improve culture and creativity services, and 57% would like to see service levels maintained. Compared to the other categories, a relative high average of 20% of residents selected the reduce option.

Improvements are most desired for 'affordable local events'.





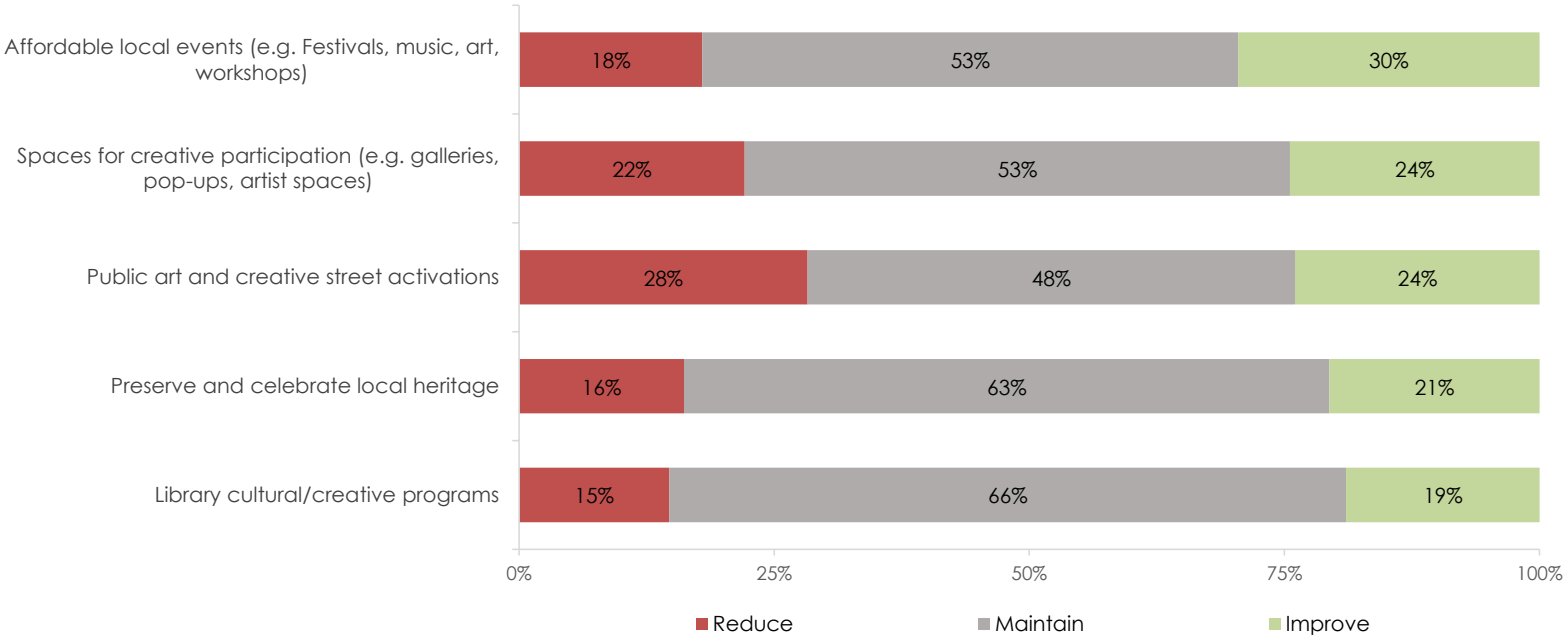
Base: N = 605

Culture and Creativity

Baseline sample

Across all five Culture and Creativity attributes, the majority of residents wanted the services at least maintained, if not improved. However, perhaps the most notable finding is the relatively consistently high reduce scores, with the lowest reduce score being quite high at 15%.

28% would like to see a reduction in 'public art/street activations'.



Base: N = 605

Q10a. Thinking about our culture and creativity, do you think Council should reduce, maintain, or improve…

Culture and Creativity

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Affordable local events	30%	29%	30%	46%	30%	17%	15%	23%	47%	39%	30%	19%
Spaces for creative participation	24%	25%	24%	32%	30%	12%	17%	20%	37%	31%	25%	18%
Public art and creative street activations	24%	24%	24%	32%	27%	14%	16%	18%	39%	35%	21%	16%
Preserve and celebrate local heritage	21%	21%	20%	29%	19%	12%	18%	19%	26%	18%	23%	21%
Library cultural/creative programs	19%	18%	20%	24%	22%	12%	13%	16%	28%	26%	20%	11%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q10a. Thinking about our culture and creativity, do you think Council should reduce, maintain, or improve…

A significantly higher/lower percentage (by group) 47

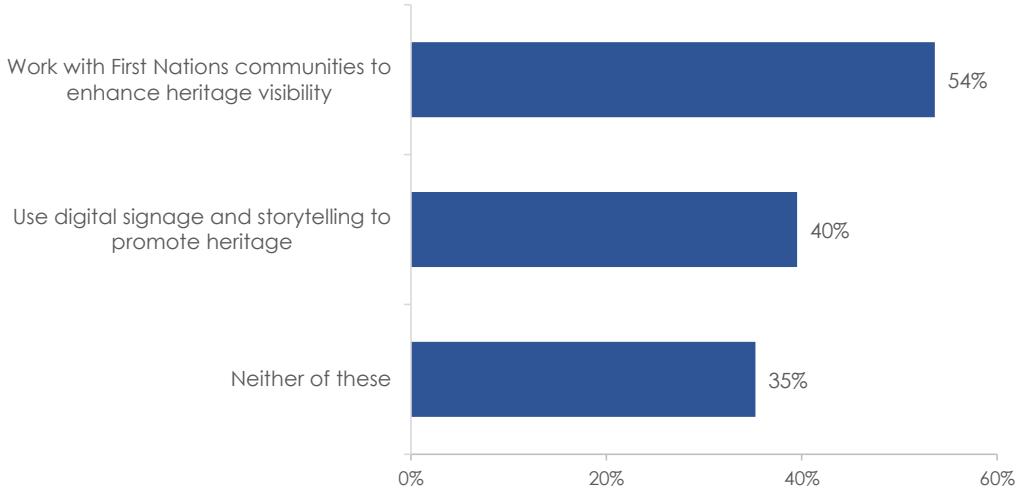
Culture and Creativity

Baseline sample

For the Culture and Creativity category, we also asked residents which potential new actions Council should implement (from a list of two).

Almost two thirds of residents (65%) felt Council should implement one or both of the two initiatives.

'Work with First Nations communities to enhance heritage visibility' was selected by 54% of residents – and support was significantly higher support among females and those aged 18-34.



	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Work with First Nations communities to enhance heritage visibility	54%	48%	59%	64%	58%	42%	43%	51%	60%	58%	56%	47%
Use digital signage and storytelling to promote heritage	40%	38%	41%	48%	41%	27%	37%	38%	45%	46%	42%	31%
None of these	35%	40%	31%	27%	29%	50%	43%	37%	30%	29%	31%	45%
Base	605	281	324	194	174	120	118	438	167	206	189	210

Q10b. Recent community consultation within North Sydney, has indicated a desire to implement new initiatives through the following measures. Which, if any, of the following actions do you think council should implement?

A significantly higher/lower percentage (by group)

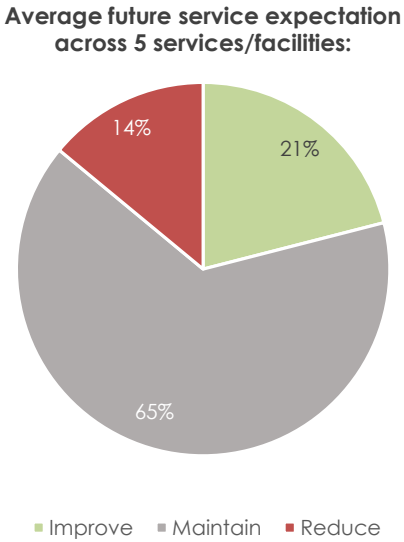
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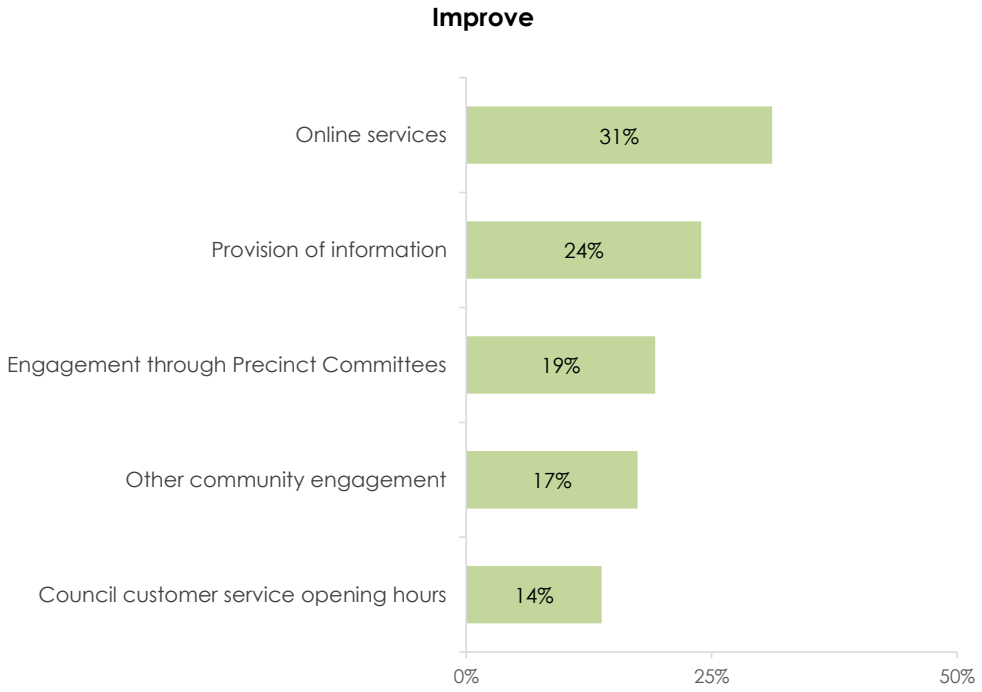
Customer Experience

Baseline sample

On average, 21% of residents would like to see Council improve customer experience metrics, and a further 65% would like to see service levels maintained. The average selection of 'reduce' was 14%.

Improvements are most desired for 'online services' (31%), and less for 'Council customer service opening hours', which presents Council with an opportunity to build their digital service offering.





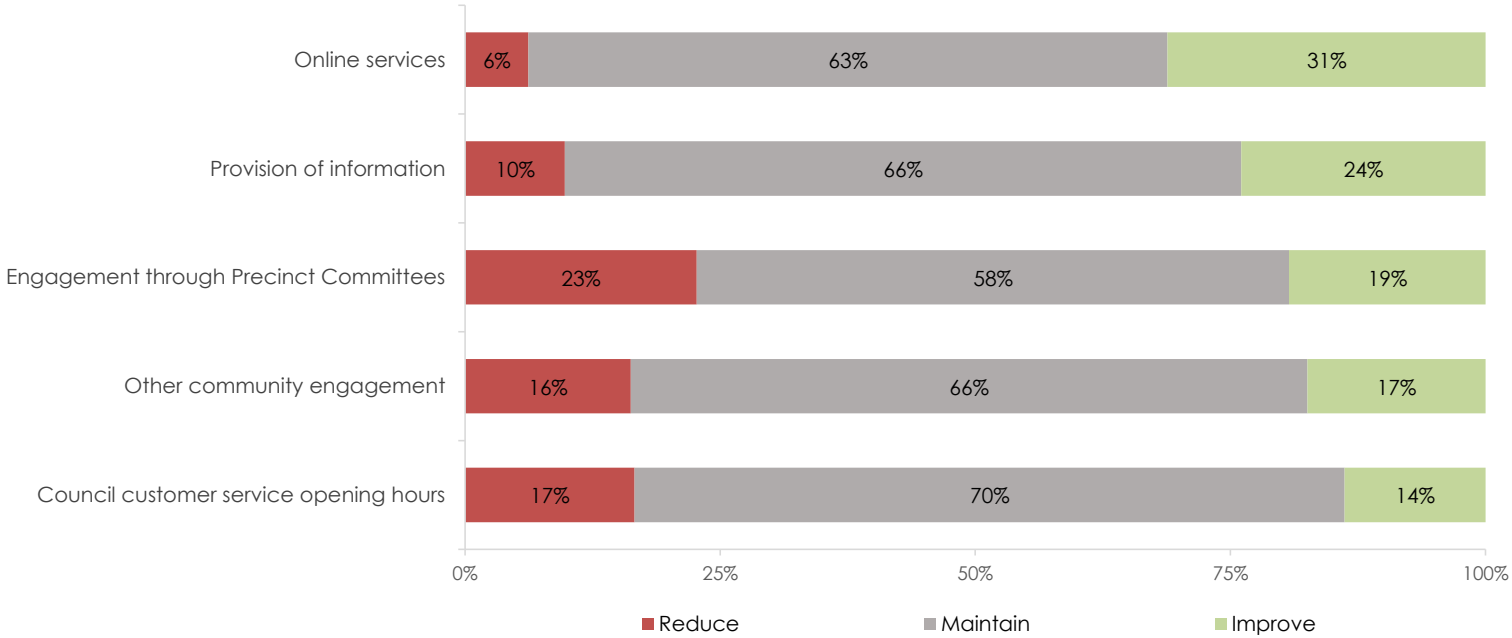
Base: N = 601-604

Customer Experience

Baseline sample

Across all five Customer Experience attributes, the majority of residents wanted the services at least maintained, if not improved.

Younger residents, non-ratepayers and those new to the LGA are most likely to desire improvements, especially in online services and Council's customer service hours of operation.



Base: N = 601-604

Q11. Thinking about our customer experience, do you think Council should reduce, maintain, or improve…

Customer Experience

Baseline sample

'Improve' %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Online services	31%	32%	31%	49%	30%	20%	14%	25%	46%	39%	29%	25%
Provision of information	24%	23%	25%	27%	27%	16%	22%	20%	34%	30%	23%	19%
Engagement through Precinct Committees	19%	19%	19%	21%	22%	13%	18%	16%	27%	22%	20%	16%
Other community engagement	17%	14%	20%	22%	21%	9%	13%	14%	27%	22%	20%	10%
Council customer service opening hours	14%	14%	14%	21%	13%	8%	10%	11%	22%	17%	12%	13%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q11. Thinking about our customer experience, do you think Council should reduce, maintain, or improve…

A significantly higher/lower percentage (by group)

Informed sample

Section Two:
Informed Community Response



micromex research

Section Two Introduction



Informed sample

Note: The following information was provided to respondents prior to commencing Stage 2 of the research.

About community infrastructure assets:

Council undertakes regular reviews of the condition of its community assets to determine the amount of money it should spend on infrastructure, such as roads, footpaths, buildings, stormwater, other infrastructure and parks and reserves. Council is trying to determine where the community's priorities are to help allocate resources to asset maintenance and renewal to best meet the community's expectations.

What does asset maintenance and renewal mean?

Maintenance is work performed on an asset that keeps it in a useable condition, e.g. painting buildings, filling potholes, fixing playgrounds and swings.

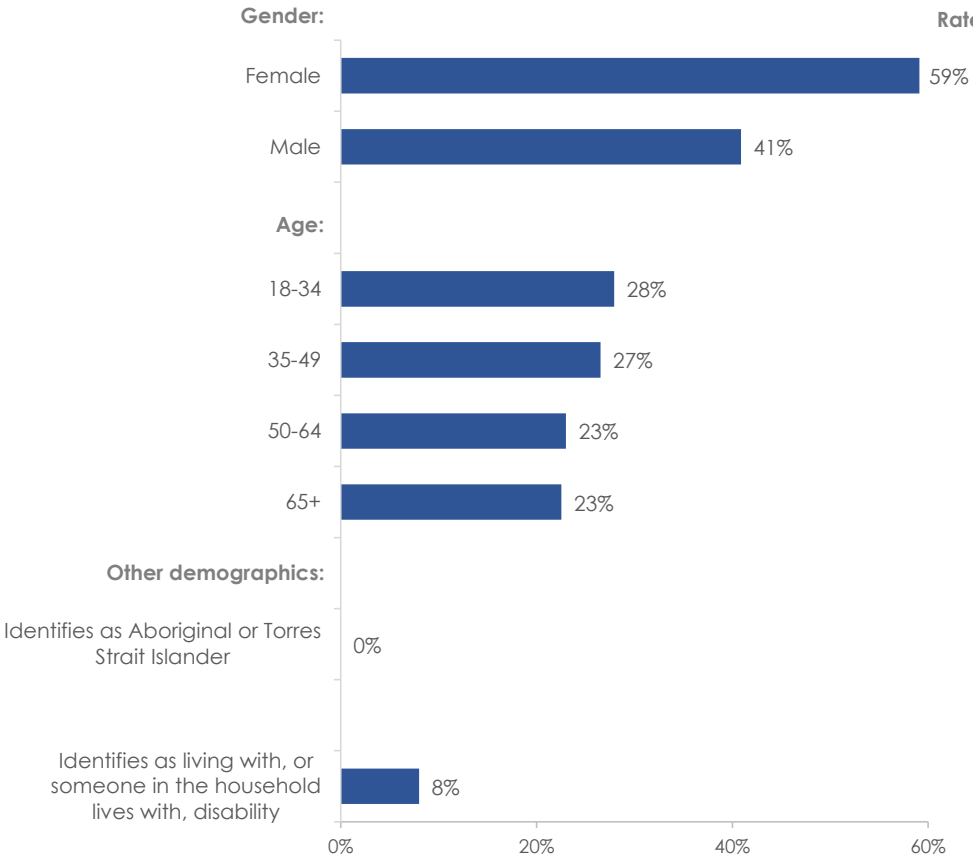
Renewal is work performed on an asset to bring it back to its original condition, e.g. the replacement of a building, reconstructing a segment of road, replacing a bridge or playground. Using industry benchmarks, Council have reviewed its asset groups to work out if they are in very good, good, fair, poor or very poor condition. The following pages provide a snapshot for each asset group. The issue facing Council is that while a lot of assets are in very good/good or fair condition, a large proportion are at risk of falling into poor/very poor condition.

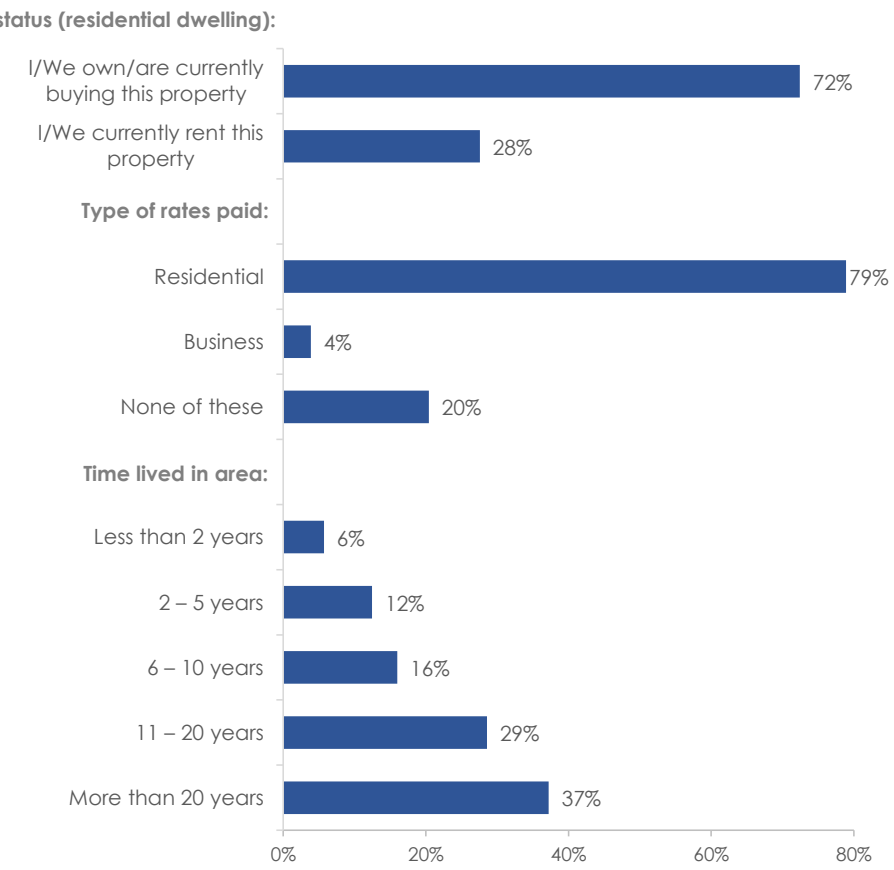
Where are we now?

A snapshot of community asset conditions and current investment levels is provided in this survey. For each asset group, included is an indication of Council's current expenditure on maintenance and renewals, together with a visual representation of each of the condition levels of good, fair and poor.

Sample Profile

Informed sample



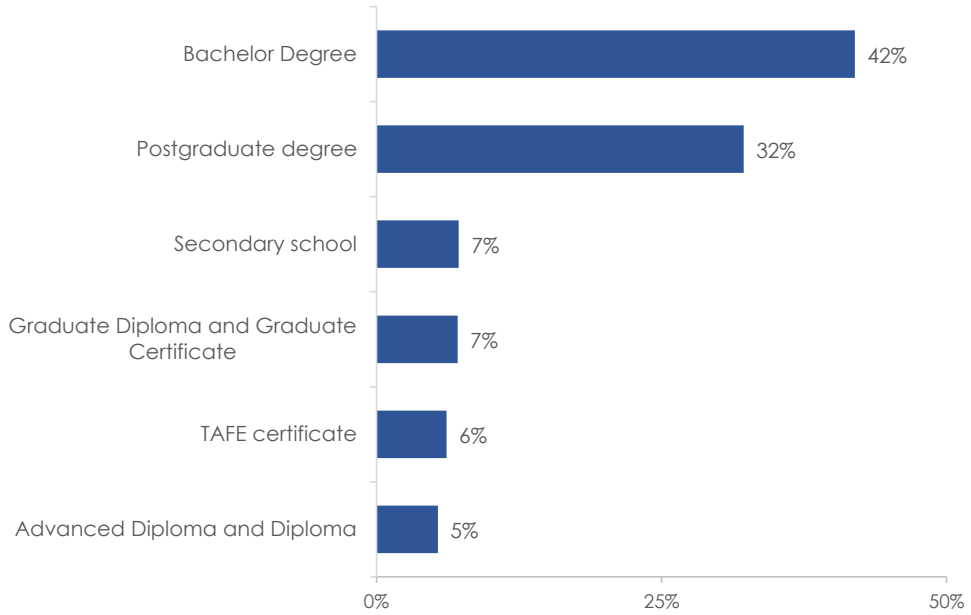


Base: N = 302

Sample Profile

Informed sample

Highest level of education:



Residential suburb	N=302
Cremorne	15%
Wollstonecraft	13%
North Sydney	13%
Crows Nest	11%
Cammeray	9%
St Leonards	7%
Neutral Bay	7%
Kirribilli	6%
Waverton	6%
Lavender Bay	5%
McMahons Point	5%
Cremorne Point	2%
Milsons Point	2%
Kurraba Point	1%

Base: N = 302



Section 2a.
Funding Considerations

Informed sample

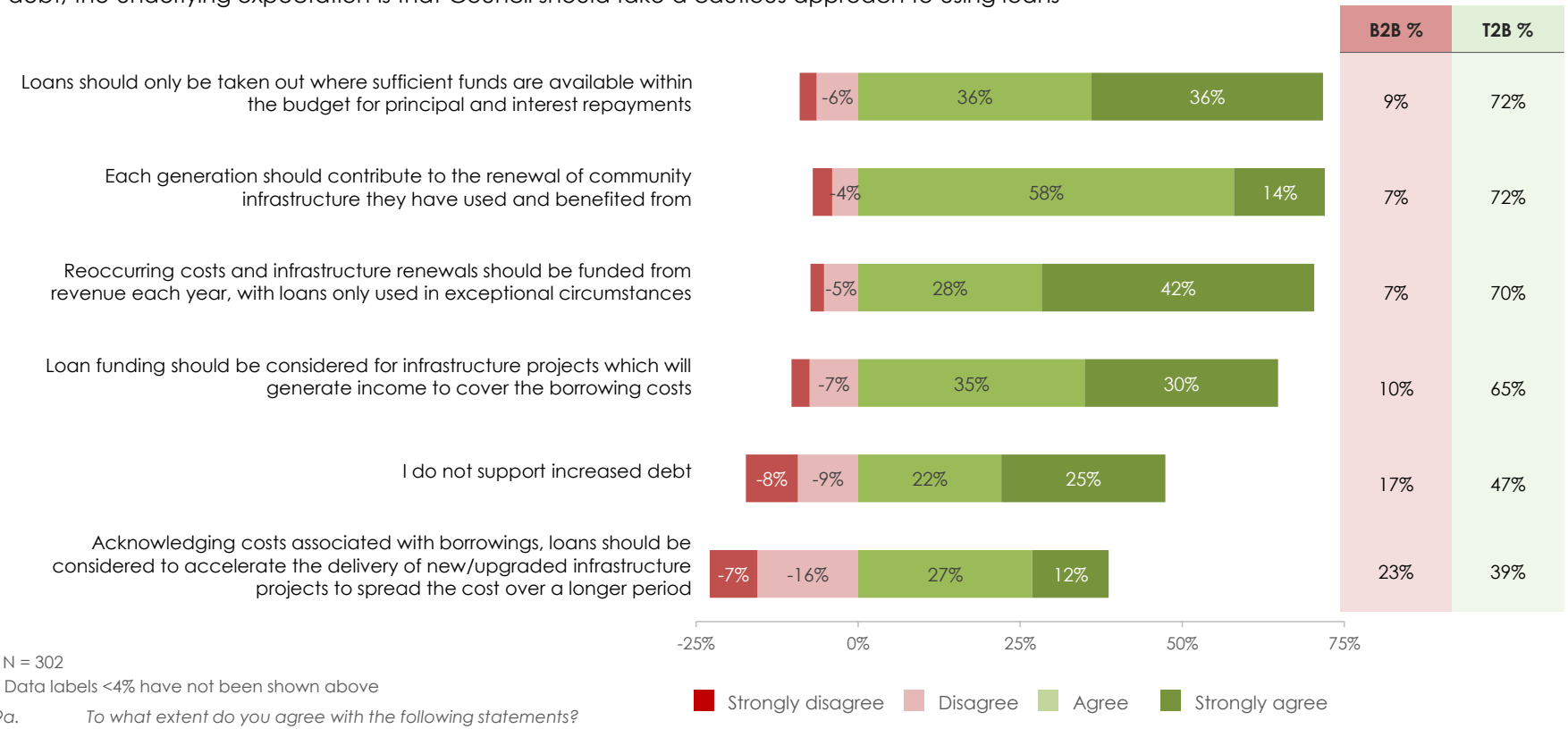
This section explores agreement with statements regarding infrastructure renewals and loan borrowing.

Funding Agreement Summary

Informed sample

There are two themes explored in the chart below (with further analysis on the following slides):

- ***Intergenerational equity***: When asked about 'each generation contributing to the renewal of community infrastructure they have used and benefitted from', 72% agreed and only 7% disagreed – a nett agreement of 65%, the highest of all six statements
- ***Funding***: The remaining five statements are funding related, and our sense is that whilst a sizeable minority (47%) do not want Council to take on further debt, the underlying expectation is that Council should take a cautious approach to using loans



Base: N = 302

Note: Data labels <4% have not been shown above

Q8a/9a. To what extent do you agree with the following statements?

Infrastructure Renewals

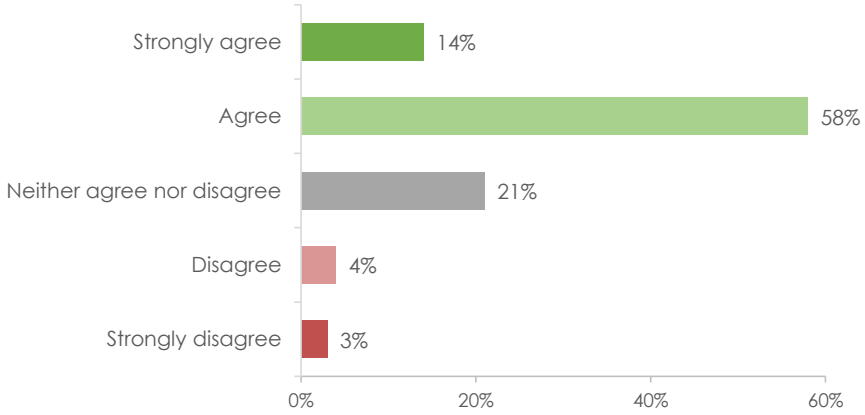
Informed sample

Context: *Development and subdivision within North Sydney increased significantly with the opening of the Sydney Harbour Bridge in 1932 and continued after World War 2. It was during this development period that much of the infrastructure in North Sydney was originally built. Council manages $1.6 billion in infrastructure assets, which have a lifespan varying from 10 years to 250 years.*

72% of residents agree or strongly agree with the statement *'each generation should contribute to the renewal of community infrastructure they have used and benefited from'*.

There were no significant differences by key demographics, however, slightly lower agreement was seen from those aged 18-34.

"Each generation should contribute to the renewal of community infrastructure they have used and benefited from"



	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Agreement %	72%	73%	71%	61%	79%	73%	76%	72%	72%	71%	77%	69%
Base	302	125	175	27	79	121	74	245	57	67	107	128

Q8a. To what extent do you agree with the following statement?

Infrastructure Renewals

Informed sample

Most residents agree that maintaining and renewing infrastructure across generations is fair, but there were some concerns raised about Council's financial management and the rising cost of living. Some suggestions were made regarding other means of funding, including, for example, businesses and schools in the area who also use local infrastructure.

Example verbatims:

"We should contribute, but fairly" (Rated 4)

"Infrastructure should be maintained or upgraded for the future generations. However, this needs to be done with a strategic view based on population forecasts" (Rated 4)

"If you want to live somewhere nice, you have to be prepared to pay for it. council needs to focus on spending well and not wasting money on state, federal or global issues" (Rated 4)

"Cost of living is sky high we already pay a lot of rates; residents should not have to pay for poor council management of funds" (Rated 3)

"North Sydney Council do not have the capability to manage these assets as demonstrated by the pool debacle. Maintenance of assets, should be largely paid for through user pays to the degree possible. Businesses should cover a larger share given that many of their employees and customers would by larger users of council infrastructure" (Rated 1)

"Each generation should contribute to the renewal of community infrastructure they have used and benefited from"

Reason for agreement rating	N=302
Agree/Strongly agree (4-5)	72%
It is fair/user pays	33%
It is important/maintenance is needed/maintained for future generations	30%
Mismanagement of funds/disagree with past financial decisions	4%
Other methods of funds raising e.g. schools	4%
Financial concerns	3%
Don't know/no response	4%
Neither agree nor disagree (3)	21%
Mismanagement of funds affects agreement	5%
Financial concerns	2%
It is fair/user pays	2%
It is important/maintenance is needed/maintained for future generations	2%
Council should stay within their budget	1%
Other comments	7%
Don't know/no response	3%
Disagree/Strongly disagree (1-2)	7%
Financial concerns	2%
It's unfair	1%
Mismanagement of funds affects agreement	1%
Other methods of funds raising e.g. schools	1%
Council should stay within their budget	1%
User pays	<1%
Other comments	<1%
Don't know/no response	1%

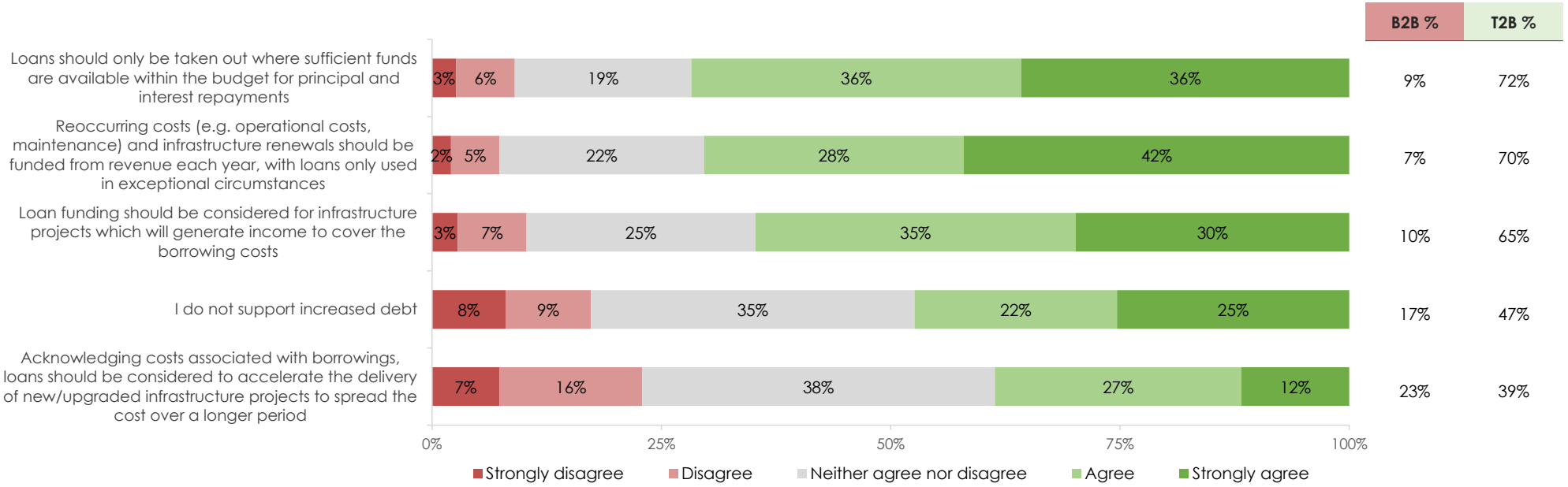
Q8a. To what extent do you agree with the following statement?
Q8b. Why do you say that?

Loan Borrowing

Informed sample

Context: *Borrowing for infrastructure allows councils to deliver projects sooner than otherwise would be possible, but comes at the cost of interest repayments, which may impact future budgets and rates. By 30 June 2026, Council will have $55.8 million in debt, requiring $7.3 million per annum in loan repayments and interest, which must be funded from annual revenue. For example, a $20 million loan taken out over 20 years (maximum) to fund a new community facility would require $33.5 million (principal repayment plus interest) in rating income to pay back the loan over the 20-year period.*

Whilst a sizeable minority (47%) do not want Council to take on further debt, the underlying expectation is that if debt is required, Council should take a cautious approach; that is, borrowing tied to current financial sustainability and income-generating projects, rather than debt-driven acceleration of infrastructure delivery. For instance, a nett subtotal of 52% of respondents agreed/strongly agreed with <u>both</u> 'Loans should only be taken out where sufficient funds are available within the budget for principal and interest repayments' <u>and</u> 'Loan funding should be considered for infrastructure projects which will generate income to cover the borrowing costs'.



Q9a. Please state your agreement with the following principles.

Loan Borrowing



Informed sample

Agreement %	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Loans should only be taken out where sufficient funds are available within the budget for principal and interest repayments	72%	73%	71%	69%	74%	74%	69%	73%	69%	70%	76%	70%
Reoccurring costs (e.g. operational costs, maintenance) and infrastructure renewals should be funded from revenue each year, with loans only used in exceptional circumstances	70%	74%	68%	65%	77%	69%	71%	72%	67%	67%	71%	73%
Loan funding should be considered for infrastructure projects which will generate income to cover the borrowing costs	65%	73%	59%	54%	76%	69%	61%	68%	57%	54%	80%	63%
I do not support increased debt	47%	46%	49%	46%	51%	51%	40%	46%	50%	45%	55%	44%
Acknowledging costs associated with borrowings, loans should be considered to accelerate the delivery of new/upgraded infrastructure projects to spread the cost over a longer period	39%	49%	31%	35%	35%	39%	48%	39%	37%	32%	43%	41%
Base	302	125	175	27	79	121	74	245	57	67	107	128

Q9a. Please state your agreement with the following principles.

A significantly higher/lower level of agreement (by group) 61



Section 2b.

Asset Class Management

Informed sample

A snapshot of community asset conditions and current investment levels were provided in the survey. For each of the asset groups, an indication of Council's current expenditure on maintenance and renewals, together with a visual representation of each of the condition levels of very good/good, fair and poor/very poor was provided for the respondent to gain a deeper understanding.

This section is split into seven sub-sections to explore asset ratings, level of investment and support for future spend.

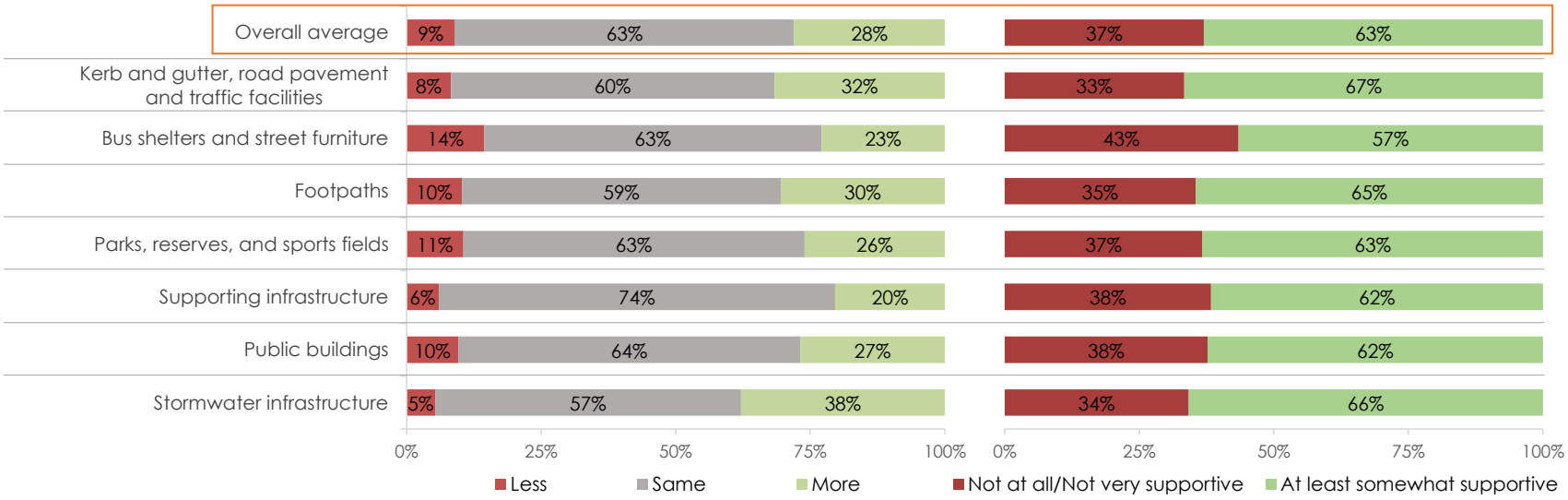
Investment and Support Summary

Informed sample

Across the seven asset classes, on average 28% of residents would like to see Council spending 'more' on facilities/infrastructure, while 63% wanted the same level of spend. On average, only 9% of residents wanted less spending. This split of investment opinion – based on a more detailed assessment of each of the seven asset classes – is very similar to the more 'top-of-mind' investment split obtained in the initial phone survey across the 51 services/infrastructure categories, where on average 23% selected improve, 64% selected maintain, and 13% selected reduce (see Slide 25).

On average, 63% of the follow-up respondents were at least somewhat supportive of paying more in rates to cover maintenance and improvement costs – with very similar results across six of the seven categories, the exception being bus shelters and street furniture with a 57% at least somewhat supportive score.

Desire for more investment, and support to pay more, is high for stormwater infrastructure (potentially influenced by recent weather events) and kerb and gutter, roads and traffic facilities, while support for paying more in rates to maintain or improve bus shelters and street furniture is lowest with 43% not supportive.



Q1-7b. Should Council spend more, the same or less for maintenance and renewal?
Q1-7c. Using the scale below, how supportive are you of paying more in rates to maintain or improve facilities in the local area?

Section 2b(a).

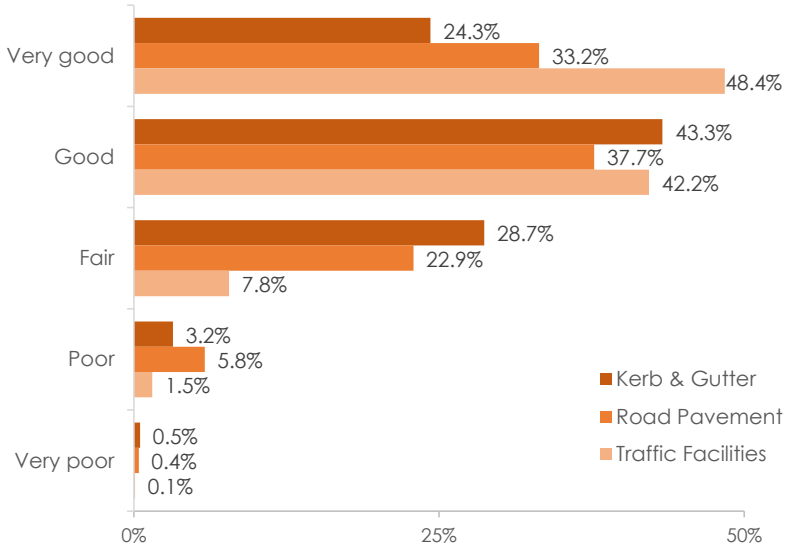
Roads and Transport Infrastructure

Informed sample

Context: *Council manages 260km of kerb and gutter, 153km of road pavements, and 1,173 traffic facilities including median strips, raised pedestrian crossings and roundabouts.*

Replacement value: $450 million. This assumes Council's transport related infrastructure is replaced every 66 years in a like for like condition.

Current Condition Levels:



Very good/ Good:



Fair:



Poor/ Very poor:



Council needs $6.52 million annually to maintain its road and transport infrastructure but currently has only $5.99 million budgeted for 2025/26.

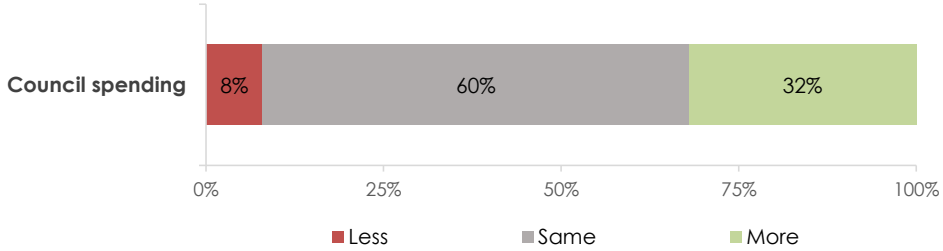
Additionally, there is a $24 million backlog of infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, roads and traffic facilities will continue to deteriorate, creating safety risks and travel delays.

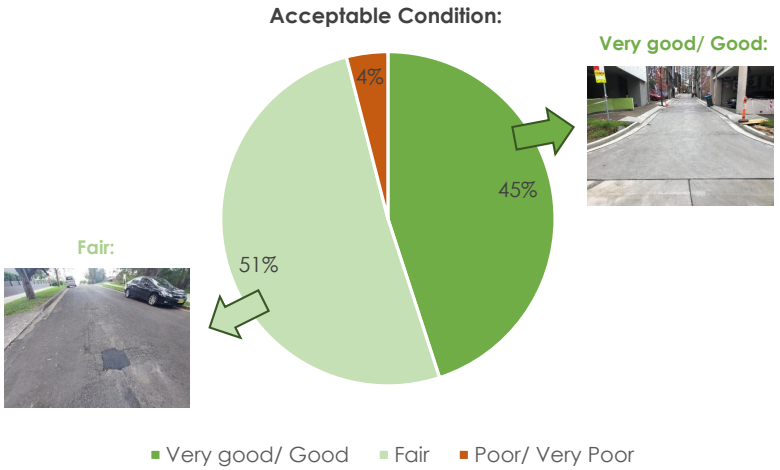
Roads and Transport Infrastructure

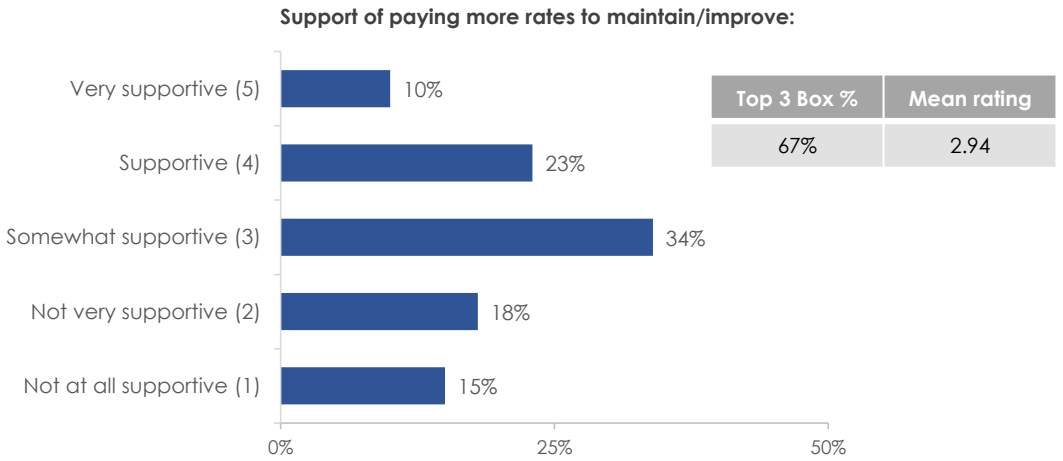
Informed sample

For roads and transport infrastructure;

- 51% believe 'fair' conditions are acceptable
- 92% would like to see the same or more investment (1 in 3 wanting more), and
- 67% support paying more in rates for maintenance and improvements.







Base: N = 302

Scale: 1 = not at all supportive, 5 = very supportive

Q1a. What condition do you consider acceptable for our kerb and gutter, road pavement and traffic facilities?
Q1b. Should Council spend more, the same or less on kerb and gutter, road pavement and traffic facilities maintenance and renewal?
Q1c. Using the scale below, how supportive are you of paying more in rates to maintain or improve kerb and gutter, road pavement and traffic facilities in the local area?

Roads and Transport Infrastructure

Informed sample

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q1a)												
Very good/ Good	45%	39%	48%	50%	39%	41%	49%	38%	62%	54%	40%	40%
Fair	51%	57%	48%	43%	59%	55%	50%	57%	37%	38%	58%	58%
Poor/ Very poor	4%	4%	4%	8%	3%	4%	1%	5%	1%	8%	2%	2%
Council spend (Q1b)												
More	32%	26%	36%	34%	26%	28%	39%	26%	46%	35%	30%	30%
Same	60%	64%	57%	54%	68%	60%	58%	63%	52%	52%	64%	64%
Less	8%	10%	7%	12%	7%	12%	3%	11%	2%	13%	6%	6%
Support (Q1c)												
Top 3 Box %	67%	68%	66%	69%	68%	57%	72%	63%	77%	65%	68%	67%
Mean rating	2.94	3.07	2.84	2.97	2.86	2.77	3.17	2.87	3.11	2.80	3.01	3.01
Base	302	125	175	27	79	121	74	245	57	67	107	128

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support/percentage (by group)

Q1a. What condition do you consider acceptable for our kerb and gutter, road pavement and traffic facilities?
Q1b. Should Council spend more, the same or less on kerb and gutter, road pavement and traffic facilities maintenance and renewal?
Q1c. Using the scale below, how supportive are you of paying more in rates to maintain or improve kerb and gutter, road pavement and traffic facilities in the local area?

Section 2b(b).

Bus Shelters and Street Furniture

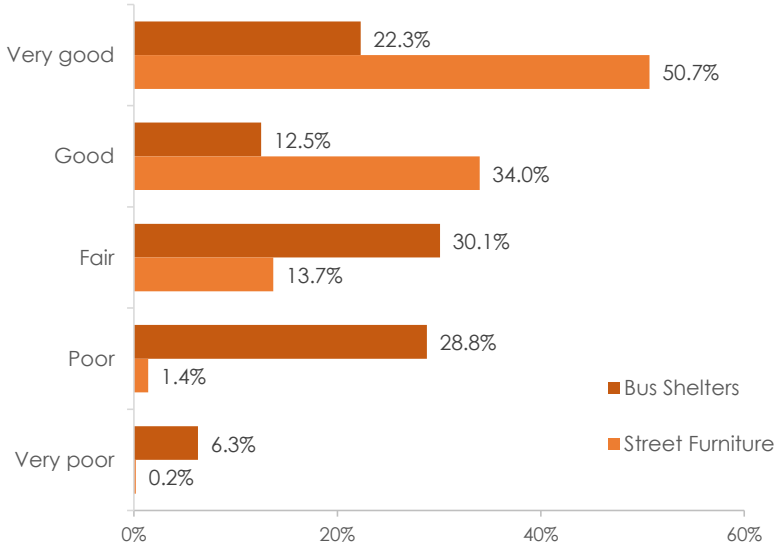
Informed sample

Context: *Council manages 66 bus shelters and 1,084 items of street furniture.*

Council needs $330,000 annually to maintain its bus shelters and street furniture, but has only $200,000 budgeted for 2025/26.

There is also a $2.1 million backlog of deteriorating bus shelters and street furniture in poor condition, with only $400,000 available to address it, meaning that without increased investment, public transport users will face reduced comfort, accessibility, and safety, especially during poor weather or at night.

Current Condition Levels:



Very good/ Good: **Fair:** **Poor/ Very poor:**



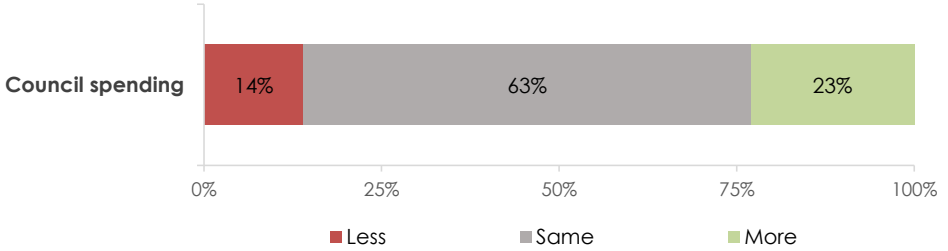
67

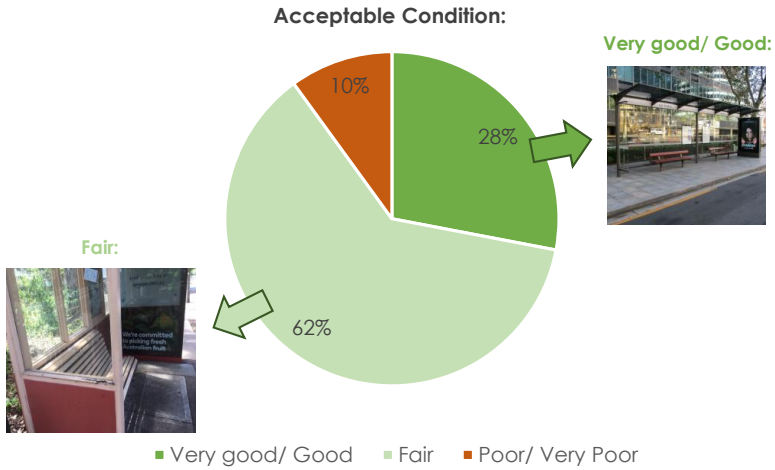
Bus Shelters and Street Furniture

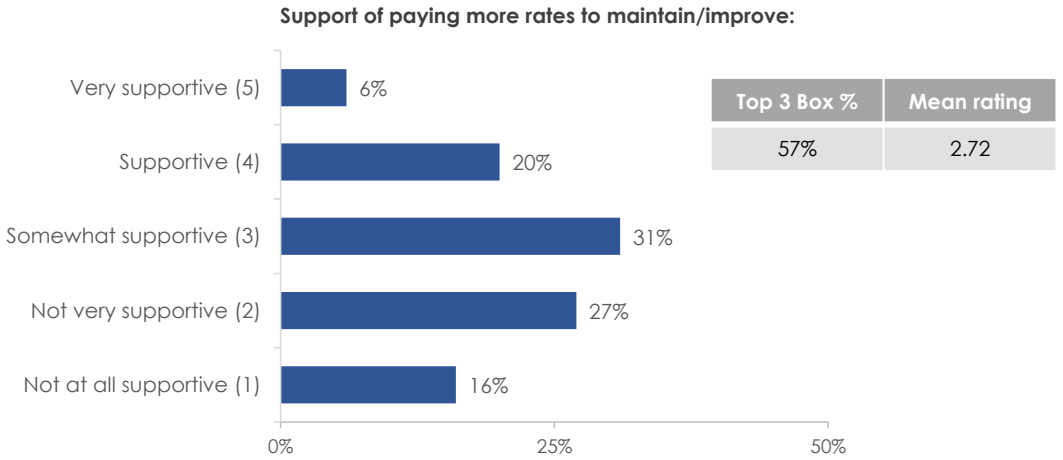
Informed sample

For bus shelters and street furniture;

- 62% believe 'fair' conditions are acceptable
- 86% would like to see the same or more investment (nearly 1 in 4 wanting more), and
- 57% support paying more in rates for maintenance and improvements (the lowest of the seven asset classes).







Top 3 Box %	Mean rating
57%	2.72

Base: N = 302

Q2a. *What condition do you consider acceptable for our bus shelters and street furniture?*
Q2b. *Should Council spend more, the same or less on bus shelters and street furniture maintenance and renewal?*
Q2c. *Using the scale below, how supportive are you of paying more in rates to maintain or improve bus shelters and street furniture in the local area?*

Scale: 1 = not at all supportive, 5 = very supportive

Bus Shelters and Street Furniture

Informed sample

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q2a)												
Very good/ Good	28%	29%	28%	38%	18%	22%	34%	25%	36%	33%	26%	26%
Fair	62%	59%	63%	46%	70%	71%	61%	64%	56%	53%	67%	65%
Poor/ Very poor	10%	12%	9%	16%	12%	7%	5%	11%	8%	14%	7%	9%
Council spend (Q2b)												
More	23%	23%	23%	31%	10%	24%	27%	18%	37%	28%	20%	20%
Same	63%	58%	66%	54%	73%	60%	65%	65%	56%	55%	63%	70%
Less	14%	19%	12%	16%	17%	17%	8%	17%	7%	17%	17%	10%
Support (Q2c)												
Top 3 Box %	57%	54%	58%	62%	60%	46%	57%	52%	70%	62%	49%	57%
Mean rating	2.72	2.78	2.68	2.77	2.70	2.53	2.87	2.62	2.98	2.75	2.63	2.75
Base	302	125	175	27	79	121	74	245	57	67	107	128

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support/percentage (by group)

Q2a. What condition do you consider acceptable for our bus shelters and street furniture?
Q2b. Should Council spend more, the same or less on bus shelters and street furniture maintenance and renewal?
Q2c. Using the scale below, how supportive are you of paying more in rates to maintain or improve bus shelters and street furniture in the local area?

Section 2b(c).

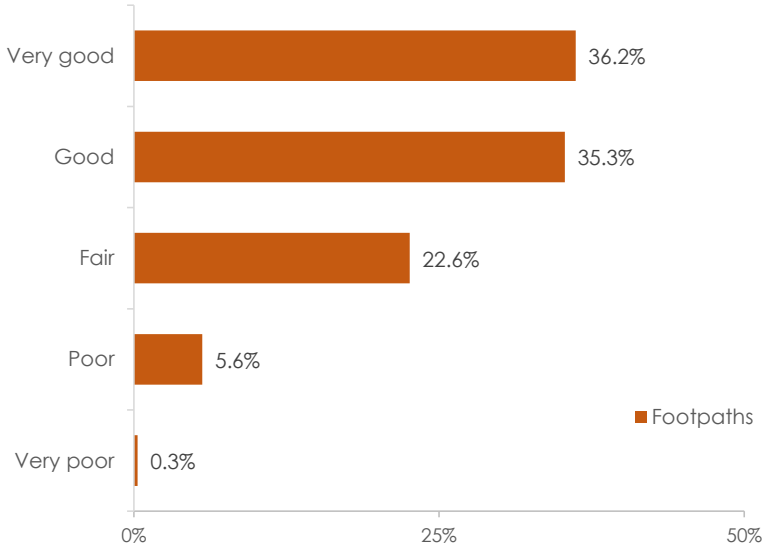
Footpaths

Informed sample

Context: *There are approximately 265.9km of footpath assets located within road reserves and parks (including walking tracks).*

Replacement value: $155 million. This assumes Council's footpaths are replaced every 40 years on average in a like for like condition (does not consider upgraded surfaces such as granite pavers in CBD locations.)

Current Condition Levels:



Very good/ Good: **Fair:** **Poor/ Very poor:**



Council needs $3.9 million annually to maintain its footpaths, but has only $400,000 budgeted for 2025/26.

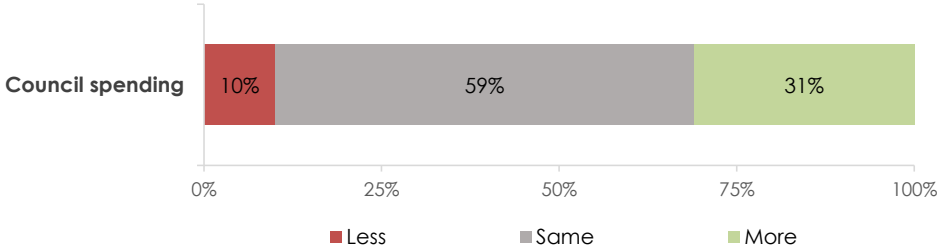
There is also a $9.2 million backlog of footpaths in poor or very poor condition, with no dedicated budget to address it, meaning that without increased investment, aging footpaths will create accessibility and safety risks, particularly for people with mobility issues, older residents, and families.

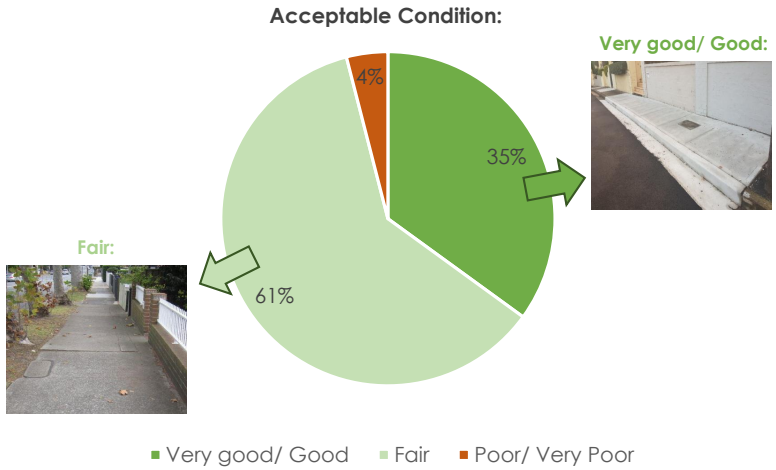
Footpaths

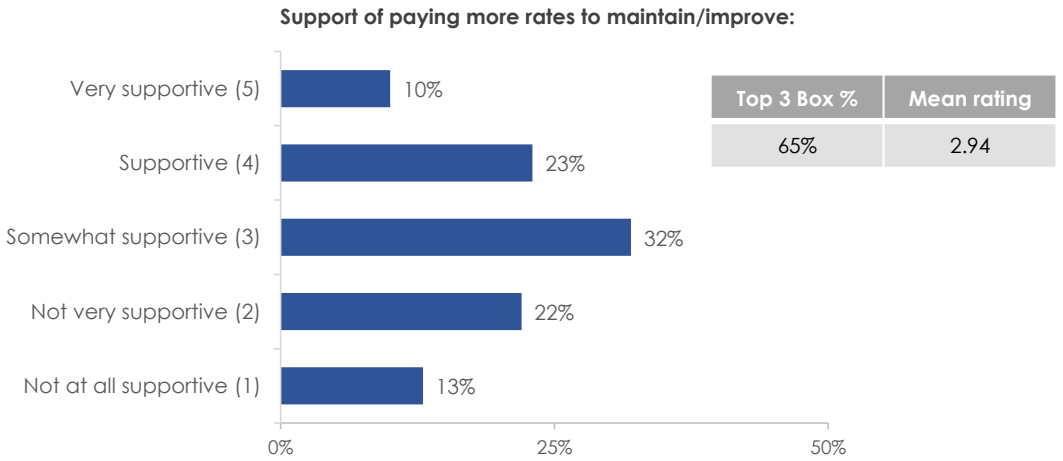
Informed sample

For footpaths;

- 61% believe 'fair' conditions are acceptable
- 90% would like to see the same or more investment (nearly 1 in 3 wanting more), and
- 65% support paying more in rates for maintenance and improvements.







Top 3 Box %	Mean rating
65%	2.94

Base: N = 302

Scale: 1 = not at all supportive, 5 = very supportive

Q3a. What condition do you consider acceptable for our footpaths?
Q3b. Should Council spend more, the same or less on footpath maintenance and renewal?
Q3c. Using the scale below, how supportive are you of paying more in rates to maintain or improve footpaths?

Footpaths

Informed sample

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q3a)												
Very good/ Good	35%	34%	35%	34%	29%	30%	45%	31%	44%	33%	34%	36%
Fair	61%	62%	61%	58%	68%	65%	54%	64%	53%	59%	64%	61%
Poor/ Very poor	4%	5%	4%	8%	3%	5%	1%	5%	3%	8%	2%	2%
Council spend (Q3b)												
More	31%	37%	26%	19%	27%	34%	45%	31%	30%	24%	33%	34%
Same	59%	49%	66%	69%	63%	53%	50%	56%	67%	63%	58%	57%
Less	10%	14%	8%	12%	11%	13%	5%	13%	3%	12%	9%	9%
Support (Q3c)												
Top 3 Box %	65%	63%	66%	58%	68%	59%	75%	63%	69%	64%	62%	66%
Mean rating	2.94	2.96	2.93	2.73	2.99	2.76	3.33	2.90	3.03	2.86	2.98	2.98
Base	302	125	175	27	79	121	74	245	57	67	107	128

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support/percentage (by group)

Q3a. What condition do you consider acceptable for our footpaths?
Q3b. Should Council spend more, the same or less on footpath maintenance and renewal?
Q3c. Using the scale below, how supportive are you of paying more in rates to maintain or improve footpaths?

Section 2b(d).

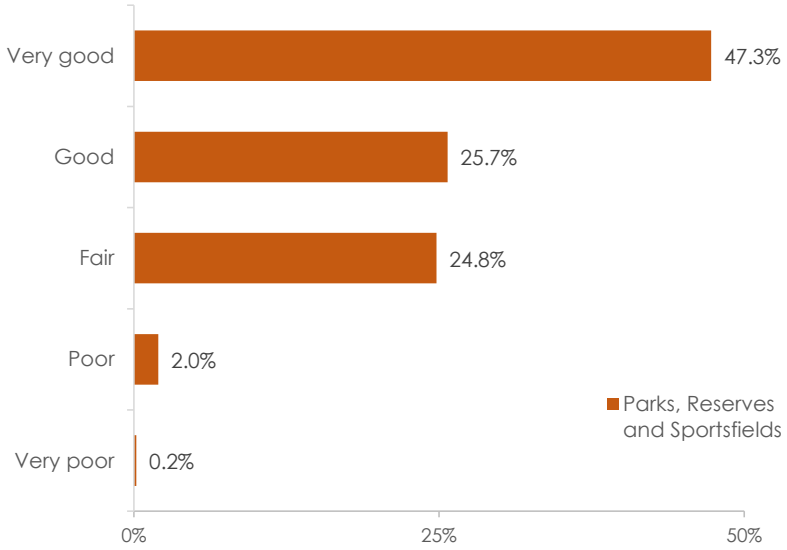
Parks, Reserves and Sportsfields

Informed sample

Context: *There are approximately 2,508 items of furniture, 44 playgrounds and 88 sporting related assets within Council parks and reserves.*

Replacement value: $40.2 million. This assumes these assets are replaced every 25 years on average in a like for like condition (does not consider upgraded surfaces or equipment).

Current Condition Levels:



Very good/ Good:



Fair:



Poor/ Very poor:



Council needs $1.6 million annually to maintain its parks, recreational assets, but has only $610,000 budgeted for 2025/26.

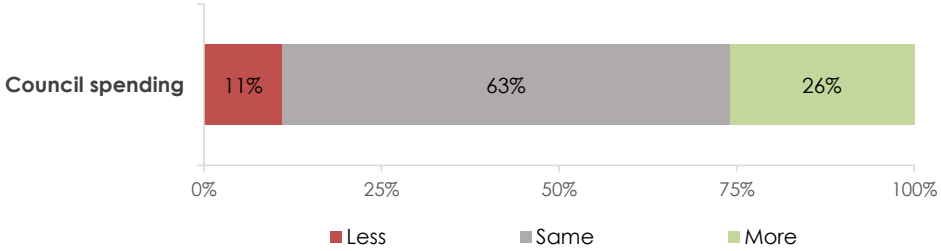
There is also a $900,000 backlog of parks infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, play equipment, sports facilities, and open spaces will degrade. This will have impacts on the accessibility and useability of our open spaces.

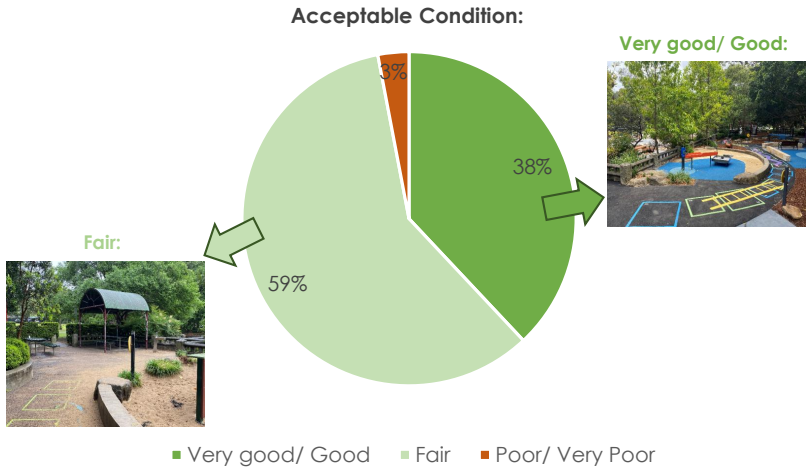
Parks, Reserves and Sportsfields

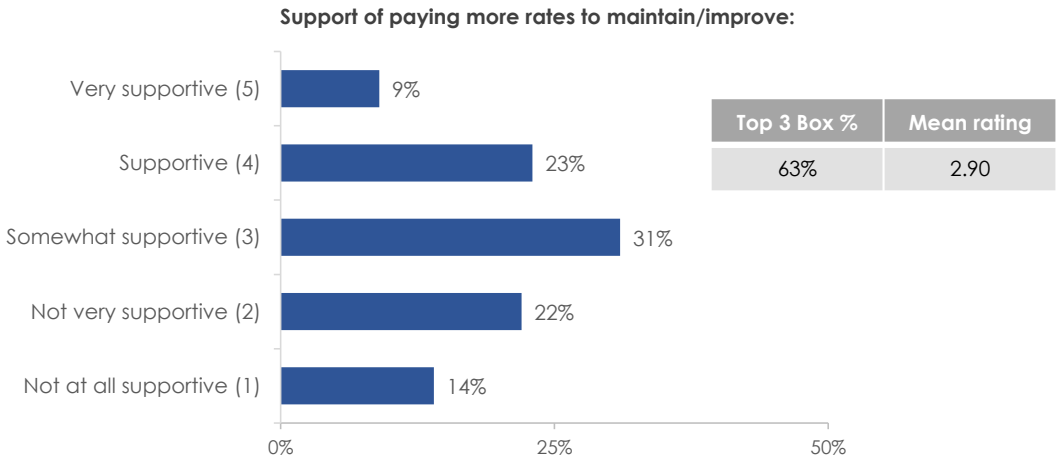
Informed sample

For parks, reserves and sportsfields;

- 59% believe 'fair' conditions are acceptable
- 89% would like to see the same or more investment (1 in 4 wanting more), and
- 63% support paying more in rates for maintenance and improvements.







Top 3 Box %	Mean rating
63%	2.90

Base: N = 302

Scale: 1 = not at all supportive, 5 = very supportive

Q4a. What condition do you consider acceptable for our parks and recreational assets?
Q4b. Should Council spend more, the same or less on parks and recreational assets in terms of maintenance and renewal?
Q4c. Using the scale below, how supportive are you of paying more in rates to maintain or improve parks, reserves, and sports fields in the local area?

Parks, Reserves and Sportsfields

Informed sample

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q4a)												
Very good/ Good	38%	33%	41%	54%	26%	28%	42%	33%	51%	38%	35%	40%
Fair	59%	61%	58%	42%	73%	66%	57%	63%	49%	58%	64%	57%
Poor/ Very poor	3%	5%	2%	4%	1%	6%	1%	4%	0%	5%	1%	3%
Council spend (Q4b)												
More	26%	30%	24%	31%	22%	24%	27%	23%	34%	25%	24%	29%
Same	63%	59%	67%	58%	70%	61%	65%	65%	60%	63%	67%	61%
Less	11%	12%	10%	12%	8%	15%	8%	12%	6%	12%	9%	11%
Support (Q4c)												
Top 3 Box %	63%	61%	65%	65%	67%	55%	65%	59%	74%	65%	62%	62%
Mean rating	2.90	2.92	2.89	2.96	3.00	2.65	2.96	2.79	3.20	2.95	2.93	2.83
Base	302	125	175	27	79	121	74	245	57	67	107	128

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support/percentage (by group)

Q4a. What condition do you consider acceptable for our parks and recreational assets?
Q4b. Should Council spend more, the same or less on parks and recreational assets in terms of maintenance and renewal?
Q4c. Using the scale below, how supportive are you of paying more in rates to maintain or improve parks, reserves, and sports fields in the local area?

Section 2b(e).

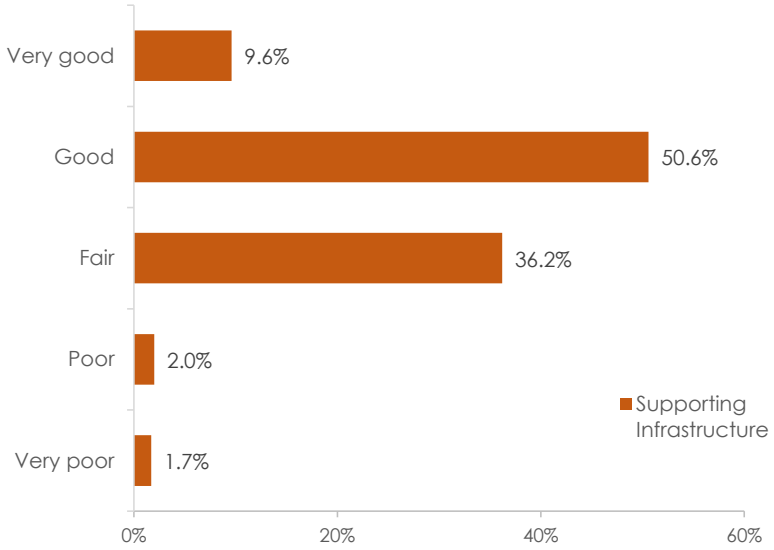
Supporting Infrastructure

Informed sample

Context: *Council manages approximately 44km of fences, 2,618 bollards, 1,874 lighting assets, 44 marine structures, 25km of retaining walls and 4.9km of seawalls.*

Replacement value: $303.9 million. This assumes these assets are replaced every 74 years on average in a like for like condition (does not consider upgraded materials or equipment).

Current Condition Levels:



Very good/ Good:



Fair:



Poor/ Very poor:



The Council needs $4.1 million annually to maintain its supporting infrastructure, but has only $1.33 million budgeted for 2025/26.

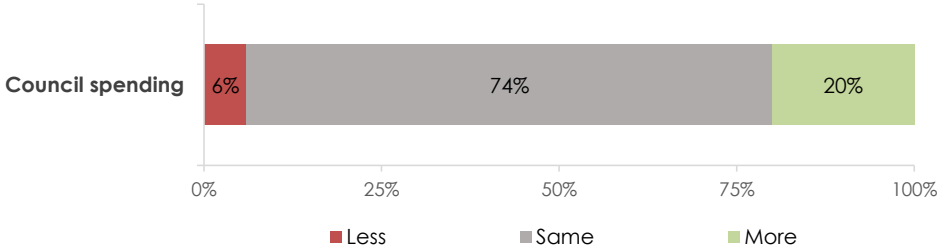
There is also an $11 million backlog of supporting infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, essential supporting infrastructure may fail, leading to reduced safety, usability, and increased long-term repair costs.

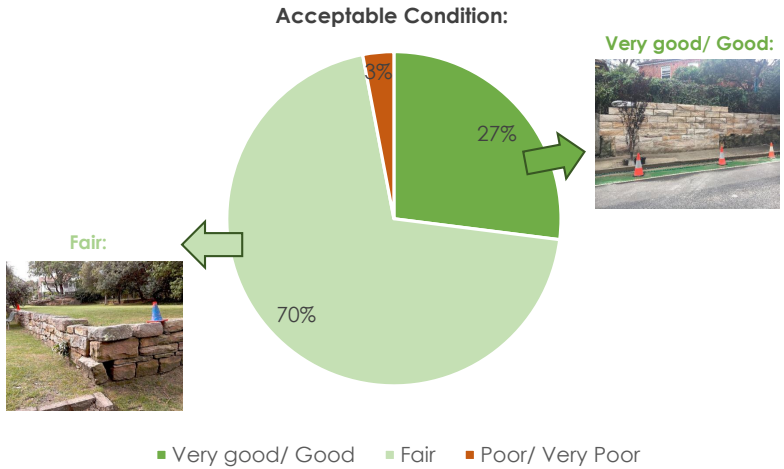
Supporting Infrastructure

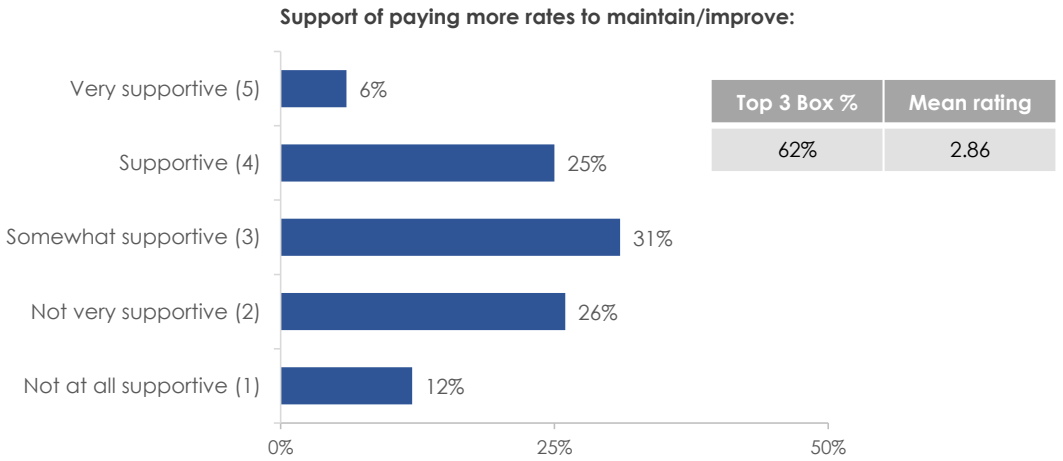
Informed sample

For supporting infrastructure;

- 70% believe 'fair' conditions are acceptable
- 94% would like to see the same or more investment (1 in 5 wanting more), and
- 62% support paying more in rates for maintenance and improvements.







Base: N = 302

Q5a. What condition do you consider acceptable for supporting infrastructure?
Q5b. Should Council spend more, the same or less on supporting infrastructure maintenance and renewal?
Q5c. Using the scale below, how supportive are you of paying more in rates to maintain or improve supporting infrastructure in the local area?

Scale: 1 = not at all supportive, 5 = very supportive

Supporting Infrastructure

Informed sample

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q5a)												
Very good/ Good	27%	29%	25%	31%	14%	26%	38%	23%	37%	25%	27%	29%
Fair	70%	64%	74%	61%	86%	70%	61%	72%	63%	68%	72%	70%
Poor/ Very poor	3%	6%	1%	8%	0%	3%	1%	5%	0%	7%	2%	1%
Council spend (Q5b)												
More	20%	19%	21%	11%	14%	28%	31%	20%	21%	16%	25%	20%
Same	74%	72%	75%	81%	81%	65%	65%	72%	78%	76%	71%	74%
Less	6%	8%	4%	8%	5%	7%	4%	8%	1%	8%	4%	6%
Support (Q5c)												
Top 3 Box %	62%	63%	61%	58%	62%	59%	69%	60%	67%	60%	62%	63%
Mean rating	2.86	2.89	2.83	2.77	2.85	2.71	3.12	2.79	3.02	2.76	2.93	2.90
Base	302	125	175	27	79	121	74	245	57	67	107	128

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support/percentage (by group)

Q5a. What condition do you consider acceptable for supporting infrastructure?
Q5b. Should Council spend more, the same or less on supporting infrastructure maintenance and renewal?
Q5c. Using the scale below, how supportive are you of paying more in rates to maintain or improve supporting infrastructure in the local area?

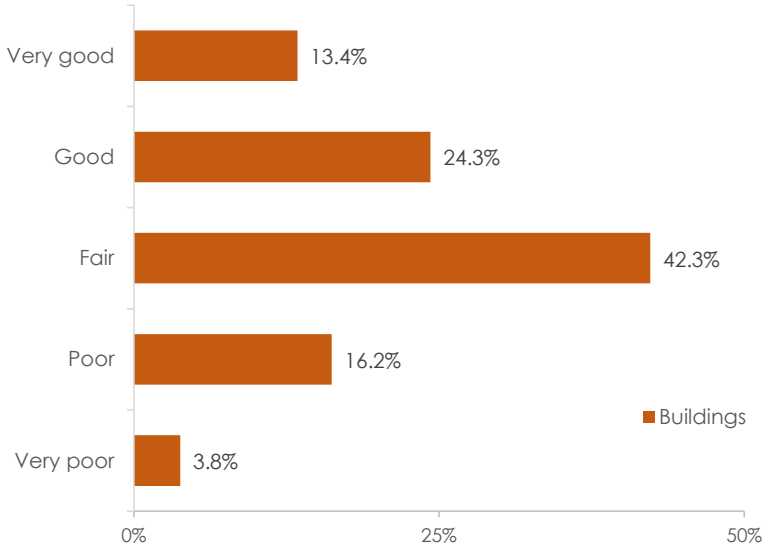
Section 2b(f).

Buildings

Informed sample

Context: *Council owns 140 buildings. These include Civic and Operational Buildings (e.g. Council Chambers, Depots, Library etc), community centres and halls, childcare centres, indoor sports centre, clubhouses, public amenities, North Sydney Oval buildings, Coal Loader buildings, community housing and museums. In addition, Council owns 11 investment properties.*
Replacement value: $347 million. This assumes these assets are replaced every 68.7 years on average in a like for like condition (does not consider upgrades or improved finishes).

Current Condition Levels:



Very good/ Good:



Fair:



Poor/ Very poor:



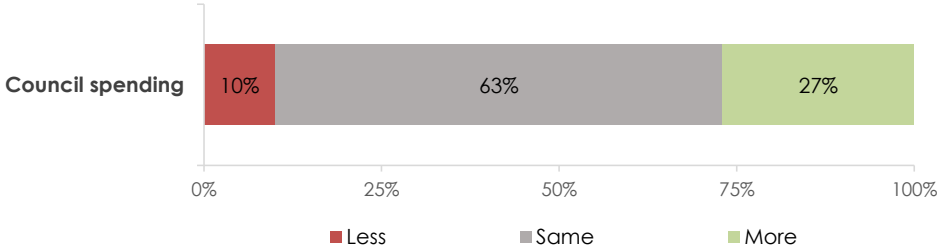
Council needs $5 million annually to maintain its buildings, but has only $3.895 million budgeted for 2025/26. There is also a $69.4 million backlog of buildings in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, community buildings may become unusable or unsafe, impacting service delivery and increasing final repair costs.

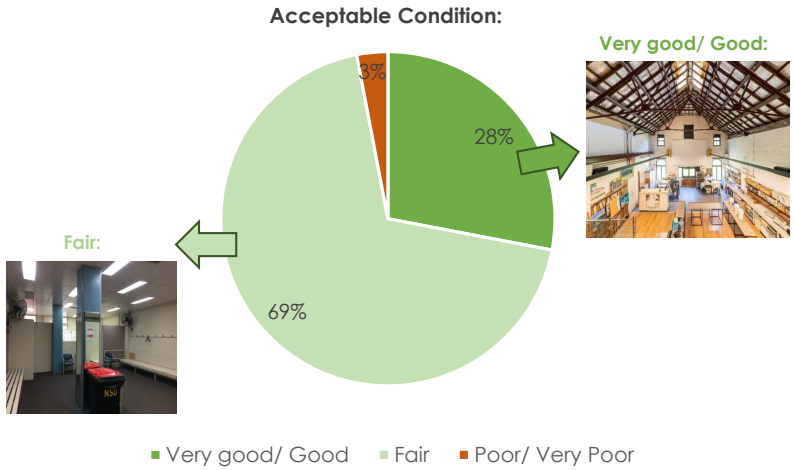
Buildings

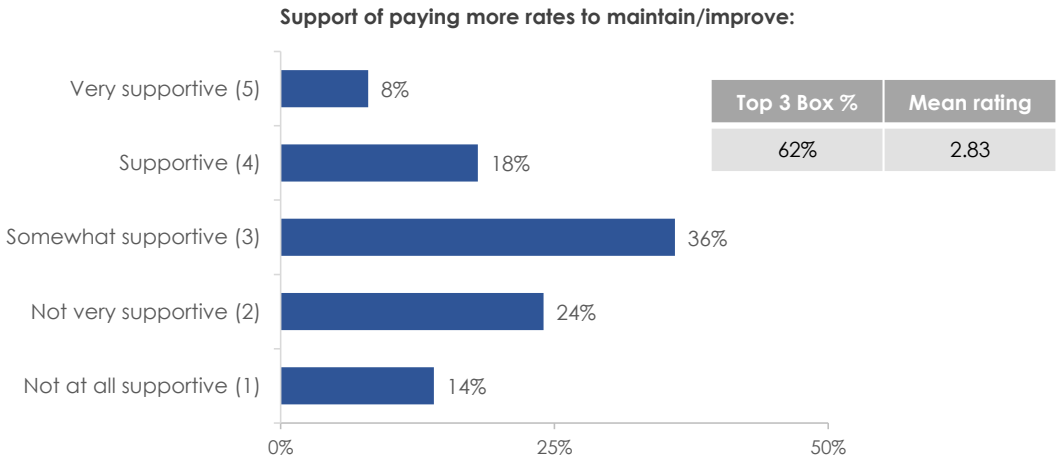
Informed sample

For public buildings;

- 69% believe 'fair' conditions are acceptable
- 90% would like to see the same or more investment (1 in 4 wanting more), and
- 62% support paying more in rates for maintenance and improvements.







Base: N = 302

Q6a. What condition do you consider acceptable for our buildings?
Q6b. Should Council spend more, the same or less on building maintenance and renewal?
Q6c. Using the scale below, how supportive are you of paying more in rates to maintain or improve public buildings in the local area?

Scale: 1 = not at all supportive, 5 = very supportive

Buildings

Informed sample

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q6a)												
Very good/ Good	28%	31%	26%	23%	21%	28%	42%	26%	32%	28%	28%	27%
Fair	69%	64%	73%	73%	78%	66%	57%	71%	65%	67%	68%	71%
Poor/ Very poor	3%	5%	2%	4%	1%	6%	1%	3%	3%	4%	4%	1%
Council spend (Q6b)												
More	27%	25%	28%	27%	21%	25%	37%	22%	39%	33%	23%	24%
Same	63%	65%	63%	58%	73%	64%	59%	68%	53%	53%	70%	68%
Less	10%	10%	9%	15%	6%	12%	4%	10%	8%	15%	7%	7%
Support (Q6c)												
Top 3 Box %	62%	63%	62%	62%	65%	54%	68%	59%	72%	63%	62%	62%
Mean rating	2.83	2.83	2.83	2.81	2.84	2.62	3.06	2.72	3.10	2.84	2.75	2.87
Base	302	125	175	27	79	121	74	245	57	67	107	128

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support/percentage (by group)

Q6a. What condition do you consider acceptable for our buildings?
Q6b. Should Council spend more, the same or less on building maintenance and renewal?
Q6c. Using the scale below, how supportive are you of paying more in rates to maintain or improve public buildings in the local area?

Section 2b(g).

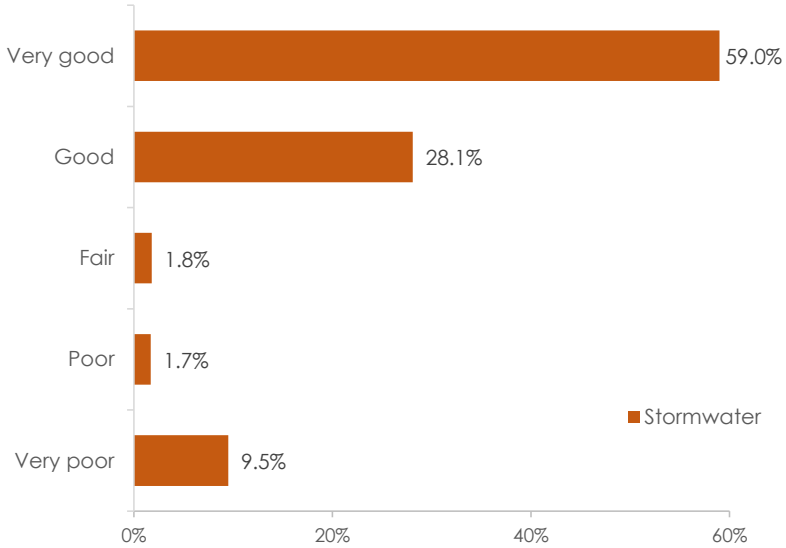
Stormwater

Informed sample

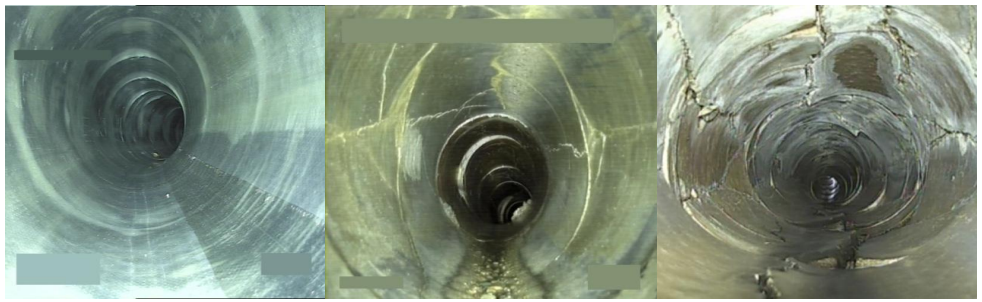
Context: *Council manages 27 Gross Pollutant Traps, 107km of stormwater pipes, and 6,659 stormwater pits.*

Replacement value: $270.5 million. This assumes Council's stormwater infrastructure is replaced every 112 years on average in a like for like condition.

Current Condition Levels:



Very good/ Good: **Fair:** **Poor/ Very poor:**



The Council needs $2.4 million annually to maintain its stormwater infrastructure, but has only $800,000 budgeted for 2025/26.

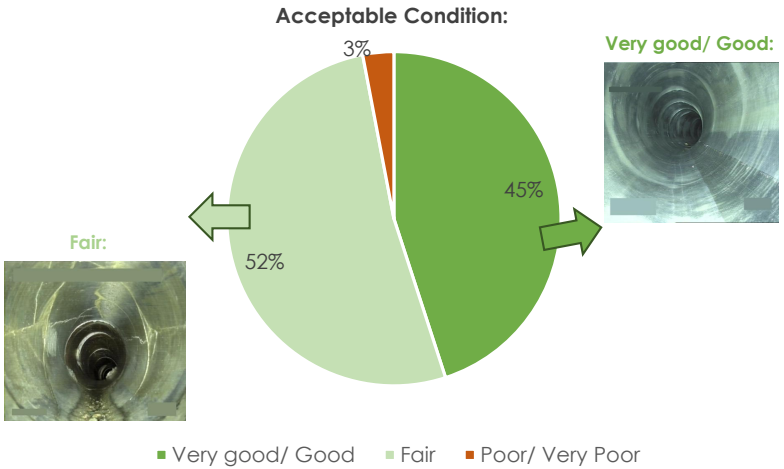
There is also a $30.1 million backlog of stormwater systems in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, aging stormwater systems may increase local flooding, environmental damage, and emergency repair costs during major weather events.

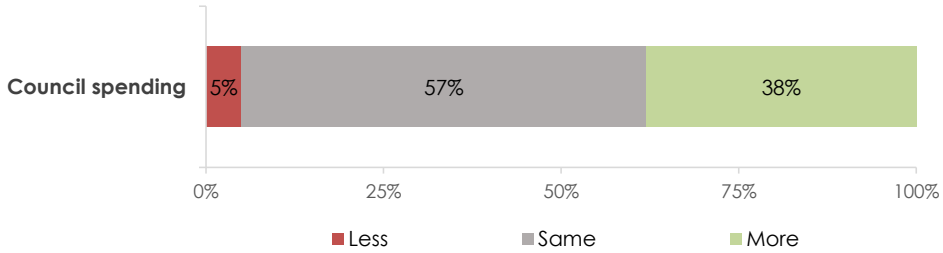
Stormwater

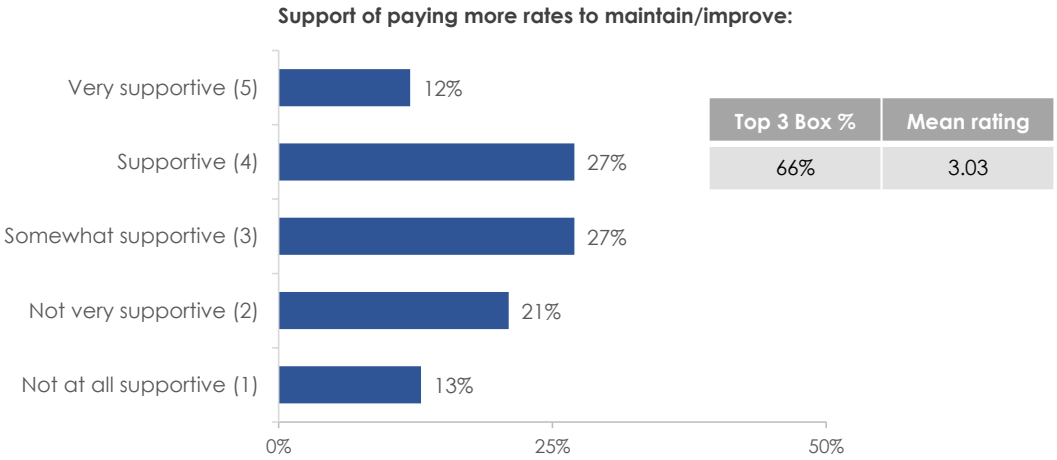
Informed sample

For stormwater assets;

- 52% believe 'fair' conditions are acceptable and 45% prefer 'very good/ good' conditions
- 95% would like to see the same or more investment (38% wanting more), and
- 66% support paying more in rates for maintenance and improvements.







Top 3 Box %	Mean rating
66%	3.03

Base: N = 302

Scale: 1 = not at all supportive, 5 = very supportive

Q7a. What condition do you consider acceptable for stormwater assets?
Q7b. Should Council spend more, the same or less on stormwater infrastructure maintenance and renewal?
Q7c. Using the scale below, how supportive are you of paying more in rates to maintain or improve stormwater infrastructure in the local area?

Stormwater

Informed sample

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q7a)												
Very good/ Good	45%	45%	46%	50%	32%	39%	61%	42%	53%	48%	37%	49%
Fair	52%	53%	50%	46%	65%	56%	37%	55%	42%	47%	60%	49%
Poor/ Very poor	3%	2%	4%	4%	3%	4%	3%	3%	5%	5%	2%	2%
Council spend (Q7b)												
More	38%	34%	41%	30%	28%	39%	57%	37%	40%	35%	36%	41%
Same	57%	58%	56%	66%	65%	50%	43%	56%	58%	59%	60%	52%
Less	5%	8%	3%	4%	7%	11%	0%	7%	2%	5%	4%	7%
Support (Q7c)												
Top 3 Box %	66%	66%	66%	62%	65%	62%	76%	65%	68%	64%	63%	70%
Mean rating	3.03	3.09	2.98	3.04	2.94	2.86	3.28	2.98	3.16	2.92	2.98	3.15
Base	302	125	175	27	79	121	74	245	57	67	107	128

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support/percentage (by group)

Q7a. What condition do you consider acceptable for stormwater assets?
Q7b. Should Council spend more, the same or less on stormwater infrastructure maintenance and renewal?
Q7c. Using the scale below, how supportive are you of paying more in rates to maintain or improve stormwater infrastructure in the local area?



Section 2c.

Council Performance and Consultation

Informed sample

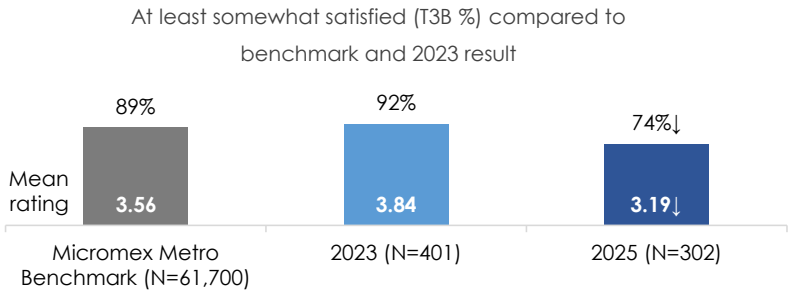
This section explores residents' feedback about the consultation as well as Council's overall performance.

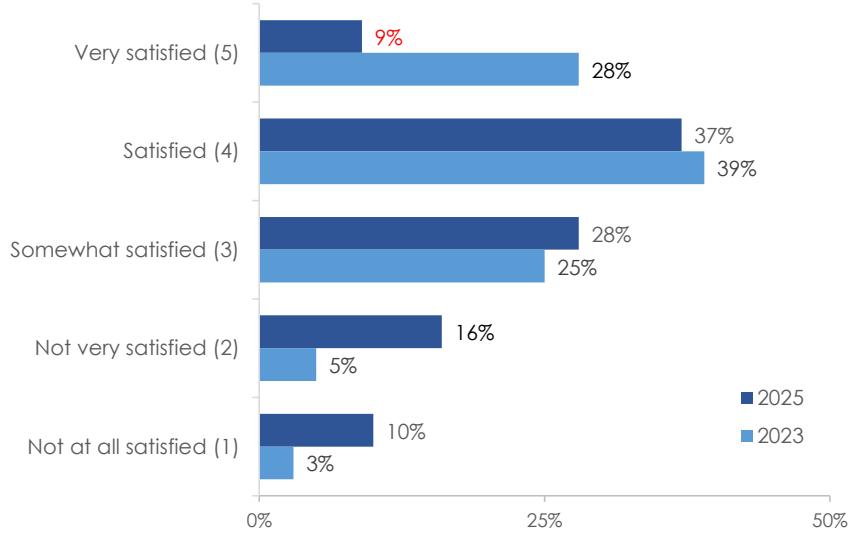
Overall Satisfaction with the Performance of Council

Informed sample

74% of residents are at least somewhat satisfied with the performance of Council, this increases to 94% amongst non-ratepayers.

The results are significantly lower than in 2023 (92%) and are lower than the Micromex Metro Benchmark (89%).





	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	74%	67%	79%	80%	77%	66%	72%	67%	94%	82%	72%	68%
Mean rating	3.19	3.01	3.31	3.42	3.20	2.90	3.19	3.03	3.60	3.39	3.09	3.08
Base	302	125	175	27	79	121	74	245	57	67	107	128

Base: N = 302 ↑↓ = A significantly higher/lower level of satisfaction (compared to Benchmark and 2023)

Scale: 1 = not at all satisfied, 5 = very satisfied

Q11. How satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?

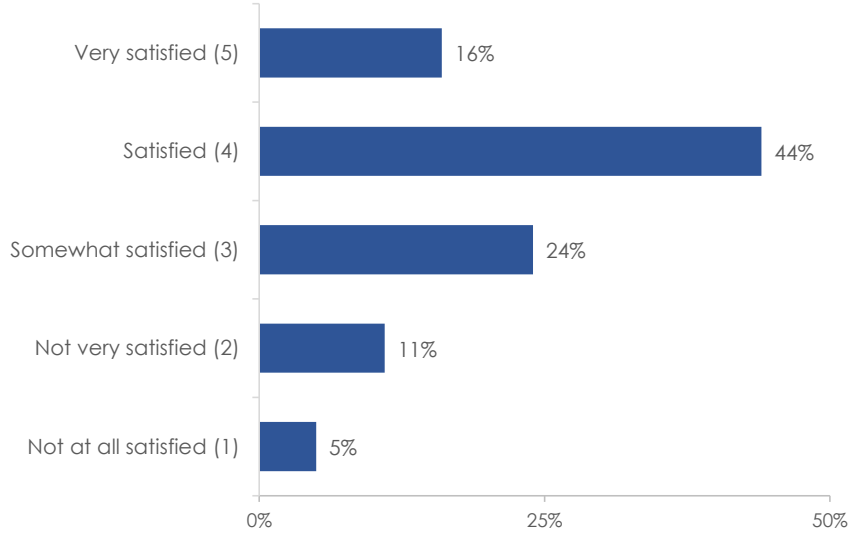
A significantly higher/lower level of satisfaction (by group)

Overall Satisfaction with this Community Consultation

Informed sample

84% of residents were at least somewhat satisfied with the community consultation, overall.

Females and non-ratepayers were more satisfied.



	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	84%	78%	87%	84%	85%	78%	87%	82%	88%	85%	85%	81%
Mean rating	3.53	3.35	3.66	3.68	3.45	3.41	3.58	3.44	3.79	3.59	3.55	3.48
Base	302	125	175	27	79	121	74	245	57	67	107	128

Base: N = 302

Q10d. Overall, how satisfied are you with this community consultation?

Scale: 1 = not at all satisfied, 5 = very satisfied

A significantly higher/lower level of satisfaction (by group)

Overall Satisfaction with this Community Consultation

Informed sample

Feedback regarding the consultation was generally positive, with residents expressing satisfaction with the process and the level of detail/information provided.

Some residents cited concerns regarding Council transparency, and financial management, and concerns that resident feedback won't be adequately considered.

Example verbatims:

"Comprehensive, backed with data and visuals. Easy to follow to determine my point of view. Thank you" (Rated 4)

"I'm pleased they are consulting ratepayers and welcoming our point of view" (Rated 4)

"It's good to see facts and figures, but the swimming pool project seems to have been glossed over" (Rated 4)

"Council are very poor at feeding back responses and reacting to community needs" (Rated 3)

"It is self-serving for council's interests in lobbying for higher rates (if that is the only financial rescue). for example, it does not consider asset sales, which is a normal option for dealing with financial distress" (Rated 2)

Reason for satisfaction rating	N=302
Satisfied/Very satisfied (4-5)	60%
Informative/thorough/detailed	26%
No issues/everything was fine	17%
Council management, e.g. listening to the community/ financial management	7%
Should have been able to provide more answers/comments	4%
Need more information/details	3%
Other comments	3%
Don't know/no response	5%
Somewhat satisfied (3)	24%
Council management, e.g. listening to the community/ financial management	8%
Need more information/details	6%
No issues/everything was fine	4%
Should have been able to provide more answers/comments	3%
Informative/thorough/detailed	2%
Other comments	1%
Don't know/no response	3%
Not at all/Not very satisfied (1-2)	16%
Council management, e.g. listening to the community/ financial management	8%
Did not like the structure of questions/survey limitations	7%
Should have been able to provide more answers/comments	3%
Need more information/details	2%
Not enough community consultation	2%
Other comments	2%
Don't know/no response	<1%

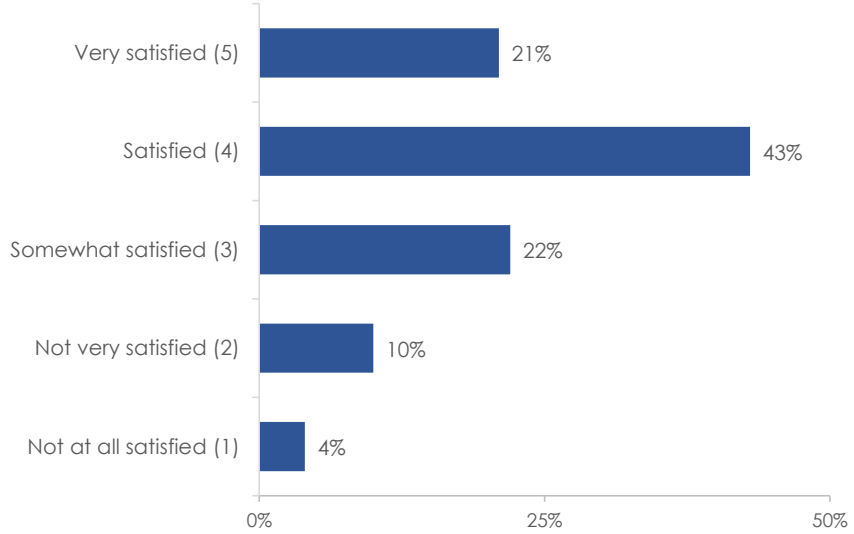
Q10d. Overall, how satisfied are you with this community consultation?
Q10e. Why do you say that?

Satisfaction with the Level of Information Provided

Informed sample

86% of residents were at least somewhat satisfied with the level of information provided in this consultation, with 1 in 5 stating they were 'very satisfied'.

Females and non-ratepayers were more satisfied.



	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	86%	81%	89%	88%	86%	83%	85%	83%	93%	82%	88%	87%
Mean rating	3.66	3.48	3.78	3.80	3.51	3.63	3.68	3.56	3.91	3.62	3.65	3.70
Base	302	125	175	27	79	121	74	245	57	67	107	128

Base: N = 302

Q10c. How satisfied were you with the level of information provided to you in this consultation?

Scale: 1 = not at all satisfied, 5 = very satisfied

A significantly higher/lower level of satisfaction (by group)



Appendix 1
Additional Analyses

Alternative Sources of Revenue



Baseline sample

At least somewhat supportive (T3B%)	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Corporate/private event hire of the Olympic Pool	87%	90%	84%	87%	86%	93%	81%	89%	81%	81%	91%	89%
New/increased fees for commercial/large group park use	77%	83%	72%	72%	78%	83%	78%	83%	63%	73%	76%	82%
Naming rights for local facilities	74%	76%	72%	72%	75%	81%	67%	76%	67%	69%	80%	72%
Ticketing entry to parks on New Year's Eve	65%	66%	64%	61%	69%	71%	60%	69%	55%	62%	68%	65%
More commercial advertising in public places	62%	65%	60%	59%	72%	70%	46%	63%	60%	61%	70%	58%
Increased parking enforcement	47%	53%	41%	45%	43%	50%	51%	49%	39%	49%	43%	47%
Base (maximum)	605	281	324	194	174	120	118	438	167	206	189	210

Q12c . To offset or reduce the pressure on Council rates as a revenue source, how supportive are you of the following?

A significantly higher/lower level of support (by group) 91



Appendix 2
Questionnaire

micromex research

North Sydney Council
Recruit Survey
2025

Good evening, my name is ..... and I am calling on behalf of North Sydney Council, from a company called Micromex. We are conducting research about local services and assets provided by Council. Would now be a good time to share your opinions?

QA. Which of the following describes your relationship to the North Sydney Local Government Area? (MR)

Position	Answers	Notes
1	I live in the area	Mandatory
2	I operate or rent a business in the area	
3	I own business property	
4	I own residential property but do not live in the area	Online only
5	I am a student in the area	
6	I visit the area	Online only
7	I work in the area	
8	Other (please specify)	Online only

Q1. What suburb do you live in? (SR)

Position	Answers	Notes
1	Cammeray	
2	Cremorne	
3	Cremorne Point	
4	Crows Nest	
5	Kirribilli	
6	Kurraba Point	
7	Lavender Bay	
8	McMahons Point	
9	Milsons Point	
10	Neutral Bay	
11	North Sydney	
12	St Leonards	
13	Waverton	
14	Wollstonecraft	
15	Other	Online Only

Q2. Overall, how would you rate the quality of life you have living in the area? ONLY FOR RESIDENTS

Value	Answers	Notes
6	Excellent	
5	Very good	
4	Good	
3	Fair	
2	Poor	
1	Very poor	

North Sydney Council is currently working to strengthen service and infrastructure delivery to support quality of life now and into the future.

Based on Council's current financial position, together with ageing infrastructure, it has been determined that current service levels are unsustainable. A review of rating levels has also indicated the average rates in North Sydney Local Government area are low compared to many local councils.

Together with the community, Council must make some difficult decisions and compromises to shape the future. Council is asking for your help to guide this process by sharing your opinion on services, infrastructure, and rating levels.

Q3. Thinking generally about service provision. On a scale of 1 to 5, where 1 means you would prefer for Council to focus more on lower-cost services and infrastructure, even if this means lower quality, or fewer options, and 5 means you prefer to see Council focus on providing high-quality services and infrastructure, even if it comes at a higher cost. How would you rate your position on this area? FLIP

Value	Answers	Notes
1	Lower-cost services and infrastructure, even if this means less quality or fewer options	
2		
3		
4		
5	High-quality services and infrastructure, even if it comes at a higher cost	

Category Specific Questions

We would now like you to think about specific services and infrastructure in the North Sydney local area. For each of these we will ask you if you think Council should:

- **Reduce services/ reduce maintenance of infrastructure (i.e. shorter opening hours, reduced quality)**
- **Maintain services or infrastructure**
- **Improve services or infrastructure, which may include more services, better services, longer opening hours, new or upgraded infrastructure**

Please note that maintaining or improving services or infrastructure will require an increase in average rates.

FLIP Sections (Q5- Q11)

Environmental Sustainability

Q5. Thinking about our local environmental sustainability, do you think Council should reduce, maintain, or improve…Randomise

Position	Answers	Reduce – Maintain – Improve
1	Bushland rehabilitation and maintenance	
2	Protection of native fauna/flora, bush walking tracks, green corridors	
3	Tree canopy provision and maintenance	
4	Reducing greenhouse gas emissions	
5	Waterway protection programs/infrastructure	
6	Stormwater and drainage systems	
7	Street sweeping	
8	Environmental education/workshops	

Social Inclusion

Q6. Thinking about our Social inclusion, do you think Council should reduce, maintain, or improve… Randomise

Position	Answers	Reduce – Maintain – Improve
1	Community events and activities	
2	Grant programs and community centre services	
3	Shared public and community spaces	
4	Bookable spaces for private/family functions	
5	Library services and activities	
6	Library physical spaces	
~~7~~	Library opening hours	
8	Youth services and activities	
9	Programs for older residents	
10	Programs for disadvantaged residents	
11	Disability support and access programs	
12	Affordable/diverse housing initiatives	
13	Volunteer connection programs (e.g. bushcare)	

Open Space and Recreation

Q7a. Thinking about our Open Space and Recreation, do you think Council should reduce, maintain, or improve… Randomise

Position	Answers	Reduce – Maintain – Improve
1	Parks and reserves	
2	Verge mowing (in front of your property)	
3	Sports fields	
4	Recreation infrastructure (e.g. courts, outdoor gyms)	
5	Public toilet maintenance	
6	Park infrastructure (paths, lighting, seating)	
7	Street beautification programs (i.e. streets alive and community gardens)	
8	Wharves and jetties	

Q7b. Research has shown that based upon the population of North Sydney, there is a shortage of open space and recreation facilities. Which, if any, of the following actions do you think Council should implement? Prompt

Position	Answers	Yes
1	Maximise use of existing spaces (e.g. better drainage, multi-use fields)	
2	Create more open space and recreational facilities	
3	Develop and consult on masterplans for parks/foreshore	
4	Upgrade key sporting facilities (e.g. North Sydney Oval and indoor sports centre)	
5	None of these	Do not prompt

Integrated Transport

Q8. Thinking about our Integrated transport, do you think Council should reduce, maintain, or improve… Randomise

Position	Answers	Reduce – Maintain – Improve
1	Footpaths	
2	Cycleways	
3	Bus shelters and street furniture (e.g. benches)	
4	Council input into transport planning	
5	Pedestrian crossings, roundabouts, etc.	
6	Road and kerb conditions	
7	Car parking and enforcement	

Economic Development

Q9a. Thinking about our Economic Development, do you think Council should reduce, maintain, or improve... Randomise

Position	Answers	Reduce – Maintain – Improve
1	Quality of CBD/town centre public spaces	
2	Public cleaning and graffiti removal	
3	Events and festivals to activate centres	
4	Town centre promotion	
5	Business support initiatives	

Q9b. Recent community consultation within North Sydney, has indicated a need to secure employment in North Sydney. Which, if any, of the following actions do you think council should implement? Prompt

Position	Answers	Notes
1	Revitalise the CBDs with social spaces and upgrades	
2	Expand pedestrian spaces in local centres	
3	Activities to support increased tourism	
4	Use public land near metro for social/economic benefit	
5	None of these	Do not prompt

Culture and creativity

Q10a. Thinking about our Culture and Creativity, do you think Council should reduce, maintain, or improve... Randomise

Position	Answers	Reduce – Maintain – Improve
1	Library cultural/creative programs	
2	Affordable local events (e.g. Festivals, music, art, workshops)	
3	Spaces for creative participation (e.g. galleries, pop-ups, artist spaces)	
4	Public art and creative street activations	
5	Preserve and celebrate local heritage	

Q10b. Recent community consultation within North Sydney has indicated a desire to implement new initiatives through the following measures. Which, if any, of the following actions do you think Council should implement? Prompt

Position	Answers	Notes
1	Work with First Nations communities to enhance heritage visibility	
2	Use digital signage and storytelling to promote heritage	
3	None of these	Do not prompt

Customer experience

Q11. Thinking about our Customer Experience, do you think council should reduce, maintain, or improve... Randomise

Position	Answers	Reduce – Maintain – Improve
1	Council customer service opening hours	
2	Online services	
3	Provision of information	
4	Engagement through Precinct Committees	
5	Other community engagement	

Financial strategy - Rates

North Sydney Council's average residential rates for 2025/26 will be $1,079. This is compared with neighbouring councils in the North Shore, Mosman $1,762, Lane Cove $1,439, Willoughby $1,323, and the Northern Beaches $1,901.

Q12a. In considering the services and infrastructure provided by North Sydney Council, and your aspirations for the local area, how supportive are you of paying more in rates to maintain or improve services and infrastructure in the local area? Prompt

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Q12b. Why do you say that?

Position	Answers	Notes
1	Text	5 Lines

Q12c . To offset or reduce the pressure on Council rates as a revenue source, how supportive are you of the following?

Please rate on the scale of 1-5, where 1 is not at all supportive and 5 is very supportive.

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Position	Answers	Notes
1	Ticketing entry to parks on New Year's Eve	
2	New/increased fees for commercial/large group park use	
3	Naming rights for local facilities, such as North Sydney oval and the Olympic pool	
4	Corporate/private event hire of the Olympic Pool	
5	Increased parking enforcement	
6	More commercial advertising in public places	

<u>Demographic & Profiling Questions</u>

D1. Please stop me when I read out your age group: *Prompt* (SR)

Position	Answers	Notes
1	18-34	
2	35-49	
3	50-64	
4	65+	

D2a. Which of the following best describes the dwelling where you are currently living? *Prompt* (SR)

Position	Answers	Notes
1	I/We own/are currently buying this property	
2	I/We currently rent this property	

Q2b. Do you, or your household, pay Council rates to North Sydney Council for any of the following?

Position	Answers	Notes
1	Residential	
2	Business	
3	None of these	(Rent)

D3. How long have you lived in the North Sydney local area? *Prompt* (SR)

Position	Answers	Notes
1	Less than 2 years	
2	2 – 5 years	
3	6 – 10 years	
4	11 – 20 years	
5	More than 20 years	

D4a. What is your identified gender? (SR)

Position	Answers	Notes
1	Female	
2	Male	
3	Non binary/gender fluid	
4	Different identity	

D4b. Gender (determine by voice): (SR) -Phone Only

Position	Answers	Notes
1	Male	
2	Female	

D5. Do you identify as Aboriginal or Torres Strait Islander? (SR)

Scale	Answers	Notes
1	Yes	
2	No	

D6. Do you or anyone in your household identify as living with disability? (SR)

Scale	Answers	Notes
1	Yes	
2	No	

D7. What is your highest level of education?

Position	Answers	Notes
1	Postgraduate degree	
2	Graduate Diploma and Graduate Certificate	
3	Bachelor Degree	
4	Advanced Diploma and Diploma	
5	TAFE certificate	
6	Secondary school	

Recruitment details

Asset Condition Follow Up

R1. As part of this research, we would like to send you a follow up online survey via SMS. It will allow you to voice your preference for the quality and level of Council assets. These final questions cannot be easily conducted via a phone call; it should only take 5-10 minutes to complete. Would you mind if we send this via SMS? (If no: Would you prefer we send it via email?)

Position	Answers	Notes
1	SMS	
2	Email	
3	Not willing	

R2. Can I confirm your contact details?

Position	Answers	Notes
1	Name	
2	Phone	If R1.A1
3	Email	If R1.A2

Thank you for your time and assistance. This market research is carried out in compliance with the Privacy Act, and the information you provided will be used only for research purposes. The research has been conducted by Micromex Research on behalf of North Sydney Council.

SMS

Thank you for your time and assistance, please complete the online follow up survey as soon as you can. This market research is carried out in compliance with the Privacy Act, and the information you provided will be used only for research purposes. Just to remind you, this research has been conducted by Micromex Research on behalf of North Sydney Council.

North Sydney Council
Recontact Survey
2025

Introduction

About community infrastructure assets:

Council undertakes regular reviews of the condition of its community assets to determine the amount of money it should spend on infrastructure, such as roads, footpaths, buildings, stormwater, other infrastructure and parks and reserves. Council is trying to determine where the community's priorities are to help allocate resources to asset maintenance and renewal to best meet the community's expectations.

What does asset maintenance and renewal mean?

Maintenance is work performed on an asset that keeps it in a useable condition, e.g. painting buildings, filling potholes, fixing playgrounds and swings.

Renewal is work performed on an asset to bring it back to its original condition, e.g. the replacement of a building, reconstructing a segment of road, replacing a bridge or playground. Using industry benchmarks, Council have reviewed its asset groups to work out if they are in very good, good, fair, poor or very poor condition. The following pages provide a snapshot for each asset group. The issue facing Council is that while a lot of assets are in very good/good or fair condition, a large proportion are at risk of falling into poor/very poor condition.

Where are we now?

A snapshot of community asset conditions and current investment levels is provided in this survey. For each asset group, included is an indication of Council's current expenditure on maintenance and renewals, together with a visual representation of each of the condition levels of good, fair and poor.

ROTATE ASSET CLASSES

Roads and Transport infrastructure

Council manages 260km of kerb and gutter, 153km of road pavements, and 1,173 traffic facilities including median strips, raised pedestrian crossings and roundabouts.

Replacement value: $450 million. This assumes Council's transport related infrastructure is replaced every 66 years in a like for like condition.

Current Condition Levels:

Condition	Kerb & Gutter	Road Pavement	Traffic Facilities
Very Good	24.3%	33.2%	48.4%
Good	43.3%	37.7%	42.2%
Fair	28.7%	22.9%	7.8%
Poor	3.2%	5.8%	1.5%
Very poor	0.5%	0.4%	0.1%

Very good/Good	Fair	Poor/Very poor
		

Council needs $6.52 million annually to maintain its road and transport infrastructure, but currently has only $5.99 million budgeted for 2025/26.

Additionally, there is a $24 million backlog of infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, roads and traffic facilities will continue to deteriorate, creating safety risks and travel delays.

Q1a. What condition do you consider acceptable for our kerb and gutter, road pavement and traffic facilities?

Value	Answers	Notes
3	Very good/Good	
2	Fair	
1	Poor/Very poor	

Q1b. Should Council spend more, the same or less on kerb and gutter, road pavement and traffic facilities maintenance and renewal?

Position	Answers	Notes
1	More	
2	Same	
3	Less	

Q1c. Using the scale below, how supportive are you of paying more in rates to maintain or improve kerb and gutter, road pavement and traffic facilities in the local area?

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Bus shelters and Street Furniture

Council manages 66 bus shelters and 1,084 items of street furniture.

Current Condition Levels:

Condition	Bus Shelters	Street Furniture
Very Good	22.3%	50.7%
Good	12.5%	34%
Fair	30.1%	13.7%
Poor	28.8%	1.4%
Very poor	6.3%	0.2%

Very good/Good	Fair	Poor/Very poor
		

Council needs $330,000 annually to maintain its bus shelters and street furniture, but has only $200,000 budgeted for 2025/26.

There is also a $2.1 million backlog of deteriorating bus shelters and street furniture in poor condition, with only $400,000 available to address it, meaning that without increased investment, public transport users will face reduced comfort, accessibility, and safety, especially during poor weather or at night.

Q2a. What condition do you consider acceptable for our bus shelters and street furniture?

Value	Answers	Notes
3	Very good/Good	
2	Fair	
1	Poor/Very poor	

Q2b. Should Council spend more, the same or less on bus shelters and street furniture maintenance and renewal?

Position	Answers	Notes
1	More	
2	Same	
3	Less	

Q2c. Using the scale below, how supportive are you of paying more in rates to maintain or improve bus shelters and street furniture in the local area?

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Footpaths

There are approximately 265.9km of footpath assets located within road reserves and parks (including walking tracks).

Replacement value: $155 million. This assumes Council's footpaths are replaced every 40 years on average in a like for like condition (does not consider upgraded surfaces such as granite pavers in CBD locations.)

Current Condition Levels:

Condition	Footpaths
Very Good	36.2%
Good	35.3%
Fair	22.6%
Poor	5.6%
Very poor	0.3%

Very good/Good	Fair	Poor/Very poor
		

Council needs $3.9 million annually to maintain its footpaths, but has only $400,000 budgeted for 2025/26.

There is also a $9.2 million backlog of footpaths in poor or very poor condition, with no dedicated budget to address it, meaning that without increased investment, aging footpaths will create accessibility and safety risks, particularly for people with mobility issues, older residents, and families.

Q3a. What condition do you consider acceptable for our footpaths?

Value	Answers	Notes
3	Very good/Good	
2	Fair	
1	Poor/Very poor	

Q3b. Should Council spend more, the same or less on footpath maintenance and renewal?

Position	Answers	Notes
1	More	
2	Same	
3	Less	

Q3c. Using the scale below, how supportive are you of paying more in rates to maintain or improve footpaths?

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Parks, Reserves and Sportsfields

There are approximately 2,508 items of furniture, 44 playgrounds and 88 sporting related assets within Council parks and reserves.

Replacement value: $40.2 million. This assumes these assets are replaced every 25 years on average in a like for like condition (does not consider upgraded surfaces or equipment)

Current Condition Levels:

Condition	Parks, Reserves and Sportsfields
Very Good	47.3%
Good	25.7%
Fair	24.8%
Poor	2.0%
Very poor	0.2%

Very good/Good	Fair	Poor/Very poor
		

Council needs $1.6 million annually to maintain its parks, recreational assets, but has only $610,000 budgeted for 2025/26.

There is also a $900,000 backlog of parks infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, play equipment, sports facilities, and open spaces will degrade. This will have impacts on the accessibility and useability of our open spaces.

Q4a. What condition do you consider acceptable for parks and recreational assets?

Value	Answers	Notes
3	Very good/Good	
2	Fair	
1	Poor/Very poor	

Q4b. Should Council spend more, the same or less on parks and recreational assets in terms of maintenance and renewal?

Position	Answers	Notes
1	More	
2	Same	
3	Less	

Q4c. Using the scale below, how supportive are you of paying more in rates to maintain or improve parks, reserves, and sports fields in the local area?

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Supporting Infrastructure

Council manages approximately 44km of fences, 2,618 bollards, 1,874 lighting assets, 44 marine structures, 25km of retaining walls and 4.9km of seawalls.

Replacement value: $303.9 million. This assumes these assets are replaced every 74 years on average in a like for like condition (does not consider upgraded materials or equipment).

Current Condition Levels:

Condition	Supporting Infrastructure
Very Good	9.6%
Good	50.6%
Fair	36.2%
Poor	2.0%
Very poor	1.7%

Very good/Good	Fair	Poor/Very poor
		

The Council needs $4.1 million annually to maintain its supporting infrastructure, but has only $1.33 million budgeted for 2025/26.

There is also an $11 million backlog of supporting infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, essential supporting infrastructure may fail, leading to reduced safety, usability, and increased long-term repair costs.

Q5a. What condition do you consider acceptable for supporting infrastructure?

Value	Answers	Notes
3	Very good/Good	
2	Fair	
1	Poor/Very poor	

Q5b. Should Council spend more, the same or less on supporting infrastructure maintenance and renewal?

Position	Answers	Notes
1	More	
2	Same	
3	Less	

Q5c. Using the scale below, how supportive are you of paying more in rates to maintain or improve the supporting infrastructure in the local area?

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Buildings

Council owns 140 buildings. These include Civic and Operational Buildings (e.g. Council Chambers, Depots, Library etc), community centres and halls, childcare centres, indoor sports centre, clubhouses, public amenities, North Sydney Oval buildings, Coal Loader buildings, community housing and museums. In addition, Council owns 11 investment properties.
Replacement value: $347 million. This assumes these assets are replaced every 68.7 years on average in a like for like condition (does not consider upgrades or improved finishes).

Current Condition levels:

Condition	Buildings
Very Good	13.4%
Good	24.3%
Fair	42.3%
Poor	16.2%
Very poor	3.8%

Very good/Good	Fair	Poor/Very poor
		

Council needs $5 million annually to maintain its buildings, but has only $3.895 million budgeted for 2025/26. There is also a $69.4 million backlog of buildings in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, community buildings may become unusable or unsafe, impacting service delivery and increasing final repair costs.

Q6a. What condition do you consider acceptable for our buildings?

Value	Answers	Notes
3	Very good/Good	
2	Fair	
1	Poor/Very poor	

Q6b. Should Council spend more, the same or less on building maintenance and renewal?

Position	Answers	Notes
1	More	
2	Same	
3	Less	

Q6c. Using the scale below, how supportive are you of paying more in rates to maintain or improve public buildings in the local area?

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Stormwater

Council manages 27 Gross Pollutant Traps, 107km of stormwater pipes, and 6,659 stormwater pits. Replacement value: $270.5 million. This assumes Council's stormwater infrastructure is replaced every 112 years on average in a like for like condition.

Current Condition Levels:

Condition	Stormwater
Very Good	59.0%
Good	28.1%
Fair	1.8%
Poor	1.7%
Very poor	9.5%

Very good/Good	Fair	Poor/Very poor
		

The Council needs $2.4 million annually to maintain its stormwater infrastructure, but has only $800,000 budgeted for 2025/26.

There is also a $30.1 million backlog of stormwater systems in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, aging stormwater systems may increase local flooding, environmental damage, and emergency repair costs during major weather events.

Q7a. What condition do you consider acceptable for stormwater assets?

Value	Answers	Notes
3	Very good/Good	
2	Fair	
1	Poor/Very poor	

Q7b. Should Council spend less, the same, or more on stormwater infrastructure maintenance and renewal?

Position	Answers	Notes
1	More	
2	Same	
3	Less	

Q7c. Using the scale below, how supportive are you of paying more in rates to maintain or improve stormwater infrastructure in the local area?

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Funding considerations - Infrastructure renewals

Development and subdivision within North Sydney increased significantly with the opening of the Sydney Harbour Bridge in 1932 and continued after World War 2. It was during this development period that much of the infrastructure in North Sydney was originally built.

Council manages $1.6 billion in infrastructure assets, which have a lifespan varying from 10 years to 250 years.

Q8a. To what extent do you agree with the following statement?

Each generation should contribute to the renewal of community infrastructure they have used and benefited from.

Value	Answers	Notes
5	Strongly agree	
4	Agree	
3	Neither agree nor disagree	
2	Disagree	
1	Strongly disagree	

Q8b. Why do you say that?

Position	Answers	Notes
1		5 Lines

Loan borrowing

Borrowing for infrastructure allows councils to deliver projects sooner than otherwise would be possible, but comes at the cost of interest repayments, which may impact future budgets and rates.

By 30 June 2026, Council will have $55.8 million in debt, requiring $7.3 million per annum in loan repayments and interest, which must be funded from annual revenue.

For example, a $20 million loan taken out over 20 years (maximum) to fund a new community facility would require $33.5 million (principal repayment plus interest) in rating income to pay back the loan over the 20-year period.

Q9a. Please state your agreement with the following principles, where 1 is Strongly disagree and 5 is Strongly agree:

Value	Answers	Notes
5	Strongly agree	
4		
3		
2		
1	Strongly disagree	

Position	Answers	Notes
1	Reoccurring costs (e.g. operational costs, maintenance) and infrastructure renewals should be funded from revenue each year, with loans only used in exceptional circumstances	
2	Acknowledging costs associated with borrowings, loans should be considered to accelerate the delivery of new/upgraded infrastructure projects to spread the cost over a longer period	
3	Loans should only be taken out where sufficient funds are available within the budget for principal and interest repayments	
4	Loan funding should be considered for infrastructure projects which will generate income to cover the borrowing costs	
5	I do not support increased debt	

Council's Consultation

Thinking of this consultation.

Q10b. How were you informed of this consultation? Please select all that apply. *(ONLINE OPT IN ONLY)(MR)*

Position	Answers	Notes
1	Your Say website	
2	Council website	
3	Social media	
4	Posters/factsheets	
5	Community Pop-up stalls	
6	Council e-newsletters	
7	Precinct Committee	
	Customer Service team	
	Council staff	
	Email signature from Council correspondence	
	Media article	
	Word of mouth	
	Other (please specify)	

Q10c. How satisfied were you with the level of information provided to you in this consultation?

Value	Answers	Notes
5	Very satisfied	
4	Satisfied	
3	Somewhat satisfied	
2	Not very satisfied	
1	Not at all satisfied	

Q10d. Overall, how satisfied are you with this community consultation?

Value	Answers	Notes
5	Very satisfied	
4	Satisfied	
3	Somewhat satisfied	
2	Not very satisfied	
1	Not at all satisfied	

Q10e. Why do you say that?

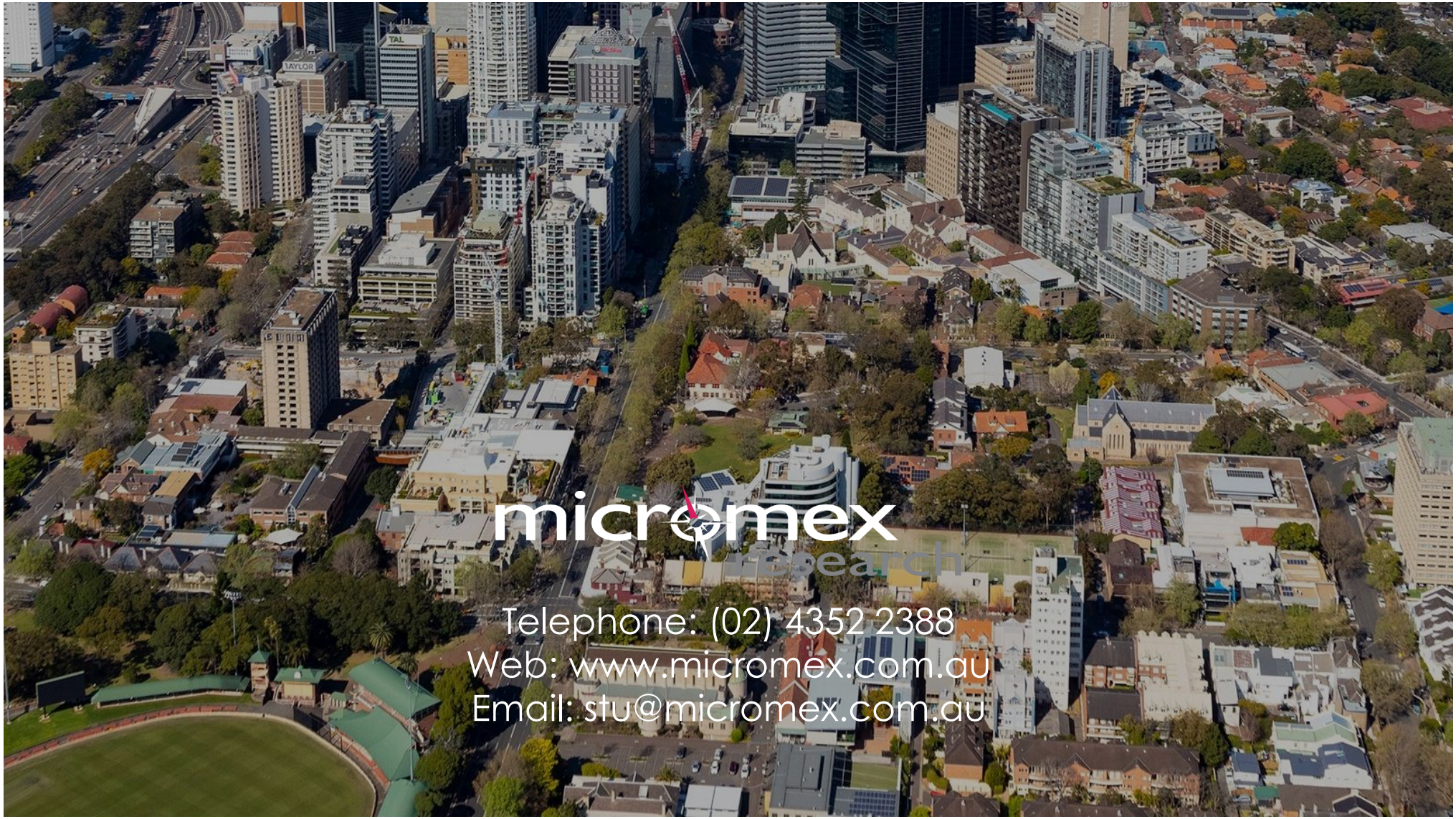
Position	Answers	Notes
1		5 Lines

Q11. And finally, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?

Value	Answers	Notes
5	Very satisfied	
4	Satisfied	
3	Somewhat satisfied	
2	Not very satisfied	
1	Not at all satisfied	

Thank you for your time and assistance. This market research is carried out in compliance with the Privacy Act, and the information you provided will be used only for research purposes. The research has been conducted by Micromex Research on behalf of North Sydney Council.

The information contained herein is believed to be reliable and accurate, however, no guarantee is given as to its accuracy and reliability, and no responsibility or liability for any information, opinions or commentary contained herein, or for any consequences of its use, will be accepted by Micromex Research, or by any person involved in the preparation of this report.


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Service Level/Asset Management – Community Survey | Opt-in

Community Baseline Measure (Stage 1)

Informed Community Response (Stage 2)

Prepared by: Micromex Research
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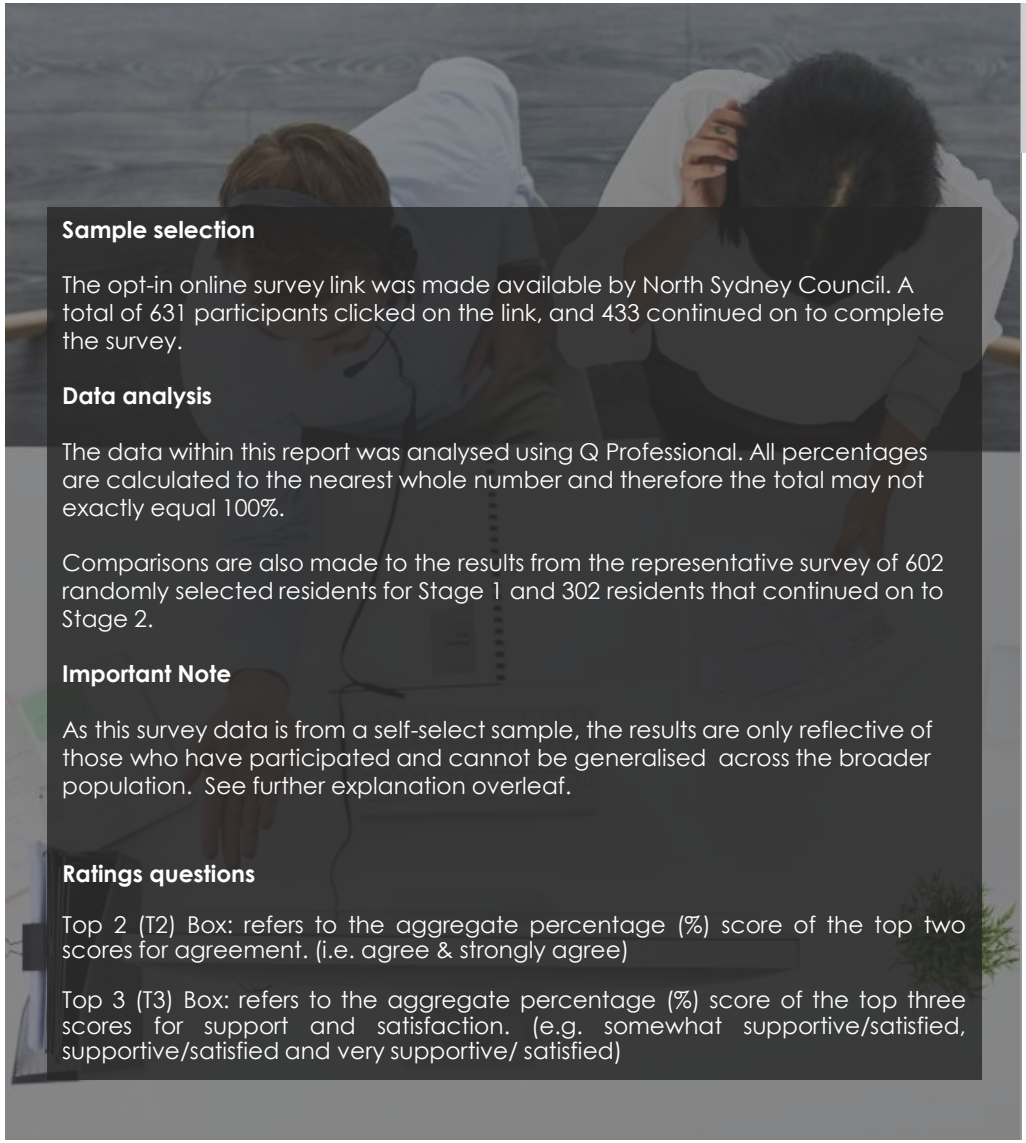
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Sample selection

The opt-in online survey link was made available by North Sydney Council. A total of 631 participants clicked on the link, and 433 continued on to complete the survey.

Data analysis

The data within this report was analysed using Q Professional. All percentages are calculated to the nearest whole number and therefore the total may not exactly equal 100%.

Comparisons are also made to the results from the representative survey of 602 randomly selected residents for Stage 1 and 302 residents that continued on to Stage 2.

Important Note

As this survey data is from a self-select sample, the results are only reflective of those who have participated and cannot be generalised across the broader population. See further explanation overleaf.

Ratings questions

Top 2 (T2) Box: refers to the aggregate percentage (%) score of the top two scores for agreement. (i.e. agree & strongly agree)

Top 3 (T3) Box: refers to the aggregate percentage (%) score of the top three scores for support and satisfaction. (e.g. somewhat supportive/satisfied, supportive/satisfied and very supportive/ satisfied)

Engagement Objectives

In July-August 2025, North Sydney Council conducted a two-stage, representative multi-modal survey of residents living in the North Sydney Council Local Government Area.

The results of this research have been reported in detail separately.

For engagement purposes, North Sydney Council also provided the community an opportunity to self complete the survey. An online link was made available on Council's website and across social media channels.

Why?

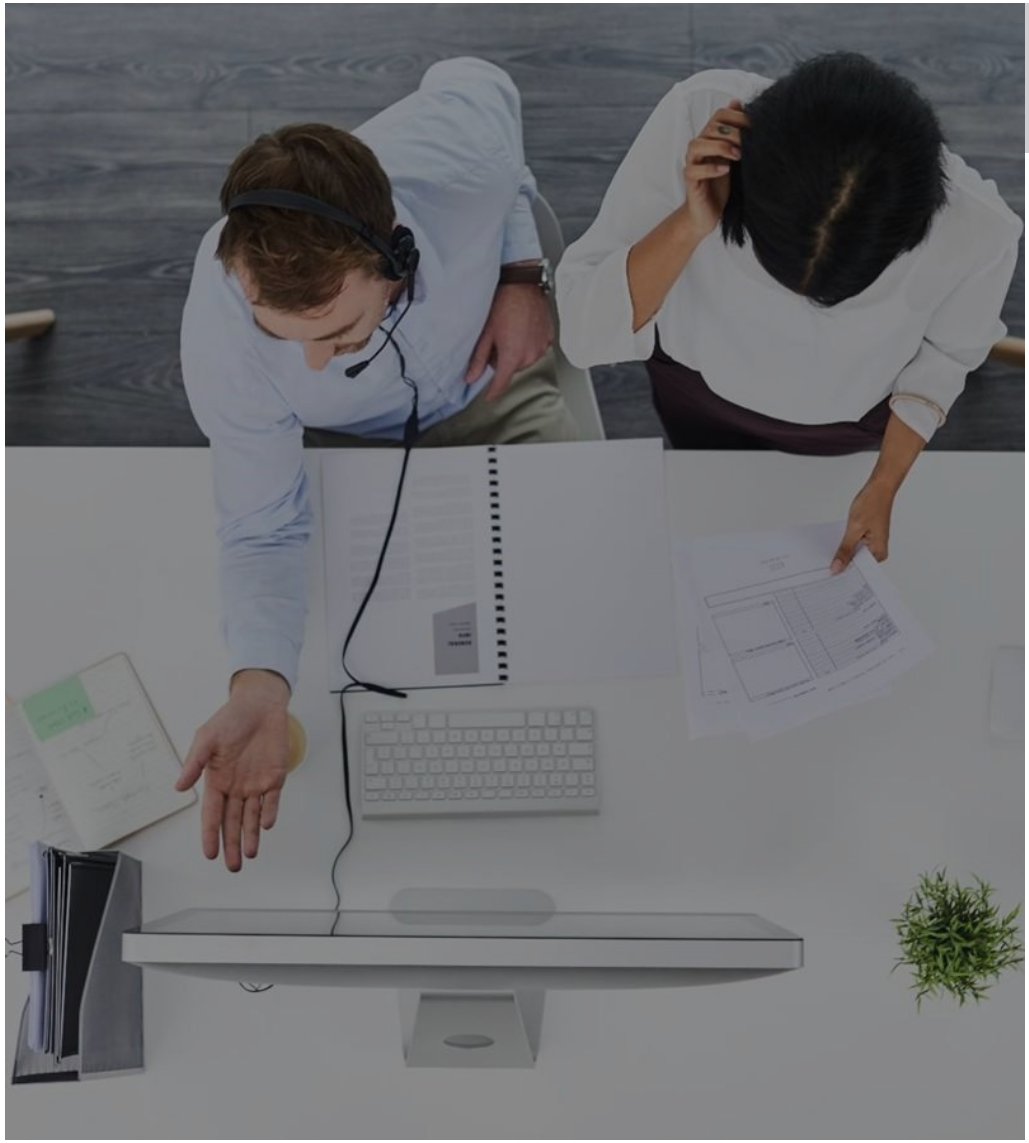
- This allowed the community to provide feedback on Council's investment into assets and maintenance, support for increased rates to cover maintenance and improvement costs and desired level of investment moving forward.

How?

- N=433 Opt-in survey completes

When?

- The link was open from 1st August to 2nd September 2025



Important Analysis Notes

This opt-in survey data is from a self-select sample rather than a random sample – as such:

- The results are only reflective of those who have participated and cannot be generalised across the broader population. When seeking survey results which reflect the broader community, the representative (that is randomly selected) survey should be preferred.
- As such, the opt-in results have not been weighted by age and gender to reflect the broader North Sydney community
- As the opt-in sample was not generated randomly, we cannot apply tests of statistical significance. However:
    - When comparing the opt-in and the Representative phone data, we have used ▲/▼ to highlight differences equal to/greater than 10%/0.30 (mean score) – these thresholds were selected arbitrarily
    - When comparing sub-samples within the opt-in data (such as comparing male versus female responses to a question), our software has applied indicative colour coding higher/lower to highlight larger differences, but these highlights should not be treated as statistically significant differences.

Summary Findings

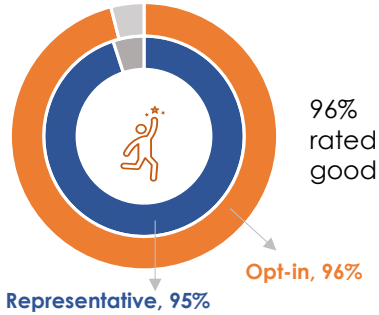


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Community Baseline Measure

Summary Findings – Stage 1 | Opt-in

Baseline sample



96% of Opt-in respondents rated their quality of life as good to excellent

Rates and Spending:

64% of respondents are at least somewhat supportive of paying more in rates to maintain or improve services.

Those in support often mentioned the community benefit and improving for the future and those not supportive referenced cost of living pressures, scepticism due to past spending and desire to get funds elsewhere.

When asked about alternative revenue sources, there was stronger support for commercial/large group park fees (90%), corporate/private event pool hire (87%), and fticketing entry to parks on NYE (84%).

Service/Infrastructure Priorities:

When respondents were asked about their preference for Council to focus on lower-cost services and infrastructure resulting in lower quality or fewer options, or high-quality services and infrastructure at a higher cost, 31% took a balanced view, 47% preferred higher-quality services at higher cost, and 22% leaned toward lower-cost, lower-quality options.

Respondents were asked if they believe Council should reduce, maintain or improve service levels across 51 service areas. In summary, the majority of respondents prefer for Council to maintain – if not improve – service levels, with some areas seen as higher priorities for improvement.

Improve (top 3):

- Affordable/diverse housing (28%), stormwater and drainage systems (26%), and reducing greenhouse gas emissions (24%)

Reduce (top 3):

- Town centre promotion (56%), Environmental education/ workshops (50%), and public art and creative street activations (49%)

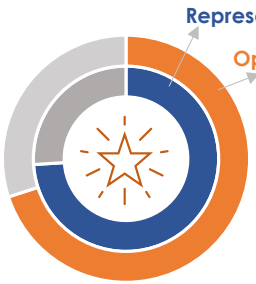
Maintain (top 3):

- Public toilet maintenance (78%), wharves and jetties (77%), and public cleaning and graffiti removal (74%), parks and reserves (74%).

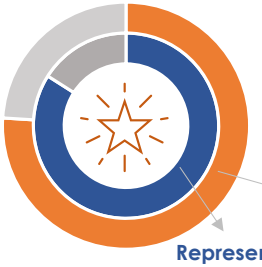
Informed Community Response

Summary Findings – Stage 2 | Opt-in

Informed sample



Overall, 70% of Opt-in respondents are at least somewhat satisfied with the performance of Council across all responsibility areas.



76% of respondents were at least somewhat satisfied with the community consultation.

Future Funding:

74% of Opt-in respondents agree or strongly agree with the statement 'each generation should contribute to the renewal of community infrastructure they have used and benefited from'.

69% agree or strongly that reoccurring costs and infrastructure renewals should be funded from revenue and 68% agree or strongly agree that loans should only be taken out when sufficient funds are available.

Asset Investment:

Support for paying more in rates to cover maintenance and renewal costs was strongest for stormwater (73%), roads and transport (69%), and footpaths (69%); It was lowest for bus shelters and street furniture (60%).

- Stormwater: 92% want same/more investment and 73% support paying more.
- Roads and Transport: 89% want same/more investment and 69% support paying more.
- Footpaths: 89% want same/more investment and 69% support paying more.
- Supporting Infrastructure: 87% want same/more investment and 67% support paying more.
- Buildings: 88% want same/more investment and 67% support paying more.
- Parks, Reserves and Sportsfields: 88% want same/more investment and 66% support paying more.
- Bus Shelters and Street Furniture: 83% want same/more investment and 60% support paying more.

Conclusions

Conclusions | Opt-in



Informed sample

Whilst there are some differences in results between the Opt-in sample and the Representative research, the core takeout remains the same – that is, there is little appetite for 'less' – the majority of residents want services/infrastructure to at least be maintained, if not improved – even knowing that maintaining/increasing services will require an increase in rates:



- 47% of Opt-in respondents favoured higher quality services/infrastructure even if it comes at a higher cost. In contrast, 22% favoured lower cost/lower quality services/facilities (see Slide 15)



- Almost two thirds of Opt-in respondents (64%) were at least somewhat supportive of paying more in rates to maintain or improve local services/infrastructure (see Slide 16)



- Compared to the Representative sample, the Opt-in respondents were more likely to suggest that Council could reduce a range of services/facilities. However, for 49 of the 51 listed services/facilities, a majority of respondents wanted them at least maintained if not improved (see Section 1b starting on Slide 19)



- In terms of intergenerational equity, overall, 74% of Opt-in respondents agree or strongly agree with the statement '*each generation should contribute to the renewal of community infrastructure they have used and benefited from*', compared to 72% for the Representative sample (see Slide 45)



- As was the case with the Representative sample, the Opt-in sample would prefer a cautious approach to using loans/debt (see Slides 47-48)



- Across seven asset classes, the majority of Opt-in respondents (around two thirds in most cases) were at least somewhat supportive of paying more rates to maintain or improve the assets (see Slides 49 to 70)

Baseline sample

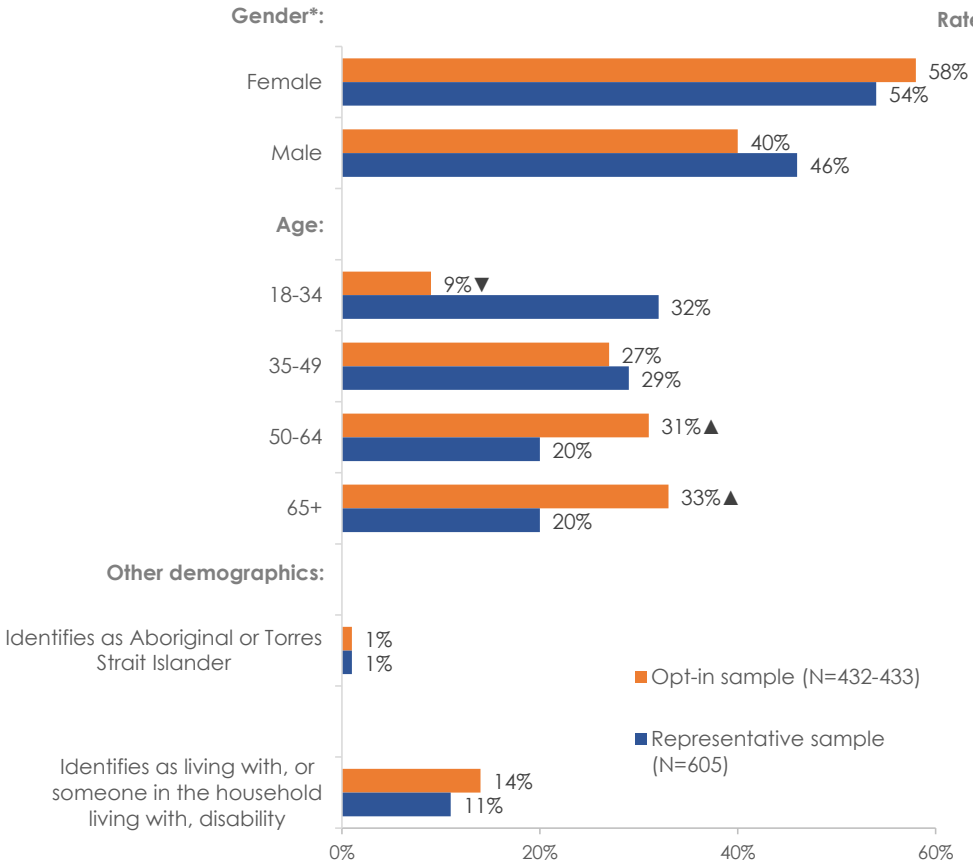
Section One:
Community Baseline Measure

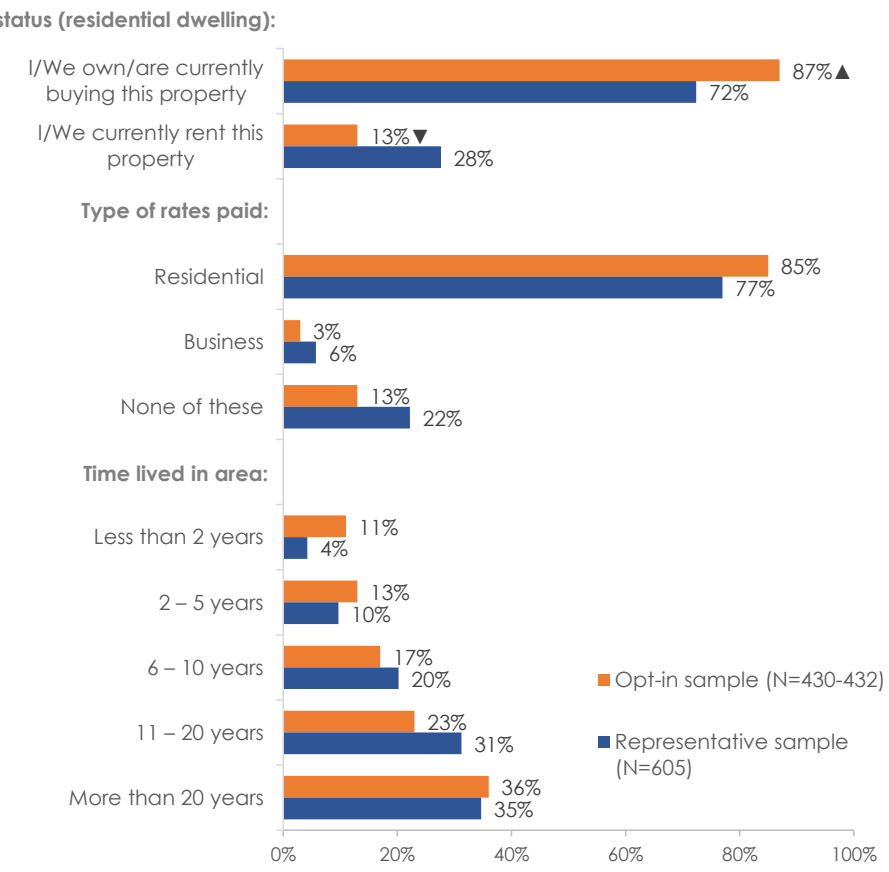


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Sample Profile | Opt-in

Baseline sample



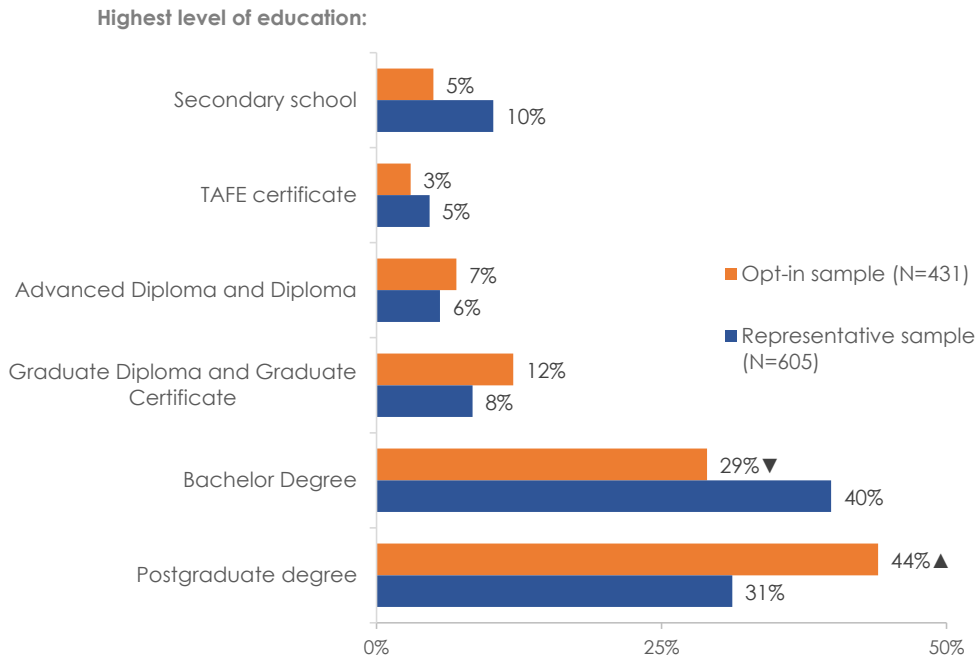


*2% of Opt-in sample identified as 'different gender/non-binary/gender fluid'

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Sample Profile

Baseline sample



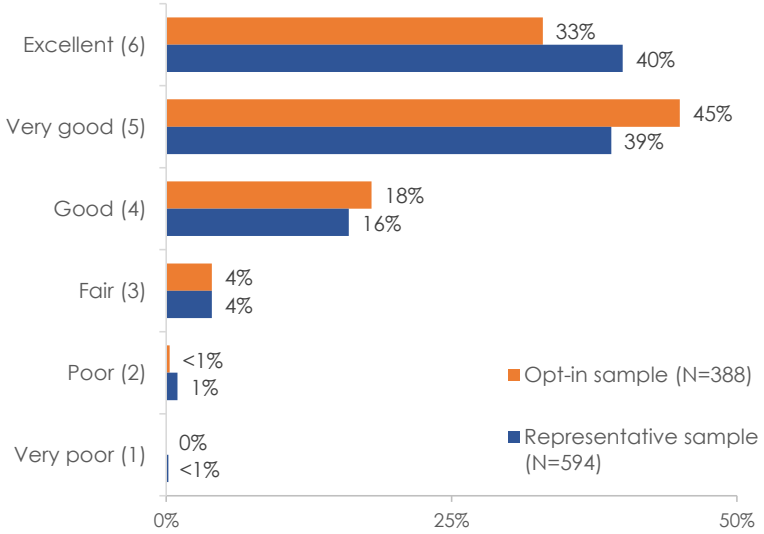
Residential suburb	Opt-in sample (N=433)	Representative sample (N=605)
North Sydney	13%	15%
Cremorne	12%	16%
Wollstonecraft	11%	11%
Neutral Bay	11%	11%
Cammeray	9%	11%
Crows Nest	8%	9%
Waverton	6%	5%
McMahons Point	5%	5%
Kirribilli	5%	4%
Milsons Point	4%	2%
Cremorne Point	3%	2%
St Leonards	2%	4%
Kurraba Point	2%	1%
Lavender Bay	1%	3%
Other	8%	N/A

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Quality of Life

Baseline sample

Overall, 96% of Opt-in respondents rated their quality of life living in the North Sydney LGA as good to excellent – Older residents and those living in the LGA for longer rated their quality of life as being higher.



	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	96%	95%	95%	97%	97%	96%	97%	92%	96%	98%	95%
Mean rating	5.06	5.13	5.05	5.09	4.95	5.13	5.09	4.87	4.96	5.06	5.18
Base	388	594	155	229	129	258	347	39	147	93	147

*Representative

Q2. *[Only asked of residents of the LGA on QA] Overall, how would you rate the quality of life you have living in the area?*

Scale: 1 = very poor, 6 = excellent
Indicatively higher/lower rating (by group)



Section 1a.

Services and Infrastructure in the LGA

Baseline sample

This section explores support for increased rates to maintain or improve services in the local area, support for alternative revenue sources and preference for cost vs quality.

Section One Introduction

Baseline sample

Note: The following information was provided to respondents at the beginning of the survey in Stage 1 of the research.

North Sydney Council is currently working to strengthen service and infrastructure delivery to support quality of life now, and into the future.

Based on Council's current financial position, together with ageing infrastructure, it has been determined that current service levels are unsustainable. A review of rating levels has also indicated the average rates in North Sydney Local Government area are low compared to many local councils.

Together with the community, Council must make some difficult decisions and compromises to shape the future. Council is asking for your help to guide this process by sharing your opinion on services, infrastructure, and rating levels.

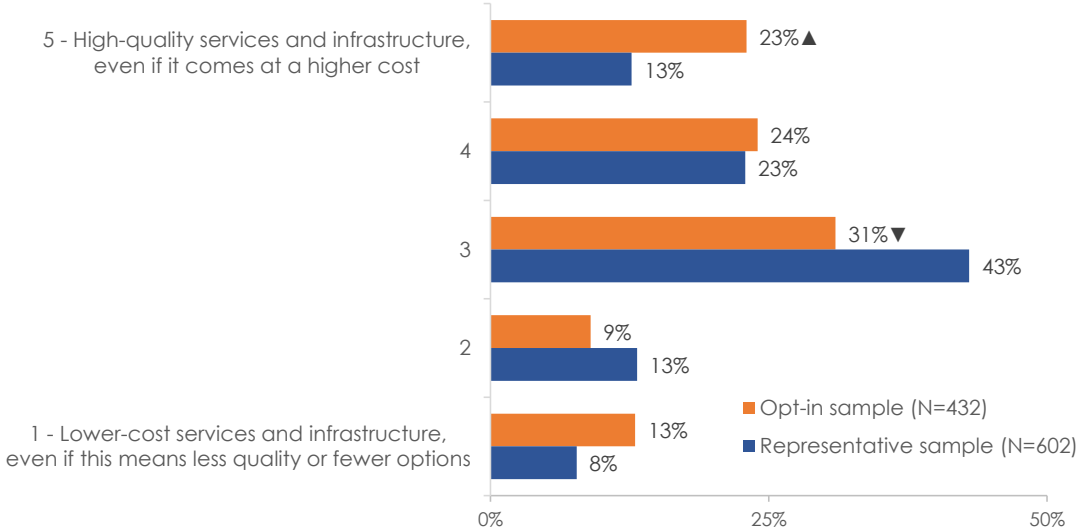
Cost vs. Quality

Baseline sample

The Opt-in sample were more likely to favour the extremes:

- 23% selected Code 5 for higher quality services at higher cost (compared to 13% for the Representative survey)
- While 13% preferred Code 1 lower-cost, lower-quality options (compared to 8% for the Representative sample).

Support for high-quality services is stronger among non-ratepayers.



	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Rated 4 to 5 (high-quality, higher cost)	47%▲	36%	45%	49%	50%	46%	44%	68%	49%	45%	47%
Rated 1 to 2 (lower-cost, lower-quality or fewer options)	22%	21%	24%	19%	19%	23%	24%	9%	22%	24%	20%
Base	432	602	172	253	154	277	373	57	179	98	154

*Representative

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Q3. *Thinking generally about service provision. On a scale of 1 to 5, where 1 means you would prefer for Council to focus more on lower-cost services and infrastructure, even if this means lower quality, or fewer options, and 5 means you prefer to see Council focus on providing high-quality services and infrastructure, even if it comes at a higher cost. How would you rate your position on this area?*

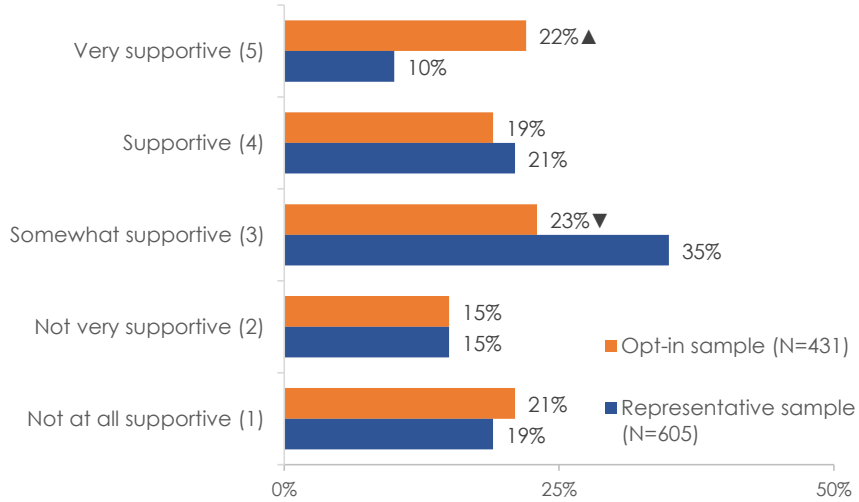
Indicatively higher/lower percentage (by group)

Support for Paying More in Rates to Improve Services/Infrastructure

Baseline sample

Context: *North Sydney Council's average residential rates for 2025/26 will be $1,079. This is compared with neighbouring councils in the North Shore, Mosman $1,762, Lane Cove $1,439, Willoughby $1,323, and the Northern Beaches $1,901.*

Noticeably stronger commitment to the top box 'very supportive' for the Opt-in sample (22%) compared to the representative sample (10%), although the top 3 box (i.e.: at least somewhat supportive) score of 64% remains on par with the 66% recorded on the Representative survey. Those in support often mentioned the community benefit and improving for the future and those not supportive referenced cost of living pressures, scepticism due to past spending and desire to get funds elsewhere (see overleaf).



Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

	Overall	Cost vs. Quality rating (Q3)		
		Rated 4-5 (higher quality)	Rated 3	Rated 1-2 (lower cost)
Top 3 Box %	64%	94%	57%	12%
Mean rating	3.07	4.09	2.63	1.50
Base	431	203	133	94

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	18-34	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	64%	66%	60%	68%	64%	64%	62%	82%	67%	60%	64%
Mean rating	3.07	2.87	3.03	3.11	3.19	3.00	2.97	3.80	3.21	2.90	3.01
Base	431	605	173	251	154	277	374	56	179	97	155

*Representative

Q12a. In considering the services and infrastructure provided by North Sydney Council, and your aspirations for the local area, how supportive are you of paying more in rates to maintain or improve services and infrastructure in the local area?

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support (by group)

Support for Paying More in Rates to Improve Services/Infrastructure

Baseline sample

Example verbatims

Supportive/ Very supportive

"Sustainability is critical as is considered development. We must invest in the now for tomorrow. Increase to rates is supportive to at least align with our peers"

"As a renter I do not pay rates, I suppose they are reflected in the rent I pay. I do think the council does a good job and I would be happy to pay more to maintain or improve the service"

"As long as within or below neighbouring councils"

"If services are improved, then I am supportive"

"Happy to pay more to encourage spending for the community's benefit"

"Council requires finances. However, a reasonable rate increase s fine, NOT an 87% increase!"

"North Sydney has always provided good services compared to some of the other councils. I would hate to see those services reduced and I am prepared to pay higher rates to maintain those services"

Somewhat supportive

"Should rise in accordance with inflation"

"I recognise rates must increase, but I'm wary of encouraging wasteful spending"

"A reasonable increase would be supported, not the ridiculous 87% previously requested"

"Paying more rates for essential services is okay. I'm opposed to paying more rates for non-essential social programs"

"I would support a rate increase only if coupled with improved financial management, productivity and efficiency, based on an actionable and measurable plan that cuts waste and duplication of functions"

"I feel angry about the council's large debt"

"Could be higher"

Not at all/Not very supportive

"Households and businesses are under serious financial strain already, including mine"

"There is extraordinary waste of expenditure"

"Council needs to look to improve productivity within existing budgets"

"Its a cost of living crisis. Make savings instead of slugging us for unnecessary things like pride festivals and Councillor pay rises"

"Make private schools pay rates instead"

"You can't compare average rates. Need to break down housing type (unit, duplex, house), social housing, rental v owner occupier etc. to make a genuine comparison…"

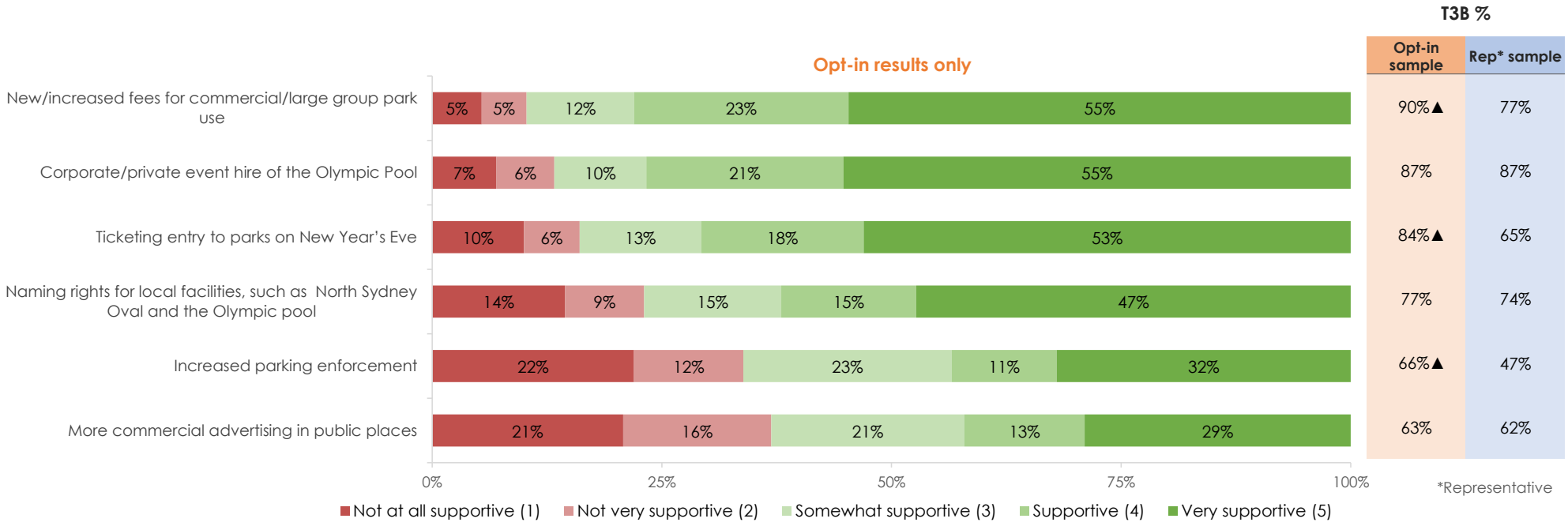
"I don't feel that the service received from north Sydney council warrants increased rates"

Q12a. In considering the services and infrastructure provided by North Sydney Council, and your aspirations for the local area, how supportive are you of paying more in rates to maintain or improve services and infrastructure in the local area?
Q12b. Why do you say that?

Alternative Sources of Revenue

Baseline sample

Compared to the Representative sample, Opt-in respondents are more supportive of 'new/increased fees for commercial/large group park use' (90% cf. 77%), 'ticketing entry to parks on New Year's Eve' (84% cf. 65%) and 'increased parking enforcement' (66% cf. 47%).



Base: N = 428-430

Q12c . To offset or reduce the pressure on Council rates as a revenue source, how supportive are you of the following?

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.
T3B = at least somewhat supportive
Please see Appendix 1 for results by demographics



Section 1b.

Community Priorities for Service Levels

Baseline sample

This section is split across 7 sub-sections to explore resident infrastructure investment priorities across 51 services/facilities.

Section 1b Introduction



Baseline sample

The following information was provided to respondents prior to them rating the 51 services/facilities – note that respondents were told there would be an increase in average rates for maintaining or improving services/infrastructure:

We would now like you to think about specific services and infrastructure in the North Sydney local area. For each of these we will ask you if you think Council should:

- *Reduce services/ reduce maintenance of infrastructure (i.e. shorter opening hours, reduced quality)*
- *Maintain services or infrastructure*
- *Improve services or infrastructure, which may include more services, better services, longer opening hours, new or upgraded infrastructure*

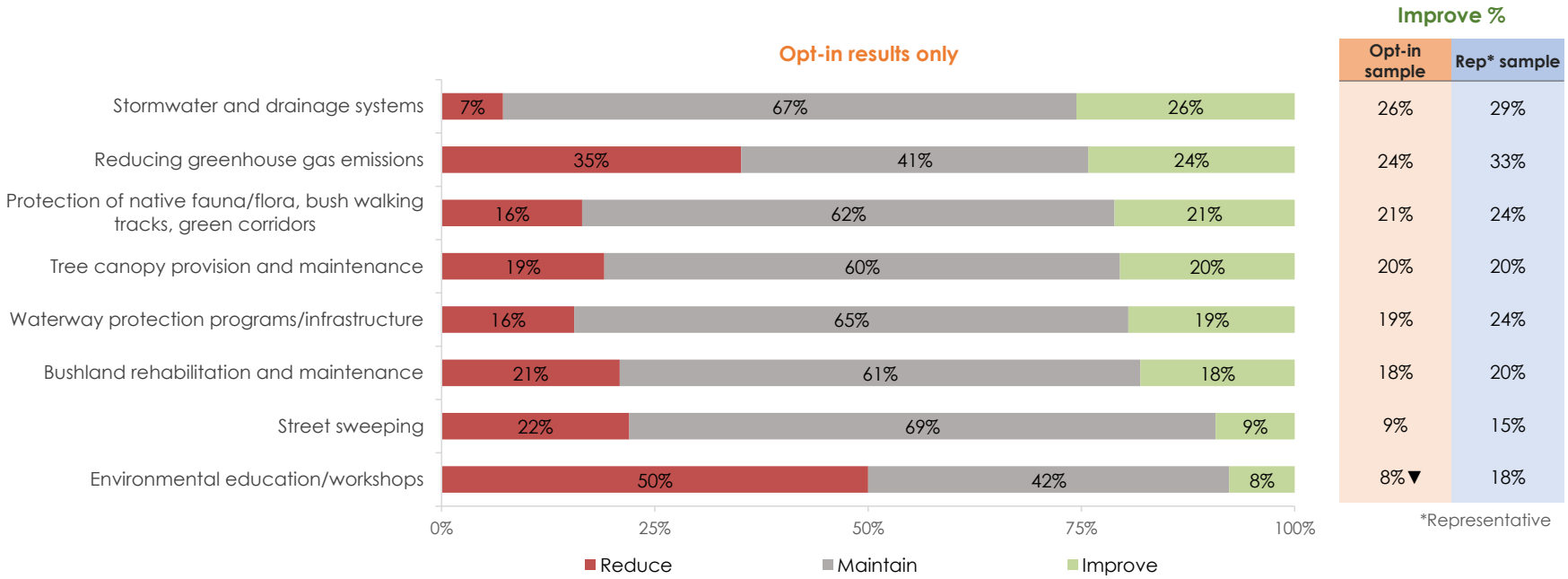
Please note that maintaining or improving services or infrastructure will require an increase in average rates.

S1b(a). Environmental Sustainability

Baseline sample

Similar to the Representative sample, across all eight Environmental attributes, the majority of Opt-in respondents wanted the services at least maintained, if not improved. However, a third want to see a reduction in 'reducing greenhouse gas emissions' and half believe Council can reduce focus on 'environmental education/workshops'.

Females are more likely to want to see Council 'improve' services across all Environmental attributes and those aged under 50 are more likely to state they want Council to 'improve' their efforts in 'reducing greenhouse gas emissions'.



Improve %	Opt-in sample	Rep* sample
Stormwater and drainage systems	26%	29%
Reducing greenhouse gas emissions	24%	33%
Protection of native fauna/flora, bush walking tracks, green corridors	21%	24%
Tree canopy provision and maintenance	20%	20%
Waterway protection programs/infrastructure	19%	24%
Bushland rehabilitation and maintenance	18%	20%
Street sweeping	9%	15%
Environmental education/workshops	8%▼	18%

*Representative

Base: N = 430-432

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Q5. Thinking about our local environmental sustainability, do you think Council should reduce, maintain, or improve…

S1b(a). Environmental Sustainability

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Stormwater and drainage systems	26%	20%	29%	26%	25%	26%	25%	25%	17%	31%
Reducing greenhouse gas emissions	24%	22%	25%	27%	23%	22%	40%	26%	16%	27%
Protection of native fauna/flora, bush walking tracks, green corridors	21%	17%	23%	21%	21%	19%	33%	21%	18%	23%
Tree canopy provision and maintenance	20%	15%	24%	19%	21%	19%	28%	20%	12%	26%
Waterway protection programs/infrastructure	19%	16%	21%	19%	19%	18%	26%	20%	13%	23%
Bushland rehabilitation and maintenance	18%	17%	19%	21%	16%	16%	32%	20%	14%	19%
Street sweeping	9%	9%	10%	9%	9%	9%	9%	9%	6%	12%
Environmental education/workshops	8%	6%	9%	8%	7%	7%	14%	7%	5%	10%
Base (maximum)	432	172	251	154	276	372	57	179	98	153

Q5. *Thinking about our local environmental sustainability, do you think Council should reduce, maintain, or improve…*

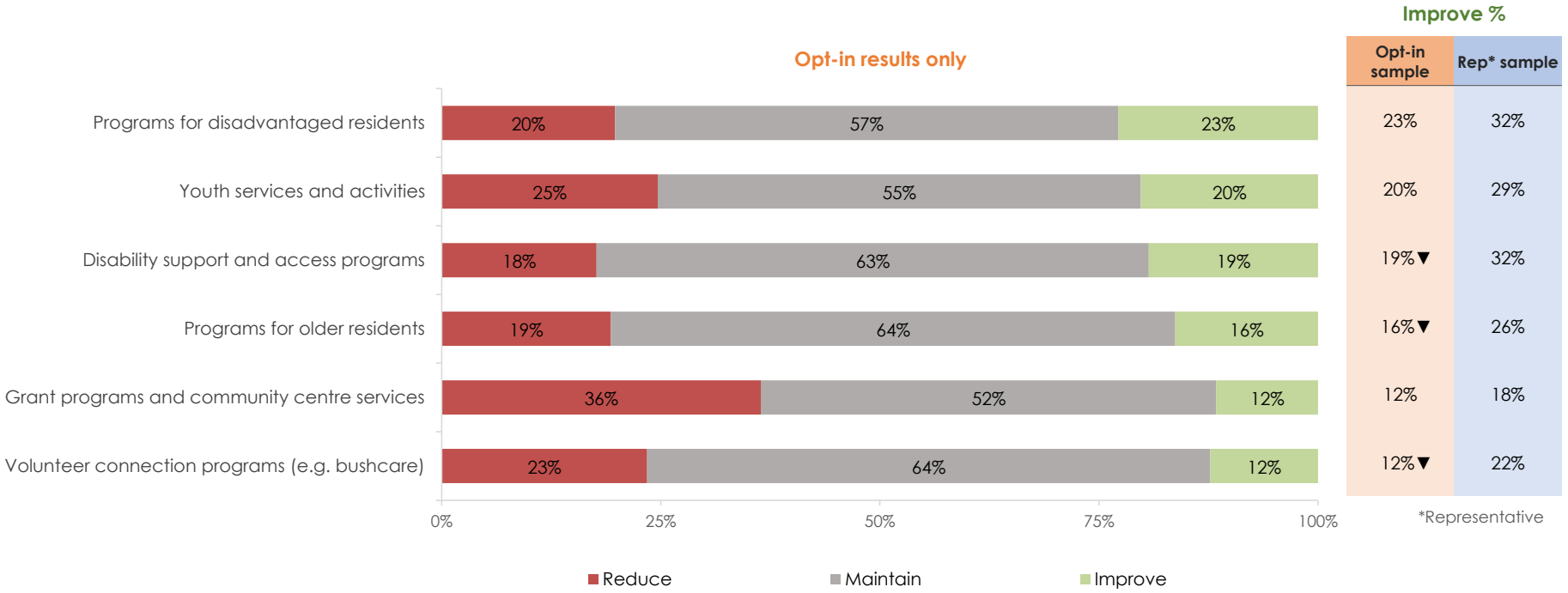
Indicatively higher/lower percentage (by group)

S1b(b1). Social Inclusion – Community Programs

Baseline sample

Across the six program-focussed Social Inclusion services, the majority of respondents wanted the services at least maintained, if not improved. Although compared to the Representative sample, desire for improvement is lower for all. 36% of Opt-in respondents believe Council should reduce 'grant programs and community centre services'.

Non-ratepayers have a higher preference for improvements across all community programs. It is worth noting that the Opt-in sample, which has an older profile than the Representative sample – is noticeably less likely to want an improvement in 'programs for older residents'.



Base: N = 430-431

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

S1b(b1). Social Inclusion – Community Programs

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Programs for disadvantaged residents	23%	22%	23%	23%	23%	21%	37%	23%	20%	24%
Youth services and activities	20%	19%	21%	25%	18%	18%	35%	23%	18%	18%
Disability support and access programs	19%	17%	20%	21%	18%	17%	32%	21%	15%	20%
Programs for older residents	16%	15%	18%	13%	18%	15%	21%	15%	13%	20%
Grant programs and community centre services	12%	9%	14%	16%	9%	10%	19%	13%	11%	10%
Volunteer connection programs (e.g. bushcare)	12%	12%	13%	13%	12%	10%	25%	14%	9%	12%
Base (maximum)	431	172	251	154	276	372	57	179	98	153

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

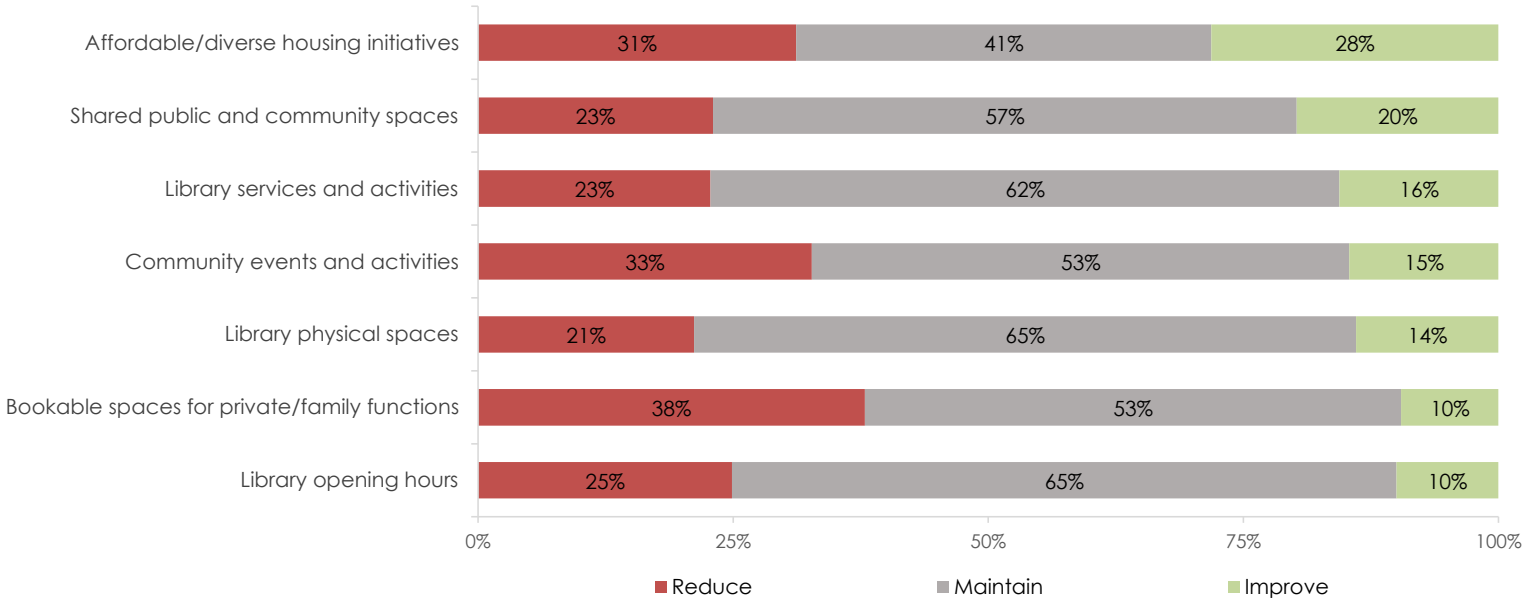
Indicatively higher/lower percentage (by group) 24

S1b(b2). Social Inclusion – Initiatives and Shared Spaces

Baseline sample

Compared to the Representative sample, support to improve efforts in 'affordable/diverse housing initiatives' was lower (28% compared to 39%), and 31% of Opt-in respondents believe they should be reduced.

Younger respondents and non-ratepayers were more likely to want to see efforts improve across all areas, particularly, library services/spaces/hours.



Improve %	Opt-in sample	Rep* sample
Affordable/diverse housing initiatives	28%▼	39%
Shared public and community spaces	20%	24%
Library services and activities	16%	16%
Community events and activities	15%	21%
Library physical spaces	14%	13%
Bookable spaces for private/family functions	10%	18%
Library opening hours	10%	13%

*Representative

Base: N = 430-431

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

S1b(b2). Social Inclusion – Initiatives and Shared Spaces

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Affordable/diverse housing initiatives	28%	25%	30%	34%	25%	23%	60%	37%	19%	24%
Shared public and community spaces	20%	16%	22%	25%	17%	16%	40%	23%	17%	17%
Library services and activities	16%	12%	18%	21%	13%	14%	25%	20%	14%	11%
Community events and activities	15%	15%	15%	21%	11%	12%	33%	21%	13%	8%
Library physical spaces	14%	11%	16%	22%	9%	11%	30%	19%	11%	10%
Bookable spaces for private/family functions	10%	10%	9%	10%	9%	8%	19%	12%	9%	7%
Library opening hours	10%	8%	11%	16%	7%	8%	21%	15%	9%	5%
Base (maximum)	431	172	251	154	276	372	57	179	98	153

Q6. *Thinking about our social inclusion, do you think Council should reduce, maintain, or improve…*

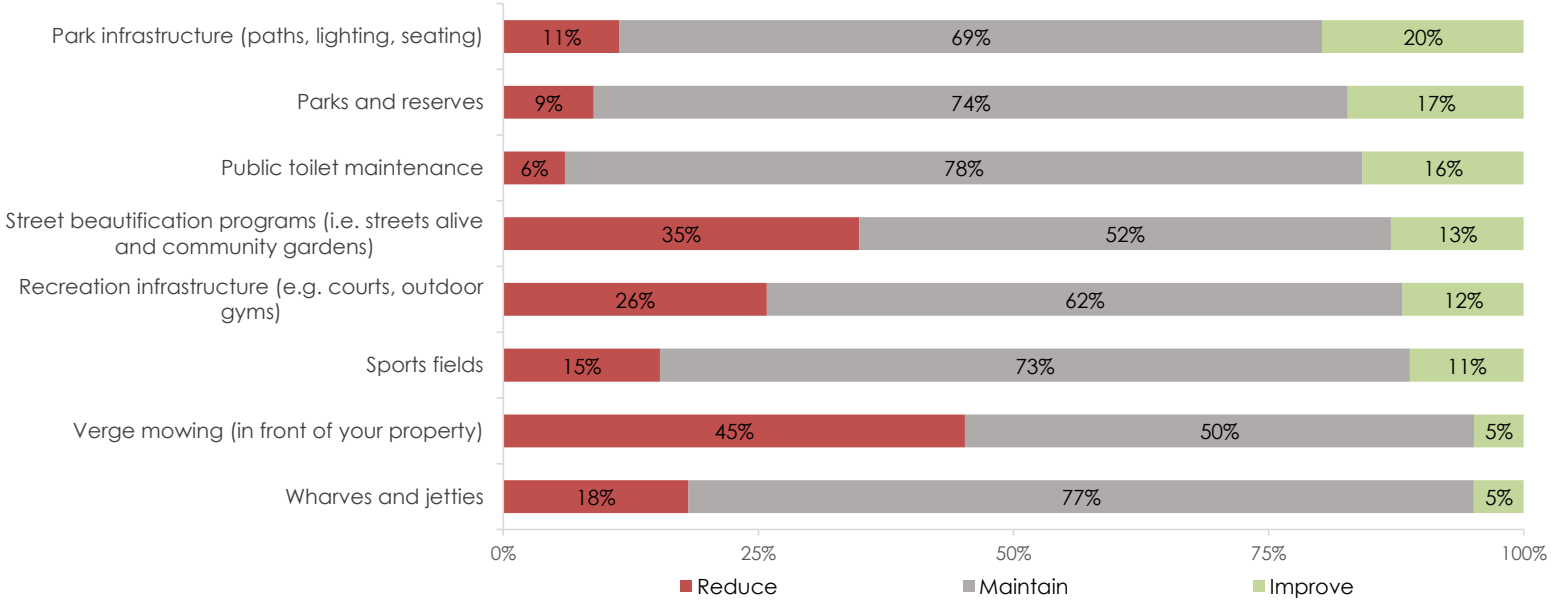
Indicatively higher/lower percentage (by group)

S1b(c). Open Space and Recreation

Baseline sample

Across all eight Open Space and Recreation attributes, the majority of respondents wanted the services at least maintained, if not improved. Lower desire to improve services across all compared to the Representative sample, with 45% wanting a reduction in 'verge mowing' compared to just 6% wanting a reduction in 'public toilet maintenance'.

The Opt-in sample has an older profile than the Representative sample has, and as shown overleaf, older residents tended to provide lower 'improve' scores across most open space and recreation attributes.



Improve %

	Opt-in sample	Rep* sample
Park infrastructure (paths, lighting, seating)	20%	26%
Parks and reserves	17%	23%
Public toilet maintenance	16%▼	31%
Street beautification programs (i.e. streets alive and community gardens)	13%	21%
Recreation infrastructure (e.g. courts, outdoor gyms)	12%▼	24%
Sports fields	11%	19%
Verge mowing (in front of your property)	5%	10%
Wharves and jetties	5%	13%

*Representative

Base: N = 429-431

Q7a. Thinking about our open space and recreation, do you think Council should reduce, maintain, or improve…

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

S1b(c). Open Space and Recreation

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Park infrastructure (paths, lighting, seating)	20%	18%	20%	25%	17%	19%	25%	22%	15%	20%
Parks and reserves	17%	21%	15%	19%	16%	16%	23%	17%	18%	18%
Public toilet maintenance	16%	18%	14%	19%	14%	15%	23%	18%	14%	14%
Street beautification programs (i.e. streets alive and community gardens)	13%	16%	11%	19%	9%	13%	14%	16%	9%	12%
Recreation infrastructure (e.g. courts, outdoor gyms)	12%	16%	9%	18%	9%	10%	25%	15%	7%	12%
Sports fields	11%	13%	10%	15%	9%	10%	21%	11%	9%	12%
Verge mowing (in front of your property)	5%	6%	4%	5%	5%	5%	4%	3%	6%	6%
Wharves and jetties	5%	7%	4%	6%	4%	5%	4%	4%	6%	5%
Base (maximum)	431	173	249	154	275	373	56	179	97	153

Q7a. Thinking about our open space and recreation, do you think Council should reduce, maintain, or improve…

Indicatively higher/lower percentage (by group)

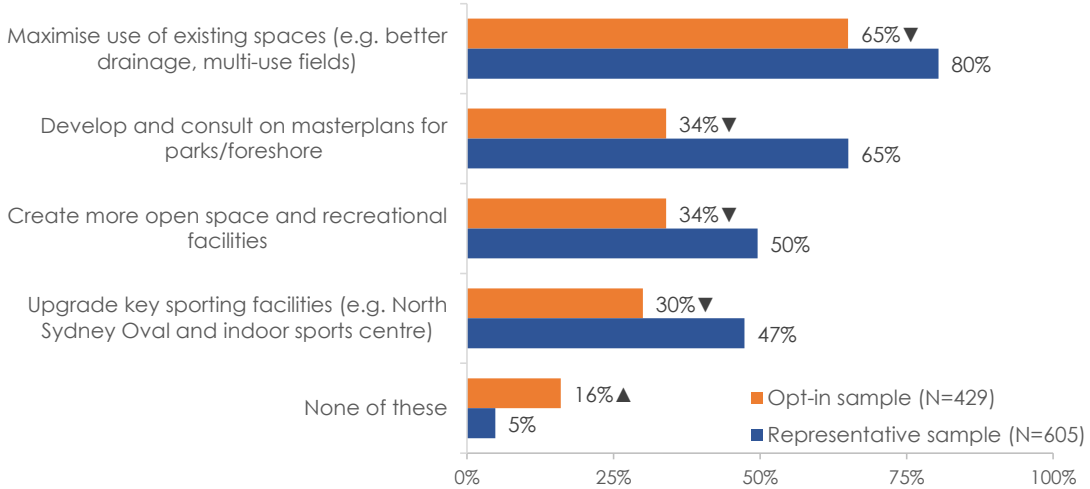
S1b(c). Open Space and Recreation

Baseline sample

For the Open Space/Recreation category, we also asked residents which potential new actions Council should implement (from a list of four).

Opt-in respondents prefer maximising use of existing spaces (65%) compared to 34% who want more open spaces/rec facilities. Note however that scores were lower for the Opt-in sample compared to the Representative sample across all four options.

Support is broadly consistent across demographics, though younger respondents (under 50) show more interest in creating more open space (40%) compared to older respondents (50+, 30%).



Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Maximise use of existing spaces	65%	61%	69%	66%	65%	64%	70%	69%	61%	63%
Develop and consult on masterplans for parks/ foreshore	34%	38%	32%	30%	36%	34%	33%	33%	32%	37%
Create more open space and recreational facilities	34%	33%	34%	40%	30%	33%	42%	34%	34%	34%
Upgrade key sporting facilities	30%	27%	32%	31%	29%	28%	40%	32%	29%	28%
None of these	16%	21%	13%	16%	17%	18%	7%	16%	21%	13%
Base	429	173	253	154	278	374	57	179	98	155

Q7b. *Research has shown that based upon the population of North Sydney, there is a shortage of open space and recreation facilities. Which, if any, of the following actions do you think Council should implement?*

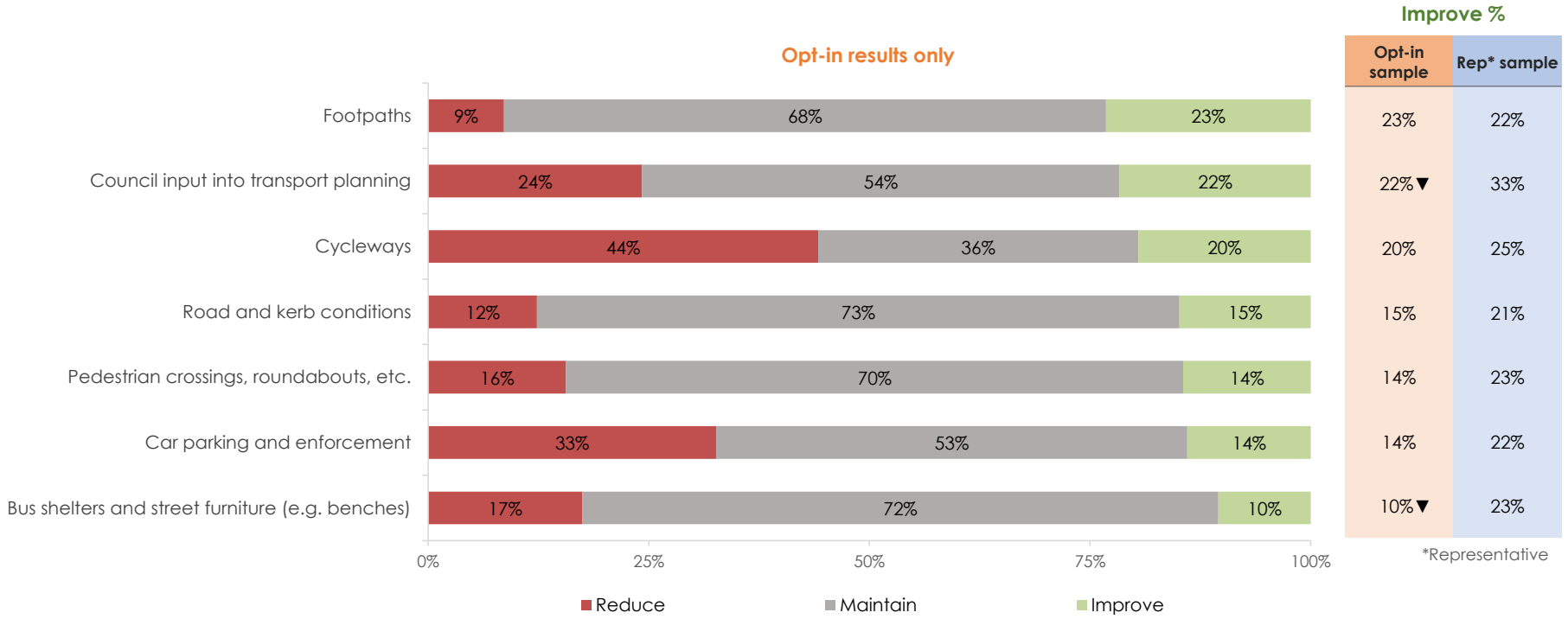
Indicatively higher/lower percentage (by group)

S1b(d). Integrated Transport

Baseline sample

Across all seven Integrated Transport attributes, the majority of respondents wanted the services at least maintained, if not improved – although a sizeable minority (44%) indicated they wanted a reduction in 'cycleways'.

The proportion of those wanting to see Council 'improve' efforts with footpaths remains consistent with the Representative sample.



Base: N = 429-431

Q8. Thinking about our integrated transport, do you think Council should reduce, maintain, or improve…

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

S1b(d). Integrated Transport

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Footpaths	23%	25%	23%	18%	26%	22%	30%	24%	22%	23%
Council input into transport planning	22%	23%	20%	18%	24%	21%	25%	22%	20%	22%
Cycleways	20%	23%	16%	30%	14%	18%	26%	25%	18%	14%
Road and kerb conditions	15%	13%	17%	14%	15%	15%	14%	13%	13%	18%
Pedestrian crossings, roundabouts, etc.	14%	15%	14%	18%	12%	13%	23%	18%	12%	11%
Car parking and enforcement	14%	18%	11%	14%	14%	15%	11%	13%	12%	16%
Bus shelters and street furniture (e.g. benches)	10%	12%	10%	14%	8%	10%	16%	13%	7%	10%
Base (maximum)	431	173	249	154	275	372	57	179	98	152

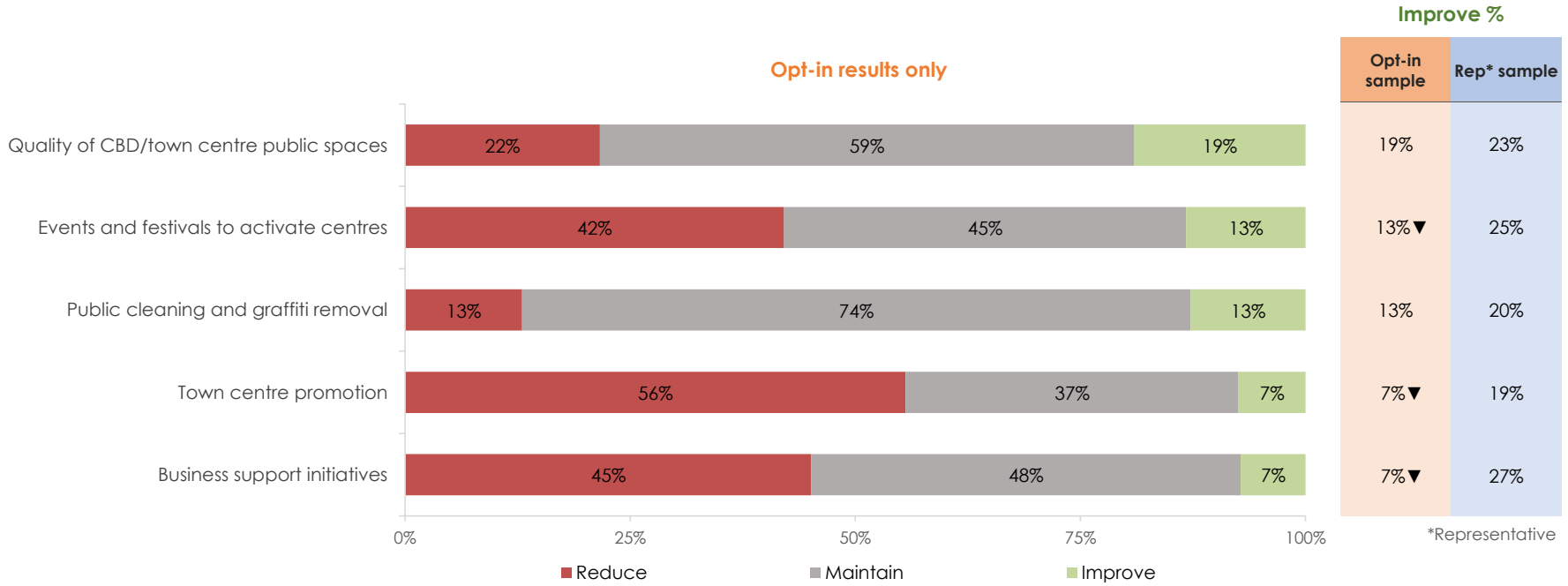
Q8. Thinking about our integrated transport, do you think Council should reduce, maintain, or improve…

Indicatively higher/lower percentage (by group)

S1b(e). Economic Development

Baseline sample

For the Opt-in respondents, the Economic Development category provides some options for finding savings – with 56% suggesting a reduction in 'town centre promotion', 45% suggesting 'business support initiatives' be reduced, and 42% favouring reduction of 'events and festivals…'



Base: N = 430-431

Q9a. Thinking about our economic development, do you think Council should reduce, maintain, or improve…

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

S1b(e). Economic Development

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Quality of CBD/town centre public spaces	19%	20%	18%	20%	18%	18%	28%	21%	18%	18%
Events and festivals to activate centres	13%	15%	11%	18%	11%	11%	30%	17%	9%	11%
Public cleaning and graffiti removal	13%	15%	12%	12%	13%	13%	9%	12%	12%	14%
Town centre promotion	7%	8%	7%	10%	6%	6%	18%	9%	6%	7%
Business support initiatives	7%	8%	6%	8%	7%	7%	11%	7%	5%	8%
Base (maximum)	431	173	250	154	276	373	57	179	98	153

Q9a. Thinking about our economic development, do you think Council should reduce, maintain, or improve…

Indicatively higher/lower percentage (by group)

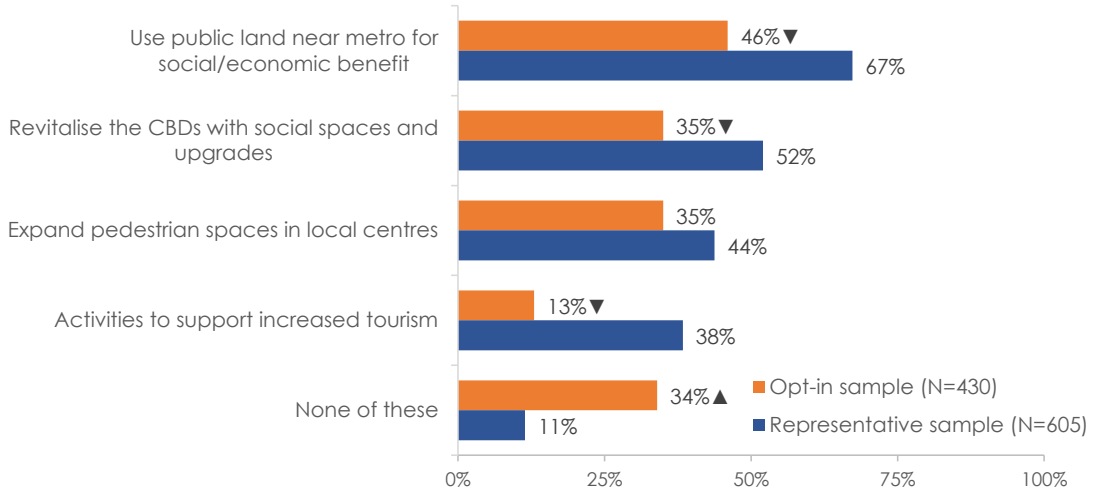
S1b(e). Economic Development

Baseline sample

For the Economic Development category, we also asked residents which potential new actions Council should implement (from a list of four).

46% of respondents support using public land near the metro for social/economic benefit (higher for non-ratepayers 61%).

Opt-in respondents are less supportive of all four options than were the Representative respondents – particularly so for activities to support increased tourism (13% cf. 38%), however, non-ratepayers are more supportive (25%) than ratepayers (11%).



Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Use public land near metro for social/economic benefit	46%	47%	45%	51%	43%	44%	61%	51%	41%	44%
Revitalise the CBDs with social spaces and upgrades	35%	34%	36%	37%	33%	33%	44%	40%	31%	32%
Expand pedestrian spaces in local centres	35%	39%	33%	34%	35%	34%	40%	37%	28%	37%
Activities to support increased tourism	13%	14%	12%	15%	12%	11%	25%	15%	16%	8%
None of these	34%	32%	35%	34%	35%	37%	14%	31%	41%	34%
Base	430	173	253	154	278	374	57	179	98	155

Q9b. *Recent community consultation within North Sydney, has indicated a need to secure employment in North Sydney. Which, if any, of the following actions do you think council should implement?*

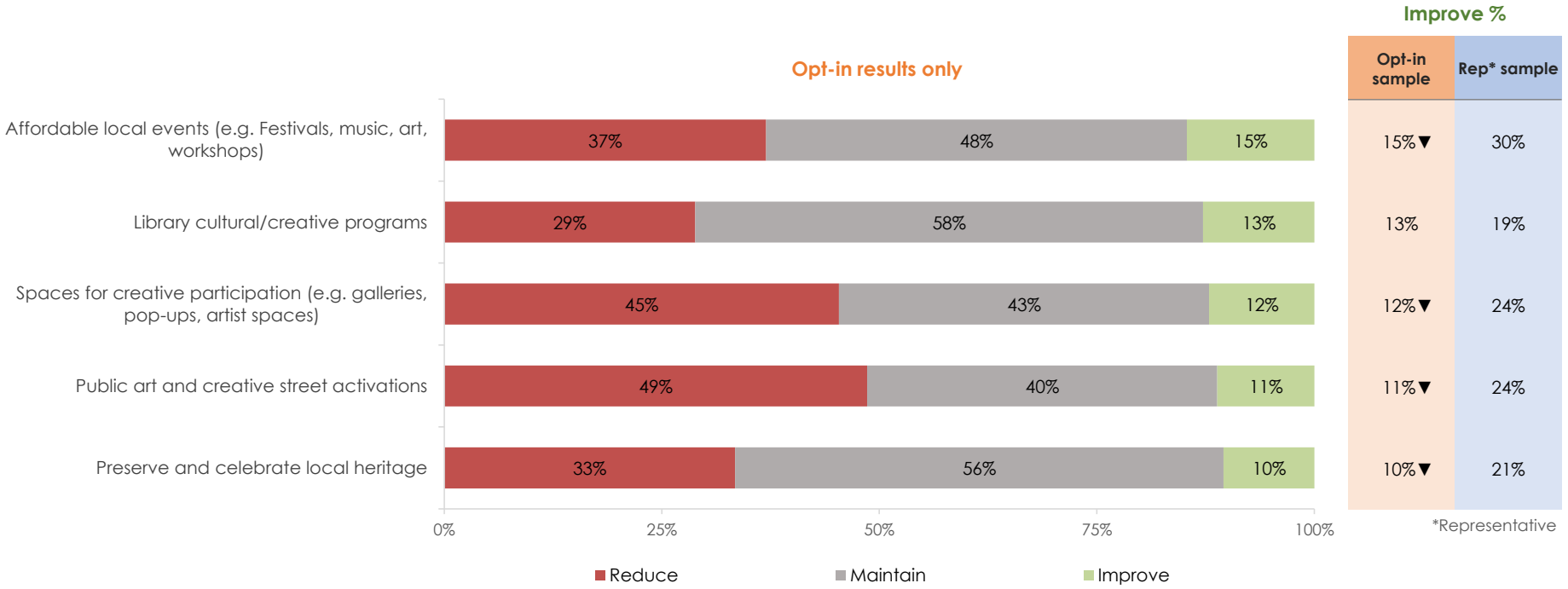
Indicatively higher/lower percentage (by group) 34

S1b(f). Culture and Creativity

Baseline sample

For Opt-in respondents, two of the Culture and Creativity attributes show opportunity for reduced investment, with almost half preferring a reduction in 'public art and creative street activations' (49%) and 'spaces for creative participation' (45%).

Respondents aged under 50 showed greater desire for improvement across all Culture and Creativity attributes, particularly 'affordable local events' and 'library cultural/creative programs'.



Base: N = 430-431

Q10a. Thinking about our culture and creativity, do you think Council should reduce, maintain, or improve…

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

S1b(f). Culture and Creativity

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Affordable local events	15%	16%	13%	21%	11%	11%	39%	21%	13%	8%
Library cultural/creative programs	13%	13%	12%	19%	9%	10%	28%	18%	9%	8%
Spaces for creative participation	12%	15%	9%	16%	10%	9%	35%	15%	12%	8%
Public art and creative street activations	11%	14%	9%	14%	9%	9%	28%	14%	8%	10%
Preserve and celebrate local heritage	10%	8%	12%	12%	10%	9%	23%	13%	7%	9%
Base (maximum)	431	173	250	154	276	373	57	179	98	153

Q10a. Thinking about our culture and creativity, do you think Council should reduce, maintain, or improve…

Indicatively higher/lower percentage (by group)

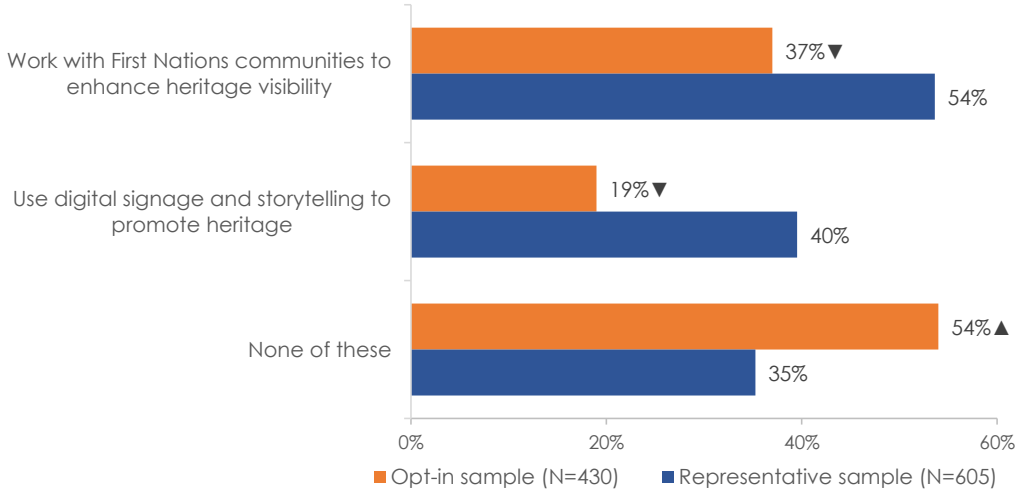
S1b(f). Culture and Creativity

Baseline sample

For the Culture and Creativity category, we also asked residents which potential new actions Council should implement (from a list of two).

54% of Opt-in respondents felt Council should not implement one or both of the two initiatives, well above the 35% recorded on the Representative survey.

'Work with First Nations communities to enhance heritage visibility' was selected by 37% of respondents – and support was higher among females, those aged under 50 and non-ratepayers.



Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Work with First Nations communities to enhance heritage visibility	37%	29%	43%	44%	34%	35%	56%	41%	31%	38%
Use digital signage and storytelling to promote heritage	19%	21%	19%	23%	18%	18%	30%	22%	14%	19%
None of these	54%	62%	49%	49%	57%	58%	32%	53%	61%	52%
Base	430	173	253	154	278	374	57	179	98	155

Q10b. Recent community consultation within North Sydney, has indicated a desire to implement new initiatives through the following measures. Which, if any, of the following actions do you think council should implement?

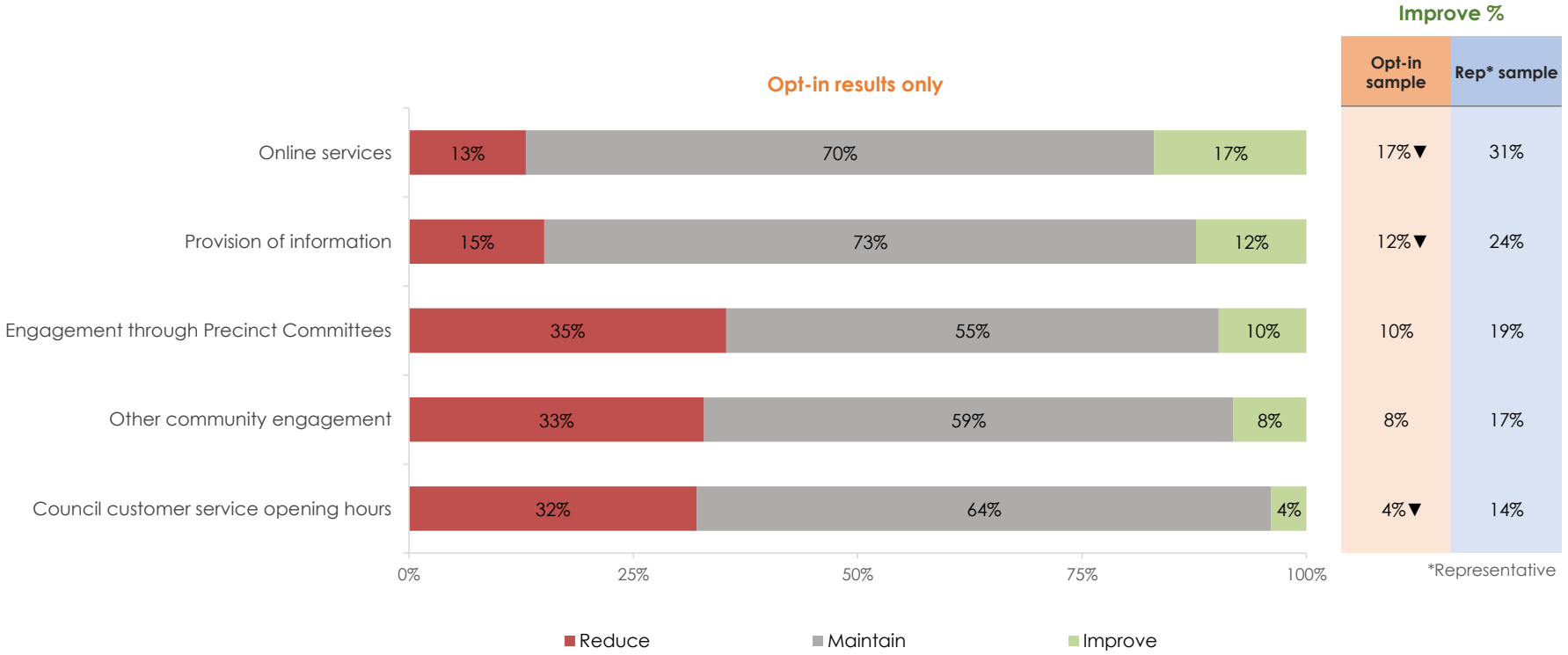
Indicatively higher/lower percentage (by group) 37

S1b(g). Customer Experience

Baseline sample

Across all five Customer Experience attributes, the majority of respondents wanted the services at least maintained, if not improved.

Younger residents and non-ratepayers are most likely to desire improvements, especially in online services and other community engagement.



Base: N = 429-431

Q11. Thinking about our customer experience, do you think Council should reduce, maintain, or improve…

Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

S1b(g). Customer Experience

Baseline sample

'Improve' %	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Online services	17%	20%	15%	22%	14%	16%	23%	20%	15%	15%
Provision of information	12%	16%	10%	14%	11%	11%	20%	13%	10%	12%
Engagement through Precinct Committees	10%	10%	10%	8%	11%	9%	11%	7%	10%	13%
Other community engagement	8%	6%	9%	12%	6%	6%	20%	11%	6%	6%
Council customer service opening hours	4%	4%	4%	6%	3%	3%	5%	4%	6%	3%
Base (maximum)	431	172	250	154	275	373	55	178	97	154

Q11. Thinking about our customer experience, do you think Council should reduce, maintain, or improve…

Indicatively higher/lower percentage (by group)

Informed sample

Section Two:
Informed Community Response



micromex research

Section Two Introduction



Informed sample

Note: The following information was provided to respondents prior to commencing Stage 2 of the research.

About community infrastructure assets:

Council undertakes regular reviews of the condition of its community assets to determine the amount of money it should spend on infrastructure, such as roads, footpaths, buildings, stormwater, other infrastructure and parks and reserves. Council is trying to determine where the community's priorities are to help allocate resources to asset maintenance and renewal to best meet the community's expectations.

What does asset maintenance and renewal mean?

Maintenance is work performed on an asset that keeps it in a useable condition, e.g. painting buildings, filling potholes, fixing playgrounds and swings.

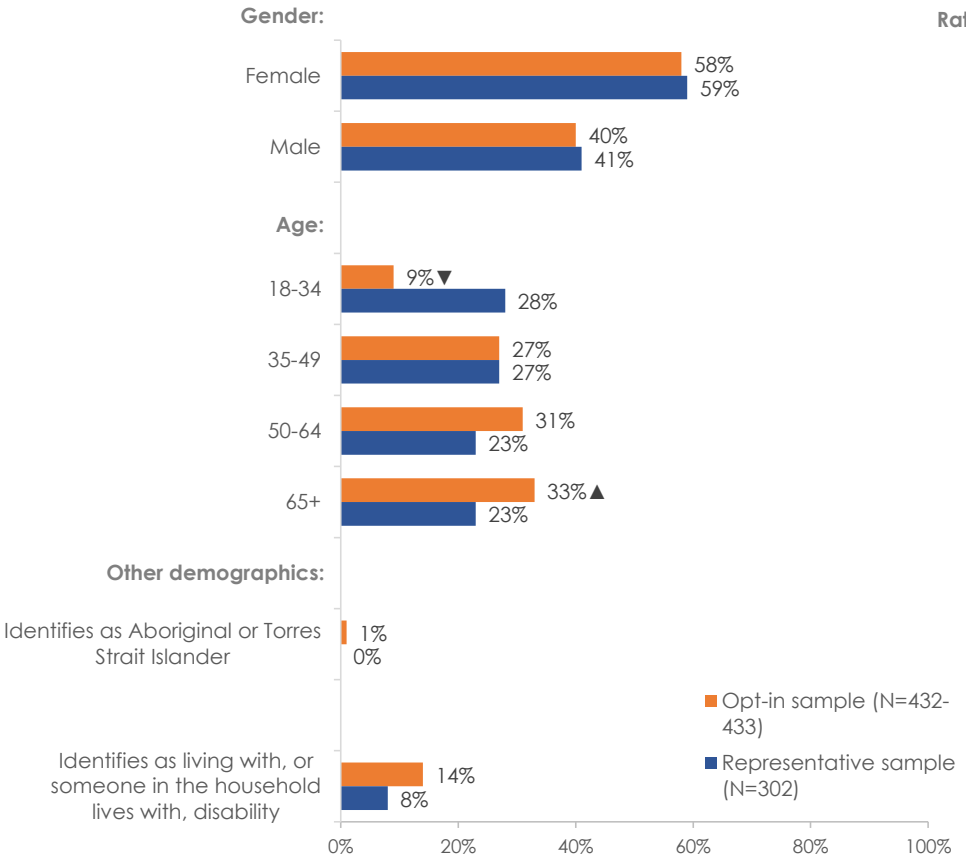
Renewal is work performed on an asset to bring it back to its original condition, e.g. the replacement of a building, reconstructing a segment of road, replacing a bridge or playground. Using industry benchmarks, Council have reviewed its asset groups to work out if they are in very good, good, fair, poor or very poor condition. The following pages provide a snapshot for each asset group. The issue facing Council is that while a lot of assets are in very good/good or fair condition, a large proportion are at risk of falling into poor/very poor condition.

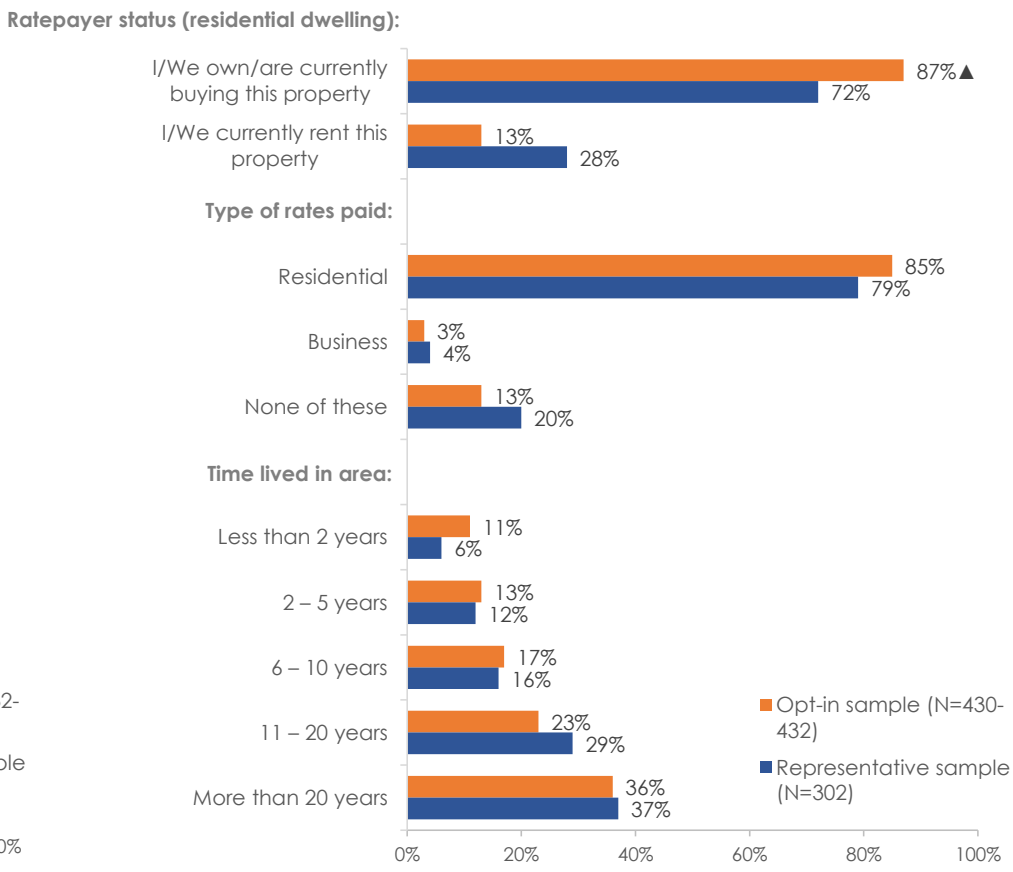
Where are we now?

A snapshot of community asset conditions and current investment levels is provided in this survey. For each asset group, included is an indication of Council's current expenditure on maintenance and renewals, together with a visual representation of each of the condition levels of good, fair and poor.

Sample Profile

Informed sample



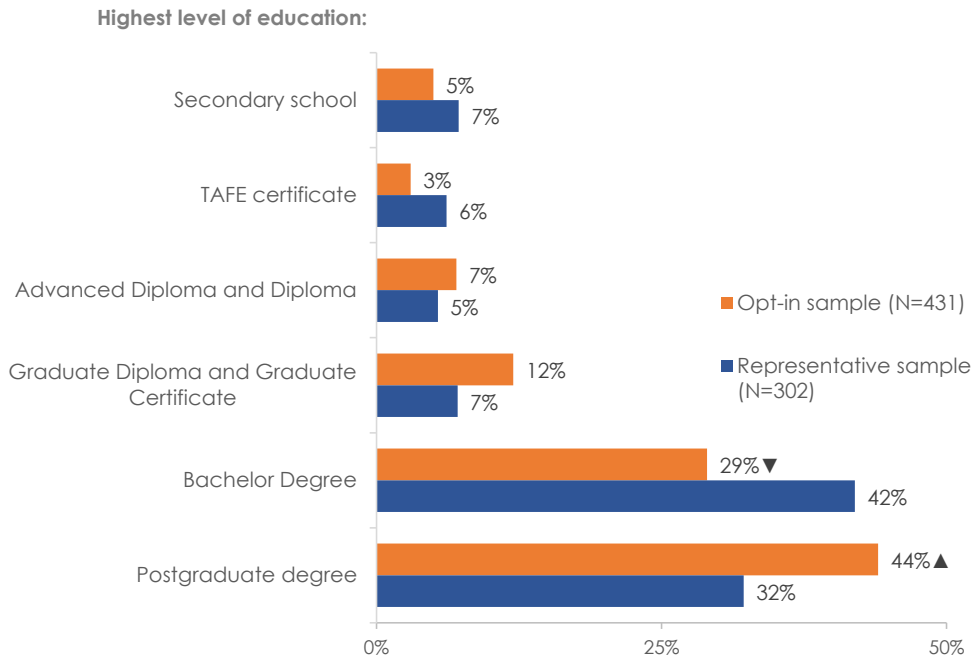


*2% of Opt-in sample identified as 'different gender/non-binary/gender fluid'

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Sample Profile

Informed sample



Residential suburb	Opt-in sample (N=433)	Representative sample (N=302)
North Sydney	13%	13%
Cremorne	12%	15%
Wollstonecraft	11%	13%
Neutral Bay	11%	7%
Cammeray	9%	9%
Crows Nest	8%	11%
Waverton	6%	6%
McMahons Point	5%	5%
Kirribilli	5%	6%
Milsons Point	4%	2%
Cremorne Point	3%	2%
St Leonards	2%	7%
Kurraba Point	2%	1%
Lavender Bay	1%	5%
Other	8%	N/A

Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.



Section 2a.
Funding Considerations

Informed sample

This section explores agreement with statements regarding infrastructure renewals and loan borrowing.

Infrastructure Renewals

Informed sample

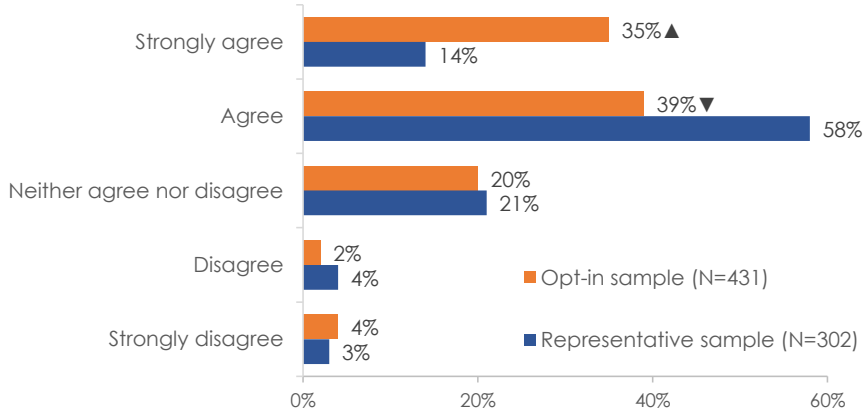
Context: *Development and subdivision within North Sydney increased significantly with the opening of the Sydney Harbour Bridge in 1932 and continued after World War 2. It was during this development period that much of the infrastructure in North Sydney was originally built. Council manages $1.6 billion in infrastructure assets, which have a lifespan varying from 10 years to 250 years.*

Although differing in strength of agreement, overall agreement amongst the Opt-in sample remains in-line with the Representative sample. Overall, 74% of Opt-in respondents agree or strongly agree with the statement '*each generation should contribute to the renewal of community infrastructure they have used and benefited from*', compared to 72% for the Representative sample.

Non-ratepayers had a higher level of agreement compared to ratepayers (88% cf. 72%).

Some verbatim comments about why the Opt-in respondents selected the answer they did are provided overleaf.

"Each generation should contribute to the renewal of community infrastructure they have used and benefited from"



Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Agreement %	74%	72%	71%	77%	78%	73%	72%	88%	75%	76%	73%
Base	431	302	173	251	154	277	374	57	179	98	154

*Representative

Q8a. *To what extent do you agree with the following statement?*

Indicatively higher/lower level of agreement (by group)

Infrastructure Renewals



Informed sample

Example verbatims

Agree/ Strongly agree

"I'm paying for my needs now the next generation can pay for their needs"

"Costs should be shared across all levels of the community to ensure facilities are in good or better shape for future generations"

"What is the other option?"

"We either use it or benefit from it so we should contribute. The amount of contribution would be a function of the expected life of the asset and a forecast cost of replacement…"

"We are one community in the past, present, future"

"Good Infrastructure contributes to quality of life and amenity and improves value of real estate"

"f the community wants to continue being able to benefit from infrastructure then the community needs to understand that such things cost money. The user should pay"

Neither agree nor disagree

"Ratepayers are not responsible for Council's financial mismanagement"

"…It's difficult to work out how each generation is to contribute as rates increase on a yearly basis"

"I think if it was spread equitably over economic incomes it would be better"

"It is the job of council to prioritise spending appropriately to include maintaining such infrastructure…"

"Some assets should be disposed of"

"North Sydney has a significant transient population"

"My rates are my contribution to that"

"Some infrastructure life spans more than one generation"

Disagree/ Strongly disagree

"…We need to be satisfied with what we have, maintain it well to keep function, and be less ambitious for new infrastructure that is beyond our means to pay for"

"Some people live here for 6 months as a renter. Some people live here for 30 years as an owner. You can't expect the renter to want to give back"

"I don't trust the current North Sydney Councilors, or workforce, if they ran their business properly, they would have enough money to deal with the top priorities…"

"This is a fig leaf to justify council inefficiency"

"Council don't spend current budget efficiently or effectively"

"There is no case put in the survey's supporting papers of an inter-generational funding issue. Given the required modest annual amounts and temporary rate solutions it appears a bit of a 'furphy'. In addition, savings through smaller council staff numbers, asset sales, non-rate income increases etc. should provide significant relief…"

Q8a. To what extent do you agree with the following statement?
Q8b. Why do you say that?

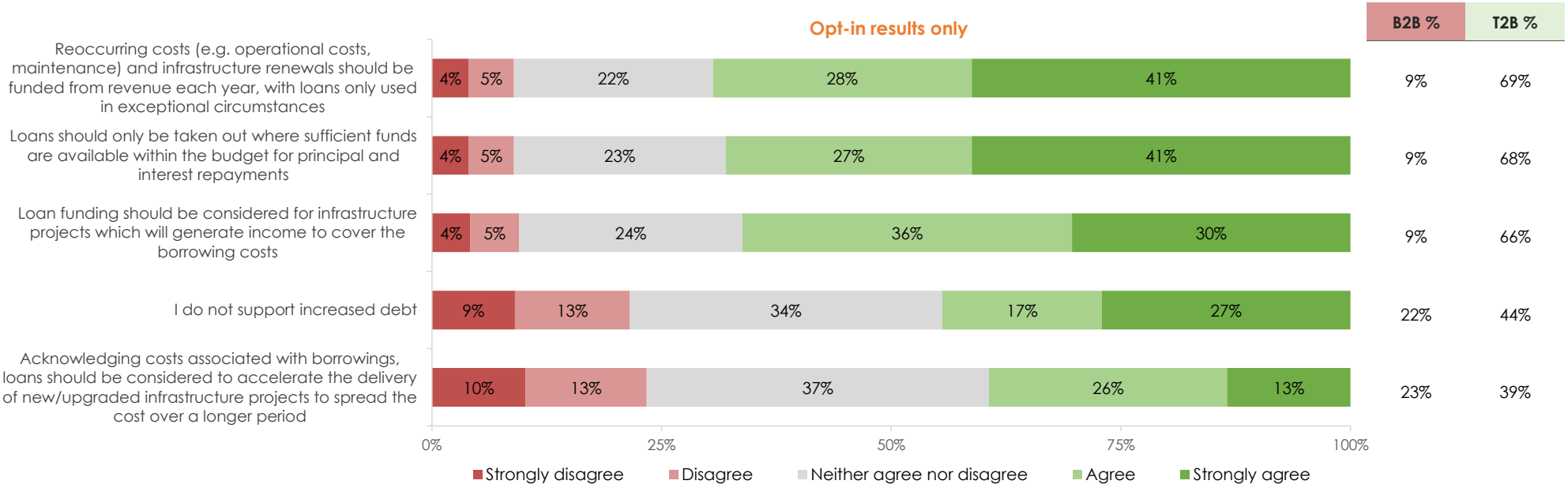
Loan Borrowing

Informed sample

Context: *Borrowing for infrastructure allows councils to deliver projects sooner than otherwise would be possible, but comes at the cost of interest repayments, which may impact future budgets and rates. By 30 June 2026, Council will have $55.8 million in debt, requiring $7.3 million per annum in loan repayments and interest, which must be funded from annual revenue. For example, a $20 million loan taken out over 20 years (maximum) to fund a new community facility would require $33.5 million (principal repayment plus interest) in rating income to pay back the loan over the 20-year period.*

69% agree that reoccurring costs and renewals should be funded from annual revenue rather than loans and 68% agree that loans should only be taken out when sufficient funds are available for repayments. Opinions are more divided on not increasing overall debt (44% agreement, 22% disagreement) and using loans to accelerate delivery of new or upgraded infrastructure (39% agreement, 23% disagreement).

Agreement is relatively consistent across demographics. And the Opt-in sample results are similar to the Representative sample results, see overleaf.



Q9a. Please state your agreement with the following principles.

Loan Borrowing

Informed sample

Agreement %	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Reoccurring costs (e.g. operational costs, maintenance) and infrastructure renewals should be funded from revenue each year, with loans only used in exceptional circumstances	69%	70%	64%	73%	69%	69%	69%	70%	66%	71%	71%
Loans should only be taken out where sufficient funds are available within the budget for principal and interest repayments	68%	72%	68%	67%	67%	68%	68%	65%	64%	73%	68%
Loan funding should be considered for infrastructure projects which will generate income to cover the borrowing costs	66%	65%	63%	68%	65%	67%	67%	58%	64%	63%	70%
I do not support increased debt	44%	47%	43%	46%	41%	46%	44%	47%	45%	46%	43%
Acknowledging costs associated with borrowings, loans should be considered to accelerate the delivery of new/ upgraded infrastructure projects to spread the cost over a longer period	39%	39%	43%	37%	36%	41%	39%	40%	39%	44%	37%
Base	432	302	173	252	154	278	374	57	179	98	155

*Representative

Q9a. Please state your agreement with the following principles.



Section 2b.

Asset Class Management

Informed sample

A snapshot of community asset conditions and current investment levels were provided in the survey. For each of the asset groups, an indication of Council's current expenditure on maintenance and renewals, together with a visual representation of each of the condition levels of very good/good, fair and poor/very poor was provided for the respondent to gain a deeper understanding.

This section is split into seven sub-sections to explore asset ratings, level of investment and support for future spend.

Section 2b(a).

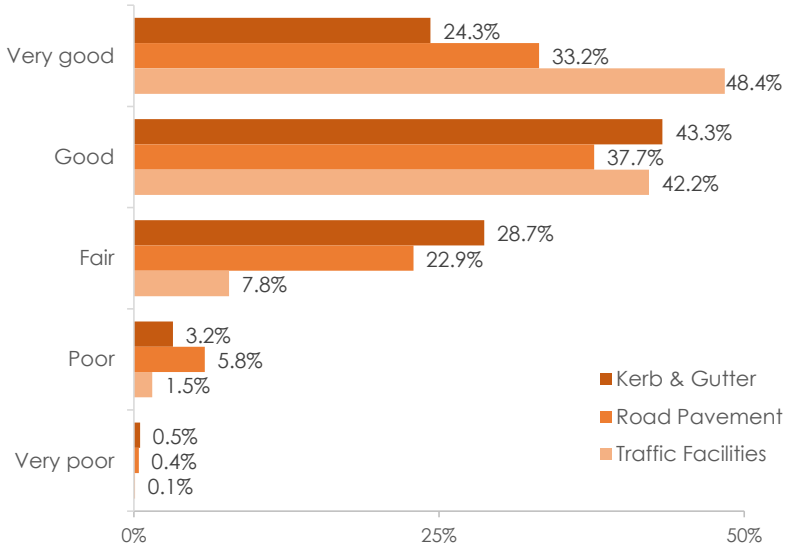
Roads and Transport Infrastructure

Informed sample

Context: *Council manages 260km of kerb and gutter, 153km of road pavements, and 1,173 traffic facilities including median strips, raised pedestrian crossings and roundabouts.*

Replacement value: $450 million. This assumes Council's transport related infrastructure is replaced every 66 years in a like for like condition.

Current Condition Levels:



Very good/ Good:



Fair:



Poor/ Very poor:



Council needs $6.52 million annually to maintain its road and transport infrastructure but currently has only $5.99 million budgeted for 2025/26.

Additionally, there is a $24 million backlog of infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, roads and traffic facilities will continue to deteriorate, creating safety risks and travel delays.

Roads and Transport Infrastructure

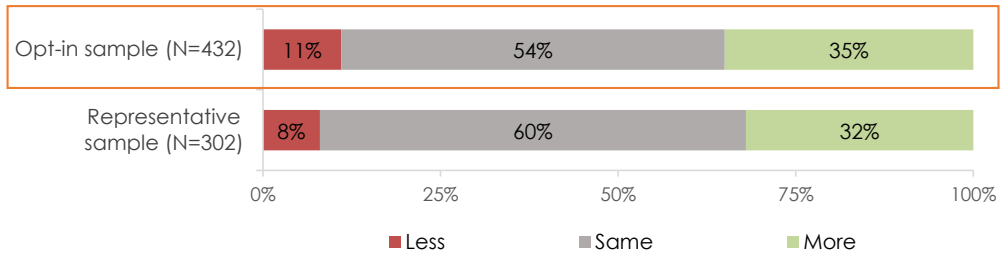
Informed sample

For roads and transport infrastructure;

- 51% believe 'fair' conditions are acceptable
- 89% would like to see the same or more investment (35% wanting more), and
- 69% support paying more in rates for maintenance and improvements.

Opt-in results are generally similar to those from the Representative sample.

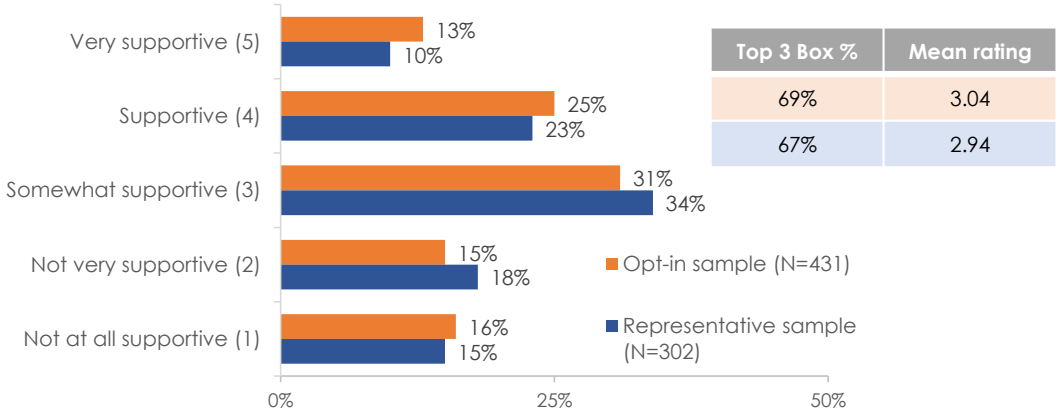
Council spend:



Acceptable Condition:



Support of paying more rates to maintain/improve:



Top 3 Box %	Mean rating
69%	3.04
67%	2.94

Scale: 1 = not at all supportive, 5 = very supportive

Q1a. What condition do you consider acceptable for our kerb and gutter, road pavement and traffic facilities?
Q1b. Should Council spend more, the same or less on kerb and gutter, road pavement and traffic facilities maintenance and renewal?
Q1c. Using the scale below, how supportive are you of paying more in rates to maintain or improve kerb and gutter, road pavement and traffic facilities in the local area?

Roads and Transport Infrastructure

Informed sample

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q1a)											
Very good/ Good	43%	45%	40%	46%	36%	47%	45%	35%	41%	38%	50%
Fair	51%	51%	54%	47%	57%	47%	49%	61%	54%	55%	43%
Poor/ Very poor	6%	4%	6%	7%	6%	6%	6%	4%	5%	7%	7%
Council spend (Q1b)											
More	35%	32%	34%	37%	30%	38%	36%	30%	34%	33%	38%
Same	54%	60%	53%	55%	59%	52%	53%	61%	54%	56%	54%
Less	11%	8%	14%	8%	11%	10%	11%	9%	12%	11%	8%
Support (Q1c)											
Top 3 Box %	69%	67%	64%	74%	69%	69%	68%	75%	69%	63%	73%
Mean rating	3.04	2.94	2.94	3.13	3.05	3.03	2.98	3.39	3.08	2.92	3.06
Base	431-432	302	173	251-252	154	277-278	374	56-57	179	97-98	155

*Representative

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support/percentage (by group)

Q1a. What condition do you consider acceptable for our kerb and gutter, road pavement and traffic facilities?
Q1b. Should Council spend more, the same or less on kerb and gutter, road pavement and traffic facilities maintenance and renewal?
Q1c. Using the scale below, how supportive are you of paying more in rates to maintain or improve kerb and gutter, road pavement and traffic facilities in the local area?

Section 2b(b).

Bus Shelters and Street Furniture

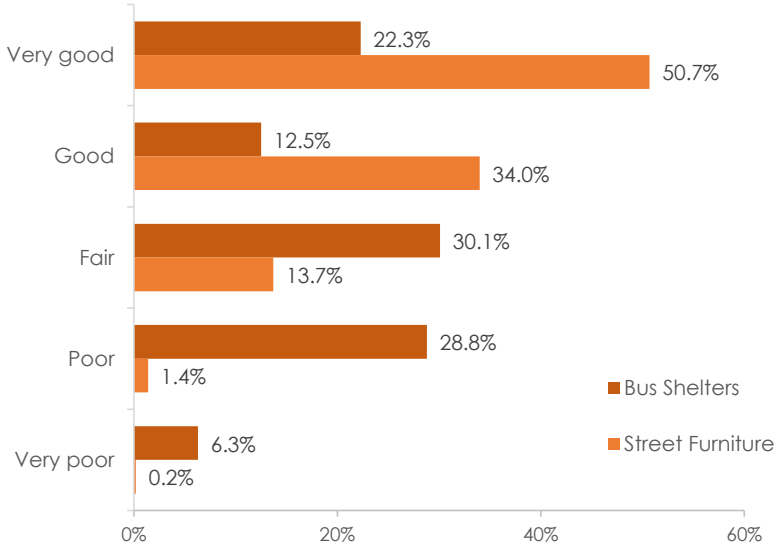
Informed sample

Context: *Council manages 66 bus shelters and 1,084 items of street furniture.*

Council needs $330,000 annually to maintain its bus shelters and street furniture, but has only $200,000 budgeted for 2025/26.

There is also a $2.1 million backlog of deteriorating bus shelters and street furniture in poor condition, with only $400,000 available to address it, meaning that without increased investment, public transport users will face reduced comfort, accessibility, and safety, especially during poor weather or at night.

Current Condition Levels:



Very good/ Good: **Fair:** **Poor/ Very poor:**



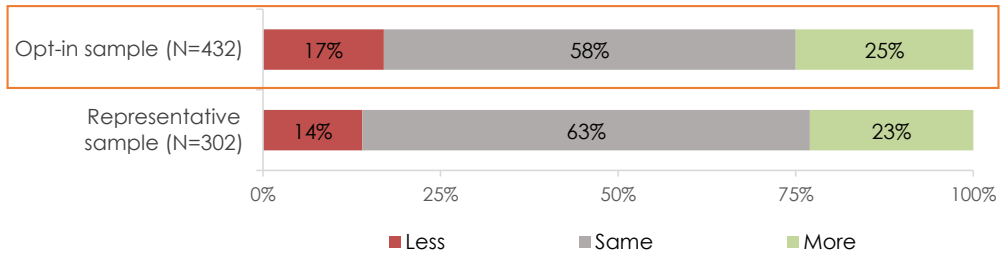
Bus Shelters and Street Furniture

Informed sample

For bus shelters and street furniture;

- 63% believe 'fair' conditions are acceptable
- 83% would like to see the same or more investment (1 in 4 wanting more), and
- 60% support paying more in rates for maintenance and improvements.

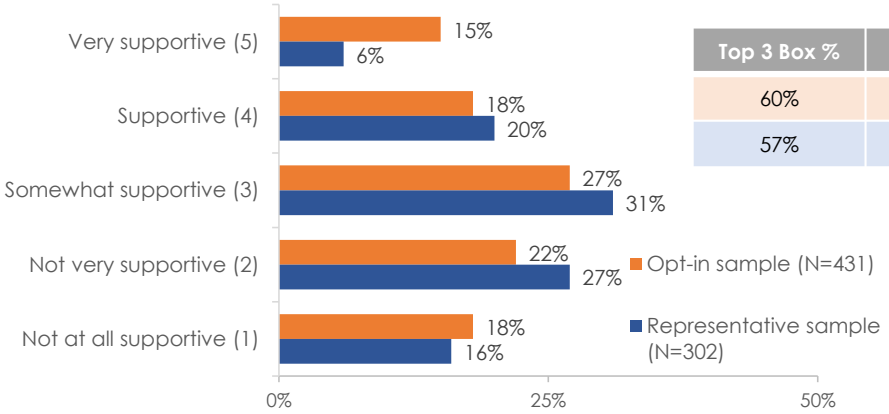
Opt-in results are generally similar to those from the Representative sample.



Acceptable Condition:



Support of paying more rates to maintain/improve:



Top 3 Box %	Mean rating
60%	2.88
57%	2.72

Q2a. *What condition do you consider acceptable for our bus shelters and street furniture?*
Q2b. *Should Council spend more, the same or less on bus shelters and street furniture maintenance and renewal?*
Q2c. *Using the scale below, how supportive are you of paying more in rates to maintain or improve bus shelters and street furniture in the local area?*

Scale: 1 = not at all supportive, 5 = very supportive

Bus Shelters and Street Furniture

Informed sample

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q2a)											
Very good/ Good	28%	28%	24%	32%	25%	31%	29%	28%	28%	26%	30%
Fair	63%	62%	65%	61%	63%	62%	62%	65%	61%	63%	63%
Poor/ Very poor	9%	10%	11%	8%	12%	7%	9%	7%	10%	11%	6%
Council spend (Q2b)											
More	25%	23%	27%	23%	23%	26%	23%	33%	28%	23%	21%
Same	58%	63%	55%	61%	58%	59%	59%	54%	53%	57%	66%
Less	17%	14%	17%	15%	19%	15%	17%	12%	19%	19%	12%
Support (Q2c)											
Top 3 Box %	60%	57%	57%	63%	58%	61%	58%	70%	61%	52%	63%
Mean rating	2.88	2.72	2.80	2.95	2.85	2.90	2.80	3.39	2.98	2.68	2.89
Base	431-432	302	173	251-252	154	277-278	374	56-57	179	97-98	155

*Representative

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support/percentage (by group)

Q2a. What condition do you consider acceptable for our bus shelters and street furniture?
Q2b. Should Council spend more, the same or less on bus shelters and street furniture maintenance and renewal?
Q2c. Using the scale below, how supportive are you of paying more in rates to maintain or improve bus shelters and street furniture in the local area?

Section 2b(c).

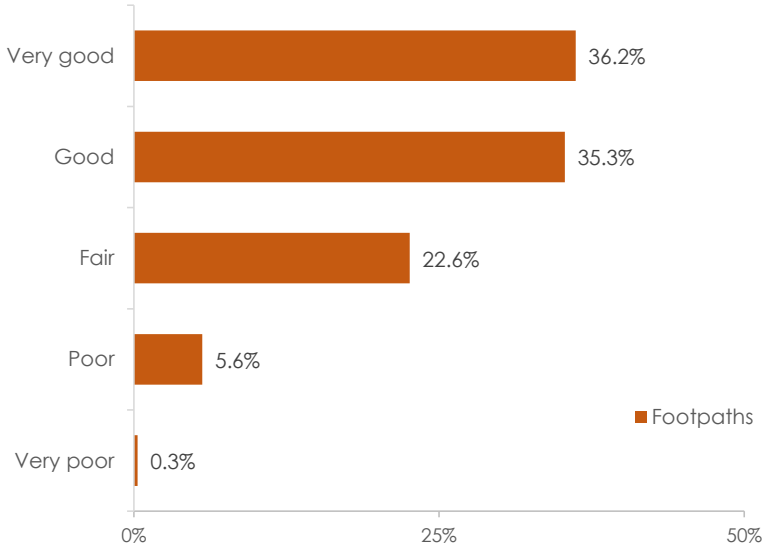
Footpaths

Informed sample

Context: *There are approximately 265.9km of footpath assets located within road reserves and parks (including walking tracks).*

Replacement value: $155 million. This assumes Council's footpaths are replaced every 40 years on average in a like for like condition (does not consider upgraded surfaces such as granite pavers in CBD locations.)

Current Condition Levels:



Very good/ Good: **Fair:** **Poor/ Very poor:**



Council needs $3.9 million annually to maintain its footpaths, but has only $400,000 budgeted for 2025/26.

There is also a $9.2 million backlog of footpaths in poor or very poor condition, with no dedicated budget to address it, meaning that without increased investment, aging footpaths will create accessibility and safety risks, particularly for people with mobility issues, older residents, and families.

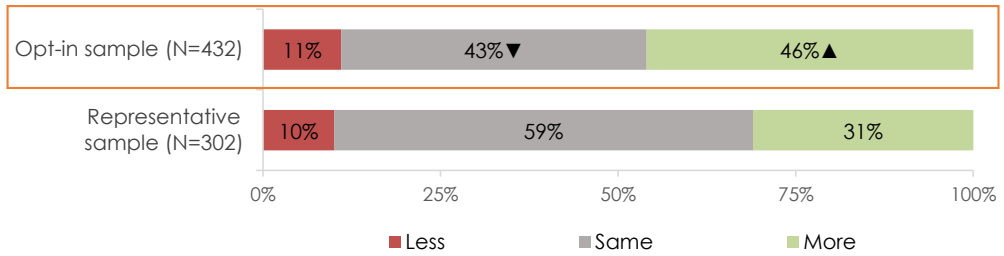
Footpaths

Informed sample

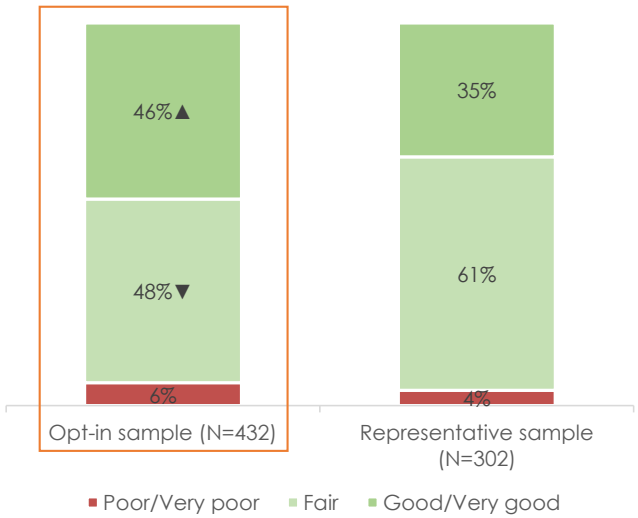
For footpaths;

- 48% believe 'fair' conditions are acceptable
- 89% would like to see the same or more investment (nearly 50% wanting more), and
- 69% support paying more in rates for maintenance and improvements.

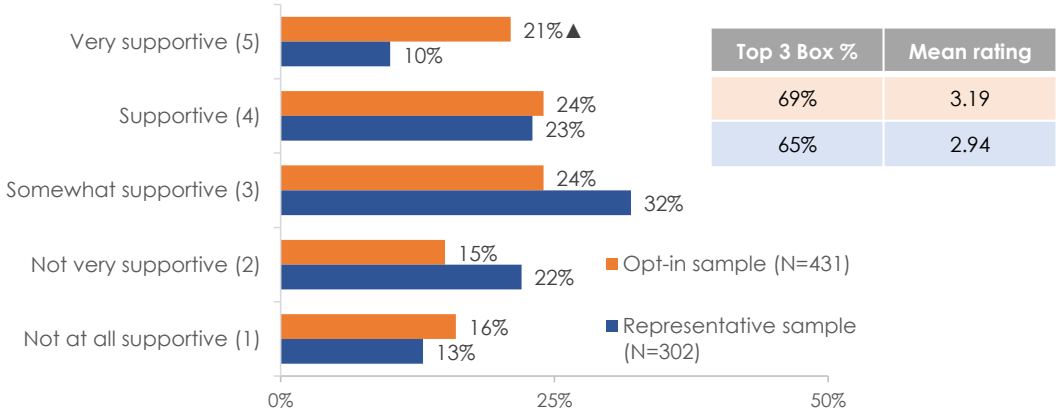
For this category, the Opt-in sample wants higher quality and more investment than does the Representative sample



Acceptable Condition:



Support of paying more rates to maintain/improve:



Top 3 Box %	Mean rating
69%	3.19
65%	2.94

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.
Scale: 1 = not at all supportive, 5 = very supportive

Q3a. What condition do you consider acceptable for our footpaths?
Q3b. Should Council spend more, the same or less on footpath maintenance and renewal?
Q3c. Using the scale below, how supportive are you of paying more in rates to maintain or improve footpaths?

Footpaths

Informed sample

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q3a)											
Very good/ Good	46%▲	35%	40%	52%	44%	48%	45%	54%	46%	33%	55%
Fair	48%▼	61%	55%	43%	51%	47%	49%	44%	49%	61%	39%
Poor/ Very poor	6%	4%	5%	6%	6%	5%	6%	2%	6%	6%	5%
Council spend (Q3b)											
More	46%▲	31%	43%	49%	46%	46%	44%	56%	47%	43%	46%
Same	43%▼	59%	45%	42%	43%	44%	44%	37%	41%	45%	45%
Less	11%	10%	13%	9%	11%	11%	11%	7%	12%	12%	9%
Support (Q3c)											
Top 3 Box %	69%	65%	66%	71%	70%	68%	67%	80%	70%	64%	70%
Mean rating	3.19	2.94	3.12	3.25	3.20	3.18	3.11	3.64	3.27	3.02	3.19
Base	431-432	302	173	251-252	154	277-278	374	56-57	179	97-98	155

*Representative

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support/percentage (by group)
Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Q3a. What condition do you consider acceptable for our footpaths?
Q3b. Should Council spend more, the same or less on footpath maintenance and renewal?
Q3c. Using the scale below, how supportive are you of paying more in rates to maintain or improve footpaths?

Section 2b(d).

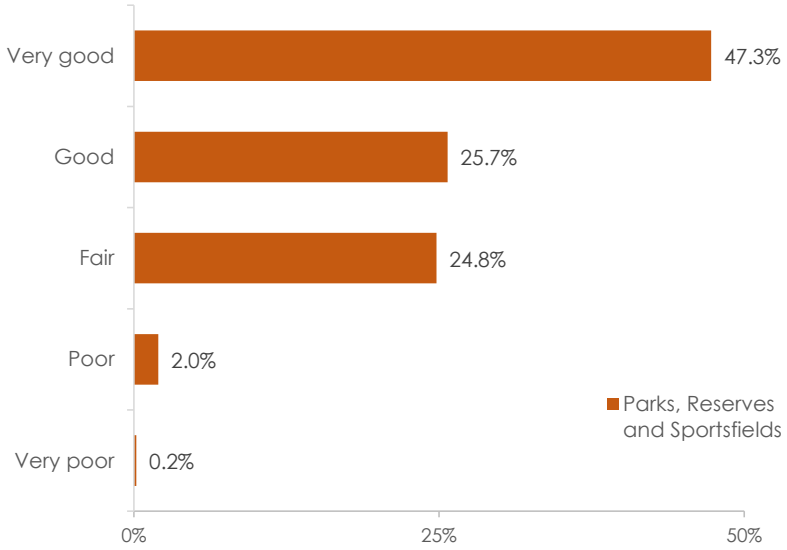
Parks, Reserves and Sportsfields

Informed sample

Context: *There are approximately 2,508 items of furniture, 44 playgrounds and 88 sporting related assets within Council parks and reserves.*

Replacement value: $40.2 million. This assumes these assets are replaced every 25 years on average in a like for like condition (does not consider upgraded surfaces or equipment).

Current Condition Levels:



Very good/ Good:



Fair:



Poor/ Very poor:



Council needs $1.6 million annually to maintain its parks, recreational assets, but has only $610,000 budgeted for 2025/26.

There is also a $900,000 backlog of parks infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, play equipment, sports facilities, and open spaces will degrade. This will have impacts on the accessibility and useability of our open spaces.

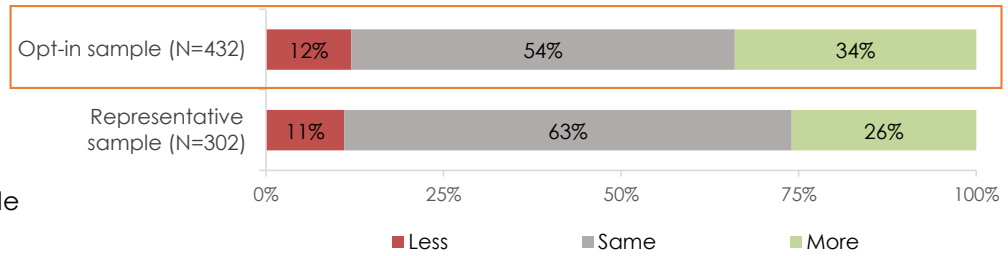
Parks, Reserves and Sportsfields

Informed sample

For parks, reserves and sportsfields;

- 54% believe 'fair' conditions are acceptable
- 88% would like to see the same or more investment (1 in 3 wanting more), and
- 66% support paying more in rates for maintenance and improvements.

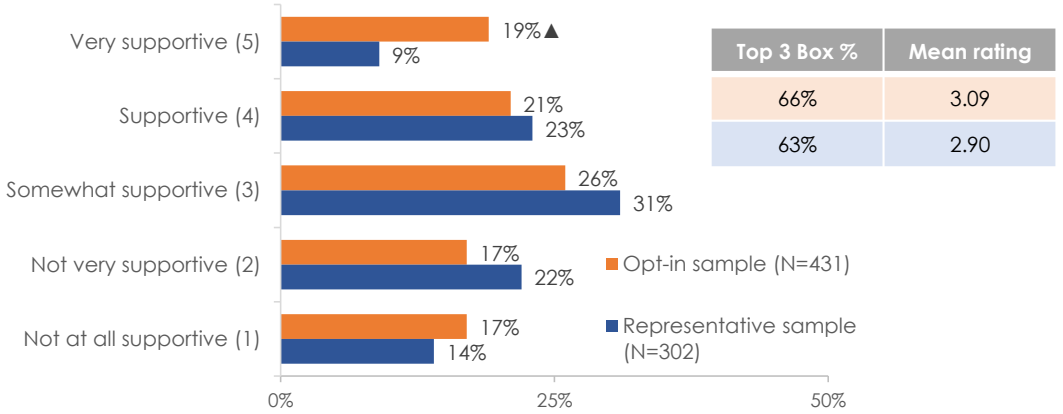
Opt-in results are generally similar to those from the Representative sample – with a little more commitment to more investment from the Opt-in sample.



Acceptable Condition:



Support of paying more rates to maintain/improve:



Top 3 Box %	Mean rating
66%	3.09
63%	2.90

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.
Scale: 1 = not at all supportive, 5 = very supportive

Q4a. What condition do you consider acceptable for our parks and recreational assets?
Q4b. Should Council spend more, the same or less on parks and recreational assets in terms of maintenance and renewal?
Q4c. Using the scale below, how supportive are you of paying more in rates to maintain or improve parks, reserves, and sports fields in the local area?

Parks, Reserves and Sportsfields

Informed sample

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q4a)											
Very good/ Good	40%	38%	38%	41%	40%	40%	39%	47%	45%	29%	41%
Fair	54%	59%	53%	54%	53%	54%	55%	49%	48%	63%	54%
Poor/ Very poor	6%	3%	9%	5%	7%	6%	7%	4%	7%	8%	5%
Council spend (Q4b)											
More	34%	26%	36%	32%	41%	29%	30%	54%	41%	28%	29%
Same	54%	63%	51%	56%	44%	60%	57%	37%	46%	59%	61%
Less	12%	11%	13%	12%	15%	11%	13%	9%	13%	13%	10%
Support (Q4c)											
Top 3 Box %	66%	63%	65%	68%	71%	64%	64%	84%	72%	56%	66%
Mean rating	3.09	2.90	3.07	3.11	3.23	3.01	2.98	3.80	3.28	2.84	3.02
Base	431-432	302	173	251-252	154	277-278	374	56-57	179	97-98	155

*Representative

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support/percentage (by group)

Q4a. What condition do you consider acceptable for our parks and recreational assets?
Q4b. Should Council spend more, the same or less on parks and recreational assets in terms of maintenance and renewal?
Q4c. Using the scale below, how supportive are you of paying more in rates to maintain or improve parks, reserves, and sports fields in the local area?

Section 2b(e).

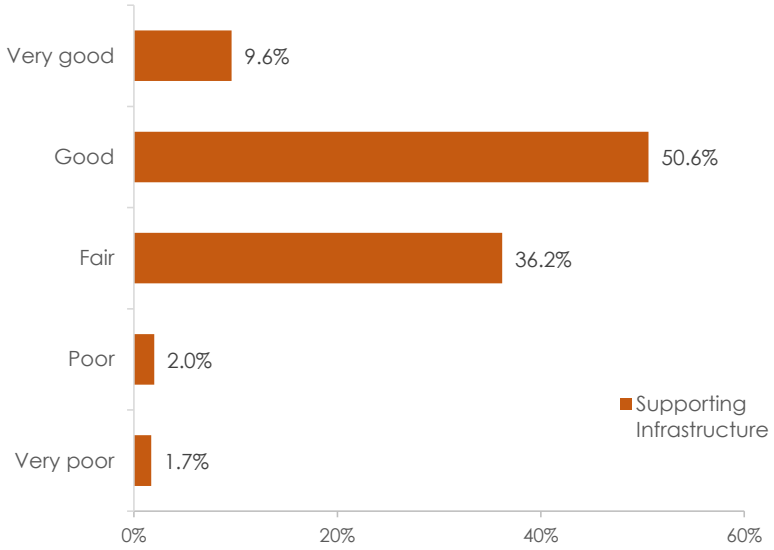
Supporting Infrastructure

Informed sample

Context: *Council manages approximately 44km of fences, 2,618 bollards, 1,874 lighting assets, 44 marine structures, 25km of retaining walls and 4.9km of seawalls.*

Replacement value: $303.9 million. This assumes these assets are replaced every 74 years on average in a like for like condition (does not consider upgraded materials or equipment).

Current Condition Levels:



Very good/ Good:



Fair:



Poor/ Very poor:



The Council needs $4.1 million annually to maintain its supporting infrastructure, but has only $1.33 million budgeted for 2025/26.

There is also an $11 million backlog of supporting infrastructure in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, essential supporting infrastructure may fail, leading to reduced safety, usability, and increased long-term repair costs.

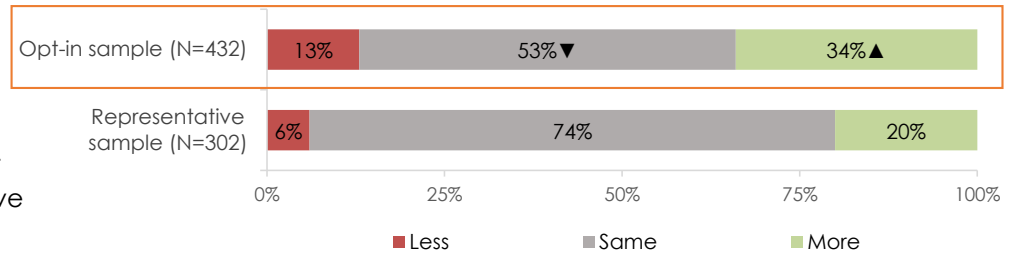
Supporting Infrastructure

Informed sample

For supporting infrastructure;

- 61% believe 'fair' conditions are acceptable
- 87% would like to see the same or more investment (1 in 3 wanting more), and
- 67% support paying more in rates for maintenance and improvements.

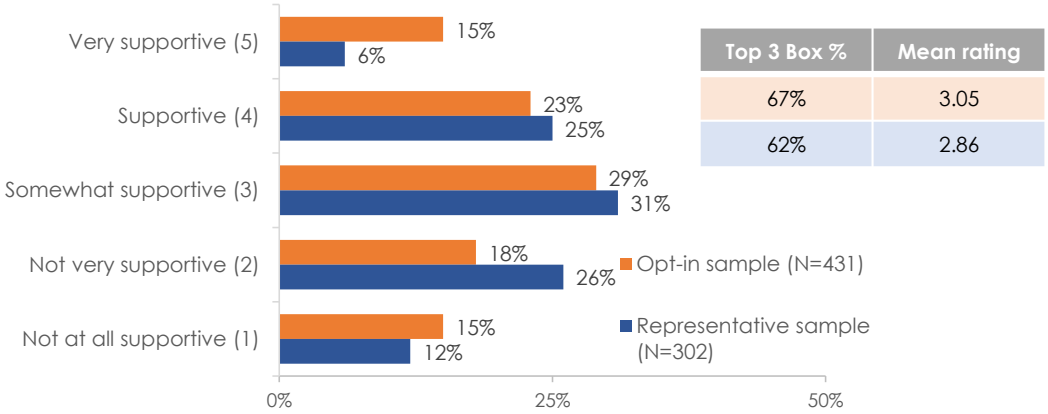
Opt-in results are a little more polarised than those from the Representative sample



Acceptable Condition:



Support of paying more rates to maintain/improve:



Top 3 Box %	Mean rating
67%	3.05
62%	2.86

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Scale: 1 = not at all supportive, 5 = very supportive

Q5a. What condition do you consider acceptable for supporting infrastructure?
Q5b. Should Council spend more, the same or less on supporting infrastructure maintenance and renewal?
Q5c. Using the scale below, how supportive are you of paying more in rates to maintain or improve supporting infrastructure in the local area?

Supporting Infrastructure

Informed sample

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q5a)											
Very good/ Good	33%	27%	30%	35%	30%	35%	32%	37%	32%	31%	35%
Fair	61%	70%	62%	61%	64%	60%	61%	61%	61%	64%	59%
Poor/ Very poor	6%	3%	8%	4%	6%	6%	7%	2%	7%	5%	6%
Council spend (Q5b)											
More	34%▲	20%	33%	36%	32%	36%	33%	40%	38%	33%	32%
Same	53%▼	74%	52%	54%	53%	53%	53%	51%	46%	55%	59%
Less	13%	6%	15%	10%	15%	11%	13%	9%	16%	12%	9%
Support (Q5c)											
Top 3 Box %	67%	62%	66%	69%	68%	67%	65%	82%	68%	60%	72%
Mean rating	3.05	2.86	3.03	3.08	3.10	3.02	2.97	3.54	3.14	2.90	3.04
Base	431-432	302	173	251-252	154	277-278	374	56-57	179	97-98	155

*Representative

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support/percentage (by group)

Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Q5a. What condition do you consider acceptable for supporting infrastructure?
Q5b. Should Council spend more, the same or less on supporting infrastructure maintenance and renewal?
Q5c. Using the scale below, how supportive are you of paying more in rates to maintain or improve supporting infrastructure in the local area?

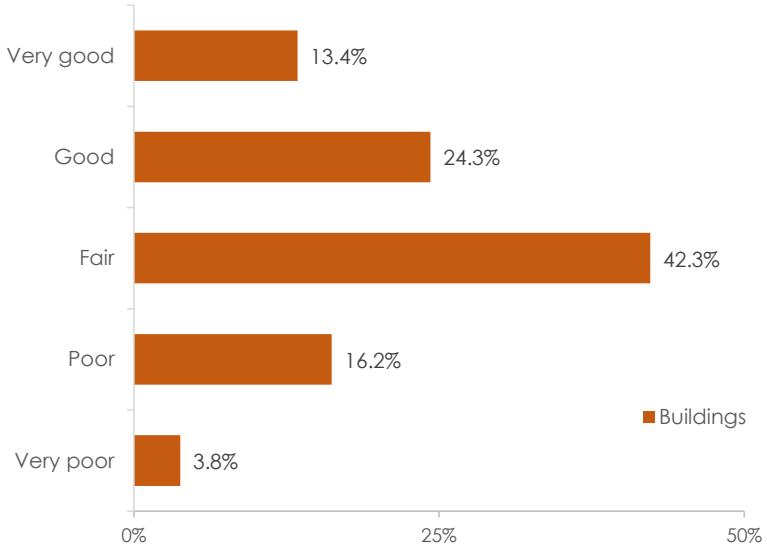
Section 2b(f).

Buildings

Informed sample

Context: *Council owns 140 buildings. These include Civic and Operational Buildings (e.g. Council Chambers, Depots, Library etc), community centres and halls, childcare centres, indoor sports centre, clubhouses, public amenities, North Sydney Oval buildings, Coal Loader buildings, community housing and museums. In addition, Council owns 11 investment properties.*
Replacement value: $347 million. This assumes these assets are replaced every 68.7 years on average in a like for like condition (does not consider upgrades or improved finishes).

Current Condition Levels:



Very good/ Good: **Fair:** **Poor/ Very poor:**



Council needs $5 million annually to maintain its buildings, but has only $3.895 million budgeted for 2025/26. There is also a $69.4 million backlog of buildings in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, community buildings may become unusable or unsafe, impacting service delivery and increasing final repair costs.

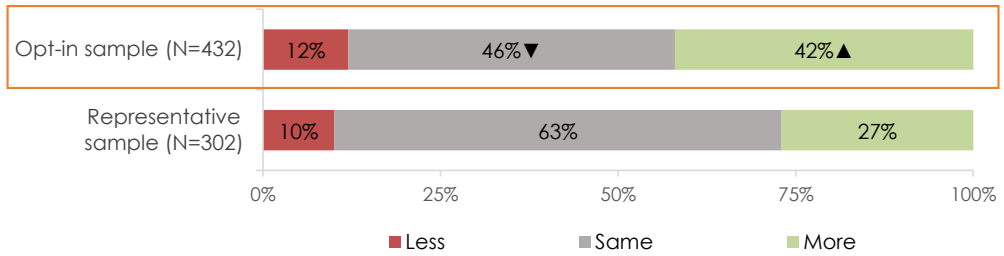
Buildings

Informed sample

For public buildings;

- 53% believe 'fair' conditions are acceptable
- 88% would like to see the same or more investment (42% wanting more), and
- 67% support paying more in rates for maintenance and improvements.

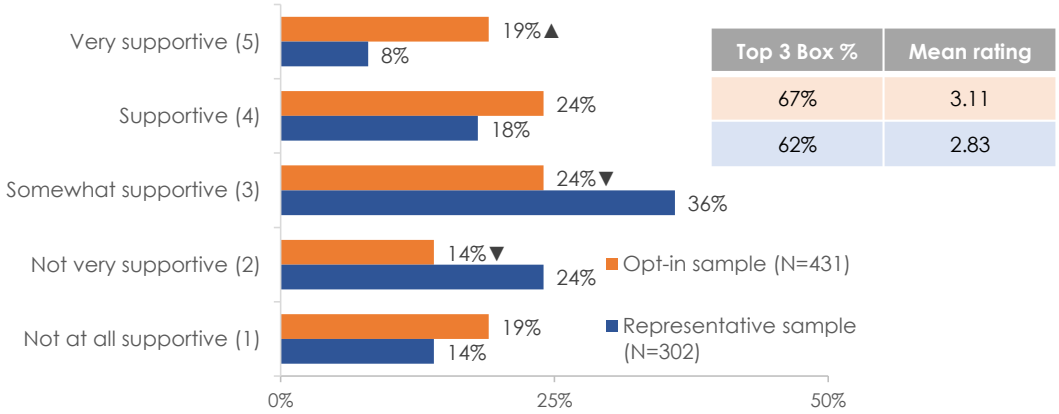
For this category, the Opt-in sample wants higher quality and more investment than does the Representative sample.



Acceptable Condition:



Support of paying more rates to maintain/improve:



Top 3 Box %	Mean rating
67%	3.11
62%	2.83

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.
Scale: 1 = not at all supportive, 5 = very supportive

Q6a. What condition do you consider acceptable for our buildings?
Q6b. Should Council spend more, the same or less on building maintenance and renewal?
Q6c. Using the scale below, how supportive are you of paying more in rates to maintain or improve public buildings in the local area?

Buildings

Informed sample

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q6a)											
Very good/ Good	41%▲	28%	31%	48%	38%	43%	40%	47%	45%	38%	39%
Fair	53%▼	69%	62%	48%	54%	53%	53%	51%	49%	55%	56%
Poor/ Very poor	6%	3%	8%	4%	8%	5%	6%	2%	6%	7%	5%
Council spend (Q6b)											
More	42%▲	27%	39%	44%	40%	42%	40%	54%	46%	39%	38%
Same	46%▼	63%	46%	46%	44%	47%	47%	40%	38%	48%	54%
Less	12%	10%	15%	10%	16%	10%	13%	5%	16%	13%	8%
Support (Q6c)											
Top 3 Box %	67%	62%	62%	71%	68%	67%	65%	82%	70%	61%	68%
Mean rating	3.11	2.83	2.99	3.19	3.12	3.10	3.01	3.77	3.23	2.96	3.06
Base	431-432	302	173	251-252	154	277-278	374	56-57	179	97-98	155

*Representative

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support/percentage (by group)
Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Q6a. *What condition do you consider acceptable for our buildings?*
Q6b. *Should Council spend more, the same or less on building maintenance and renewal?*
Q6c. *Using the scale below, how supportive are you of paying more in rates to maintain or improve public buildings in the local area?*

Section 2b(g).

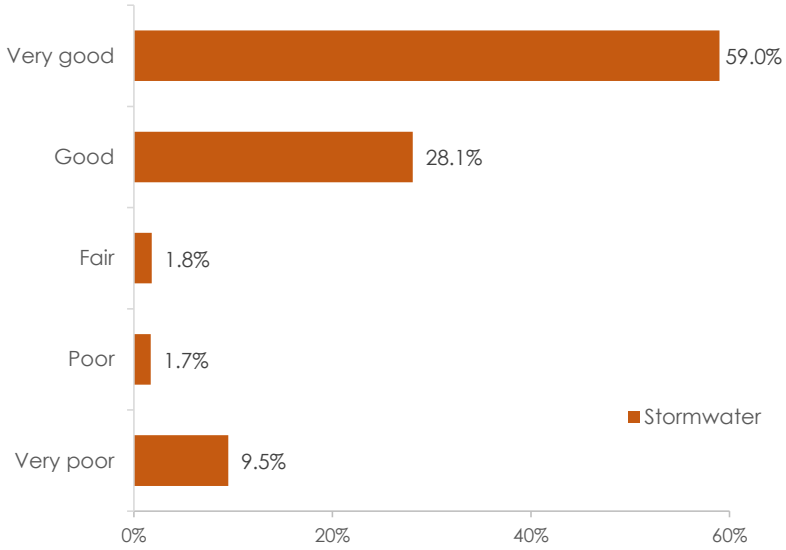
Stormwater

Informed sample

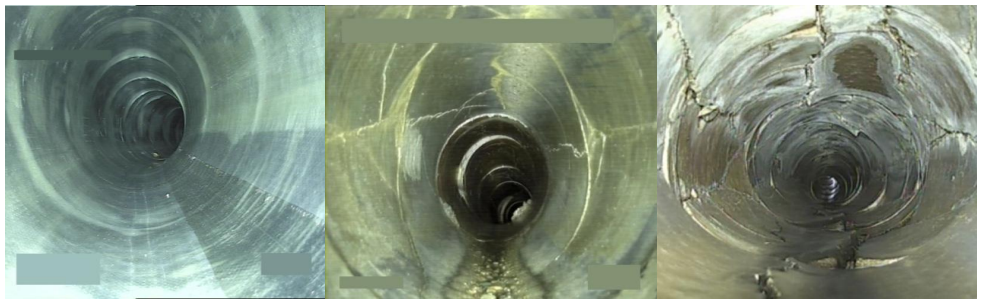
Context: *Council manages 27 Gross Pollutant Traps, 107km of stormwater pipes, and 6,659 stormwater pits.*

Replacement value: $270.5 million. This assumes Council's stormwater infrastructure is replaced every 112 years on average in a like for like condition.

Current Condition Levels:



Very good/ Good: **Fair:** **Poor/ Very poor:**



The Council needs $2.4 million annually to maintain its stormwater infrastructure, but has only $800,000 budgeted for 2025/26.

There is also a $30.1 million backlog of stormwater systems in poor or very poor condition with no dedicated budget to address it, meaning that without increased investment, aging stormwater systems may increase local flooding, environmental damage, and emergency repair costs during major weather events.

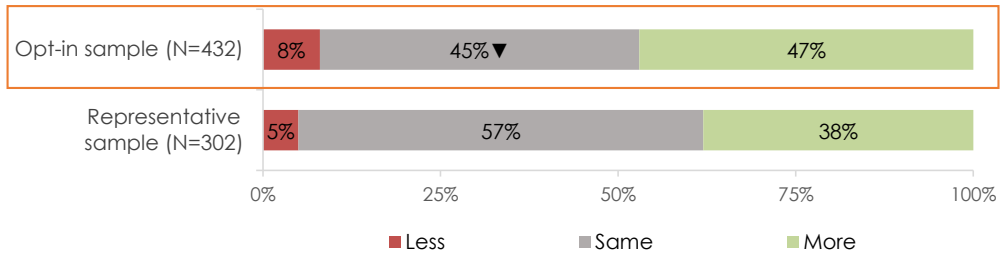
Stormwater

Informed sample

For stormwater assets;

- 46% believe 'fair' conditions are acceptable and 48% prefer 'very good/ good' conditions
- 92% would like to see the same or more investment (47% wanting more), and
- 73% support paying more in rates for maintenance and improvements.

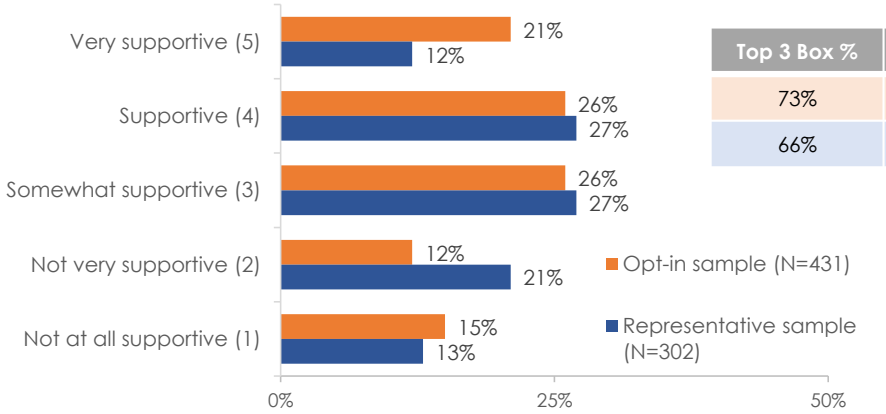
For this category, the Opt-in sample wants higher quality and more investment than does the Representative sample



Acceptable Condition:



Support of paying more rates to maintain/improve:



Top 3 Box %	Mean rating
73%	3.27
66%	3.03

Note: ▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.
Scale: 1 = not at all supportive, 5 = very supportive

Q7a. What condition do you consider acceptable for stormwater assets?
Q7b. Should Council spend more, the same or less on stormwater infrastructure maintenance and renewal?
Q7c. Using the scale below, how supportive are you of paying more in rates to maintain or improve stormwater infrastructure in the local area?

Stormwater

Informed sample

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Acceptable condition (Q7a)											
Very good/ Good	48%	45%	40%	55%	45%	50%	47%	54%	45%	43%	55%
Fair	46%	52%	54%	40%	49%	44%	47%	42%	50%	50%	39%
Poor/ Very poor	6%	3%	6%	5%	6%	6%	6%	4%	6%	7%	5%
Council spend (Q7b)											
More	47%	38%	43%	50%	47%	46%	44%	61%	47%	44%	48%
Same	45%▼	57%	46%	44%	44%	45%	46%	35%	42%	48%	45%
Less	8%	5%	10%	6%	9%	8%	9%	4%	10%	8%	7%
Support (Q7c)											
Top 3 Box %	73%	66%	71%	76%	76%	71%	71%	88%	75%	65%	76%
Mean rating	3.27	3.03	3.22	3.34	3.33	3.24	3.20	3.77	3.32	3.10	3.32
Base	431-432	302	173	251-252	154	277-278	374	56-57	179	97-98	155

*Representative

Scale: 1 = not at all supportive, 5 = very supportive
Indicatively higher/lower level of support/percentage (by group)

Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

Q7a. What condition do you consider acceptable for stormwater assets?
Q7b. Should Council spend more, the same or less on stormwater infrastructure maintenance and renewal?
Q7c. Using the scale below, how supportive are you of paying more in rates to maintain or improve stormwater infrastructure in the local area?



Section 2c.

Council Performance and Consultation

Informed sample

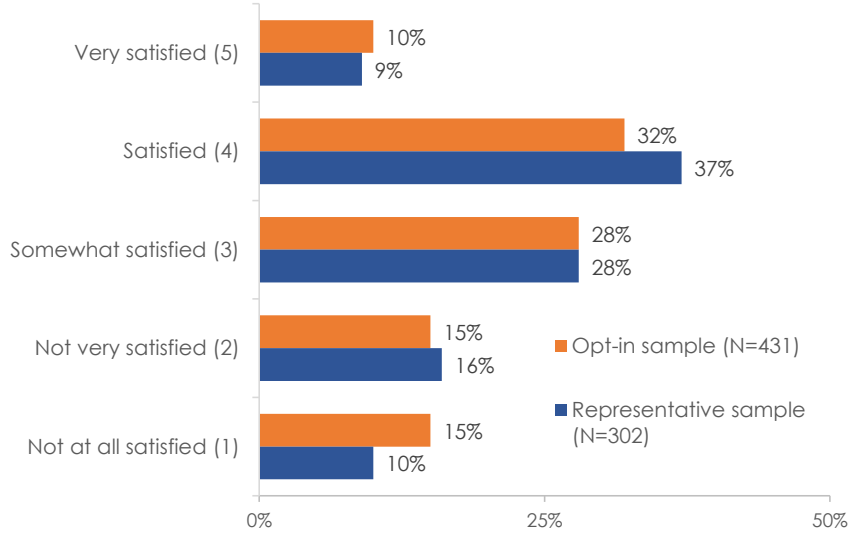
This section explores residents' feedback about the consultation as well as Council's overall performance.

Overall Satisfaction with the Performance of Council

Informed sample

70% of Opt-in respondents are at least somewhat satisfied with the performance of Council, this increases to 86% amongst non-ratepayers.

Results are largely in line with the Representative sample.



	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	70%	74%	67%	73%	70%	69%	67%	86%	72%	67%	68%
Mean rating	3.06	3.19	2.93	3.17	3.05	3.07	3.00	3.48	3.12	2.92	3.09
Base	431	302	173	251	154	277	374	56	179	97	155

*Representative

Q11. *How satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?*

Scale: 1 = not at all satisfied, 5 = very satisfied
Indicatively higher/lower level of satisfaction (by group)

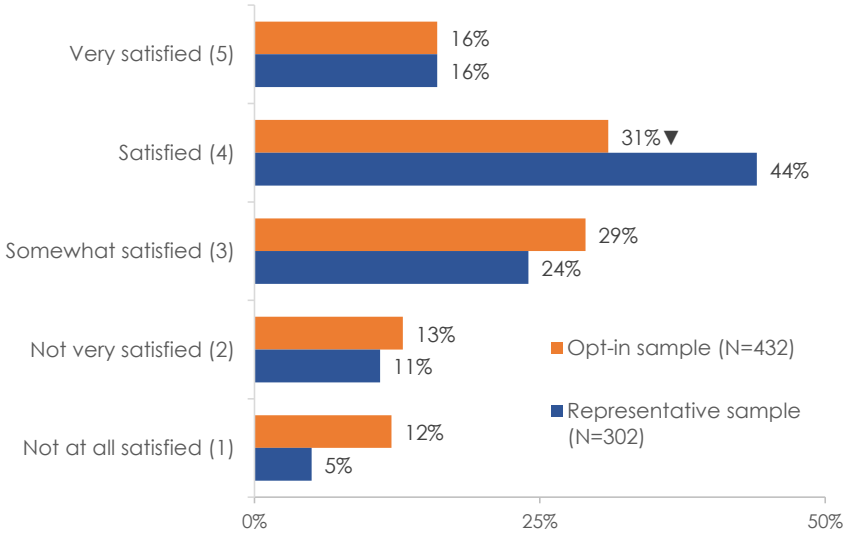
Overall Satisfaction with this Community Consultation

Informed sample

76% of Opt-in respondents were at least somewhat satisfied with the community consultation, overall – somewhat lower than for the Representative sample (84%).

Females, non-ratepayers and longer-term residents were more satisfied.

Some verbatim comments for why respondents provided their rating are provided overleaf.



Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	76%	84%	72%	79%	77%	75%	74%	88%	76%	68%	80%
Mean rating	3.27	3.53	3.10	3.42	3.29	3.27	3.20	3.75	3.27	3.07	3.41
Base	432	302	173	252	154	278	374	57	179	98	155

*Representative

Q10d. Overall, how satisfied are you with this community consultation?

Scale: 1 = not at all satisfied, 5 = very satisfied
Indicatively higher/lower level of satisfaction (by group)

Overall Satisfaction with this Community Consultation



Informed sample

Example verbatims

Satisfied/ Very satisfied

"Sufficiently detailed information on the circumstances, considerations and options to provide suitably informed responses to the survey"

"Good to be able to get involved - as long as our input is carefully assessed and considered"

"It explained things well and I enjoyed the pictures of storm water drains"

"Good consultation attempt"

"Covers a huge range of information and lays out clearly information re the running of the Council"

It was interesting to see what it costs to maintain infrastructure. It was helpful to see the costs for each area and budgeted amounts"

"The pictures were a great element"

Somewhat satisfied

"I feel after the 87% SRV was rejected that we are now being threatened with reduced services as punishment for opposing it. Council should be working with residents not against them…"

"Leading questions"

"Not enough room to suggest options - e.g. outsourced, performance-based contracts for selected maintenance and operations"

"Online forms are OK, but it would be good to have more visibility over face-to-face consultation and actual discussion. The council feels very much like a black box"

"The consultation appears biased"

"Only a small amount of info was given"

"No option in survey to consider other alternates to raise funds…"

Not at all/Not very satisfied

"Not detailed enough, broad sweeping, generalised, loaded questions to provide council the argument it wants not a truly impartial questionnaire rather engineered to deliver a result that absolves council of all blame"

"I found out about this survey on Facebook posted by a resident outraged that the council is spending money on this (250K purportedly) and their pay rises rather than managing the funds they have effectively"

"Very narrow consultation with only one aim. To increase rates"

"I found it by accident, even though you have my email contact details and have asked to remain in touch. The consultation was limited - you didn't consider selling assets and getting the council out of commercial ventures"

"The information provided paints a bleak picture of financial mismanagement over an extended period yet there is no indication of how this sorry state of affairs came about"

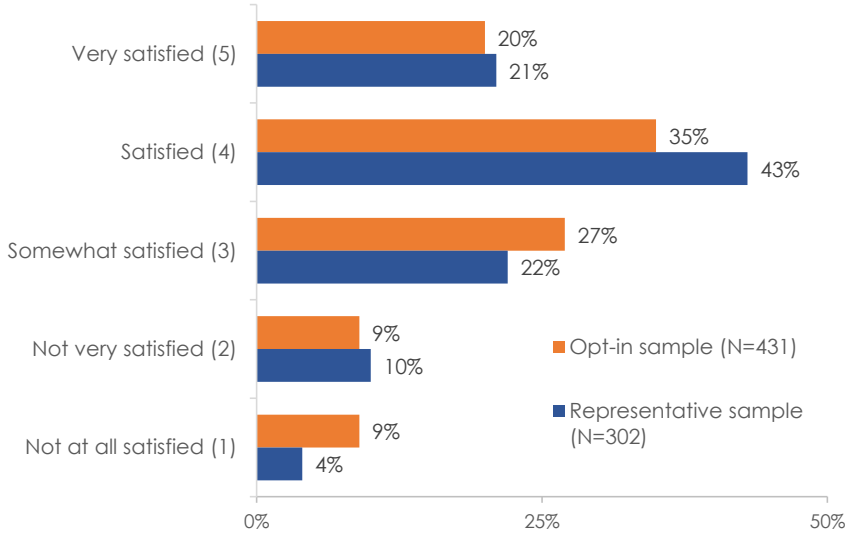
Q10d. Overall, how satisfied are you with this community consultation?
Q10e. Why do you say that?

Satisfaction with the Level of Information Provided

Informed sample

Results are similar to the Representative sample, with 82% of Opt-in respondents being at least somewhat satisfied with the level of information provided in this consultation - 1 in 5 stating they were 'very satisfied'.

Females and non-ratepayers were more satisfied with the information provided.



	Overall Opt-in sample	Overall Rep* sample	Gender		Age		Ratepayer status		Time lived in area		
			Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	82%	86%	79%	86%	83%	82%	81%	91%	82%	79%	84%
Mean rating	3.48	3.66	3.33	3.62	3.47	3.49	3.43	3.82	3.48	3.31	3.60
Base	431	302	173	251	154	277	373	57	179	98	154

*Representative

Q10c. How satisfied were you with the level of information provided to you in this consultation?

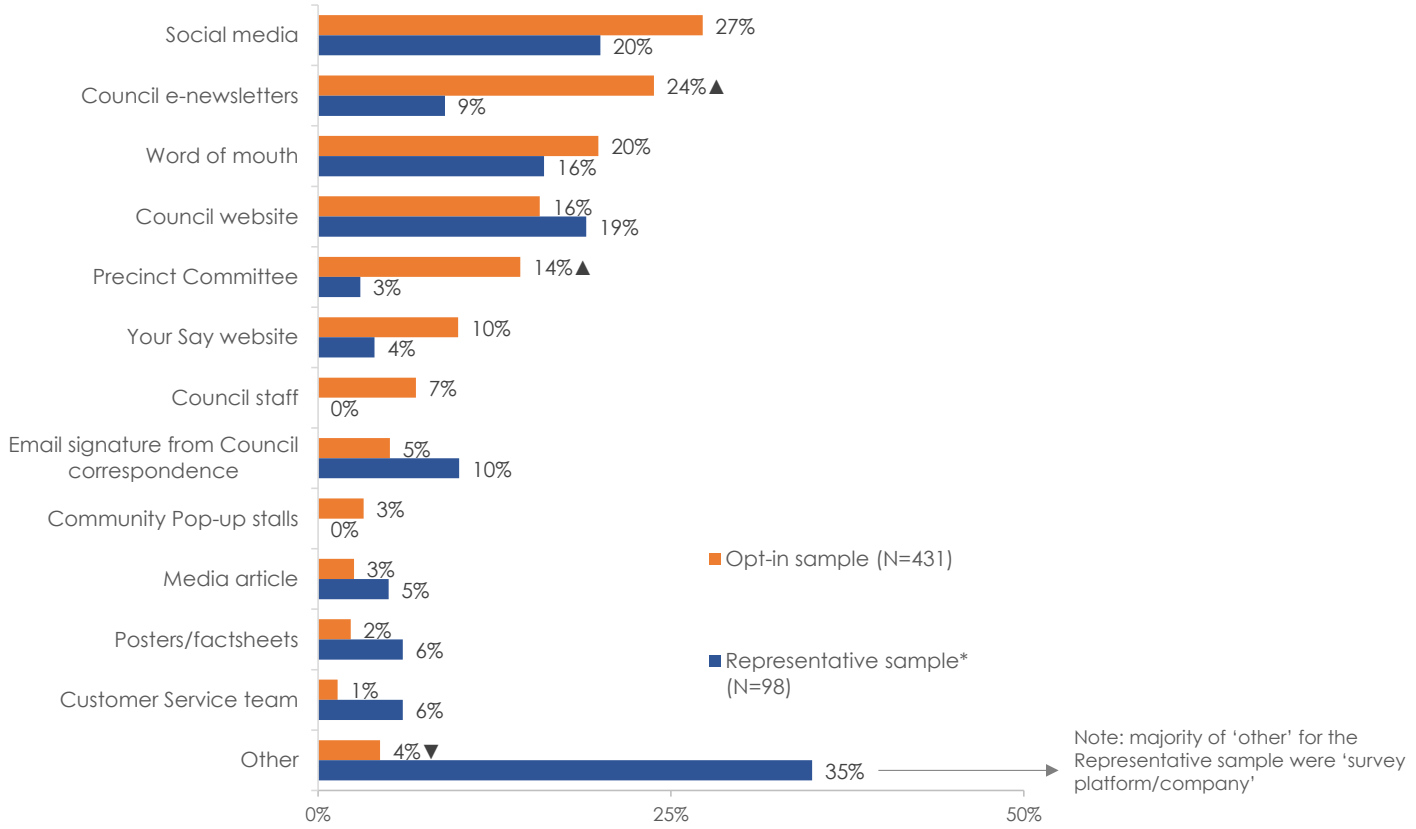
Scale: 1 = not at all satisfied, 5 = very satisfied
Indicatively higher/lower level of satisfaction (by group)



Appendix
Additional Analyses

Being Informed of this Consultation

Informed sample



*Asked only of those who completed the Representative survey online

Q10b . How were you informed of this consultation?

Note:▲/▼ = difference equal to/greater than 10% between representative and opt-in samples.

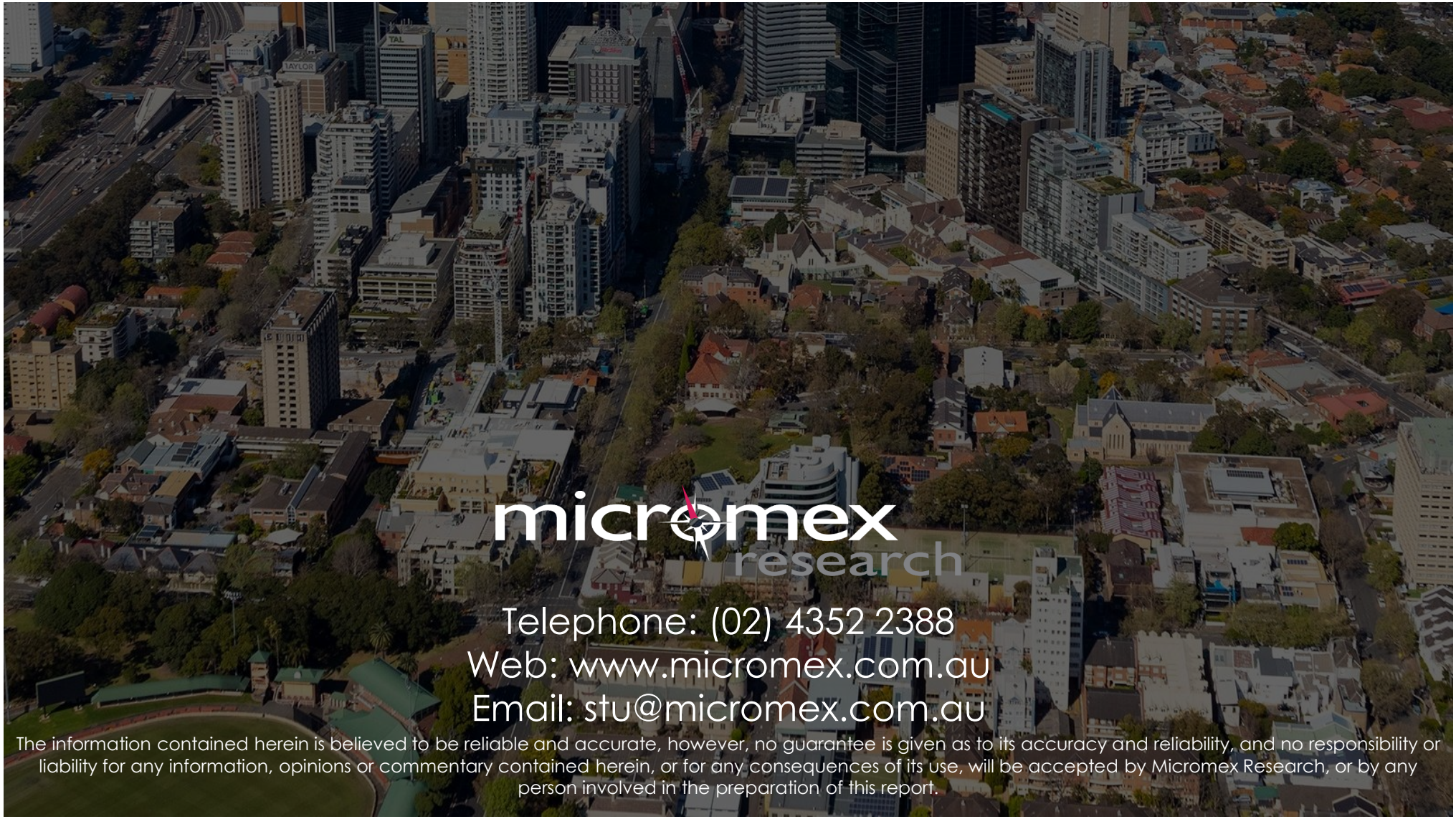
Alternative Sources of Revenue

Baseline sample

At least somewhat supportive (T3B%)	Overall	Gender		Age		Ratepayer status		Time lived in area		
		Male	Female	Under 50	50+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
New/increased fees for commercial/large group park use	90%	89%	90%	87%	91%	90%	87%	88%	93%	90%
Corporate/private event hire of the Olympic Pool	87%	85%	88%	85%	88%	87%	86%	86%	88%	87%
Ticketing entry to parks on New Year's Eve	84%	84%	84%	80%	86%	86%	71%	82%	90%	82%
Naming rights for local facilities, such as North Sydney Oval and the Olympic pool	77%	78%	76%	78%	76%	76%	82%	79%	74%	76%
Increased parking enforcement	66%	71%	63%	66%	66%	66%	68%	64%	71%	66%
More commercial advertising in public places	63%	64%	62%	75%	56%	62%	73%	68%	64%	57%
Base (maximum)	430	172	247	154	272	371	55	178	97	151

Q12c . To offset or reduce the pressure on Council rates as a revenue source, how supportive are you of the following?

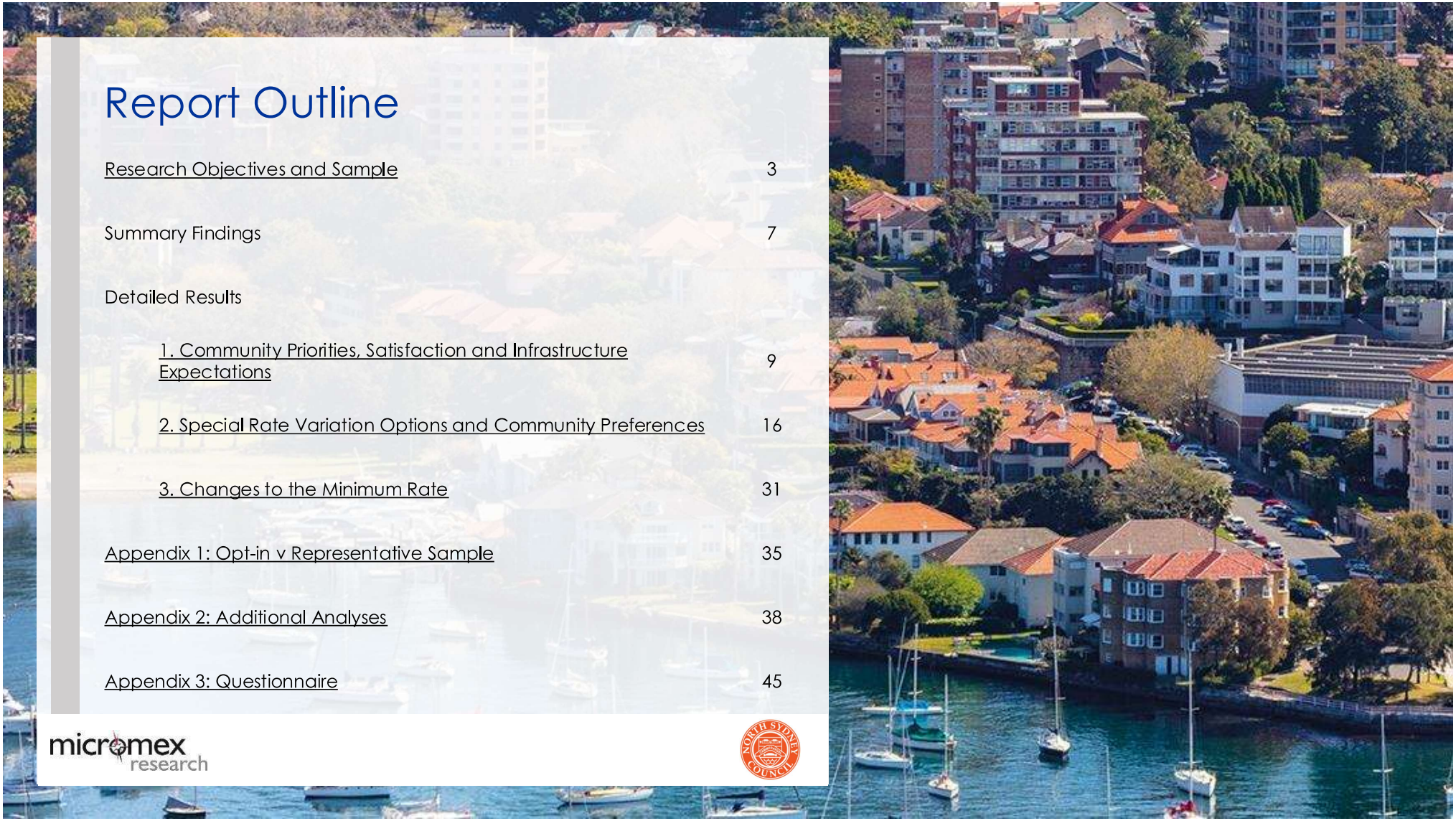
Indicatively higher/lower level of support (by group) 78


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Special Rate Variation – Community Survey

Prepared by: Micromex Research
Date: December 17, 2025



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Detailed Results

1. Community Priorities, Satisfaction and Infrastructure Expectations 9

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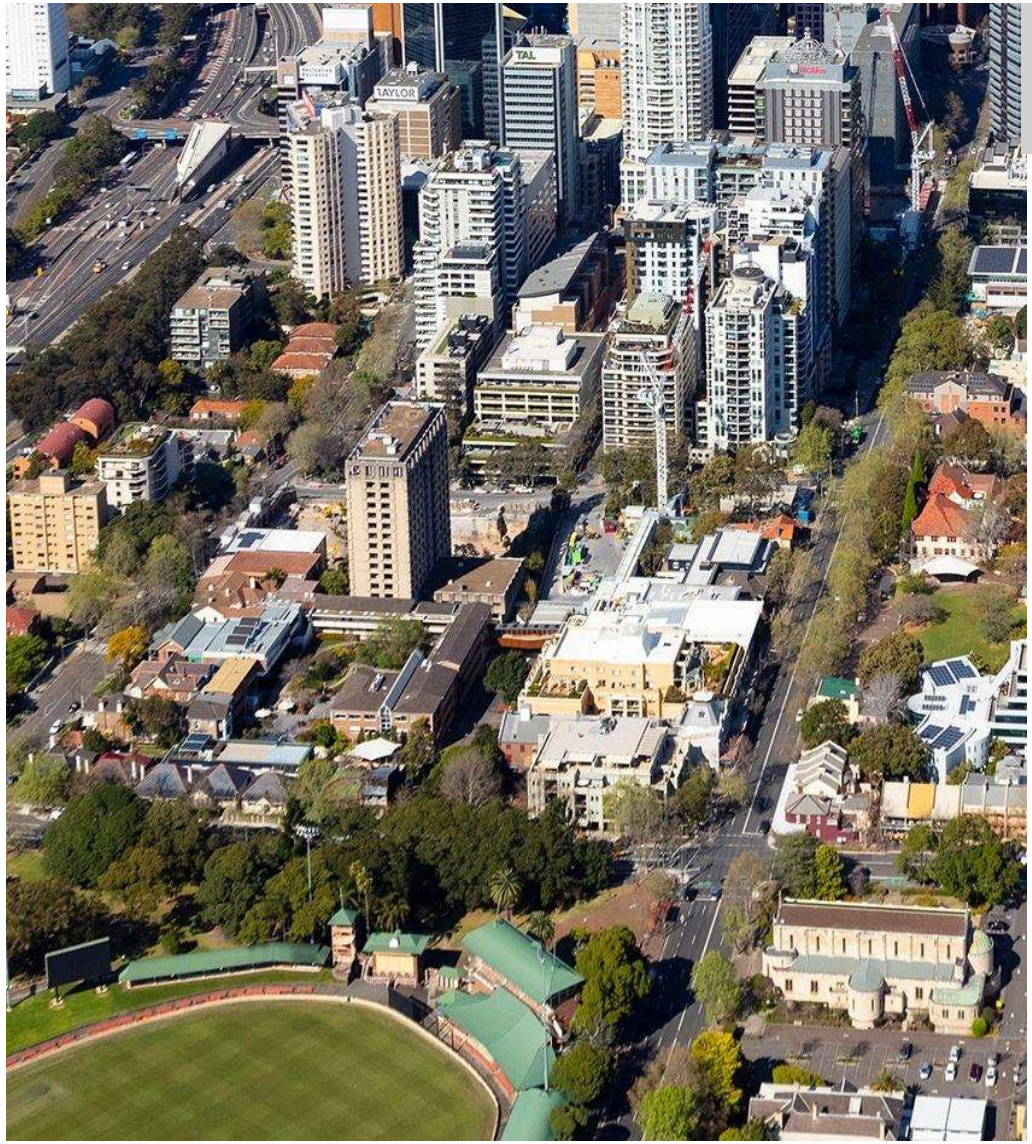
3. Changes to the Minimum Rate 31

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micromex research



Research Objectives

North Sydney Council commissioned Micromex Research to conduct a random telephone survey with residents living in the North Sydney Council local government area (LGA).

Objectives (Why?)

- Identify community priorities for the North Sydney Council LGA
- Identify the community's overall level of satisfaction with Council performance and importance of infrastructure maintenance and renewal
- Evaluate resident attitudes toward a potential Special Rate Variation (SRV), including levels of support for each proposed option and the community's overall preference for how Council should proceed

Sample (How?)

- Telephone survey (landline N=37 and mobile N=366) to N=403 residents
- 32 contacts were recruited through number harvesting
- We use a 5-point scale (e.g. 1 = not at all satisfied, 5 = very satisfied)
- Greatest margin of error +/- 4.9%

Timing (When?)

- Implementation 25th November – 5th December 2025

Methodology and Sample

Sample selection and error

A total of 403 resident interviews were completed. 371 of the 403 respondents were recruited by means of a computer based random selection process using the Australian marketing lists and SamplePages. The remaining 32 respondents were 'number harvested' via face-to-face intercept at several locations around the North Sydney Council LGA, i.e. Milsons Point Wharf, Waverton Station, Milsons Point Station Coles Crows Nest and Neutral Bay

A sample size of 403 residents provides a maximum sampling error of plus or minus 4.9% at 95% confidence. This means that if the survey was replicated with a new universe of N=403 residents, 19 times out of 20 we would expect to see the same results, i.e. +/- 4.9%. For example, that an answer such as 'yes' (50%) to a question could vary from 45% to 55%.

Interviewing

Interviewing was conducted in accordance with The Research Society Code of Professional Behaviour.

Data analysis

The data within this report was analysed using Q Professional.

Within the report, blue and red font colours are used to identify statistically significant differences between groups, i.e., gender, age, etc.

Significance difference testing is a statistical test performed to evaluate the difference between two measurements. To identify the statistically significant differences between the groups of means, 'One-Way Anova tests' and 'Independent Samples T-tests' were used. 'Z Tests' were also used to determine statistically significant differences between column percentages.

Note: All percentages are calculated to the nearest whole number and therefore the total may not exactly equal 100%.

Ratings questions

The Unipolar Scale of 1 to 5 was used in all rating questions, where 1 was the lowest importance or satisfaction and 5 the highest importance or satisfaction.

This scale allowed us to identify different levels of importance and satisfaction across respondents.

Top 2 (T2) Box: refers to the aggregate percentage (%) score of the top two scores for importance. (i.e. important & very important)

Top 3 (T3) Box: refers to the aggregate percentage (%) score of the top three scores for satisfaction or support. (i.e. somewhat satisfied, satisfied & very satisfied)

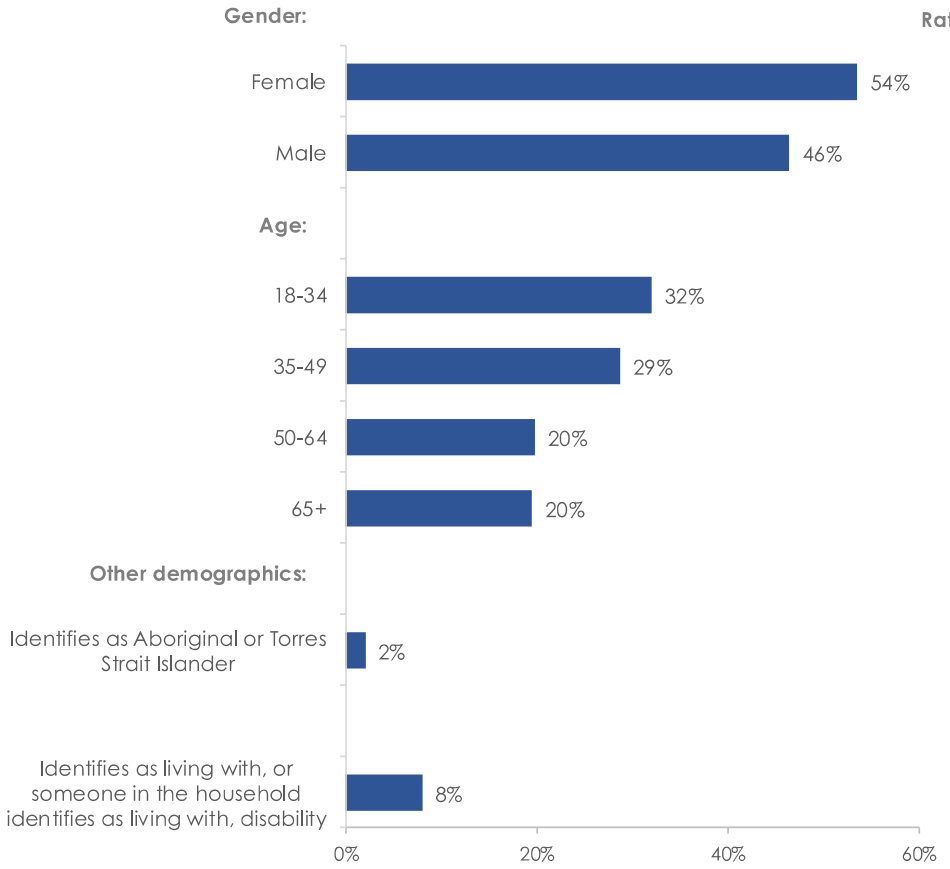
We refer to T3 Box Satisfaction in order to express moderate to high levels of satisfaction in a non-discretionary category. We only report T2 Box Importance in order to provide differentiation and allow us to demonstrate the hierarchy of community priorities.

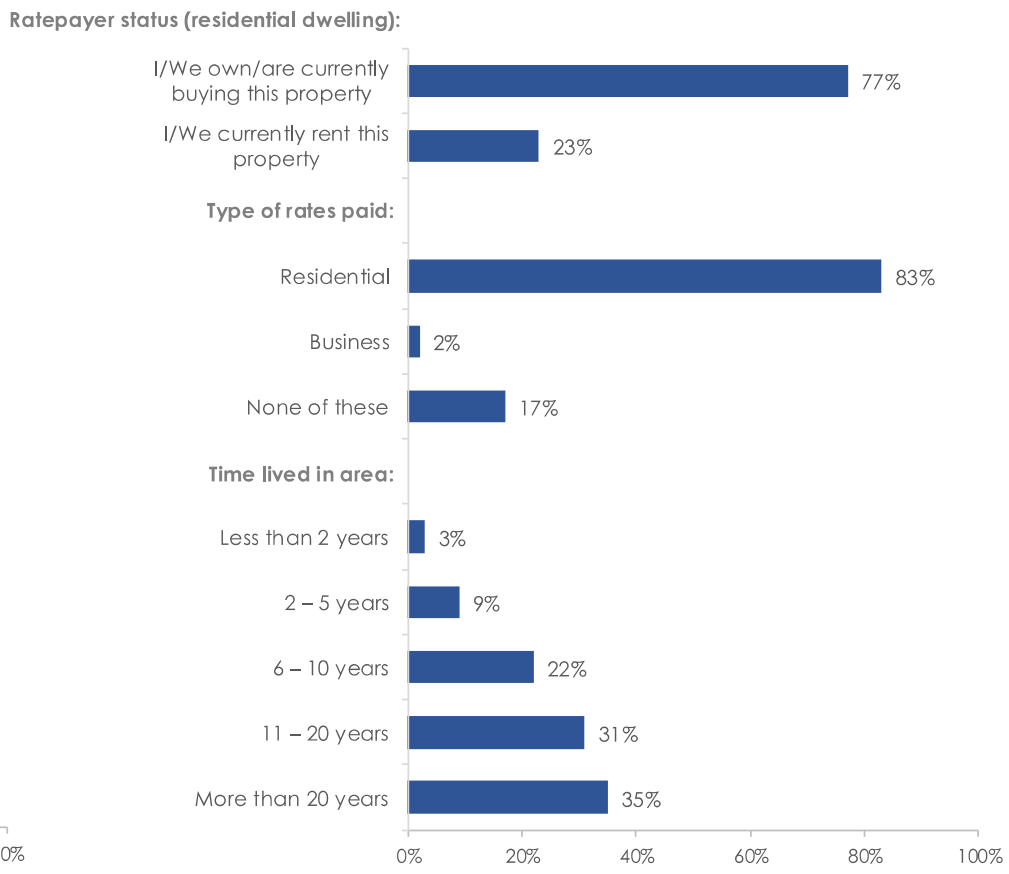
Micromex LGA Benchmark

Micromex has developed Community Satisfaction Benchmarks using normative data from over 80 unique councils, more than 200 surveys and over 100,000 interviews since 2012.

Sample Profile

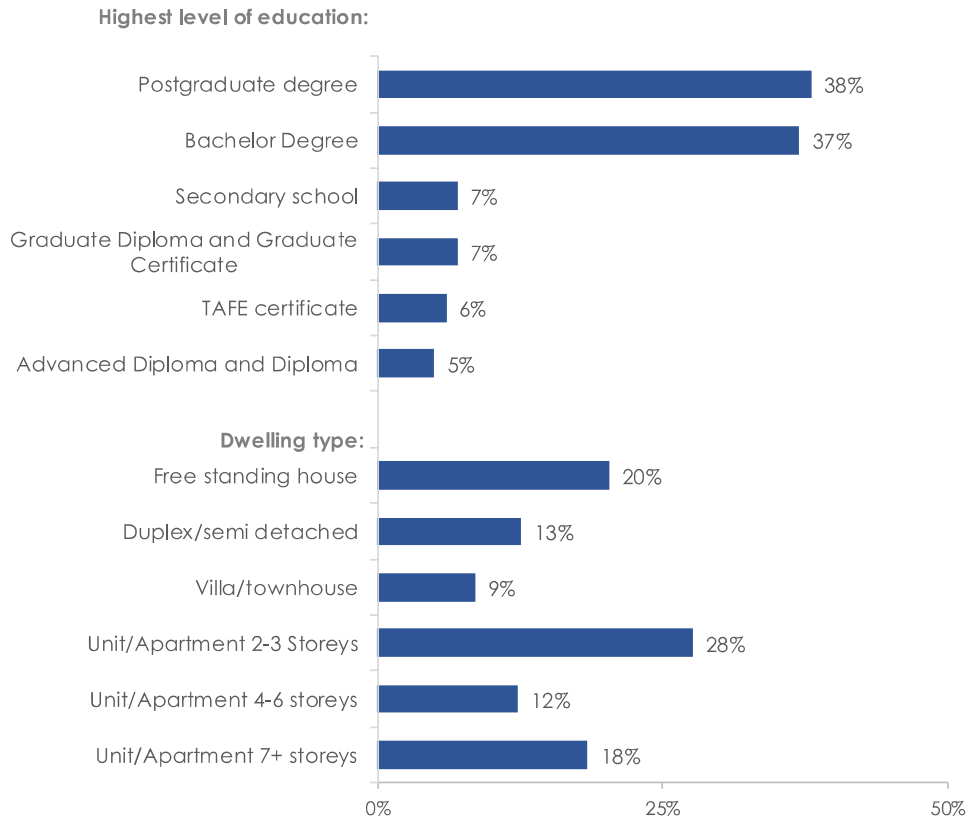
The sample was weighted by age and gender to reflect the 2021 ABS Census data for the North Sydney local government area.





Base: N = 403

Sample Profile



Residential suburb	N = 403
Cremorne	17%
Neutral Bay	12%
Wollstonecraft	12%
Cammeray	10%
North Sydney	9%
Crows Nest	8%
Waverton	7%
Kirribilli	4%
McMahons Point	4%
St Leonards	4%
Cremorne Point	3%
Kurraba Point	3%
Lavender Bay	3%
Milsons Point	3%

Base: N = 403

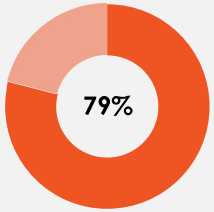
Summary Findings



micromex research

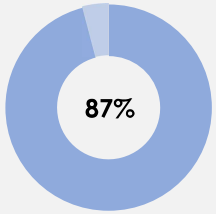
Snapshot Summary Results

Key Metrics



Overall Satisfaction

79% of residents are at least 'somewhat satisfied' with the performance of Council over the last 12 months.

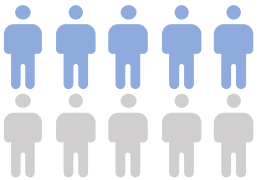


Importance of Maintenance/ Renewal of Local Infrastructure

87% of residents believe it is 'important' or 'very important' for Council to implement plans and programs that will maintain/renew local infrastructure in the local area.

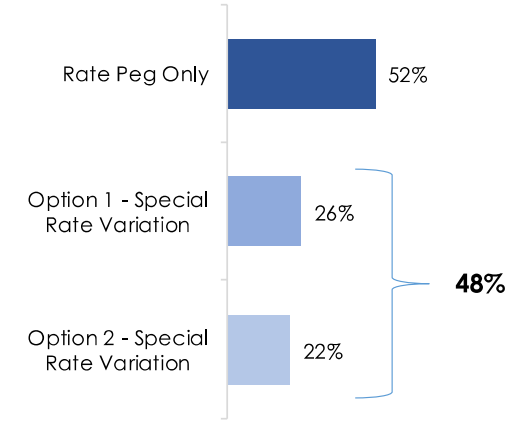
SRV Community Feedback

49% of residents are aware that Council was exploring community sentiment towards applying for a Special Rate Variation.



Word of mouth (43%) is the most common way residents have been informed of the proposed SRV, followed by social media (36%) and letter from the Mayor (30%).

SRV Options
(1st Preference %)



Overall, 48% of residents prefer Council to proceed with some level of rate variation.

Compared with other recent council consultations, support for an SRV in North Sydney is relatively stronger, with preferences closer to an even split rather than the 40/60 preference for an SRV observed elsewhere.

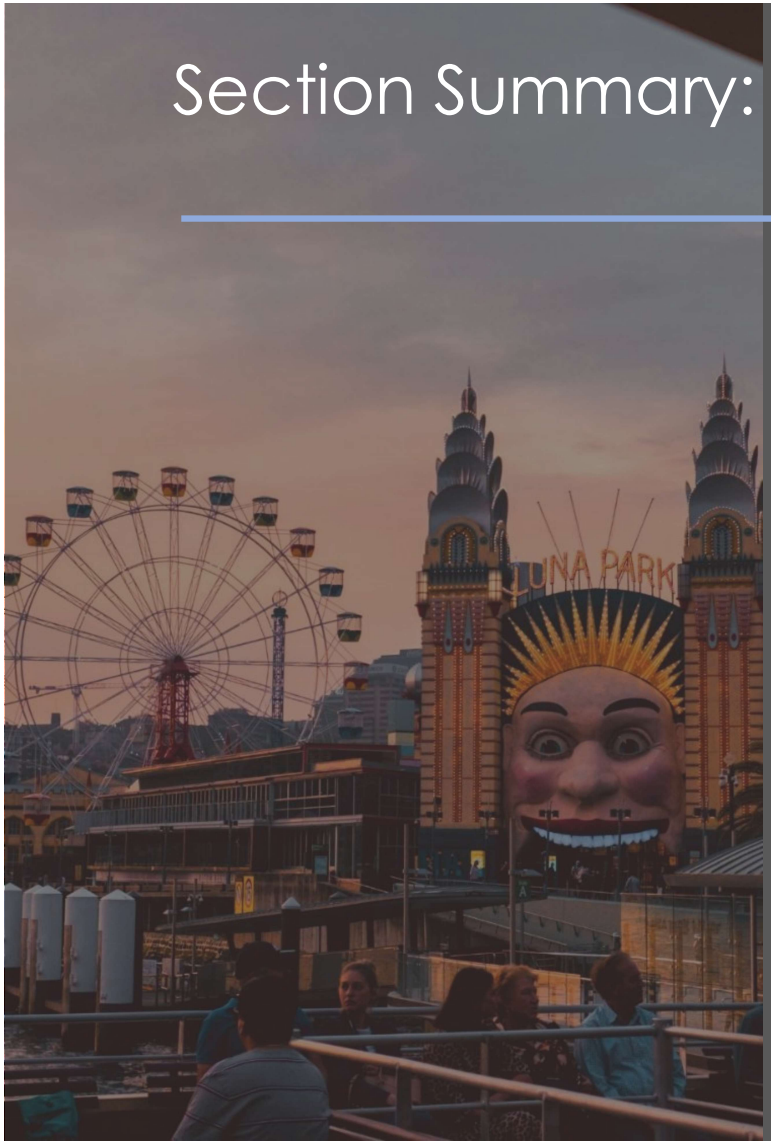
Preferences are balanced between cost-of-living pressures and recognition of the need for adequate funding to maintain services and infrastructure.



Section One

Community Priorities, Satisfaction and Infrastructure Expectations

This section examines community priorities, satisfaction with Council's performance, the importance placed on infrastructure renewal, and principles guiding the management of Council's investment properties.



Section Summary: Community Priorities, Satisfaction and Infrastructure Expectations

Overall Satisfaction:

Overall, 79% of residents are at least somewhat satisfied with the performance of North Sydney Council over the last 12 months. Satisfaction is higher among younger residents (18-34), non-ratepayers and those having lived locally for 10 years or less.

Community Priorities:

The North Sydney Pool management and budget transparency (26%) is the most frequently mentioned issue facing the area. Other priority issues include the management of development, increasing rates and Council's financial management.

Infrastructure and Public Assets:

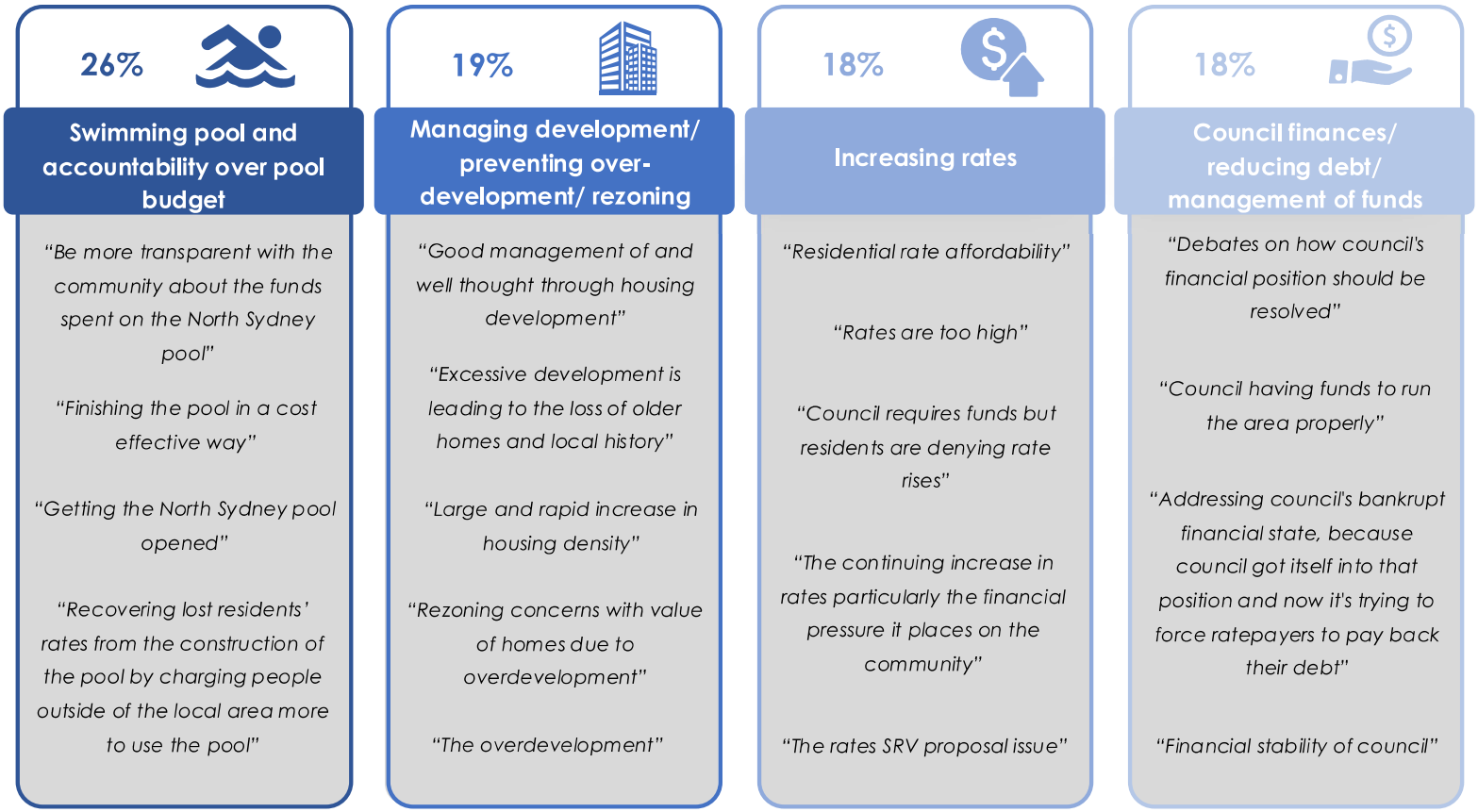
- 87% of residents rate infrastructure maintenance and renewal as important or very important.
- Residents most agree that Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations (80% agree).
- Residents are more likely to disagree than agree that Council should deal with the current and any future financial issues by selling investment properties now, rather than increasing rates or fees (41% disagree, while only 30% agree).

Highest Priority Issues Facing North Sydney – Top 4

When residents were asked the highest priority issues facing the North Sydney Council area, just over a quarter stated the management and spending on the North Sydney Pool.

Residents also mentioned development control (19%), the increase of rates (18%) and Council's financial management (18%).

The full list of priorities is provided on the next slide.



Base: N = 403

Q1b. What do you think are the highest priority issues facing North Sydney Council and its residents?

Highest Priority Issues Facing North Sydney

Residents identify a wide range of priority issues, with the most prominent relating to Council accountability and financial management and development pressures. Other issues include traffic management, infrastructure to support growth, parking, and access to green space.

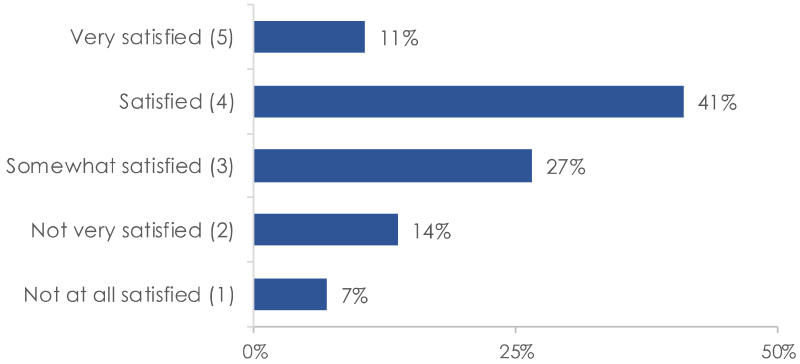
Highest priority	N=403	Highest priority	N=403
Swimming pool and accountability over pool budget	26%	Community safety	3%
Managing development/ preventing over-development/ rezoning	19%	Cost of living pressure	3%
Increasing rates	18%	Council information/ consultation and engagement	3%
Council finances/ reducing debt/ management of funds	18%	Loss of heritage and character of the area	3%
Traffic congestion and management	16%	Sustainability/ environmental concerns	3%
Infrastructure, services and facilities to meet the needs of growing population	12%	Waste services	3%
Parking availability/ cost	12%	Community services and facilities, especially for aged/ disabled/ disadvantaged	2%
Access to green space/ parks and playgrounds	7%	Council action/ work quality	2%
Footpaths and bike lanes/ e-bikes	7%	Noise pollution	2%
Maintenance of local area and infrastructure/ cleanliness	7%	Population management	2%
Public transport	7%	Tree management	2%
Housing affordability and availability	5%	Animal management	1%
Road maintenance	5%	Supporting business/ local economy	1%
Vibrancy of the area/out-door dining/ weekend activity	4%	Other	2%
Community events - markets/ arts/ culture	3%	Don't know/ nothing	3%

Q1b. What do you think are the highest priority issues facing North Sydney Council and its residents?

Overall Satisfaction with Council's Performance

Overall satisfaction is strong, with 79% at least somewhat satisfied with the performance of Council over the last 12 months – a slight increase from 74% obtained in October this year (Asset Management Research).

Satisfaction is highest amongst younger residents (18-34), non-ratepayers and those living in the area for 10 years or less.



	Overall SRV Score	Metro Benchmark 2022-2025	Asset Management Score October Research 2025	Dwelling type			
				Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Top 3 Box %	79%	87%	74%	79%	66%	80%	82%
Mean rating	3.34	3.52	3.19	3.39	3.00	3.38	3.39
Base	403	15,424	302	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	79%	81%	76%	87%	78%	69%	77%	74%	94%	85%	78%	73%
Mean rating	3.34	3.41	3.26	3.59	3.34	2.93	3.34	3.17	3.91	3.56	3.23	3.21
Base	403	216	187	129	116	80	79	311	92	138	126	139

Base: N = 403

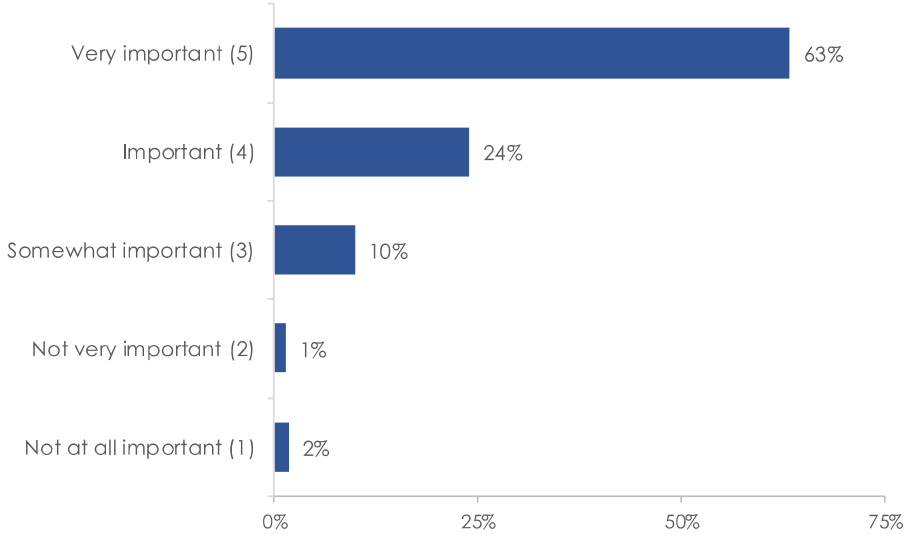
Scale: 1 = not at all satisfied, 5 = very satisfied
A significantly higher/lower level of satisfaction (by group)

Q1c. Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas?

Importance of Infrastructure Maintenance and Renewal

Infrastructure maintenance and renewal is viewed as highly important by the community, with 87% rating it as important or very important to them.

Importance is particularly high among residents living in higher-density apartments (92% T2B%) and non-ratepayers (99%).



	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Top 2 Box %	87%	85%	80%	86%	92%
Mean rating	4.45	4.36	4.24	4.44	4.61
Base	403	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 2 Box %	87%	89%	85%	87%	87%	88%	85%	83%	99%	91%	91%	79%
Mean rating	4.45	4.56	4.33	4.52	4.49	4.41	4.34	4.34	4.82	4.67	4.50	4.19
Base	403	216	187	129	116	80	79	311	92	138	126	139

Base: N = 403

Scale: 1 = not at all important, 5 = very important

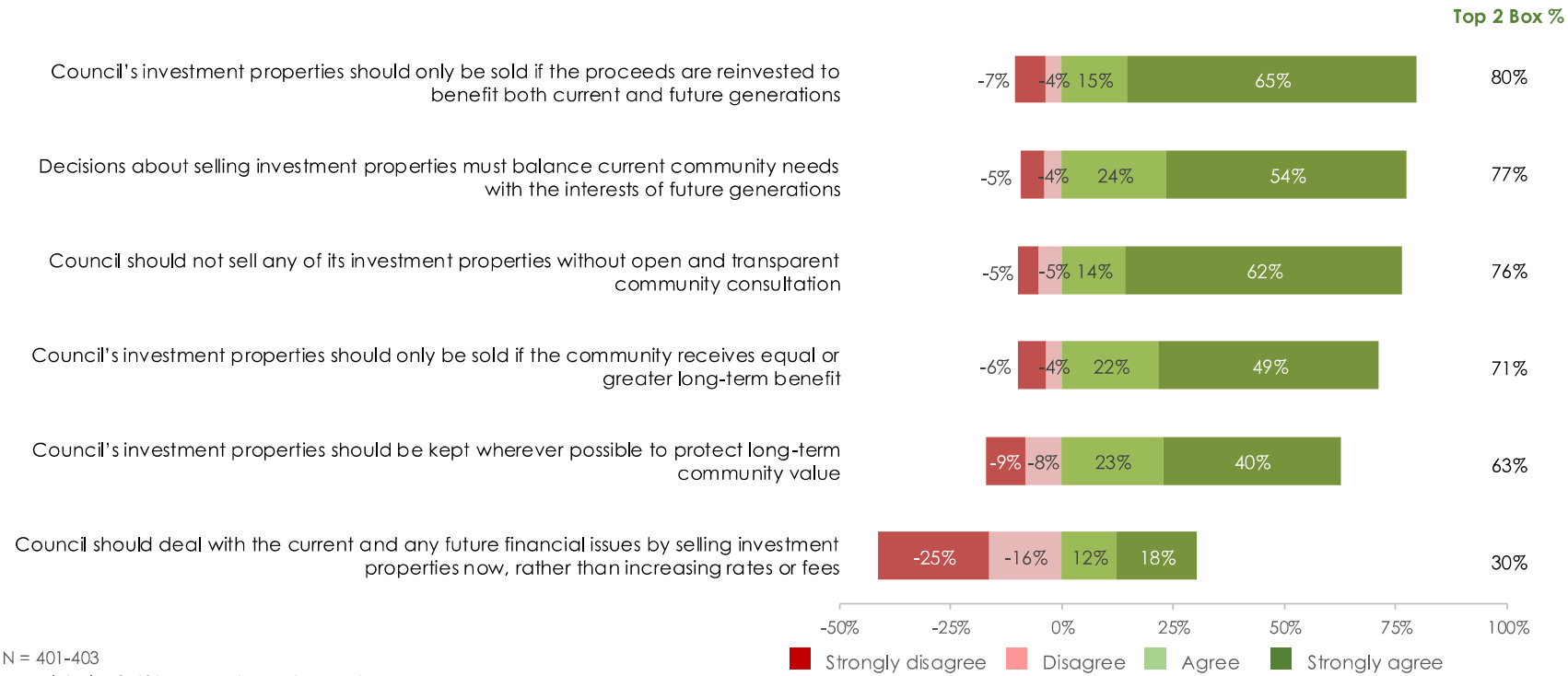
Q1d. How important do you believe it is for Council to implement plans and programs that will maintain/renew local infrastructure in the local area?

A significantly higher/lower level of importance (by group)

Management of Public Assets

Most residents support selling Council investment properties only when there is a clear long-term community benefit, transparent consultation, and reinvestment for future generations.

Residents are more likely to disagree than agree that Council should sell investment properties to address financial pressures.



Base: N = 401-403
Note: Data labels of <% have not been shown above

Q6. *Council holds several investment properties to ensure adequate land for future community needs as the population grows, and for income producing and capital growth purposes. Thinking about Council's investment property portfolio. We would like to understand, in principle, how you believe these assets should be managed. For each of these could you please indicate your level of agreement with each statement.*

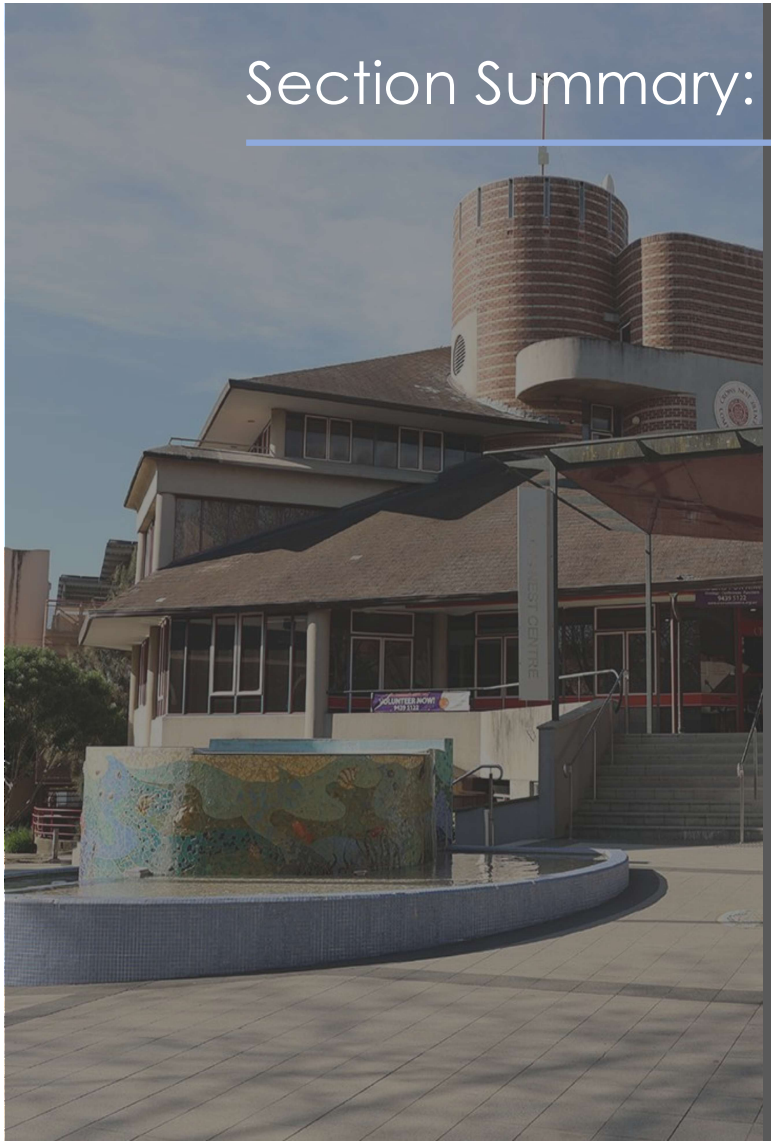
Please see Appendix 2 for results by demographics



Section Two

Special Rate Variation (SRV) Options and Community Preferences

This section assesses residents' support for various funding options, including three SRV scenarios and minimum rate changes, to maintain services, renew infrastructure, and improve Council's long-term financial sustainability.



Section Summary: SRV Options and Community Preferences

Awareness:

49% were aware and 49% not aware that Council was exploring community sentiment towards a special rate variation prior to participating in this survey. Of those aware, main methods of awareness was through word of mouth and social media.

Support for, and Preference of, Options:

Rate Peg Only:

- 70% are at least somewhat supportive
- 52% selected rate peg only as their first preference, with their main reason for preference being 'Council should use funds more wisely/lack confidence in Council's financial management'

Option 2:

- 59% are at least somewhat supportive
- 26% selected this option as their first preference, with their main reasons being 'it is needed for improvements in the area' and 'it is a fair amount/not unreasonable/most balanced'

Option 3:

- 45% are at least somewhat supportive
- 22% selected this option as their first preference, with their main reasons being 'it is needed for improvements in the area' and 'higher rates will lead to faster progress and better outcomes'

Overall, 48% prefer Council to proceed with some level of special rate variation.

Concept Statement

Note: The following information was provided to respondents during the survey.

North Sydney Council delivers a wide range of services to the community. These include maintaining roads, parks and playgrounds, libraries, cultural programs, environmental initiatives, transport and traffic management, and strategic planning for the future of the area.

Through recent community engagement, Council have heard a strong message: residents value these services and want current service levels maintained, with improvements in some areas.

Over the past few years, Council has made significant productivity improvements and reduced operating costs. However, these efficiencies alone are not enough to close the growing gap between funding and the cost of maintaining essential community assets.

Council's income is regulated by the NSW Independent Pricing and Regulatory Tribunal (IPART), which limits how much rates can increase each year. This limit, known as the rate peg, is set at 4% for the 2026–27 financial year – and is estimated to be 3% in subsequent years.

A 4% increase will not be sufficient to maintain services at their current level, nor to properly renew ageing infrastructure. Without additional revenue or reductions in services, Council's financial position will become unsustainable.

At present, Council has identified $157 million worth of infrastructure, such as roads, footpaths, drainage, and community buildings, that are already in poor or very poor condition. Without action, these assets will continue to decline and future costs will escalate.

To address this funding gap, councils can apply to IPART for a Special Rate Variation (SRV), which allows rates to rise above the rate peg.

Earlier this year North Sydney Council applied for an SRV, but it was unsuccessful. Council has now addressed the recommendations made by the regulating body as part of that process and is considering re-applying for a permanent SRV, applied progressively over the next three years.

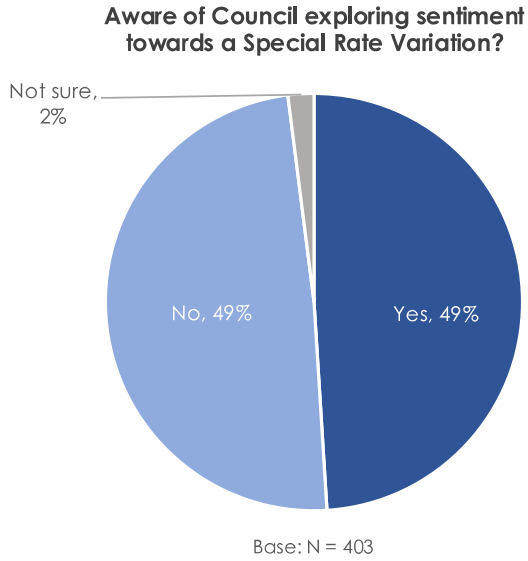
We will be presenting three options for community consideration, each with different implications for service levels, asset renewal, and long-term sustainability.

Council acknowledges that any rate increase may place financial pressure on some residents. Council offers support through its Hardship Policy and can offer alternative payment arrangements to assist ratepayers.

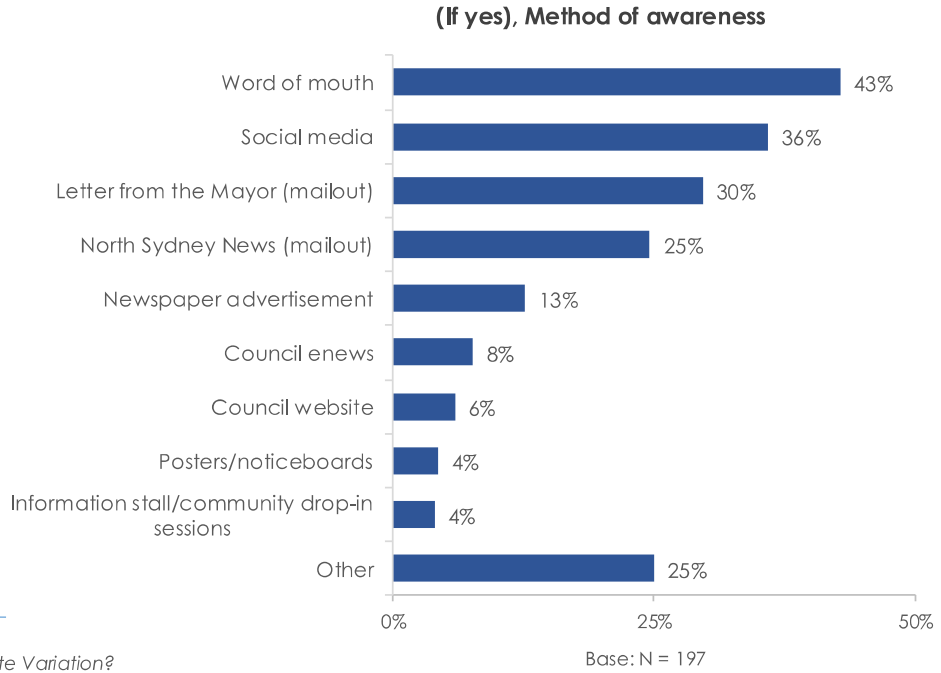
Awareness of the SRV

Awareness of the Special Rate Variation was moderate (49%) and slightly above the Micromex historic benchmark (44%), driven mainly by word of mouth, social media, and Council communications.

	North Sydney Council	Micromex Benchmark*
Yes	49%	44%
Base	403	10,705



Base: N = 403



Base: N = 197

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?
Q4b. How were you informed that Council was exploring community sentiment towards a Special Rate Variation?

**Micromex Benchmark normative data (44%, from N=10,705 interviews across over 20 + consultations).*

Please see Appendix 2 for results by demographics and other specified

Options in Detail…

Note: The following information was provided to respondents during the survey for Option 1.

Option 1: Rate Peg Only

1

This option would continue the status quo with rates only increasing by the assumed rate peg amount of 4% in 2026-27, and an estimated 3% in each of the following two years. Each year, the average residential ratepayer currently paying $1,076 per year would pay between $34 and $43 more than the previous year in general rates.

After 3 years, this would amount to an average annual charge of $1,187 by 2028/2029.

Under this option the impact would be:

- *Services would need to be reduced in key areas, including areas such as parks maintenance, or community services*
- *Infrastructure would continue to deteriorate*
- *Infrastructure at most risk, such as stormwater and building assets, could be subject to failure*
- *A lack of investment in new infrastructure would place further pressure on existing assets as the population grows*
- *Corporate systems would continue to have limited productivity and decision-making*

Option 2: SRV – Three Year Spread

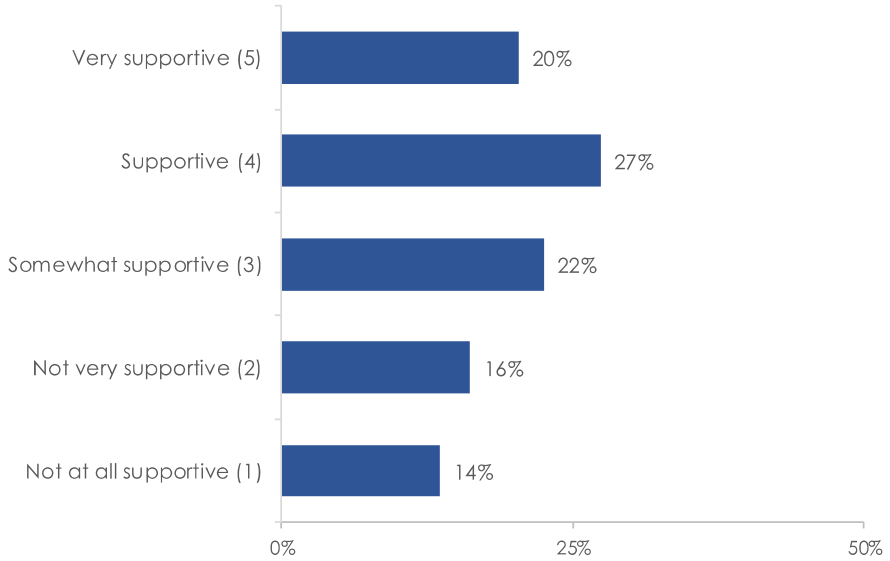
2

Option 3: SRV – Three Year Spread

3

Support for Option 1: Rate Peg Only

70% of residents support Council proceeding with the rate peg only. This option had higher support among those residing in lower-density dwellings such as free-standing houses (77%) and duplex/ semi-detached houses (74%).



	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Top 3 Box %	70%	77%	74%	72%	62%
Mean rating	3.25	3.41	3.37	3.18	3.16
Base	403	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	70%	69%	71%	68%	78%	67%	66%	69%	73%	61%	81%	70%
Mean rating	3.25	3.17	3.33	3.19	3.38	3.17	3.21	3.24	3.25	2.97	3.47	3.31
Base	403	216	187	129	116	80	79	311	92	138	126	139

Base: N = 403

Q2a. How supportive are you of Council proceeding with Option 1?

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support (by group)

Options in Detail…

Note: The following information was provided to respondents during the survey for Option 2.

Option 1: Rate Peg Only

1

Option 2: SRV – Three Year Spread

2

This proposed SRV option would be introduced over 3 years:

- *In year one (2026/27) rating revenue would rise by 20%, which includes the 4% rate peg. This means the average residential ratepayer currently paying $1,076 per annum would pay $1,295 in Year 1, an increase of $219*
- *In year two (2027/28) rating revenue would rise by an additional 10%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,422 in Year 2, a further increase of $127*
- *In year three (2028/29) rating revenue would rise by an additional 6%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,506 in Year 3, a further increase of $84*

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

The SRV will generate additional income, of which 80% including an average of $11 million per year over the next three years will be allocated to infrastructure renewals and critical backlogs. New corporate systems would be implemented over a four-year period to reduce risk, improve productivity, reporting, and decision-making.

A small increase in operational funding would ensure adequate maintenance of parks and gardens including new open space at Berry's Bay. This option would also ensure continued improvement of Development Applications times.

With this additional funding:

- *Council can continue to provide services at existing service levels*
- *Infrastructure in poor or very poor condition are forecast to reduce from 14% to 10% over the next 10 years*
- *Critical backlogs will be prioritised*
- *Corporate systems will be implemented including infrastructure management systems to reduce risk, improve productivity, decision-making and customer service*

Option 3: SRV – Three Year Spread

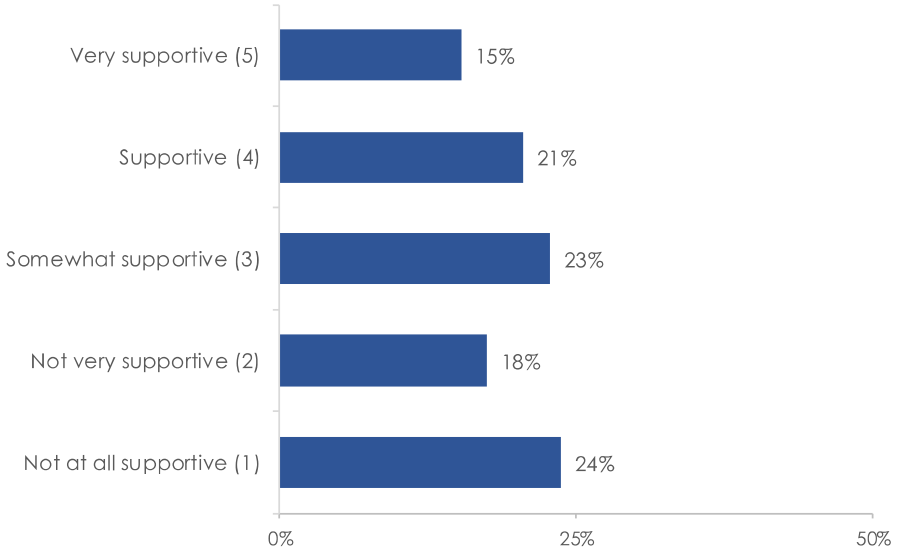
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22

Support for Option 2: Special Rate Variation

59% of residents are at least somewhat supportive of Council proceeding with Option 2, this increases to 83% amongst non-ratepayers and 67% for those currently living in a duplex/ semi-detached house.

Those who are more satisfied with Council's performance and placed a very high level of importance on infrastructure maintenance and renewal were more supportive of this option.



	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Top 3 Box %	59%	53%	67%	54%	65%
Mean rating	2.86	2.80	2.89	2.73	3.04
Base	403	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	59%	64%	52%	62%	57%	54%	60%	52%	83%	65%	60%	51%
Mean rating	2.86	2.99	2.72	3.03	2.75	2.69	2.92	2.66	3.56	3.03	2.81	2.74
Base	403	216	187	129	116	80	79	311	92	138	126	139

Base: N = 403

Q2b. How supportive are you of Council proceeding with Option 2?

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support (by group)

Options in Detail…

Note: The following information was provided to respondents during the survey for Option 3.



This proposed SRV option would be introduced over 3 years:

- *In year one (2026/27) rating revenue would rise by 23%, which includes the 4% rate peg. This means the average residential ratepayer currently paying $1,076 per annum would pay $1,327 in Year 1, an increase of $251*
- *In year two (2027/28) rating revenue would rise by an additional 15%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,520 in Year 2, a further increase of $193*
- *In year three (2028/29) rating revenue would rise by an additional 9%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,654 in Year 3, a further increase of $134*

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

With this additional funding, Council will provide the services and infrastructure mentioned for the previous option, plus…

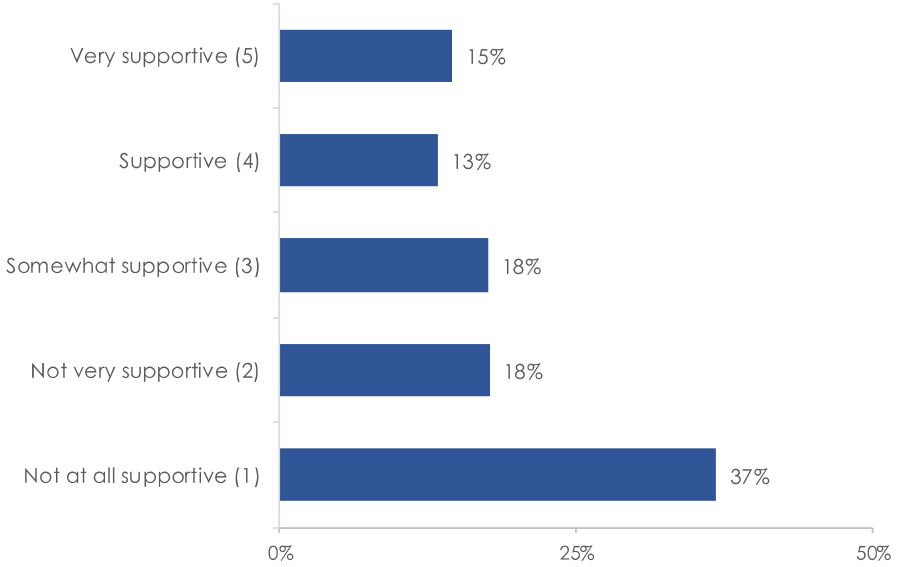
- *Increased commitment to addressing infrastructure in poor or very poor condition with backlogs forecast to reduce from 14% to 7% over the next ten years*
- *Critical backlogs will be prioritised*
- *A small number of new or upgraded infrastructure projects would be supported including:*
  - *Upgrades to maximise the use of existing open space such as improved drainage, bushland walking paths, multi-purposing etc.*
  - *Accessibility improvements to infrastructure*
  - *Support towards traffic management and active transport initiatives*
  - *Stormwater harvesting and reuse*
- *Council can provide some response to current community pressures as well as preparing for increasing population through small scale initiatives such as:*
  - *A holistic review of parking within the council area*
  - *Developing of master plans for key sites such as those close to Metro or on foreshore locations*
  - *Small programs that support accessibility, inclusion, and cohesion*
  - *Strategic planning projects responding to concerns such as affordable housing*

To achieve the desired outcomes of Option 3 – by the end of Year 3, this option will cost an additional $148 over Option 2.

Support for Option 3: Special Rate Variation

Option 3 is supported to some extent by 45% of residents. Support for this option is higher among non-ratepayers, younger residents and those living in higher density apartments.

Those who satisfied with Council's performance and placed a very high level of importance on infrastructure maintenance and renewal were more supportive of this option.



	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Top 3 Box %	45%	44%	38%	41%	55%
Mean rating	2.51	2.47	2.25	2.40	2.78
Base	403	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	45%	52%	38%	57%	39%	38%	44%	36%	76%	53%	43%	40%
Mean rating	2.51	2.69	2.30	2.89	2.28	2.26	2.47	2.25	3.38	2.78	2.33	2.41
Base	403	216	187	129	116	80	79	311	92	138	126	139

Base: N = 403

Q2c. How supportive are you of Council proceeding with Option 3?

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support (by group)

Support for Options by Key Questions

Option 1	Overall	Awareness of SRV (Q4a)		Overall satisfaction with Council (Q1c)			Importance of maintaining/ renewing local infrastructure		
		Yes	No/ not sure	Very satisfied/ satisfied	Somewhat satisfied	Not at all/ not very satisfied	Very important	Important	Not at all to somewhat important
Top 3 Box %	70%	68%	72%	69%	75%	67%	67%	73%	83%
Mean rating	3.25	3.22	3.27	3.14	3.36	3.37	3.07	3.38	3.84
Base	403	197	206	210	107	86	255	95	53

Option 2	Overall	Awareness of SRV (Q4a)		Overall satisfaction with Council (Q1c)			Importance of maintaining/ renewing local infrastructure		
		Yes	No/ not sure	Very satisfied/ satisfied	Somewhat satisfied	Not at all/ not very satisfied	Very important	Important	Not at all to somewhat important
Top 3 Box %	59%	54%	63%	72%	59%	28%	67%	54%	24%
Mean rating	2.86	2.74	2.98	3.29	2.77	1.93	3.08	2.86	1.80
Base	403	197	206	210	107	86	255	95	53

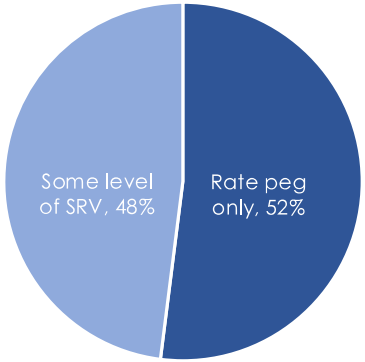
Option 3	Overall	Awareness of SRV (Q4a)		Overall satisfaction with Council (Q1c)			Importance of maintaining/ renewing local infrastructure		
		Yes	No/ not sure	Very satisfied/ satisfied	Somewhat satisfied	Not at all/ not very satisfied	Very important	Important	Not at all to somewhat important
Top 3 Box %	45%	40%	51%	63%	40%	10%	53%	41%	15%
Mean rating	2.51	2.38	2.64	3.02	2.41	1.40	2.75	2.45	1.46
Base	403	197	206	210	107	86	255	95	53

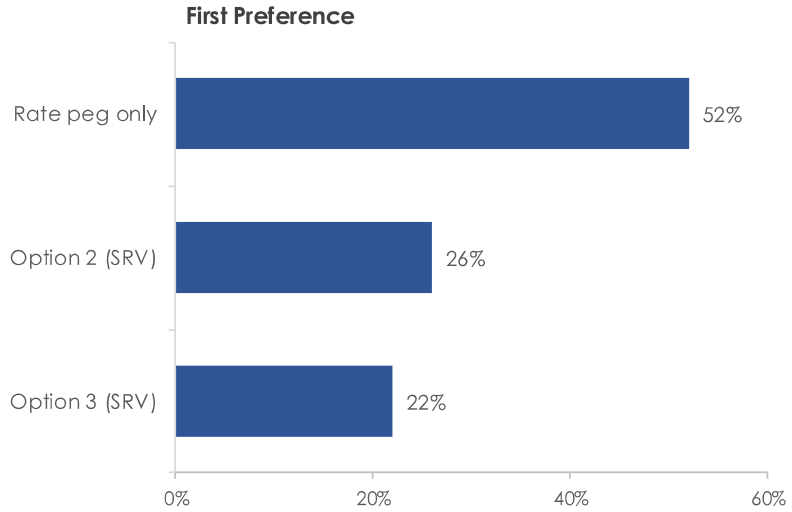
Q2c. *How supportive are you of Council proceeding with Option 1/2/3?*

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support (by group)

Overall Preference

The outcome is almost evenly divided. 52% preferenced the rate peg only while 48% preferring some level of special rate variation. This difference is within the survey's margin of error and is not statistically distinguishable.





Benchmarking across 42 SRV consultations conducted between 2011 and 2022 typically showed community preferences leaning around 60/40 in favour of an SRV.

In contrast, results from the five other SRV consultations undertaken in 2025 indicate that this pattern has reversed, with around six in ten respondents in those consultations now preferencing a rate-peg-only option.

This shift appears to reflect heightened cost-of-living pressures in the current economic environment.

Against this backdrop, community preference for an SRV in North Sydney is relatively stronger than in other recent consultations, with preferences remaining essentially evenly divided between a rate peg and an SRV option.

First preference	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Rate peg only	52%	53%	48%	55%	48%
Option 2 (SRV)	26%	22%	31%	26%	26%
Option 3 (SRV)	22%	25%	21%	19%	26%
Base	403	82	51	146	124

Base: N = 403

Q3a. Please rank the 3 options in order of preference:

Overall Preference

Younger residents, females and residents aged 65+ were a little more likely to preference an SRV option. Those with low satisfaction with Council, and those who don't value the maintaining/renewing infrastructure significantly preferenced

First preference	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Rate peg only	52%	47%	57%	49%	55%	56%	46%	58%	30%	47%	54%	53%
Option 2	26%	28%	24%	16%	31%	30%	30%	24%	32%	24%	32%	23%
Option 3	22%	25%	19%	35%	14%	14%	24%	18%	38%	29%	14%	24%
Base	403	216	187	129	116	80	79	311	92	138	126	139

First preference	Overall	Awareness of SRV (Q4a)		Overall satisfaction with Council (Q1c)			Importance of maintaining/ renewing local infrastructure		
		Yes	No/ not sure	Very satisfied/ satisfied	Somewhat satisfied	Not at all/ not very satisfied	Very important	Important	Not at all to somewhat important
Rate peg only	52%	54%	49%	40%	53%	80%	43%	55%	88%
Option 2	26%	26%	26%	29%	28%	15%	31%	23%	8%
Option 3	22%	20%	25%	31%	19%	5%	27%	22%	4%
Base	403	197	206	210	107	86	255	95	53

Q3a. Please rank the 3 options in order of preference:

A significantly higher/lower percentage (by group) 28

Reason for First Preference

Residents' reasons for choosing their preferred option vary.

Those preferring the rate peg only option most often mentioned their concerns about Council's financial management and the belief that Council should use existing funds more wisely.

In contrast, support for Options 2 and 3 is driven by the need for improvements in the area, with Option 3 more driven by faster progress and better outcomes for the area.

Affordability concerns and cost of living pressures play a role for some. There is also a number of residents who feel that the SRV options are reasonable and affordable for North Sydney property owners.

	Overall	Rate peg only	Option 2	Option 3
Council should use funds more wisely/lack confidence in Council's financial management	33%	56%	11%	6%
It is needed for improvements in the area	28%	3%	46%	65%
Cost of living is too high	11%	14%	11%	2%
It is a fair amount/not unreasonable/most balanced	10%	1%	37%	2%
Council should explore other methods to raise revenue	10%	14%	6%	2%
Higher rates will lead to faster progress and better outcomes	7%	0%	2%	27%
It is the most affordable option	6%	11%	0%	0%
Rates are already too high/can't afford an increase in rates	6%	8%	4%	1%
Need more information/consultation	3%	4%	5%	1%
Rate increases are normal/expected	2%	0%	6%	2%
SRV should be lower - 4% is too low, but 20% is too high/should be phased in more slowly	2%	2%	4%	0%
Improvements listed in the plan will not affect me/there are other improvements that are more important	2%	3%	1%	1%
Other	2%	3%	0%	0%
Don't know/no response	1%	0%	2%	0%
Base	403	207	104	91

Q3b. What is your reason for choosing that option as your highest preference?

A significantly higher/lower percentage (by preference)

Reason for First Preference

Example verbatim responses

Rate Peg Only (52%)

"It is the most financially affordable option"

"Without seeing the all the details on paper, it is too difficult to make an informed decision"

"Have heard about the mismanagement of funds by Council and it annoys me that they are asking for a significant increase in Option 2 for little return Option 3 has better outcomes, but would still prefer no rate rise at all"

"Not given a more favourable alternative to choose instead"

"Financial pressures for pensioners"

"Cost of living pressures for a family in Sydney"

Option 2 (26%)

""All people who own properties and homes are well off and can afford a rate increase, but renters will be intimidated by a $250 increase and may not be able to afford it"

"Increase in service quality, but not an aggressive change"

"Option 2 is the fairest outcome. Option 3 would be funded primarily by residents already paying above the minimum rate"

"Happy to contribute to getting North Sydney back on track"

"A bit slower rate of increase but still having benefits"

Option 3 (22%)

"Increases in incremental amounts are a lot less scary than 1 large increase and the Council needs more money to better support the community"

"Residents that are able to afford such expensive properties in the area should be able to afford increased Council rates"

"Better services and outcome"

"Rates are very low currently so happy to pay extra to improve services"

"Option three seems more constructive and makes the most sense"

"Services and facilities have to be maintained and these things cost money"

Q3b. *What is your reason for choosing that option as your highest preference?*



Section Three

Changes to the Minimum Rate

This section assesses residents' support for increasing the minimum rate for households to better balance the contribution made by all ratepayers.

Concept Statement

Note: The following information was provided to respondents during the survey.

Council rates are levied based on unimproved land value. A 'minimum rate' is the lowest amount charged to any household. This typically applies to high-rise apartments where multiple units sit on one block of land, whereas standalone houses and townhouses usually pay more.

North Sydney's minimum rate is $743 per annum—the third lowest in Metropolitan Sydney. Neighbouring councils charge: Lane Cove ($1,073), Willoughby ($1,051), and Northern Beaches ($1,233).

Council rates are primarily used to provide services to all those in the community. Those paying the minimum rate in North Sydney currently pay 45% of the average rate paid by all other residents, despite having access to the same services.

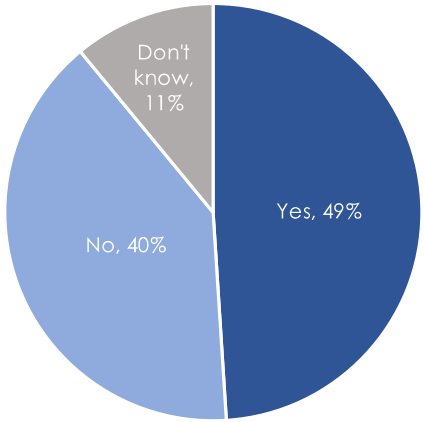
Fairness of the Minimum Rate

Views on the fairness of the minimum rate are divided, with around half of residents considering it fair (49%) and 40% believing it is either inequitable or unfair.

Perceptions appear closely linked to whether residents are likely to be paying the minimum rate. Residents in higher-density housing, who are more likely to be minimum-rate payers, are more likely to view the minimum rate as fair.

In contrast, residents in lower-density housing, who are less likely to be paying the minimum rate, are less likely to consider it fair.

Do you think it is fair and equitable?



Base: N = 403

	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Yes	49%	42%	30%	52%	57%
No	40%	47%	62%	36%	31%
Don't know	11%	11%	9%	12%	12%
Base	403	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Yes	49%	44%	54%	46%	54%	48%	47%	51%	43%	53%	51%	43%
No	40%	42%	37%	46%	32%	45%	37%	39%	43%	33%	43%	45%
Don't know	11%	13%	9%	8%	14%	7%	17%	10%	15%	14%	7%	13%
Base	403	216	187	129	116	80	79	311	92	138	126	139

Q5a. Council rates are primarily used to provide services to all those in the community. Those paying the minimum rate in North Sydney currently pay 45% of the average rate paid by all other residents, despite having access to the same services. Do you think that is fair and equitable?

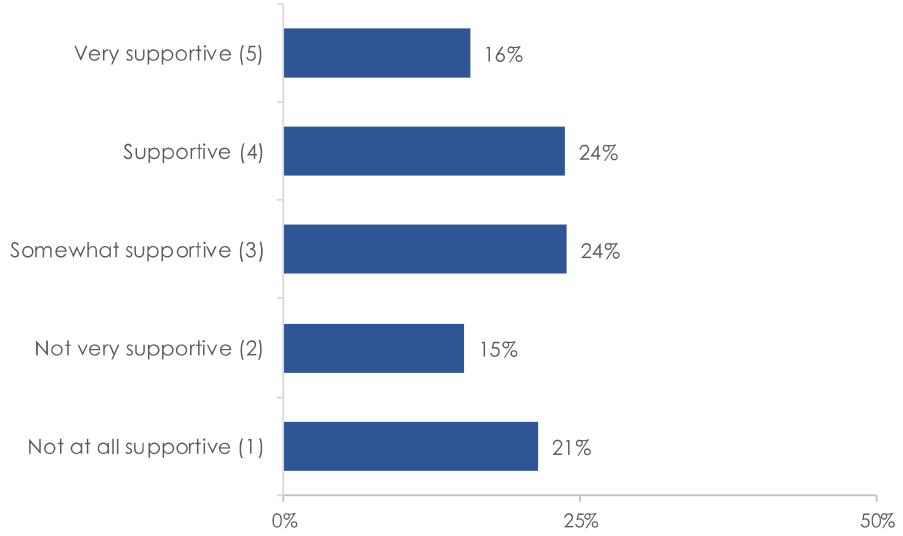
A significantly higher/lower percentage (by group)

Support for Increasing the Minimum Rate

Nearly two-thirds of residents (63%) are at least somewhat supportive of increasing the minimum rate to better balance contributions across ratepayers.

Support is strongest among residents least likely to be paying the minimum rate, particularly those living in free-standing and duplex/semi-detached dwellings.

By contrast, support is lower among higher-density residents, who are more likely to be paying the minimum rate.



	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Top 3 Box %	63%	67%	79%	60%	58%
Mean rating	2.97	3.20	3.44	2.84	2.78
Base	403	82	51	146	124

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Top 3 Box %	63%	65%	61%	54%	70%	65%	67%	61%	71%	59%	70%	61%
Mean rating	2.97	2.98	2.96	2.81	3.00	3.14	3.01	2.86	3.33	2.91	3.12	2.89
Base	403	216	187	129	116	80	79	311	92	138	126	139

Base: N = 403

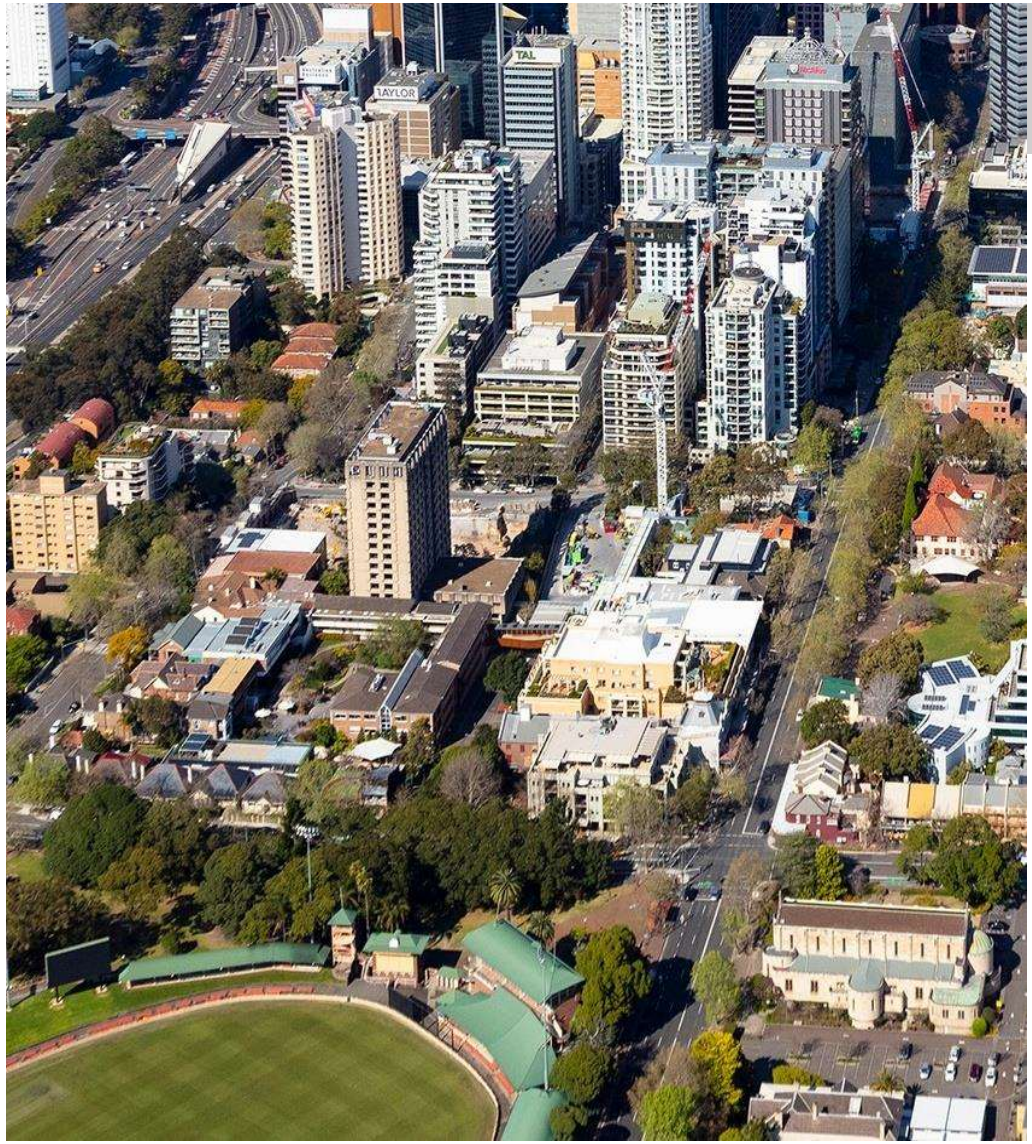
Q5b. How supportive would you be of Council increasing the minimum rate to better balance the contribution made by all ratepayers?

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support (by group)
Please see Appendix 2 for further results



Appendix 1

Opt-in vs Representative Sample



Important Analysis Notes

Use of Opt-in Survey Results

Representative survey results should be used for decision-making; opt-in results are indicative only.

The following pages compare key results from the representative survey with results from the opt-in survey, which was based on a self-selected sample.
Opt-in results reflect only the views of those who chose to participate and cannot be generalised to the broader population.

The opt-in sample was not weighted by age or gender.

As the opt-in sample was not generated randomly, tests of statistical significance cannot be applied.

However, when comparing opt-in and representative survey results, ▲/▼ symbols are used to highlight differences of 10 percentage points or more, or 0.30 or greater on mean scores.

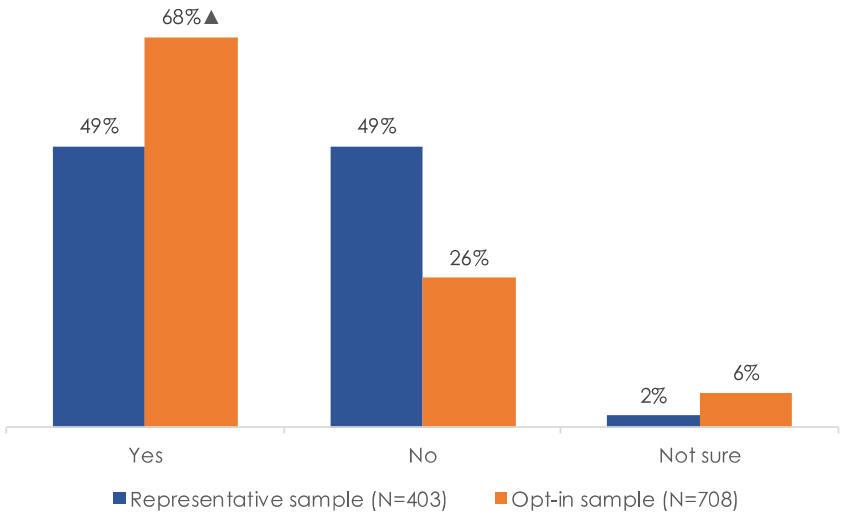
These thresholds are intended to indicate directional differences only, not statistically significant differences.

Awareness of the SRV

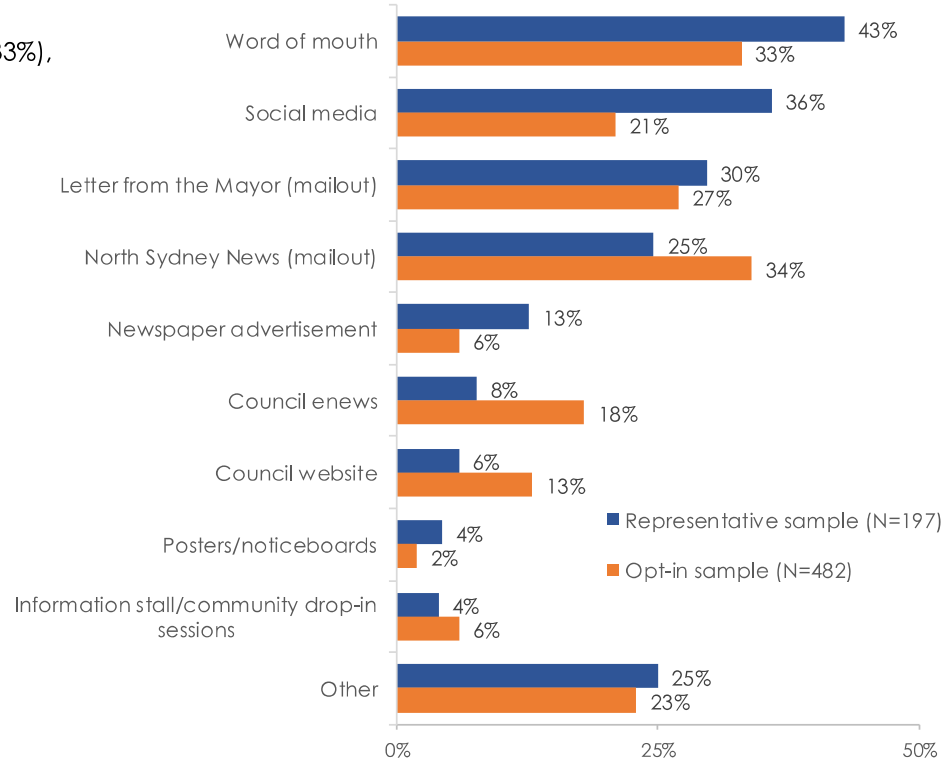
68% of those having participated in the opt-in survey were aware of Council's exploration of community sentiment towards a SRV, which is higher than the representative sample (49%).

Primary modes of awareness for the opt-in sample include, word of mouth (33%), the North Sydney News (34%) and a letter from the Mayor (27%).

Aware of Council exploring sentiment towards a Special Rate Variation?



(If yes), Method of awareness

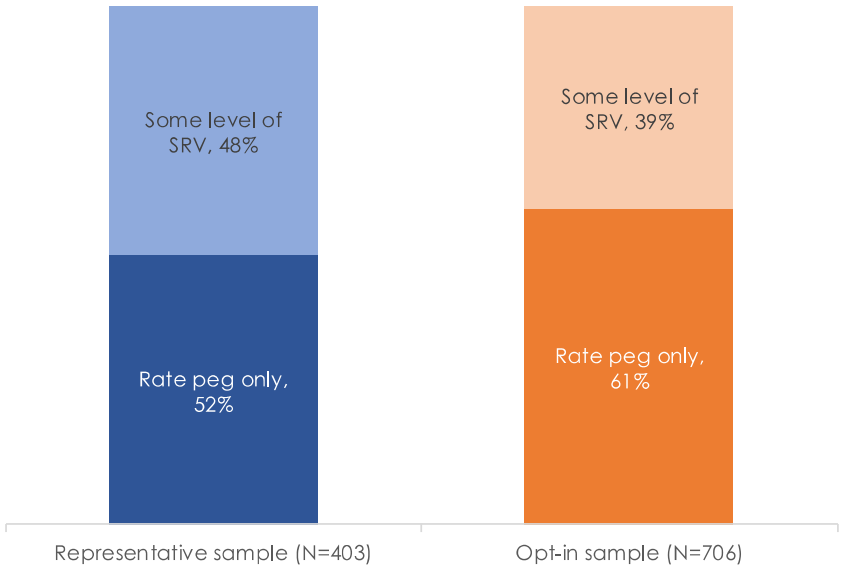


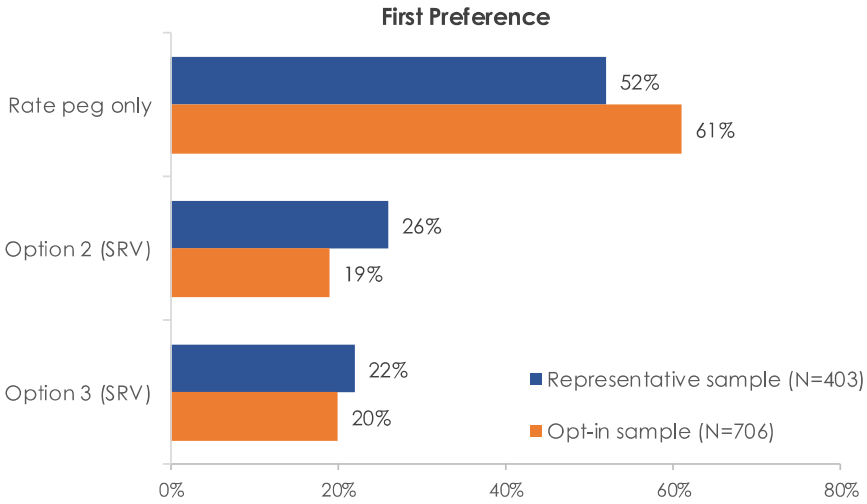
Q4a. *Prior to this survey, were you aware that Council was exploring community sentiment towards a Special Rate Variation?*
Q4b. *How were you informed that Council was exploring community sentiment towards a Special Rate Variation?*

▲/▼ = difference equal to/greater than 10%/0.30 between opt-in and representative samples

Overall Preference

40% of residents in the opt-in sample were supportive of some level of SRV, which is lower than the results of the representative survey (48%).





First preference **Opt-in sample only**	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Rate peg only	61%	53%	62%	60%	66%
Option 2	19%	27%	20%	18%	16%
Option 3	20%	20%	18%	22%	18%
Base	687	156	85	236	217

Q3a. Please rank the 3 options in order of preference:



Appendix 2

Additional Analyses
Representative Sample

micromex research

Management of Public Assets

Agree/ strongly agree (T2B) %	Overall	Dwelling type			
		Free standing house	Duplex/ semi-detached	Villa/ townhouse/ apartment 2-3 storeys	Unit/ apartment 4+ storeys
Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations	80%	80%	70%	82%	81%
Decisions about selling investment properties must balance current community needs with the interests of future generations	77%	72%	69%	81%	80%
Council should not sell any of its investment properties without open and transparent community consultation	76%	71%	76%	78%	78%
Council's investment properties should only be sold if the community receives equal or greater long-term benefit	71%	75%	63%	71%	72%
Council's investment properties should be kept wherever possible to protect long-term community value	63%	60%	62%	61%	66%
Council should deal with the current and any future financial issues by selling investment properties now, rather than increasing rates or fees	30%	30%	35%	31%	28%
Base (minimum)	401	82	51	146	124

Q6. *Council holds several investment properties to ensure adequate land for future community needs as the population grows, and for income producing and capital growth purposes. Thinking about Council's investment property portfolio. We would like to understand, in principle, how you believe these assets should be managed. For each of these could you please indicate your level of agreement with each statement.*

Management of Public Assets

Agree/ strongly agree (T2B) %	Overall	Gender		Age			
		Female	Male	18-34	35-49	50-64	65+
Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations	80%	82%	77%	81%	83%	73%	80%
Decisions about selling investment properties must balance current community needs with the interests of future generations	77%	78%	77%	84%	76%	77%	70%
Council should not sell any of its investment properties without open and transparent community consultation	76%	82%	70%	70%	77%	81%	81%
Council's investment properties should only be sold if the community receives equal or greater long-term benefit	71%	77%	65%	73%	78%	63%	67%
Council's investment properties should be kept wherever possible to protect long-term community value	63%	66%	59%	59%	66%	66%	59%
Council should deal with the current and any future financial issues by selling investment properties now, rather than increasing rates or fees	30%	29%	31%	32%	28%	32%	28%
Base (minimum)	401	215	186	129	115	80	78

Q6. *Council holds several investment properties to ensure adequate land for future community needs as the population grows, and for income producing and capital growth purposes. Thinking about Council's investment property portfolio. We would like to understand, in principle, how you believe these assets should be managed. For each of these could you please indicate your level of agreement with each statement.*

A significantly higher/lower percentage (by group) 41

Management of Public Assets

Agree/ strongly agree (T2B) %	Overall	Ratepayer status		Time lived in area		
		Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations	80%	78%	84%	86%	78%	75%
Decisions about selling investment properties must balance current community needs with the interests of future generations	77%	77%	79%	85%	76%	72%
Council should not sell any of its investment properties without open and transparent community consultation	76%	75%	83%	83%	70%	76%
Council's investment properties should only be sold if the community receives equal or greater long-term benefit	71%	68%	84%	77%	75%	62%
Council's investment properties should be kept wherever possible to protect long-term community value	63%	60%	71%	66%	56%	65%
Council should deal with the current and any future financial issues by selling investment properties now, rather than increasing rates or fees	30%	36%	10%	31%	31%	29%
Base (minimum)	401	309	92	136	126	138

Q6. *Council holds several investment properties to ensure adequate land for future community needs as the population grows, and for income producing and capital growth purposes. Thinking about Council's investment property portfolio. We would like to understand, in principle, how you believe these assets should be managed. For each of these could you please indicate your level of agreement with each statement.*

A significantly higher/lower percentage (by group) 42

Awareness of the SRV

Aware of Council exploring sentiment towards a Special Rate Variation?

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Yes	49%	51%	46%	38%	42%	65%	61%	55%	29%	41%	51%	54%
No	49%	48%	51%	62%	55%	33%	37%	44%	69%	58%	46%	44%
Not sure	2%	1%	2%	0%	3%	2%	2%	1%	3%	1%	2%	2%
Base	403	216	187	129	116	80	79	311	92	138	126	139

Method of awareness

	Overall	Gender		Age				Ratepayer status		Time lived in area		
		Female	Male	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	10 years or less	11-20 years	More than 20 years
Word of mouth	43%	50%	34%	43%	48%	41%	39%	46%	21%	34%	39%	53%
Social media	36%	36%	36%	78%	26%	21%	18%	35%	44%	54%	13%	41%
Letter from the Mayor (mailout)	30%	30%	30%	29%	24%	39%	26%	31%	20%	24%	39%	26%
North Sydney News (mailout)	25%	25%	24%	0%	28%	33%	37%	28%	6%	14%	30%	28%
Newspaper advertisement	13%	10%	16%	7%	15%	11%	17%	15%	0%	10%	13%	14%
Council e-news	8%	10%	5%	0%	4%	13%	13%	8%	3%	3%	5%	13%
Council website	6%	5%	8%	0%	7%	8%	9%	6%	3%	0%	3%	13%
Posters/noticeboards	4%	3%	6%	0%	7%	5%	6%	4%	4%	4%	3%	6%
Information stall/community drop-in sessions	4%	3%	5%	0%	2%	5%	9%	5%	0%	1%	4%	6%
Other	25%	24%	27%	21%	24%	23%	33%	27%	11%	20%	23%	31%
Base	197	110	87	49	49	52	48	171	26	57	65	76

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?
Q4b. How were you informed that Council was exploring community sentiment towards a Special Rate Variation?

A significantly higher/lower percentage (by group)

Awareness of the SRV

Method of awareness

Other specified	Count
Local newspapers/magazines/TV/radio	21
Completed earlier survey	11
Local precinct meeting/brochure	7
SMS	5
Looked up the information online	3
Email	2
Apartment body corporate	1
Australian Financial Review	1
Community centre	1
Community meetings	1
Council chambers	1
Council staff	1
Former mayor	1
Journal/flyer	1
Telephone call	1

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?
Q4b. How were you informed that Council was exploring community sentiment towards a Special Rate Variation?

Support for Increasing the Minimum Rate

	Overall	Awareness of SRV (Q4a)		Overall satisfaction with Council (Q1c)			Importance of maintaining/ renewing local infrastructure		
		Yes	No/ not sure	Very satisfied/ satisfied	Somewhat satisfied	Not at all/ not very satisfied	Very important	Important	Not at all to somewhat important
Top 3 Box %	63%	61%	66%	72%	53%	54%	69%	63%	35%
Mean rating	2.97	2.90	3.03	3.24	2.73	2.60	3.16	2.87	2.19
Base	403	197	206	210	107	86	255	95	53

Q5b. How supportive would you be of Council increasing the minimum rate to better balance the contribution made by all ratepayers?

Scale: 1 = not at all supportive, 5 = very supportive
A significantly higher/lower level of support (by group)



Appendix 3
Questionnaire

North Sydney Council
Special Rate Variation Community Survey
2025

Good morning/afternoon/evening, my name is ..... from Micromex Research and we are conducting a survey on behalf of North Sydney Council on a range of local issues. The survey will take about 15 minutes, would you be able to provide your feedback?

Q1a. What suburb do you live in? (SR)

Position	Answers	Notes
1	Cammeray	
2	Cremorne	
3	Cremorne Point	
4	Crows Nest	
5	Kirribilli	
6	Kurraba Point	
7	Lavender Bay	
8	McMahons Point	
9	Milsons Point	
10	Neutral Bay	
11	North Sydney	
12	St Leonards	
13	Waverton	
14	Wollstonecraft	
15	Other	Online Only

Q1b. What do you think are the highest priority issues facing North Sydney Council and its residents?

Text	Answers	Notes
		5 lines

Q1c. Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas? Prompt (SR) Flip

Value	Answers	Notes
5	Very satisfied	
4	Satisfied	
3	Somewhat satisfied	
2	Not very satisfied	
1	Not at all satisfied	

Q1d. How important do you believe it is for Council to implement plans and programs that will maintain/renew local infrastructure in the local area? Prompt Flip

Value	Answers	Notes
5	Very important	
4	Important	
3	Somewhat important	
2	Not very important	
1	Not at all important	

Q1e. Do you, or your household, pay Council rates to North Sydney Council for any of the following?

Position	Answers	Notes
1	Residential	
2	Business	
3	Neither of these	(Rent)

SRV Options - Concept statement:

North Sydney Council delivers a wide range of services to the community. These include maintaining roads, parks and playgrounds, libraries, cultural programs, environmental initiatives, transport and traffic management, and strategic planning for the future of the area.

Through recent community engagement, Council have heard a strong message: residents value these services and want current service levels maintained, with improvements in some areas.

Over the past few years, Council has made significant productivity improvements and reduced operating costs. However, these efficiencies alone are not enough to close the growing gap between funding and the cost of maintaining essential community assets.

Council's income is regulated by the NSW Independent Pricing and Regulatory Tribunal (IPART), which limits how much rates can increase each year. This limit, known as the rate peg, is set at 4% for the 2026–27 financial year – and is estimated to be 3% in subsequent years.

A 4% increase will not be sufficient to maintain services at their current level, nor to properly renew ageing infrastructure. Without additional revenue or reductions in services, Council's financial position will become unsustainable.

At present, Council has identified $157 million worth of infrastructure, such as roads, footpaths, drainage, and community buildings, that are already in poor or very poor condition. Without action, these assets will continue to decline and future costs will escalate.

To address this funding gap, councils can apply to IPART for a Special Rate Variation (SRV), which allows rates to rise above the rate peg.

Earlier this year North Sydney Council applied for an SRV, but it was unsuccessful. Council has now addressed the recommendations made by the regulating body as part of that process and is considering re-applying for a permanent SRV, applied progressively over the next three years.

We will be presenting three options for community consideration, each with different implications for service levels, asset renewal, and long-term sustainability.

Council acknowledges that any rate increase may place financial pressure on some residents. Council offers support through its Hardship Policy and can offer alternative payment arrangements to assist ratepayers.

Let's look at the options in more detail.

Order 1-2-3, NO flip – Show from Q2a – Q3b on the same page

Please note the % increases and dollar values shown here are subject to rounding effects – To check the absolute value, please refer to Council's SRV calculator. A link will be provided at the conclusion of this survey.

Option 1: Rate Peg Only

This option would continue the status quo with rates only increasing by the assumed rate peg amount of 4% in 2026-27, and an estimated 3% in each of the following two years. Each year, the average residential ratepayer currently paying $1,076 per year would pay between $34 and $43 more than the previous year in general rates.

After 3 years, this would amount to an average annual charge of $1,187 by 2028/2029.

Under this option the impact would be:

- Services would need to be reduced in key areas, including areas such as parks maintenance, or community services
- Infrastructure would continue to deteriorate
- Infrastructure at most risk, such as stormwater and building assets, could be subject to failure
- A lack of investment in new infrastructure would place further pressure on existing assets as the population grows
- Corporate systems would continue to have limited productivity and decision-making

Q2a. How supportive are you of Council proceeding with Option 1? *Prompt, flip*

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Option 2: Special Rate Variation – Three year spread

This proposed SRV option would be introduced over 3 years:

- In year one (2026/27) rating revenue would rise by 20%, which includes the 4% rate peg. This means the average residential ratepayer currently paying $1,076 per annum would pay $1,295 in Year 1, an increase of $219
- In year two (2027/28) rating revenue would rise by an additional 10%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,422 in Year 2, a further increase of $127
- In year three (2028/29) rating revenue would rise by an additional 6%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,506 in Year 3, a further increase of $84

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

The SRV will generate additional income, of which 80% including an average of $11 million per year over the next three years will be allocated to infrastructure renewals and critical backlogs. New corporate systems would be implemented over a four-year period to reduce risk, improve productivity, reporting, and decision-making.

A small increase in operational funding would ensure adequate maintenance of parks and gardens including new open space at Berry's Bay. This option would also ensure continued improvement of Development Applications times.

With this additional funding:

- Council can continue to provide services at existing service levels
- Infrastructure in poor or very poor condition are forecast to reduce from 14% to 10% over the next ten years
- Critical backlogs will be prioritised
- Corporate systems will be implemented including infrastructure management systems to reduce risk, improve productivity, decision-making and customer service

Q2b. How supportive are you of Council proceeding with Option 2? *Prompt, flip*

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Option 3: Special Rate Variation – Three year spread

This proposed SRV option would also be introduced over 3 years:

- In year one (2026/27) rating revenue would rise by 23%, which includes the 4% rate peg. This means the average residential ratepayer currently paying $1,076 per annum would pay $1,327 in Year 1, an increase of $251
- In year two (2027/28) rating revenue would rise by an additional 15%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,520 in Year 2, a further increase of $193
- In year three (2028/29) rating revenue would rise by an additional 9%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,654 in Year 3, a further increase of $134

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

With this additional funding, Council will provide the services and infrastructure mentioned for the previous option, plus…

- Increased commitment to addressing infrastructure in poor or very poor condition with backlogs forecast to reduce from 14% to 7% over the next ten years
- Critical backlogs will be prioritised
- A small number of new or upgraded infrastructure projects would be supported including:
  - Upgrades to maximise the use of existing open space such as improved drainage, bushland walking paths, multi-purposing etc.
  - Accessibility improvements to infrastructure
  - Support towards traffic management and active transport initiatives
  - Stormwater harvesting and reuse
- Council can provide some response to current community pressures as well as preparing for increasing population through small scale initiatives such as:
  - A holistic review of parking within the council area
  - Developing of master plans for key sites such as those close to Metro or on foreshore locations
  - Small programs that support accessibility, inclusion, and cohesion
  - Strategic planning projects responding to concerns such as affordable housing

To achieve the desired outcomes of Option 3 - by the end of Year 3, this option will cost an additional $148 over Option 2.

Q2c. How supportive are you of Council proceeding with Option 3? *Prompt, flip*

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Q3a. Please rank the 3 options in order of preference:

Value	Answers	Notes
1	1st preference	
2	2nd preference	
3	3rd preference	

Position	Answers	Notes
1	Option 1 – Rate peg only	
2	Option 2 – (Special Rate Variation)	
3	Option 3 – (Special Rate Variation)	

Q3b. What is your reason for choosing that option as your highest preference?

Position	Answers	Notes
1		1 line

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?

Position	Answers	Notes
1	Yes	
2	No	**Go to Q5a**
3	Not sure	**Go to Q5a**

Q4b. How were you informed that Council was exploring community sentiment towards a Special Rate Variation? *Prompt*

Position	Answers	Notes
1	Letter from the Mayor (mailout)	
2	North Sydney News (mailout)	
3	Council enews	
4	Posters/Noticeboards	
5	Council website	
6	Newspaper advertisement	
7	Social media	
8	Information stall/community drop-in sessions	
9	Word of mouth i.e. Family, Friends Neighbours, etc.	
10	Other	Specify

Q4bi. Other (Please specify). (TEXT)

Position	Answers	Notes
1		5 lines

Minimum Rate - Concept statement

Council rates are levied based on unimproved land value. A 'minimum rate' is the lowest amount charged to any household. This typically applies to high-rise apartments where multiple units sit on one block of land, whereas standalone houses and townhouses usually pay more.

North Sydney's minimum rate is $743 per annum—the third lowest in Metropolitan Sydney. Neighbouring councils charge: Lane Cove ($1,073), Willoughby ($1,051), and Northern Beaches ($1,233).

Q5a. Council rates are primarily used to provide services to all those in the community. Those paying the minimum rate in North Sydney currently pay 45% of the average rate paid by all other residents, despite having access to the same services. Do you think that is fair and equitable?

Yes
No
Don't know

Q5b. How supportive would you be of Council increasing the minimum rate to better balance the contribution made by all ratepayers? *Prompt, flip*

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Management of Public Assets

Q6. Council holds several investment properties to ensure adequate land for future community needs as the population grows, and for income producing and capital growth purposes.

Thinking about Council's investment property portfolio. We would like to understand, in principle, how you believe these assets should be managed.

I will read out some statements. For each of these could you please indicate your level of agreement with each statement. The scale is from 1 to 5, where 1 is strongly disagree and 5 is strongly agree. *Prompt* ROTATE

Value	Answers	Notes
5	Strongly agree	
4	Agree	
3	Neither agree nor disagree	
2	Disagree	
1	Strongly disagree	

Position	Answers	Notes
1	Council's investment properties should be kept wherever possible to protect long-term community value	
2	Council's investment properties should only be sold if the proceeds are reinvested to benefit both current and future generations	
3	Council's investment properties should only be sold if the community receives equal or greater long-term benefit	
4	Council should not sell any of its investment properties without open and transparent community consultation	
5	Decisions about selling investment properties must balance current community needs with the interests of future generations	
6	Council should deal with the current and any future financial issues by selling investment properties now, rather than increasing rates or fees	

Demographic & Profiling Questions

D1. Please stop me when I read out your age group: *Prompt* (SR)

Position	Answers	Notes
1	18-34	
2	35-49	
3	50-64	
4	65+	

D2a. Which of the following best describes the dwelling where you are currently living? *Prompt* (SR)

Position	Answers	Notes
1	I/We own/are currently buying this property	
2	I/We currently rent this property	

D2b. Do you live in a: (SR) Prompt

Position	Answers	Notes
1	Free standing house	
2	Duplex/semi detached	
3	Villa/townhouse	
4	Unit/Apartment 2-3 Storeys	
5	Unit/Apartment 4-6 storeys	
6	Unit/Apartment 7+ storeys	
7	Granny flat	
8	Other (please specify)	

D3. How long have you lived in the North Sydney local area? *Prompt* (SR)

Position	Answers	Notes
1	Less than 2 years	
2	2 – 5 years	
3	6 – 10 years	
4	11 – 20 years	
5	More than 20 years	

D4a. What is your identified gender? (SR)

Position	Answers	Notes
1	Female	Go to D5
2	Male	Go to D5
3	Non binary/gender fluid	If Online - Go to D5
4	Different identity	If Online - Go to D5

D4b. Gender (determine by voice): (SR) -Phone Only

Position	Answers	Notes
1	Male	
2	Female	

D5. Do you identify as Aboriginal or Torres Strait Islander? (SR)

Scale	Answers	Notes
1	Yes	
2	No	

D6. Do you or anyone in your household identify as living with disability? (SR)

Scale	Answers	Notes
1	Yes	
2	No	

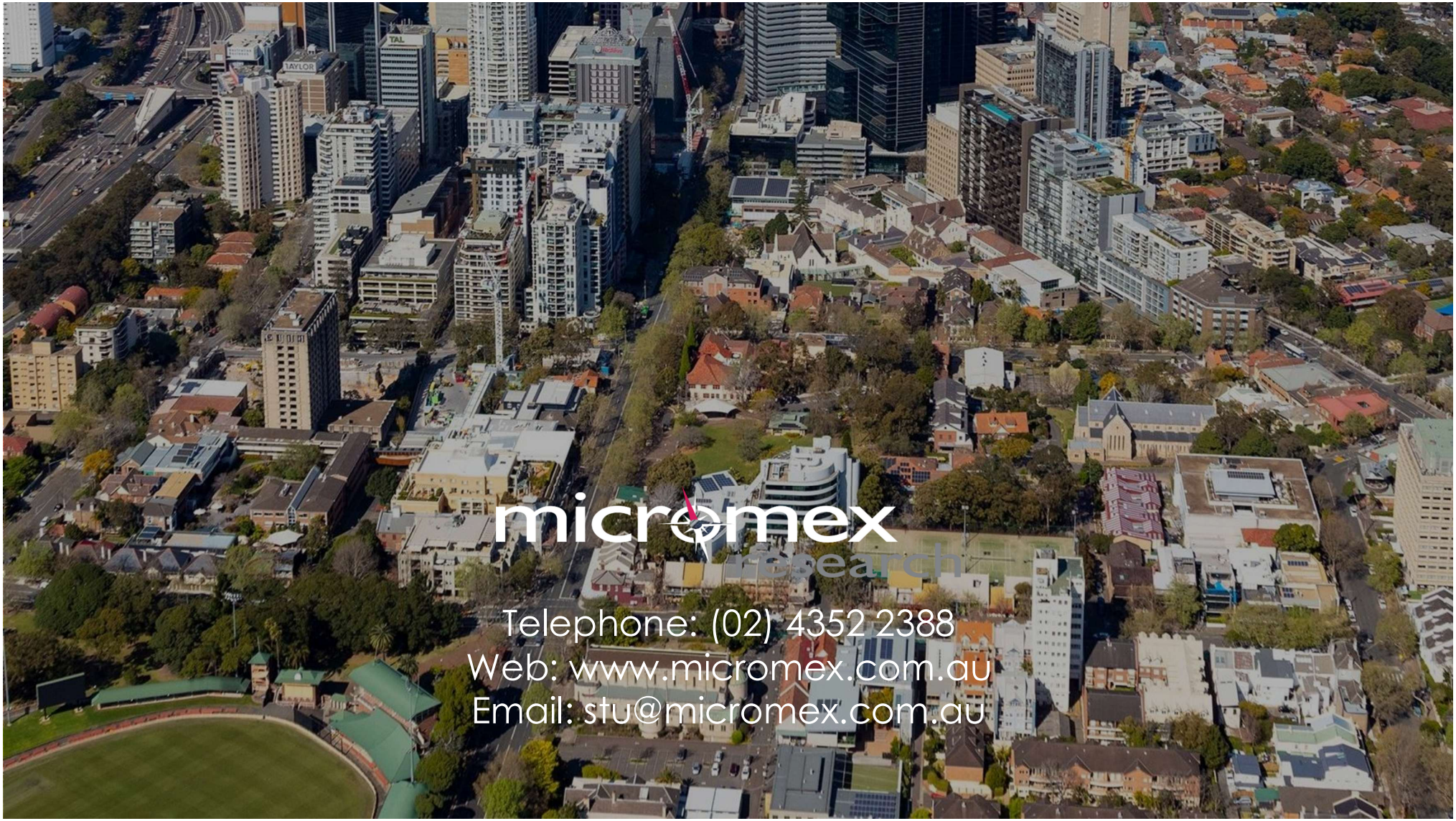
D7. What is your highest level of education?

Position	Answers	Notes
1	Postgraduate degree	
2	Graduate Diploma and Graduate Certificate	
3	Bachelor Degree	
4	Advanced Diploma and Diploma	
5	TAFE certificate	
6	Secondary school	

Link to Council's SRV calculator to show on final page

North Sydney Council - Special Rate Variation Calculator

The information contained herein is believed to be reliable and accurate, however, no guarantee is given as to its accuracy and reliability, and no responsibility or liability for any information, opinions or commentary contained herein, or for any consequences of its use, will be accepted by Micromex Research, or by any person involved in the preparation of this report.

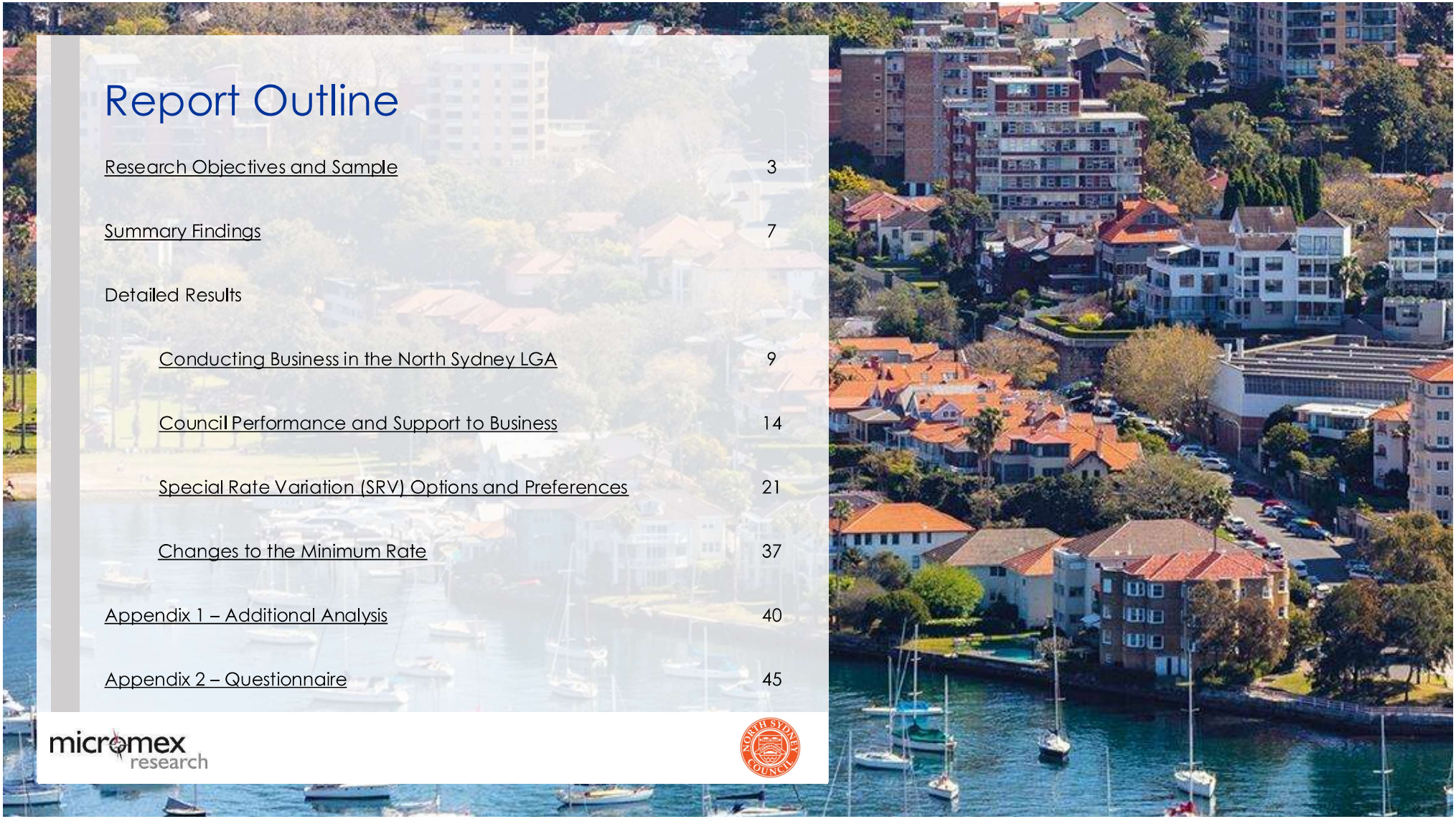

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Special Rate Variation – Business Survey

Prepared by: Micromex Research
Date: 19 December 2025

micromex research



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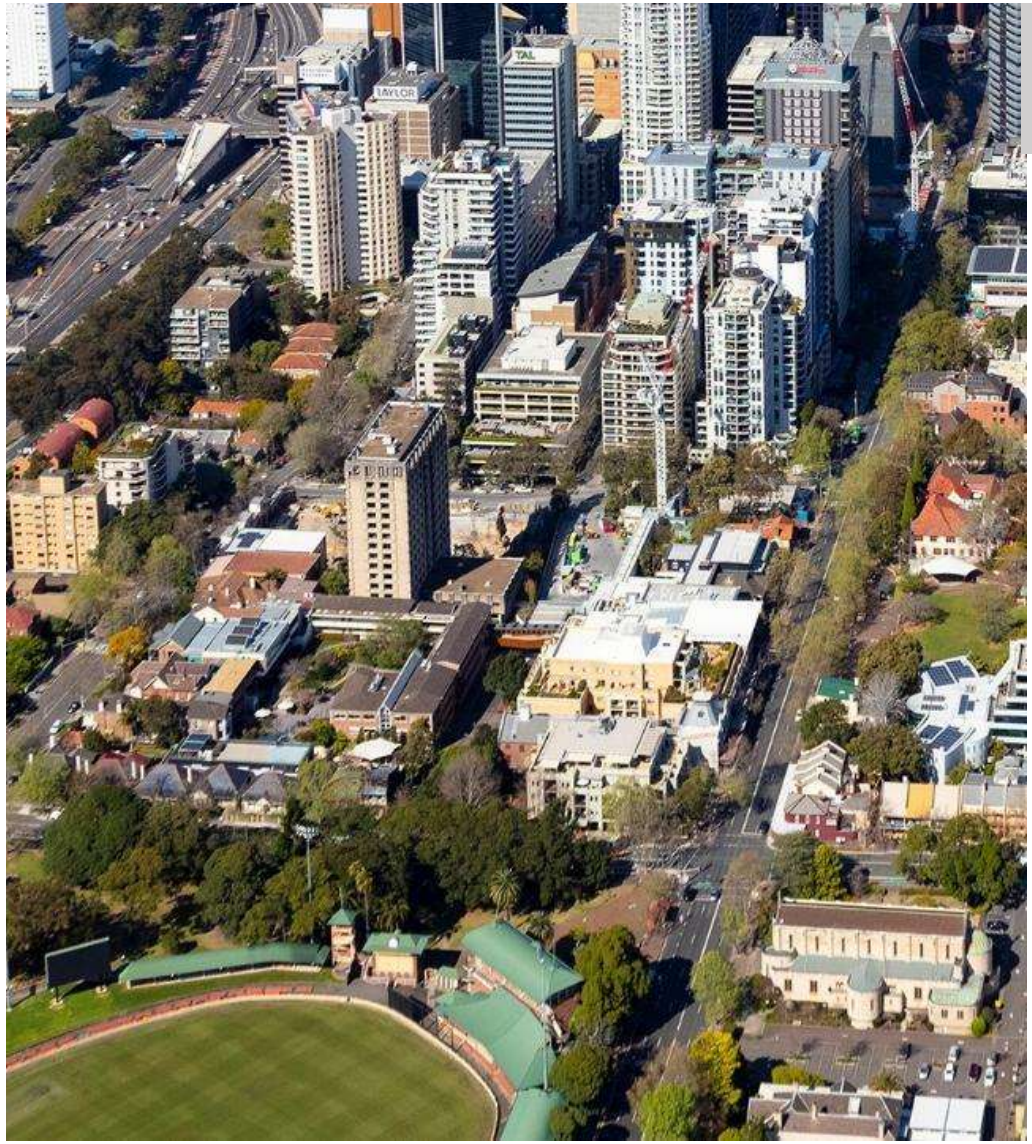
Detailed Results

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- Council Performance and Support to Business 14
- Special Rate Variation (SRV) Options and Preferences 21
- Changes to the Minimum Rate 37

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Research Objectives

North Sydney Council commissioned Micromex Research to conduct a survey of owners and managers of businesses that are located across the local government area (LGA).

Objectives (Why?)

- Identify priorities for businesses in the North Sydney Council LGA
- Evaluate business attitudes toward a potential Special Rate Variation (SRV), including levels of support for each proposed option and the overall preference for how Council should proceed
- Identify the overall level of satisfaction with Council performance and importance of infrastructure maintenance and renewal

Sample (How?)

- A total of n=104 interviews were conducted using a mixed methodology of online and telephone data collection.
    - N=38 interviews were completed via a random telephone survey with business owners and managers
    - N=55 respondents completed the survey online following an email invitation sent to local businesses
    - N=11 respondents completed the survey online via Council's *Your Say* platform

Timing (When?)

- Implementation 25th November – 5th December 2025

Methodology and Sample

Sample selection and error

A total of N = 104 interviews were completed with owners and managers of businesses located in the North Sydney Local Government Area (LGA).

Fieldwork used a mixed recruitment approach:

- Email invitations were distributed to a random sample of business owners and managers to participate in an online survey, resulting in N = 55 completed responses.
- A random telephone survey of business owners and managers was also conducted, resulting in N = 38 completed interviews.
- An additional N = 11 responses were received via Council's *Your Say* platform.

The majority of interviews (N = 93) were completed via managed recruitment methods (random telephone interviews and direct email invitations). As a result, findings from the managed sample provide a reliable indication of business sentiment across the LGA.

Interviewing

All interviewing was conducted in accordance with *The Research Society Code of Professional Behaviour*.

Data analysis

All percentages are calculated to the nearest whole number and may not total exactly 100%.

Data was analysed using Q Professional. Due to the mixed recruitment approach, formal tests of statistical significance should be interpreted as indicative only.

Where shown, statistical testing is used to highlight directional differences between groups.

Results for managed and opt-in samples are presented separately for key questions to provide additional context. Blue and red font colours are used to identify indicative differences between sub-groups (for example, by business size, location or confidence).

Additional data context

For key questions relating to awareness, support and preference for an SRV, additional tables are included to show differences between the managed (representative) sample and the opt-in sample.

The opt-in sample is self-selecting and unrepresentative, i.e. they had far fewer employees and have minimal future business confidence (see below table). As such the Snapshot Summary preference result is based on the managed sample only.

	Managed Sample (N=93)	Opt-in Sample (N=11)
Average number of staff working in the North Sydney Council area	22.2	11.6
Average number of staff working at the business premises at least once a week	19.8	12.4
Confidence in business prospects (Extremely/fairly confident %)	65%	9%

The managed sample of N = 93 has a maximum sampling error of approximately ±10.2% at the 95% confidence level. This means that if the survey were repeated with a new sample of 93 respondents, we would expect the results to fall within this range 19 times out of 20. For example, a reported result of 50% could reasonably vary between approximately 40% and 60%.

Ratings questions

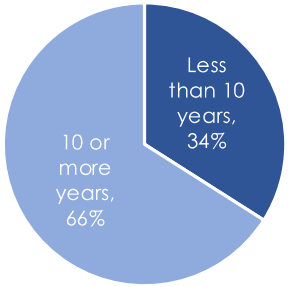
A unipolar scale of **1 to 5** was used for all rating questions, where:

1 represents the lowest level of support or satisfaction
5 represents the highest level of support or satisfaction

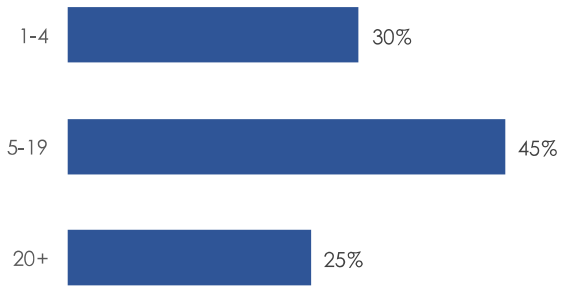
Top 3 (T3) Box refers to the combined percentage of respondents selecting the top three response categories (for example, *somewhat satisfied*, *satisfied* or *very satisfied*). T3 Box results are used to summarise moderate to high levels of support in a non-discretionary context and to demonstrate the relative hierarchy of priorities.

Business Sample Profile

Time business has operated in the LGA

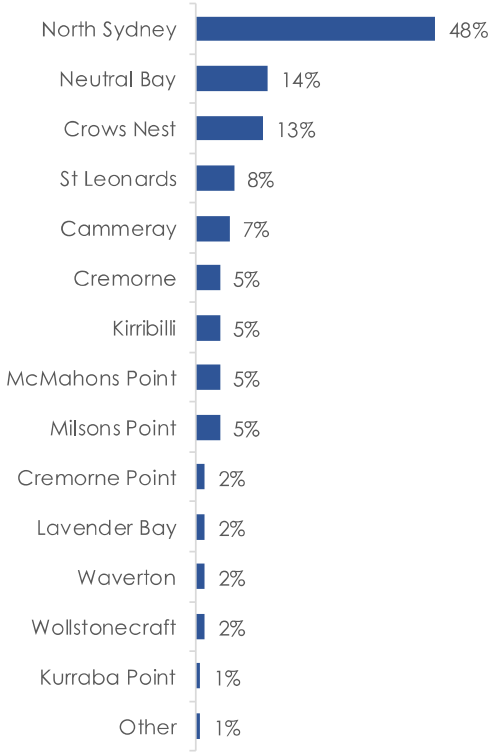


Number of staff working in North Sydney Council area



Base: N = 104

Location/s business operates from



Characteristics of business



Business ratepayer status

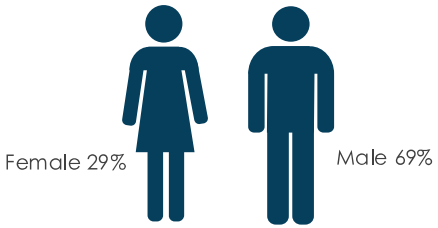


Business rates paid 30%

No rates paid, rent only 70%

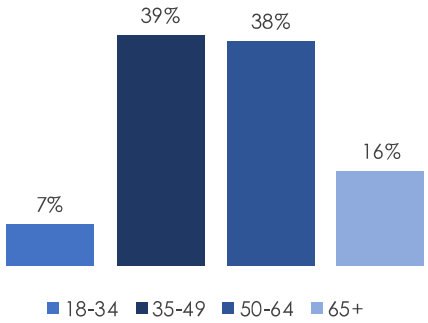
Business Sample Profile

Gender



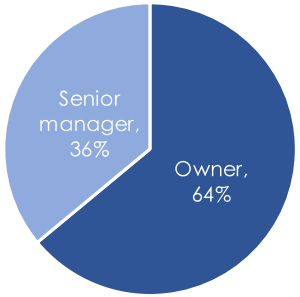
Non-binary/gender fluid 1%
Different identity 1%

Age

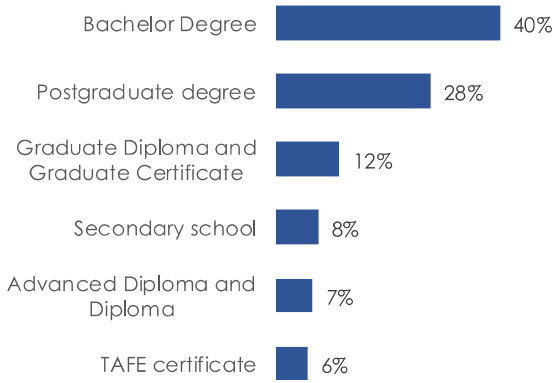


Base: N = 104

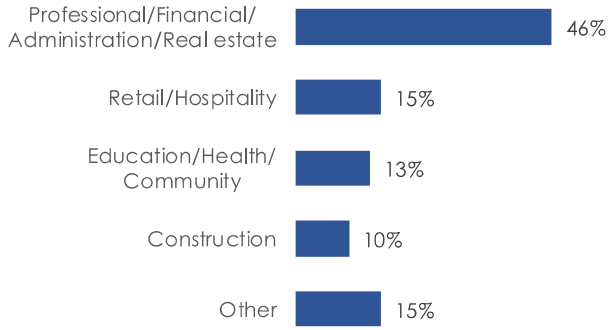
Position in the business



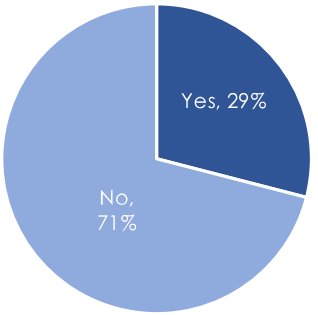
Highest level of education



Industry business operates in



Resident of the North Sydney LGA



See Appendix A for further business demographics

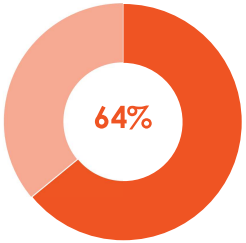
Summary Findings



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Snapshot Summary Results

Council Performance and Support (All Respondents)



Overall Satisfaction

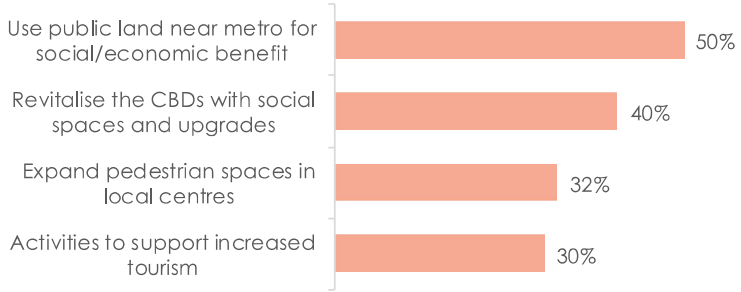
64% of respondents are at least 'somewhat satisfied' with the performance of Council.

Support for Council's Economic Development Services

37% Business support initiatives

30% Events & festivals to activate centres

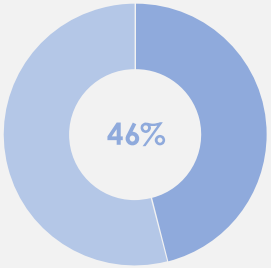
Support for Council Actions to Secure Employment



Preferred Option (Managed Sample only)

When reviewing the managed sample alone preferences are closely divided, with 54% preferring a rate peg only and 46% preferencing an SRV option. This difference falls within the margin of error and is not statistically distinguishable. 10 out of the 11 Opt-In respondents gave preference to the Rate Peg Only.

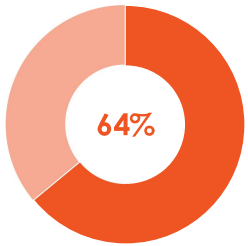
These results indicate that business sentiment, like resident sentiment, is effectively line-ball, with views shaped by balancing cost-of-living pressures against recognition of Council's funding requirements.



SRV Awareness (All Respondents)



28% of businesses are aware that Council was exploring community sentiment towards applying for a Special Rate Variation. social media (31%) and word of mouth (31%) are the most common way businesses have been informed of Council's exploration of the SRV.



Support for increasing the minimum rate (All Respondents)

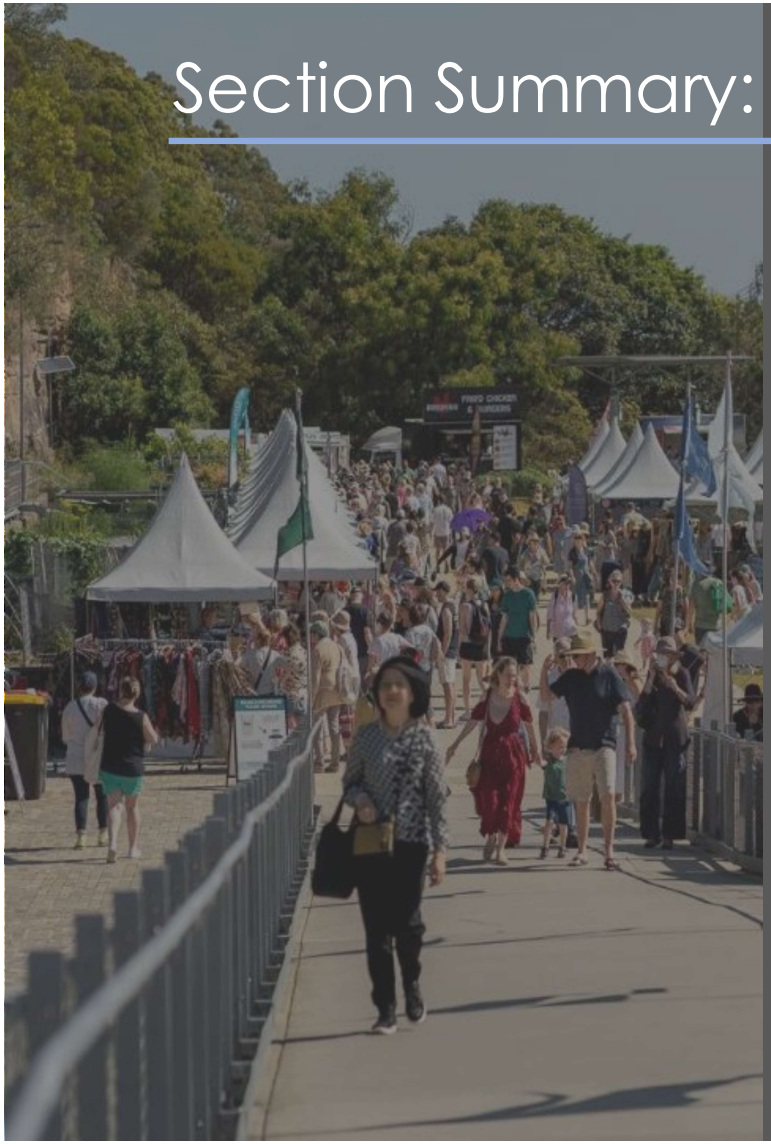
Almost two thirds of respondents were at least somewhat supportive of Council increasing the minimum rate (64%)



Section One

Conducting Business in the North Sydney LGA

This section explores respondents' confidence in business prospects and priorities for businesses in the LGA.



Section Summary: Business in the North Sydney LGA

Respondents to the business survey were predominantly established businesses, with two-thirds having operated in the area for 10 years or more. The sample is largely made up of small to medium-sized enterprises, with 75% employing fewer than 20 staff locally.

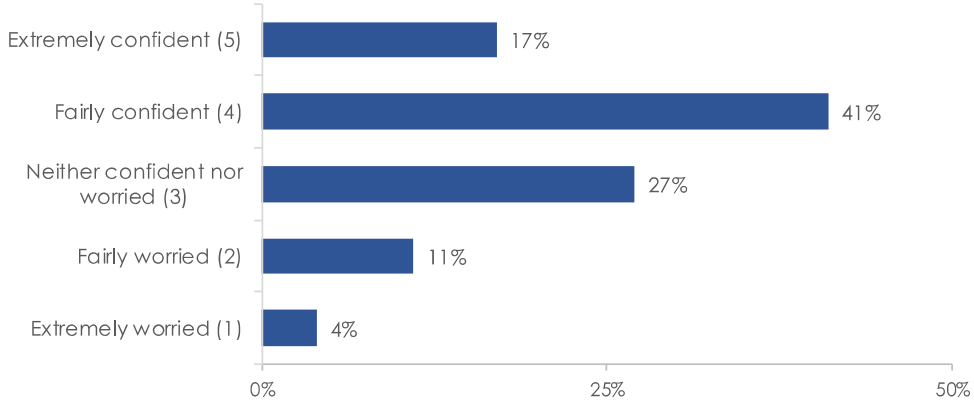
Overall, business confidence is moderate but positive, with 59% of owners and managers feeling fairly or extremely confident about their business prospects over the next 12 months. Confidence is notably higher among larger employers and those with a longer history in the LGA.

In terms of priorities, businesses clearly identify practical cost and access issues as their most pressing concerns. Parking availability and affordability stands out as the top issue, followed by the cost of keeping businesses operational, rising Council rates, and challenges in attracting workers and customers back to the area amid ongoing hybrid working patterns.

Business Confidence

Over half of respondents (59%) are extremely or fairly confident in their business prospects over the next 12 months. Higher confidence was seen from those larger businesses (20%+ staff).

Opt-in respondents that completed the survey via Council's link had very low confidence in their future prospects, with only 1 of the 11 fairly or extremely confident (9%).



	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed Sample	Opt-in Sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Top 2 Box %	59%	65%	9%	63%	57%	60%	58%	47%	64%	48%	55%	77%
Mean rating	3.58	3.70	2.55	3.74	3.49	3.49	3.61	3.33	3.67	3.35	3.47	4.04
Base	104	93	11	35	69	35	71	30	70	31	47	26

	Overall	Industry				
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other
Top 2 Box %	59%	63%	57%	60%	58%	53%
Mean rating	3.58	3.74	3.49	3.49	3.61	3.60
Base	104	35	69	35	71	30

Base: N = 104

Q1a. Thinking about the next twelve months, how confident do you feel about your business prospects?

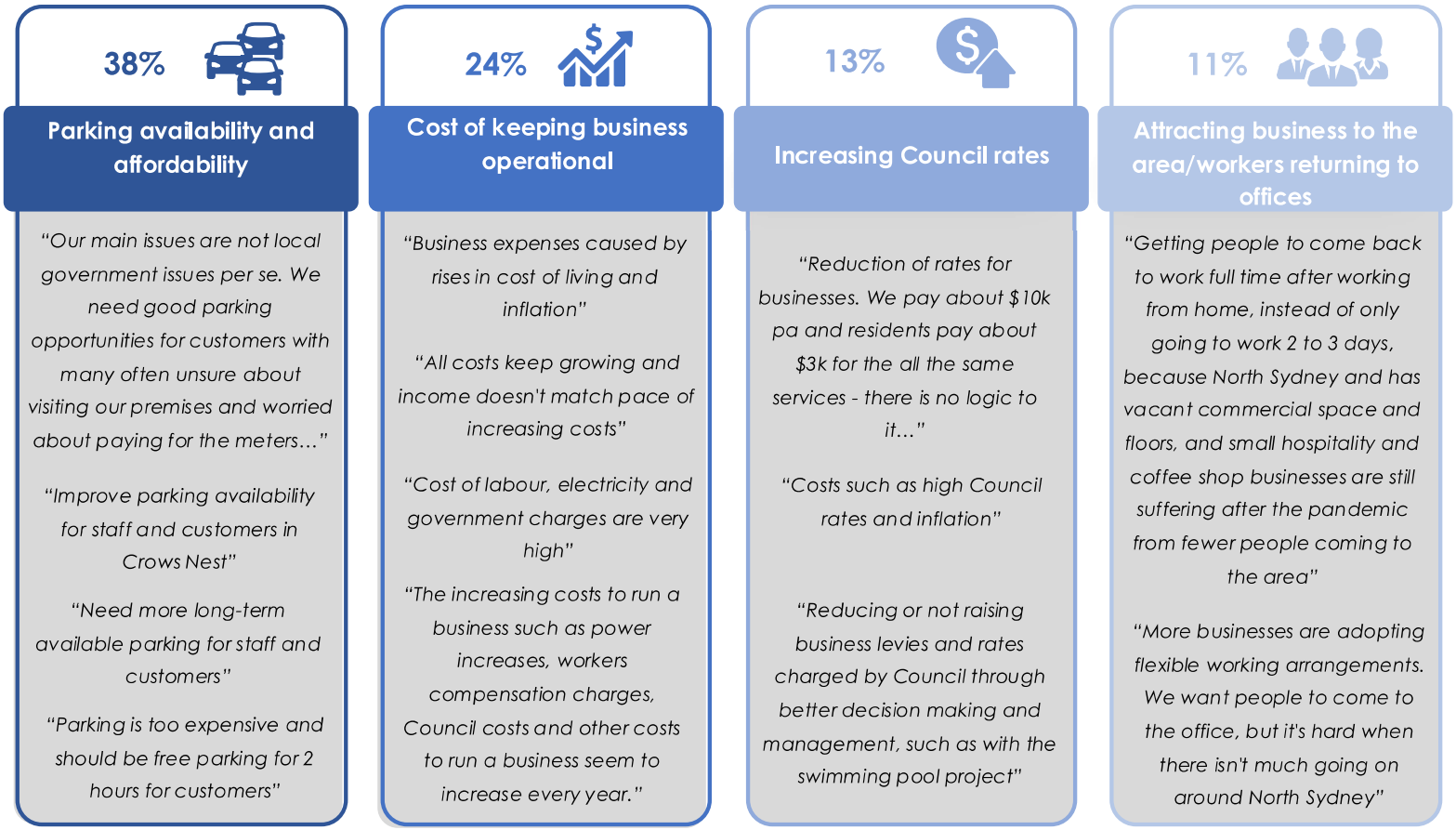
Scale: 1 = extremely worried, 5 = extremely confident
Directionally higher/lower (by group) 11

Highest Priority Issues Facing Businesses in the North Sydney LGA – Top 4

Business owners and managers cited parking availability and affordability (38%) and the cost of keeping business operational as the highest priority issues facing businesses in the LGA.

Other concerns mentioned include increasing Council rates and issues regarding attracting businesses/workers back into the area.

The full list of priorities is provided on the next slide.



Base: N = 104

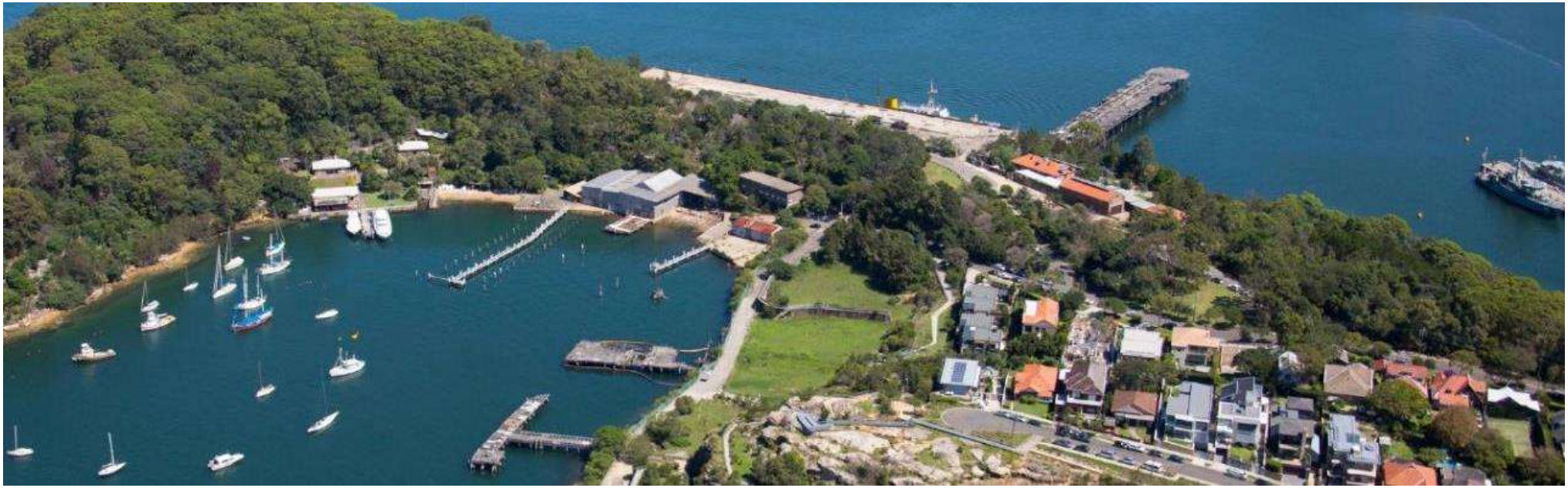
Q1b. What do you think are the highest priority issues facing businesses in the North Sydney Council area?

Highest Priority Issues Facing Businesses in the North Sydney LGA

Priority areas for business owners and managers generally centred on issues relating to connectivity and accessibility, as well the cost of keeping businesses operational.

Highest priority	N=104
Parking availability and affordability for staff and clients/customers	38%
Cost of keeping business operational	24%
Increasing Council rates	13%
Attracting business to the area/workers returning to offices	11%
Public transport/changes to public transport	10%
Traffic congestion/road safety	9%
Construction causing disruption	8%
Revitalising the area and addressing tenancy vacancies	7%
Accessibility to our business/to shops and amenities	6%
Attracting foot traffic to the area	6%
Creating inviting spaces e.g. cleanliness, outdoor dining, events	6%
Regulations/red tape	4%
Overdevelopment of the LGA	3%
Council support of businesses in the LGA	3%
Council's financial management	1%
Other	7%
Don't know/unsure	6%
Refused	7%

Q1b. What do you think are the highest priority issues facing businesses in the North Sydney Council area?



Section Two

Council Performance and Support to Business

This section explores respondents' satisfaction with the performance of Council and Council's support to businesses in the LGA

Section Summary: Council Performance and Support



64% of businesses in the North Sydney LGA at least somewhat satisfied with Council's performance. Satisfaction is notably higher among businesses that feel confident about their future prospects and among those that do not directly pay business rates.

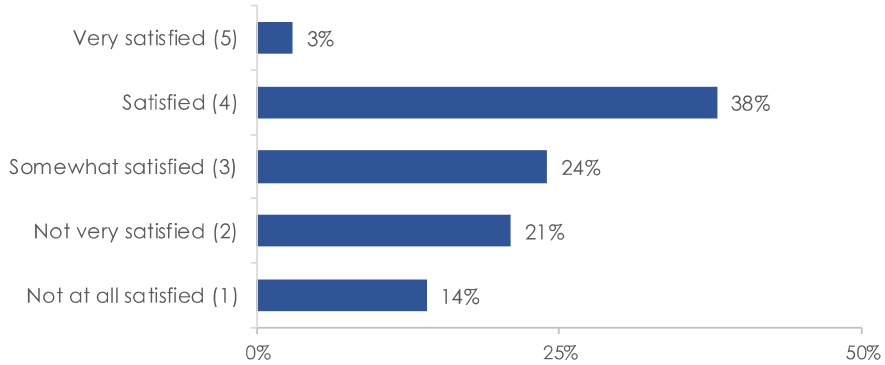
There is strong support for Council maintaining or improving its economic development services, with little appetite for service reductions. At least three-quarters of businesses believe Council should maintain or enhance services such as town centre promotion, events and festivals, public space quality, cleaning and graffiti removal. The most supported service includes, business support initiatives, where more than one third of respondents would like Council to increase its efforts, highlighting a desire for Council to play an active role in supporting business resilience and activity.

Businesses also show broad support for Council taking action to secure and grow employment within the LGA. Over three-quarters support Council implementing at least one employment-focused initiative, with the highest priority placed on using public land near metro stations for social and economic benefit and revitalising CBDs through upgrades and social spaces. These preferences reflect a strong desire for Council-led activation, improved amenity and place-based investment to attract workers, stimulate foot traffic and strengthen the long-term economic vitality of North Sydney.

Overall Satisfaction with Council's Performance

64% of Business owners and managers were at least somewhat satisfied with the overall performance of Council.

Those who expressed confidence in their future business prospects were more likely to be satisfied with Council's performance.



	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed Sample	Opt-in Sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Top 3 Box %	64%	70%	18%	66%	64%	57%	68%	50%	69%	52%	66%	77%
Mean rating	2.93	3.09	1.64	3.00	2.90	2.91	2.93	2.50	3.09	2.71	2.98	3.12
Base	104	93	11	35	69	35	71	30	70	31	47	26

	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Top 3 Box %	64%	54%	63%	86%	70%	75%	40%	50%	77%	59%	66%
Mean rating	2.93	2.77	2.75	3.64	2.90	3.00	2.40	2.50	3.26	2.59	3.08
Base	104	48	16	14	10	16	15	28	61	29	71

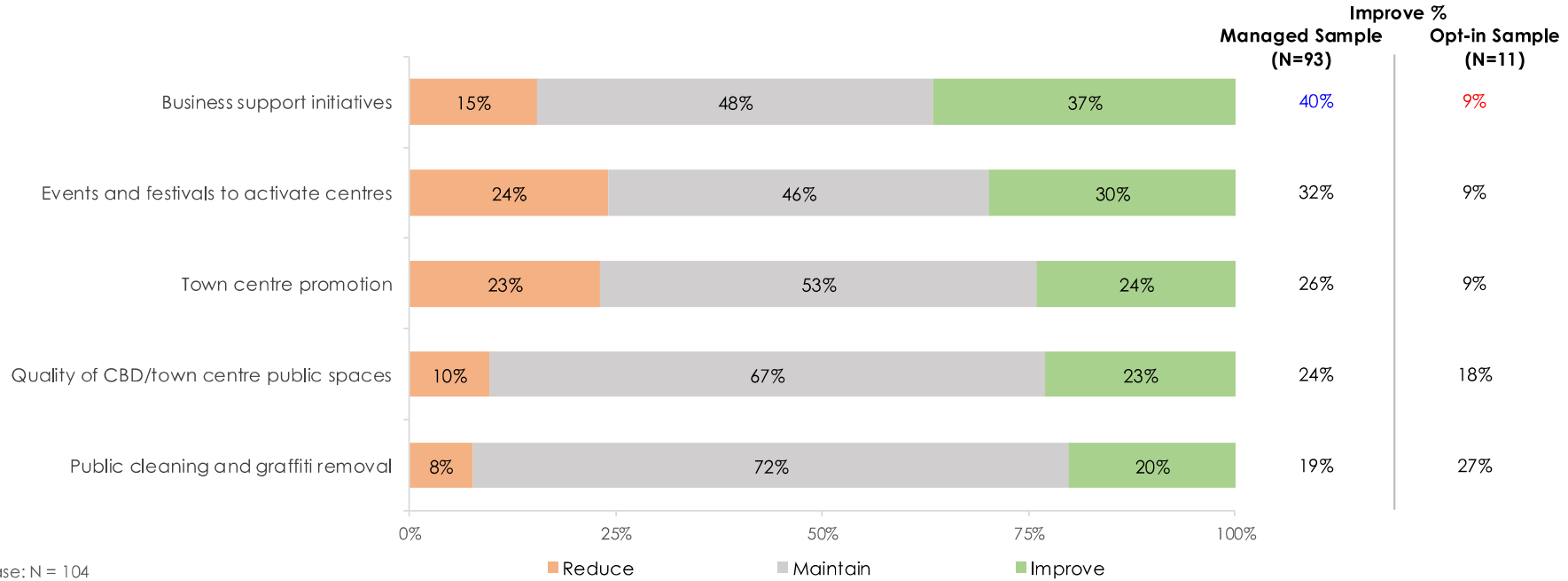
Q1c. *Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas?*

Scale: 1 = not at all satisfied, 5 = very satisfied
Directionally higher/lower (by group)

Economic Development Services

Overall, there is no appetite amongst businesses for Council to reduce economic development services, with at least three quarters of businesses believing Council should maintain or improve all the current services provided. The highest support was seen for business support initiatives, where 37% of respondents would like to see an increase in Council's efforts in this space.

Comparisons of results by business profile demographics shows little variance across cohorts (see next slide).



Base: N = 104

Q1d. *For each of the following economic development services, please indicate whether you think Council should reduce services/reduce maintenance of infrastructure (i.e. reduced quality), maintain services or infrastructure or improve services or infrastructure, which may include more services, better services, new or upgraded infrastructure. Please note that maintaining or improving services or infrastructure will require an increase in average rates.*

Directionally higher/lower percentage(by group) 17

Economic Development Services

Improve %	Overall	Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No rates paid, we rent	1-4	5-19	20+
Quality of CBD/town centre public spaces	23%	23%	23%	20%	24%	20%	24%	19%	19%	35%
Public cleaning and graffiti removal	20%	17%	22%	23%	18%	23%	20%	26%	17%	19%
Events and festivals to activate centres	30%	43%	23%	20%	34%	27%	30%	23%	38%	23%
Town centre promotion	24%	31%	20%	14%	28%	20%	24%	23%	30%	15%
Business support initiatives	37%	40%	35%	29%	39%	37%	36%	29%	40%	38%
Base	104	35	69	35	71	30	70	31	47	26

Improve %	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Quality of CBD/town centre public spaces	23%	29%	13%	36%	20%	6%	7%	7%	34%	14%	27%
Public cleaning and graffiti removal	20%	21%	25%	14%	20%	19%	13%	11%	26%	17%	23%
Events and festivals to activate centres	30%	29%	25%	36%	10%	44%	13%	29%	34%	10%	37%
Town centre promotion	24%	27%	31%	21%	0%	25%	20%	21%	26%	14%	27%
Business support initiatives	37%	31%	38%	29%	60%	44%	40%	25%	41%	34%	35%
Base	104	48	16	14	10	16	15	28	61	29	71

Q1d. *For each of the following economic development services, please indicate whether you think Council should reduce services/ reduce maintenance of infrastructure (i.e. reduced quality), maintain services or infrastructure or improve services or infrastructure, which may include more services, better services, new or upgraded infrastructure. Please note that maintaining or improving services or infrastructure will require an increase in average rates.*

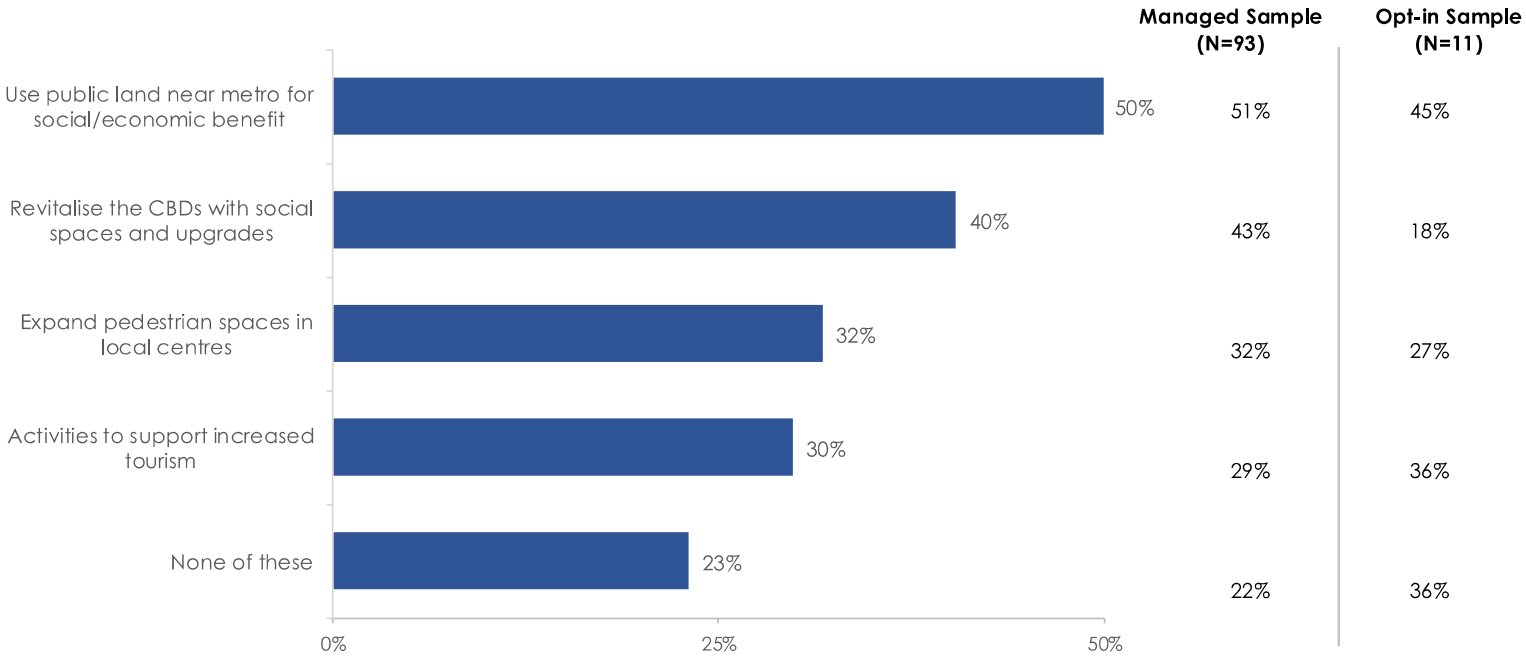
Directionally higher/lower percentage(by group) 18

Council Actions to Secure Employment in the LGA

There is support from businesses for Council to implement actions to help improve employment in North Sydney, with over three quarters of respondents supportive of Council pursuing at least one of the prompted actions.

Highest support was seen for using the land near metro for social/economic benefit (50%) and revitalising the CBD with social spaces and upgrades (40%).

Support was relatively consistent across the sample, with comparisons by demographics showing little variance across cohorts (see next slide).



Base: N = 104

Q1e. *Recent community consultation within North Sydney, has indicated a need to secure employment in North Sydney. Which, if any, of the following actions do you think Council should implement?*

Council Actions to Secure Employment in the LGA

	Overall	Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Use public land near metro for social/economic benefit	50%	66%	42%	60%	45%	47%	51%	42%	64%	35%
Revitalise the CBDs with social spaces and upgrades	40%	40%	41%	40%	39%	23%	46%	45%	32%	50%
Expand pedestrian spaces in local centres	32%	40%	28%	37%	28%	33%	30%	29%	32%	35%
Activities to support increased tourism	30%	43%	23%	29%	30%	37%	27%	39%	30%	19%
None of these	23%	9%	30%	23%	24%	33%	19%	23%	21%	27%
Base	104	35	69	35	71	30	70	31	47	26

	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Use public land near metro for social/economic benefit	50%	40%	69%	64%	40%	56%	47%	46%	52%	41%	54%
Revitalise the CBDs with social spaces and upgrades	40%	38%	38%	64%	40%	31%	27%	25%	51%	24%	45%
Expand pedestrian spaces in local centres	32%	29%	56%	43%	20%	13%	20%	21%	39%	41%	28%
Activities to support increased tourism	30%	17%	69%	29%	20%	38%	27%	21%	34%	34%	27%
None of these	23%	29%	6%	14%	40%	19%	33%	32%	16%	34%	18%
Base	104	48	16	14	10	16	15	28	61	29	71

Q1e. Recent community consultation within North Sydney, has indicated a need to secure employment in North Sydney. Which, if any, of the following actions do you think council should implement?

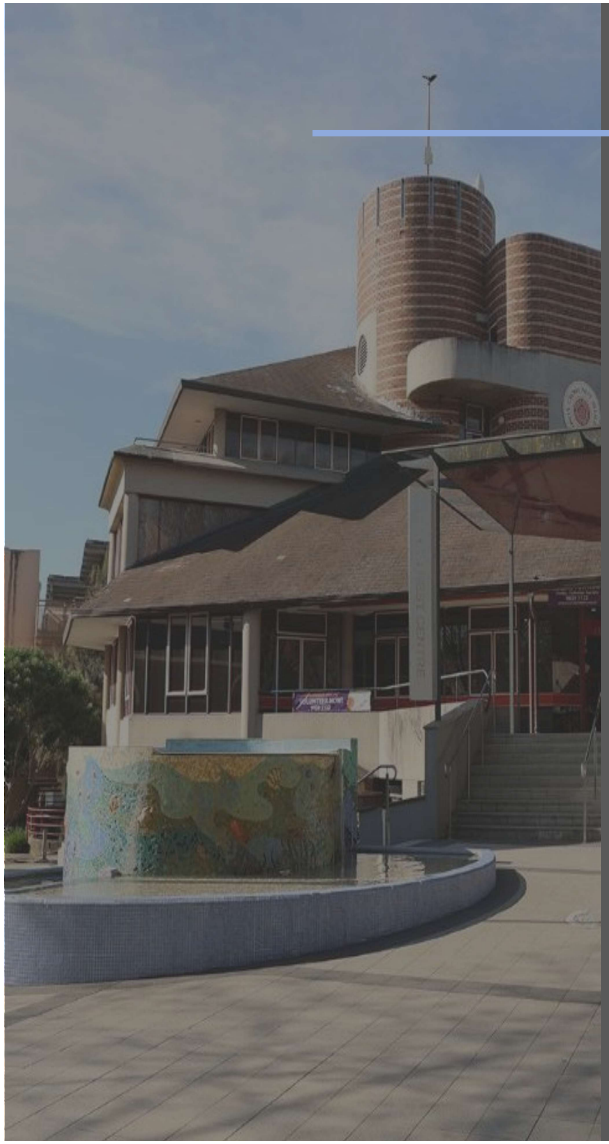
Directionally higher/lower percentage(by group) 20



Section Three

Special Rate Variation (SRV) Options and Preferences

This section assesses the business community's support for various funding options, including three SRV scenarios to maintain services, renew infrastructure, and improve Council's long-term financial sustainability.



Section Summary: SRV Options and Preferences

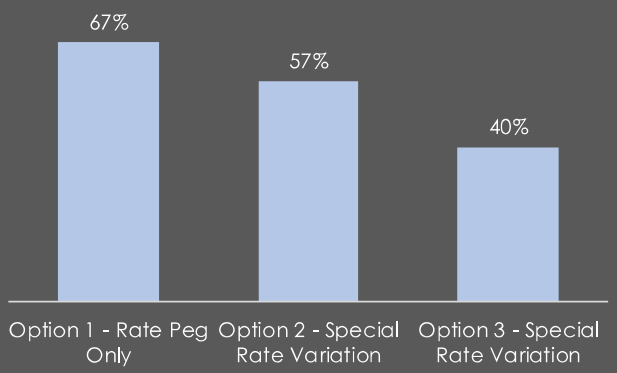
Over one quarter of respondents, overall, are aware of Council's exploration of a Special Rate Variation.

When reviewing the managed sample alone, preferences are closely divided, with 54% preferring a rate peg only and 46% preferencing an SRV option. This difference falls within the margin of error and is not statistically distinguishable. 10 out of the 11 Opt-In respondents gave preference to the Rate Peg Only.

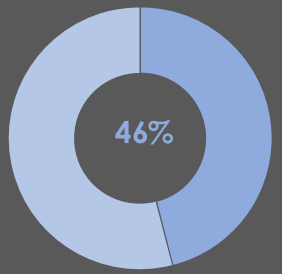
These results indicate that business sentiment, like resident sentiment, is effectively line-ball, with views shaped by balancing cost-of-living pressures against recognition of Council's funding requirements.

Support for Options (Managed Sample only)

At least somewhat supportive %



Preferred Option (Managed Sample only)



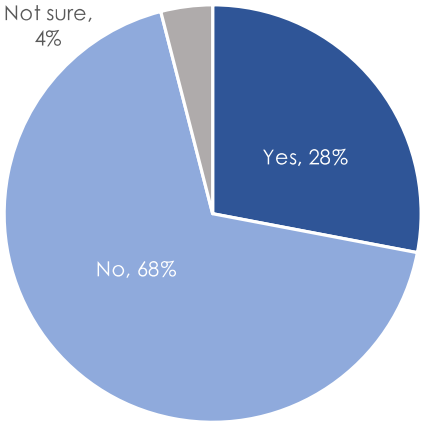
46% of respondents recruited via the managed sample have preference for Council proceeding with some level of rate increase.

Awareness of the SRV

Over one quarter of respondents were aware, prior to the survey, of Council's exploration of sentiment towards a special rate variation. Awareness was higher among those currently paying business rates, and those with a larger workforce (see next slide).

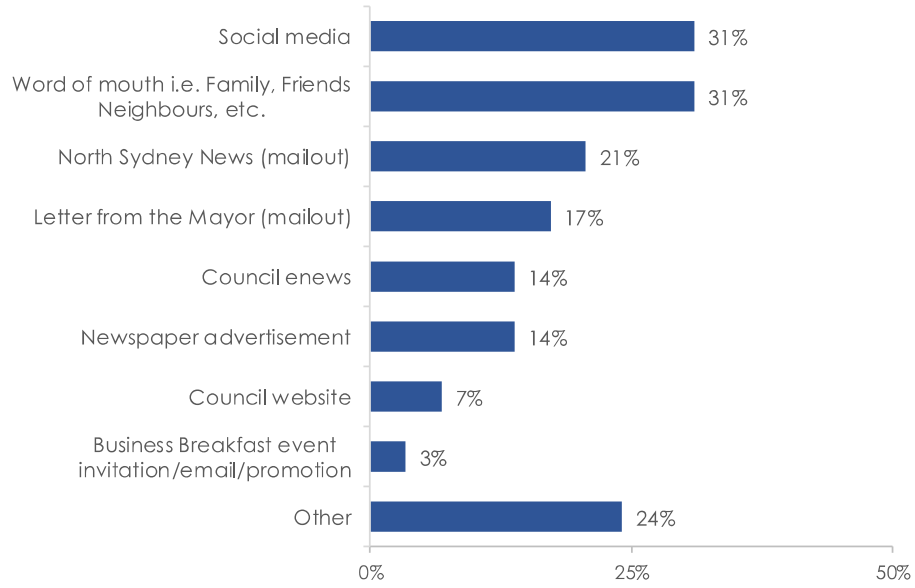
55% of respondents recruited via the opt-in link were aware, compared to 25% from the Managed Sample (see next slide).

Aware of Council exploring sentiment towards a Special Rate Variation?



Base: N = 104

(If yes), Method of awareness



Base: N = 29

Q4a. Prior to this [survey/call], were you aware that Council was exploring business sentiment towards a Special Rate Variation?
Q4b. How were you informed that Council was exploring business sentiment towards a Special Rate Variation?

See Appendix A for 'other' specified

Awareness of the SRV

Opt-in Respondents that completed the survey via the Council link were more likely to be aware that Council was exploring business sentiment.

	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Resident of North Sydney LGA		Number of staff working in the North Sydney Council area		
		Managed sample	Opt-in sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	Yes	No	1-4	5-19	20+
Yes, aware	28%	25%	55%	31%	26%	29%	27%	40%	23%	40%	23%	19%	30%	35%
Base	104	93	11	35	69	35	71	30	70	30	74	31	47	26

	Overall	Industry					Business Confidence		
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident
Yes, aware	28%	27%	44%	7%	40%	25%	47%	36%	20%
Base	104	48	16	14	10	16	15	28	61

Q4a. Prior to this [survey/call], were you aware that Council was exploring business sentiment towards a Special Rate Variation?

Directionally higher/lower percentage(by group) 24

Concept Statement

Note: The following information was provided to respondents during the survey.

North Sydney Council delivers a wide range of services to the community and local businesses. These include maintaining footpaths, roads, streetscapes, public place waste collection, traffic and transport management, town centre activation, community events, environmental initiatives, business support and strategic planning for the future of the area.

Through recent community engagement, Council have heard a strong message: residents value these services and want current service levels maintained, with improvements in some areas.

Over the past few years, Council has made significant productivity improvements and reduced operating costs. However, these efficiencies alone are not enough to close the growing gap between funding and the cost of maintaining essential business and community assets.

Council's income is regulated by the NSW Independent Pricing and Regulatory Tribunal (IPART), which limits how much rates can increase each year. This limit, known as the rate peg, is set at 4% for the 2026–27 financial year – and is estimated to be 3% in subsequent years.

A 4% increase will not be sufficient to maintain services at their current level, nor to properly renew ageing infrastructure. Without additional revenue or reductions in services, Council's financial position will become unsustainable.

At present, Council has identified $157 million worth of infrastructure, such as roads, footpaths, drainage, and community buildings, that are already in poor or very poor condition. Without action, these assets will continue to decline and future costs will escalate.

To address this funding gap, councils can apply to IPART for a Special Rate Variation (SRV), which allows rates to rise above the rate peg.

Earlier this year North Sydney Council applied for an SRV, but it was unsuccessful. Council has now addressed the recommendations made by the regulating body as part of that process and is considering re-applying for a permanent SRV, applied progressively over the next three years.

We will be presenting three options for businesses to consider, each with different implications for service levels, asset renewal, and long-term sustainability.

Business rates are based on unimproved land values. Therefore, there can be considerable variance in business rates depending on whether there are multiple businesses on one block of land, or only one or two businesses on a block of land. Given this variance, when we discuss the three rate options, we will focus on percentage changes rather than actual dollar amounts.

Council acknowledges that any rate increase may place financial pressure on some businesses. Council offers support through its Hardship Policy and can offer alternative payment arrangements to assist ratepayers.

Options in Detail…

Note: The following information was provided to respondents during the survey.

Option 1 : Rate Peg Only

1

This option would continue the status quo with rates only increasing by the assumed rate peg amount of 4% in 2026-27, and an estimated 3% in each of the following two years.

Under this option the impact would be:

- *Services would need to be reduced in key areas, including areas such as maintenance of town centres*
- *Infrastructure would continue to deteriorate*
- *Infrastructure at most risk, such as stormwater and building assets, could be subject to failure*
- *A lack of investment in new infrastructure would place further pressure on existing assets as the population grows*
- *Corporate systems would continue to have limited productivity and decision-making*

Option 2: SRV – Three Year Spread

2

Option 3: SRV – Three Year Spread

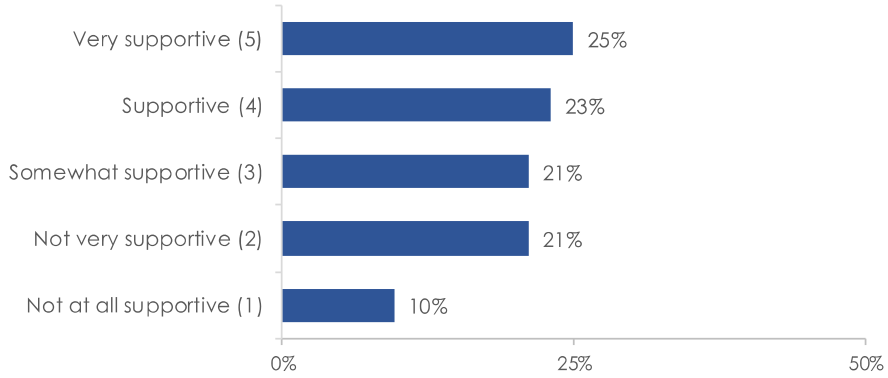
3

26

Support for Option 1: Rate Peg Only

69% of business owners/managers are at least somewhat supportive of Council only increasing rates by the assumed rate peg. Stronger support was seen from those who currently pay business rates and those who were already aware of Council's SRV exploration.

Respondents recruited via the opt-in link were almost universally supportive of this option.



	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed sample	Opt-in sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Top 3 Box %	69%	67%	91%	60%	74%	80%	65%	80%	66%	74%	64%	73%
Mean rating	3.33	3.22	4.27	2.97	3.51	3.54	3.25	3.80	3.14	3.35	3.17	3.58
Base	104	93	11	35	69	35	71	30	70	31	47	26

	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Top 3 Box %	69%	67%	56%	93%	80%	63%	67%	75%	67%	76%	65%
Mean rating	3.33	3.42	2.81	3.57	3.80	3.06	3.53	3.57	3.16	3.79	3.10
Base	104	48	16	14	10	16	15	28	61	29	71

Q2a. *How supportive are you of Council proceeding with Option 1?*

Scale: 1 = not at all supportive, 5 = very supportive
Directionally higher/lower level of support (by group)

Options in Detail…

Note: The following information was provided to respondents during the survey.

Option 1: Rate Peg Only

1

Option 2: SRV – Three Year Spread

2

This proposed SRV option would be introduced over 3 years :

- In year one (2026/27) rating revenue would rise by 20%, which includes the 4% rate peg.
- In year two (2027/28) rating revenue would rise by an additional 10%, which includes the estimated 3% rate peg.
- In year three (2028/29) rating revenue would rise by an additional 6%, which includes the estimated 3% rate peg.

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

The SRV will generate additional income, of which 80% including an average of $11 million per year over the next three years will be allocated to infrastructure renewals and critical backlogs. New corporate systems would be implemented over a four-year period to reduce risk, improve productivity, reporting, and decision-making.

A small increase in operational funding would ensure adequate maintenance of parks and gardens including new open space at Berry's Bay. This option would also ensure continued improvement of Development Applications times.

With this additional funding:

- Council can continue to provide services at existing service levels
- Infrastructure in poor or very poor condition are forecast to reduce from 14% to 10% over the next 10 years
- Critical backlogs will be prioritised
- Corporate systems will be implemented including infrastructure management systems to reduce risk, improve productivity, decision-making and customer service

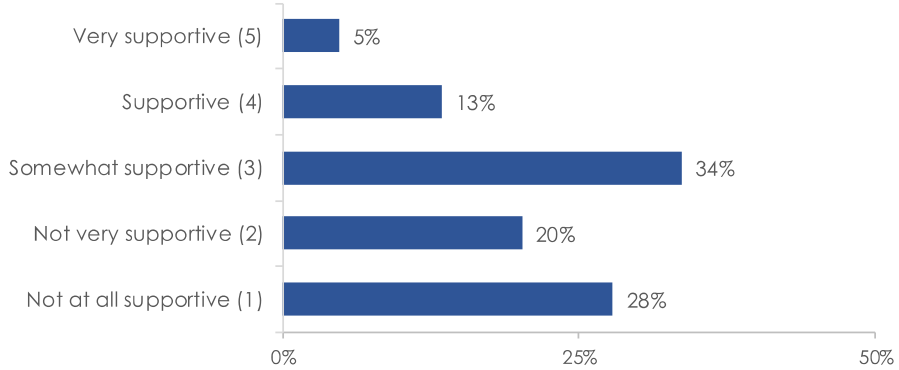
Option 3: SRV – Three Year Spread

3

Support for Option 2: Special Rate Variation

Option 2 was supported by just over half of respondents (52% at least somewhat supportive). Higher levels of support were seen from those not currently paying business rates and those with higher levels of business confidence.

Analysis of support by respondents' satisfaction with Council's performance shows those more satisfied, overall, have higher levels of support for this option (see slide 30). Respondents recruited via the opt-in link almost universally rejected this option.



	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed sample	Opt-in sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Top 3 Box %	52%	57%	9%	57%	49%	54%	51%	30%	60%	55%	57%	38%
Mean rating	2.47	2.61	1.27	2.57	2.42	2.49	2.45	1.87	2.70	2.55	2.49	2.35
Base	104	93	11	35	69	35	71	30	70	31	47	26

	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Top 3 Box %	52%	46%	56%	79%	40%	50%	47%	39%	59%	38%	58%
Mean rating	2.47	2.40	2.56	3.00	2.20	2.31	2.33	2.07	2.69	2.14	2.59
Base	104	48	16	14	10	16	15	28	61	29	71

Scale: 1 = not at all supportive, 5 = very supportive
Directionally higher/lower level of support (by group)

Q2b. How supportive are you of Council proceeding with Option 2?

Options in Detail…

Note: The following information was provided to respondents during the survey.

Option 1: Rate Peg Only — 1

Option 2: SRV – Three Year Spread — 2

Option 3: SRV – Three Year Spread — 3

This proposed SRV option would also be introduced over 3 years:

- In year one (2026/27) rating revenue would rise by 23%, which includes the 4% rate peg.
- In year two (2027/28) rating revenue would rise by an additional 15%, which includes the estimated 3% rate peg.
- In year three (2028/29) rating revenue would rise by an additional 9%, which includes the estimated 3% rate peg.

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

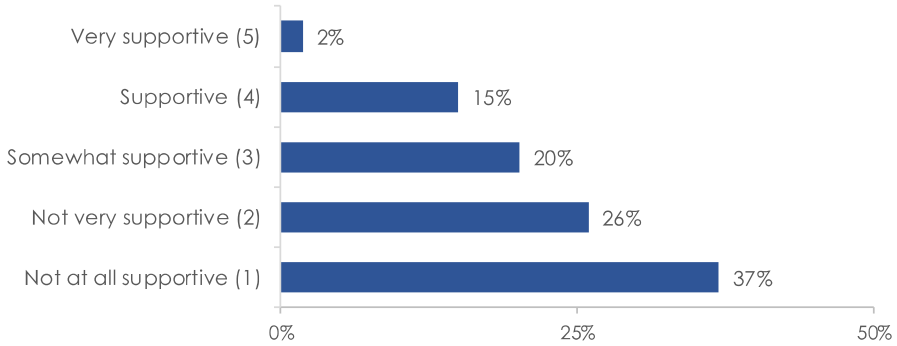
With this additional funding, Council will provide the services and infrastructure mentioned for the previous option, plus …

- Increased commitment to addressing infrastructure in poor or very poor condition with backlogs forecast to reduce from 14% to 7% over the next 10 years
- Critical backlogs will be prioritised
- A small number of new or upgraded infrastructure projects would be supported including:
  - Upgrades to maximise the use of existing open space such as improved drainage, bushland walking paths, multi-purposing etc.
  - Accessibility improvements to infrastructure
  - Support towards traffic management and active transport initiatives
  - Stormwater harvesting and reuse
- Council can provide some response to current community pressures as well as preparing for increasing population through small scale initiatives such as:
  - A holistic review of parking within the council area
  - Developing of master plans for key sites such as those close to Metro or on foreshore locations
  - Small programs that support accessibility, inclusion, and cohesion
  - Strategic planning projects responding to concerns such as affordable housing

Support for Option 3: Special Rate Variation

37% of respondents are at least somewhat supportive of Option 3. Higher levels of support was seen from those not currently paying business rates, and those with stronger business confidence.

Analysis of support by respondents' satisfaction with Council's performance shows those more satisfied, overall, to have higher levels of support for this option. 10 out of the 11 respondents recruited via the opt-in link rejected this option.



	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed sample	Opt-in sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Top 3 Box %	37%	40%	9%	49%	30%	37%	37%	13%	44%	32%	38%	38%
Mean rating	2.17	2.29	1.18	2.34	2.09	2.14	2.18	1.50	2.41	2.16	2.15	2.23
Base	104	93	11	35	69	35	71	30	70	31	47	26

	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Top 3 Box %	37%	33%	31%	64%	20%	38%	20%	32%	43%	24%	41%
Mean rating	2.17	2.10	2.19	2.71	1.70	2.19	1.80	1.93	2.38	1.76	2.32
Base	104	48	16	14	10	16	15	28	61	29	71

Q2c. *How supportive are you of Council proceeding with Option 3?*

Scale: 1 = not at all supportive, 5 = very supportive
Directionally higher/lower level of support (by group)

Support for Options by Key Questions

Option 1	Overall	Overall satisfaction with Council (Q1c)		
		Not at all/ not very satisfied	Somewhat satisfied	Very satisfied/ satisfied
Top 3 Box %	69%	78%	56%	69%
Mean rating	3.33	3.95	2.88	3.05
Base	104	37	25	42

Option 2	Overall	Overall satisfaction with Council (Q1c)		
		Not at all/ not very satisfied	Somewhat satisfied	Very satisfied/ satisfied
Top 3 Box %	52%	27%	52%	74%
Mean rating	2.47	1.84	2.60	2.95
Base	104	37	25	42

Option 3	Overall	Overall satisfaction with Council (Q1c)		
		Not at all/ not very satisfied	Somewhat satisfied	Very satisfied/ satisfied
Top 3 Box %	37%	16%	40%	52%
Mean rating	2.17	1.51	2.28	2.69
Base	104	37	25	42

Q2c. How supportive are you of Council proceeding with Option 1/2/3?

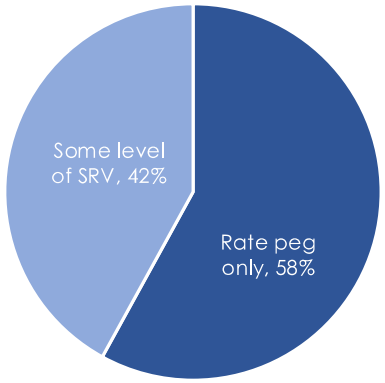
Scale: 1 = not at all supportive, 5 = very supportive
Directionally higher/lower level of support (by group) 32

Overall Preference

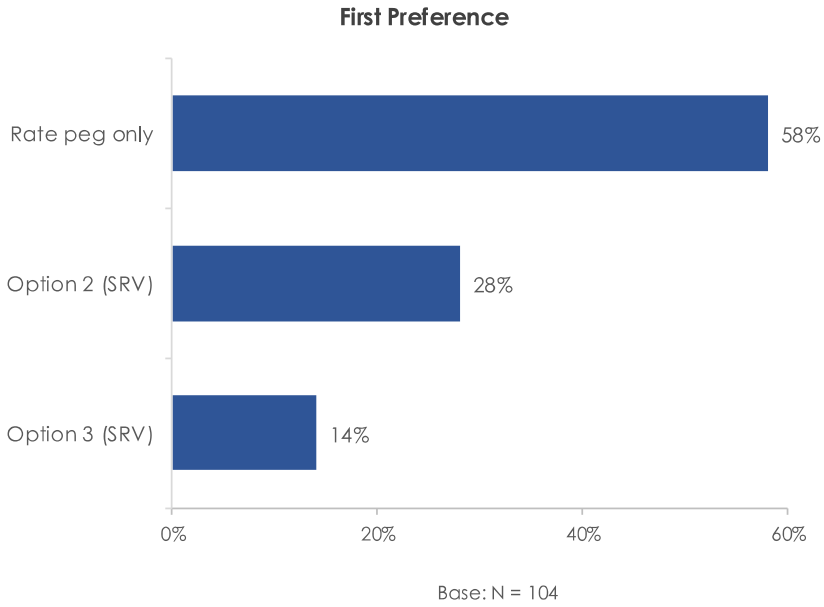
Across all business respondents, first preferences are split between a rate-peg-only option (58%) and proceeding with some level of SRV (42%). However, this overall result is influenced by a small opt-in sample that shows strong opposition both SRV options.

When considering the managed sample alone, which represents the majority of interviews and provides a more reliable indication of business sentiment, preferences are broadly evenly divided, with 54% preferring a rate peg only and 46% preferring some level of SRV. This difference falls within the margin of error and is not statistically significantly different.

These results indicate that business sentiment is finely balanced: those preferring the rate peg mentioning affordability pressures, existing operating costs and concerns about Council's financial management, while those supporting an SRV focus on the need for additional funding to deliver improvements and better outcomes for businesses and the local area.



First preference %	Overall	Sample	
		Managed sample	Opt-in sample
Rate peg only	58%	54%	91%
Option 2	28%	31%	0%
Option 3	14%	15%	9%
Base	104	93	11



Q3a. Please rank the 3 options in order of preference:

Directionally higher/lower percentage(by group) 33

Overall Preference

Opt-in Respondents that completed the survey via the Council link were more likely to reject both SRV options.

First preference %	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed sample	Opt-in sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Rate peg only	58%	54%	91%	54%	59%	51%	62%	67%	54%	65%	47%	69%
Option 2	28%	31%	0%	29%	28%	34%	24%	23%	29%	26%	34%	19%
Option 3	14%	15%	9%	17%	13%	14%	14%	10%	17%	10%	19%	12%
Base	104	93	11	35	69	35	71	30	70	31	47	26

First preference %	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Rate peg only	58%	58%	50%	57%	70%	56%	67%	68%	51%	69%	51%
Option 2	28%	27%	31%	29%	30%	25%	33%	11%	34%	21%	32%
Option 3	14%	15%	19%	14%	0%	19%	0%	21%	15%	10%	17%
Base	104	48	16	14	10	16	15	28	61	29	71

Base: N = 104

Q3a. Please rank the 3 options in order of preference:

Directionally higher/lower percentage(by group) 34

Reason for First Preference

Those who prefer the rate variation options believe the SRV is needed for improvements in the area.

Specifically, those who prefer Option 2 were most likely to believe the cost was fair/most reasonable, while those who prefer Option 3 believe it to be the best option for business.

For those who prefer the rate peg only, concerns raised included Council's financial management, the current cost of business operations and the affordability of the Option.

	Overall	Rate peg only	Option 2	Option 3
Council should improve its financial management/lack confidence in Council's financial management	38%	50%	26%	9%
Costs for running business are already too high	15%	24%	0%	9%
It is the most affordable option	13%	17%	4%	9%
It is needed for improvements in the area	11%	0%	26%	27%
Council should explore other methods to raise revenue	10%	17%	0%	0%
It is a fair amount/not unreasonable/most balanced	10%	0%	30%	9%
Best option for businesses	9%	0%	13%	36%
Council do support business enough to warrant this increase	4%	7%	0%	0%
Other	8%	4%	13%	9%
Don't know/no response	3%	2%	0%	9%

Q3b. What is your reason for choosing that option as your highest preference?

Directionally higher/lower percentage(by group) 35

Reason for First Preference

Example verbatim responses

Rate Peg Only (58%)

"Financially Option 1 Rate peg only is more viable and affordable"

"Option 1 would mitigate the impact of the rate increase on businesses. Some North Sydney small businesses, such as hospitality and coffee shops, are already struggling due to more people working from home and fewer people working in commercial office spaces after the COVID pandemic."

"Businesses cannot afford increases and stay in North Sydney area. Businesses leaving won't help Council increase revenue… Council may not have the funds to adequately maintain its responsibilities but neither do local businesses. We're not here to pay for Councils mistakes…"

Option 2 (28%)

"Option 2 is better than option 1 when considering the long-term future of the area"

"Maintaining local infrastructure is vital and increasing funds is needed"

"Option 2 has more flexibility relating to businesses paying rates"

"Allows for improvement at a modest cost increase. Also, I do not trust Council can manage its finances efficiently."

"Moderate increase compared to Option 3, which will result in good income for the Council to do the works."

Option 3 (14%)

"Option 3 sounds reasonable with better options for business"

"Makes the most sense to support local services"

"Supportive of Option 3 provided it is used to support the local services and infrastructure"

"Option 3 sounds the most logical and makes the most sense out of all 3 options because it will be more beneficial for the business. For example, we need more public waste bins at our business at Willoughby Rd, Crows Nest, because people ask if they can put their waste in our bins… Council need to be able to add public facilities such as that."

Q3b. *What is your reason for choosing that option as your highest preference?*



Section Four

Changes to the Minimum Rate

This section assesses support for increasing the minimum rate for businesses.

Concept Statement

Note: The following information was provided to respondents during the survey.

As noted earlier, Council rates are levied based on unimproved land value. A 'minimum rate' is the lowest amount charged to any business, and it typically applies where multiple businesses are on the one block of land, such as an office tower or business park. Council is proposing to increase the minimum business rate over the next three years, to better reflect the cost of delivering services to all businesses.

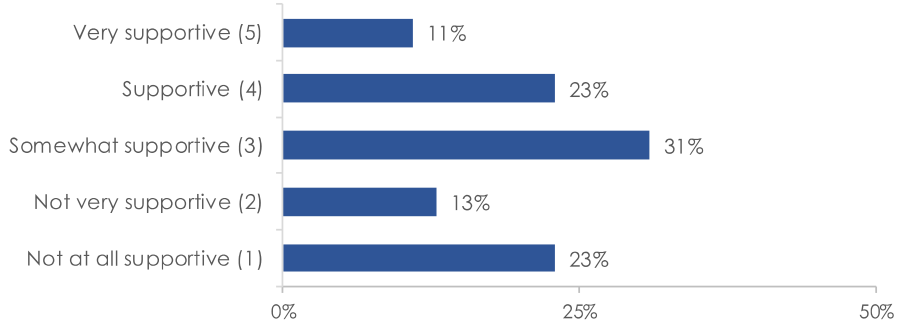
North Sydney's minimum business rate is $743 per annum—the third lowest in Metropolitan Sydney. Neighbouring councils charge: Lane Cove ($1,096), Willoughby ($1,496), and Northern Beaches ($1,605)

Support for Increasing the Minimum Rate

Almost two thirds of respondents support Council increasing the minimum rate (64%).

Those from the professional/financial/administration/real estate industry and were less likely to support the increase.

Analysis by sample source shows respondents recruited via the managed sample were more likely to support increasing the minimum rate (67% v 45%).



	Overall	Sample		Time operating in the LGA		Business location		Pay business rates to Council		Number of staff working in the North Sydney Council area		
		Managed sample	Opt-in sample	Less than 10 years	10 or more years	Cammeraygal Ward	St Leonards Ward	Yes	No	1-4	5-19	20+
Top 3 Box %	64%	67%	45%	69%	62%	57%	68%	50%	69%	74%	60%	62%
Mean rating	2.86	2.91	2.36	2.80	2.88	2.71	2.93	2.43	3.00	3.16	2.77	2.65
Base	104	93	11	35	69	35	71	30	70	31	47	26

	Overall	Industry					Business Confidence			Aware of Council's exploration of SRV	
		Professional/ Financial/ Administration/ Real estate	Retail/ Hospitality	Education/ Health/ Community	Construction	Other	Extremely worried + Fairly worried	Neither confident nor worried	Fairly confident + Extremely confident	Yes	No
Top 3 Box %	64%	52%	69%	93%	70%	69%	60%	54%	70%	52%	69%
Mean rating	2.86	2.71	2.94	3.36	2.70	2.88	3.07	2.43	3.00	2.45	3.03
Base	104	48	16	14	10	16	15	28	61	29	71

Q5. How supportive would you be of Council increasing the minimum rate to better reflect the cost of service delivery to all businesses?

Scale: 1 = not at all supportive, 5 = very supportive
Directionally higher/lower level of support (by group)



Appendix 1

Additional Analyses

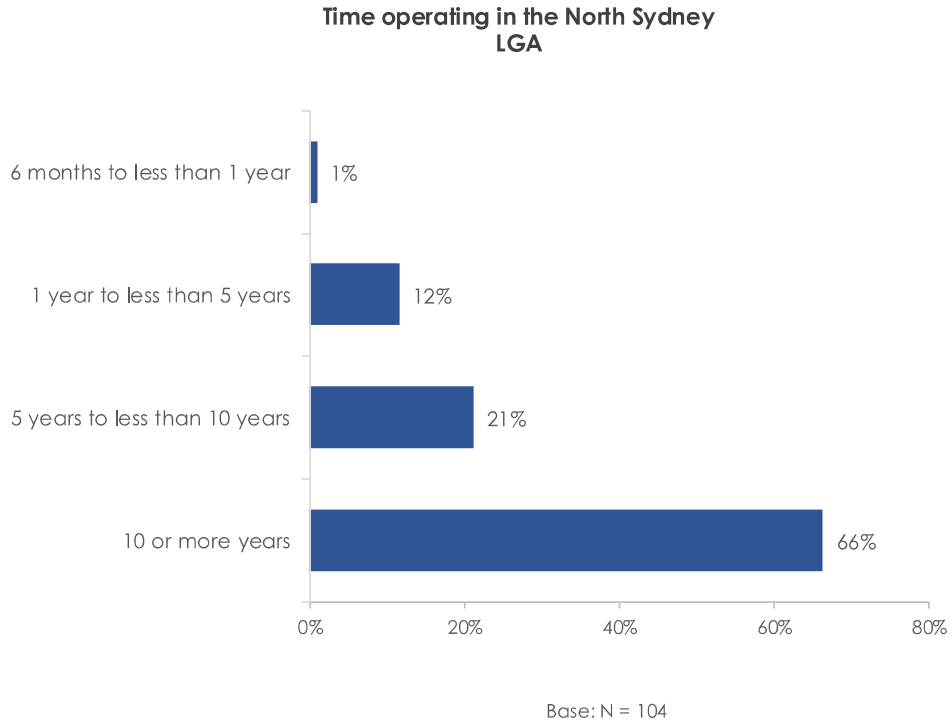
micromex research

Business Sample Profile – Additional Analysis

	Base N=104
Professional, Scientific and Technical Services (e.g. architects, engineering, scientific research and testing, accounting, advertising, market research, management services, etc.)	23%
Rental, hiring and real estate services (e.g. property ownership/management/rental, property real estate services, vehicle hiring, rental of machinery/electronics, etc.)	16%
Health Care and Social Assistance (e.g. general practice, specialists, pathology, dental, physio, ambulance services, aged care services, childcare services, etc.)	11%
Construction (e.g. building/construction, plumbing, electrical, painting, air conditioning installations, alarm installations, landscaping, etc.)	10%
Accommodation and Food Services (e.g. accommodation, cafes, restaurants, takeaways, pubs, clubs and bars, etc.)	8%
Retail Trade (e.g. supermarkets, vehicle/furniture/homewares/clothing etc. sales, etc.)	8%
Information Media and Telecommunications (e.g. traditional media, digital media, movie/video production/distribution, telecommunications, library services, etc.)	6%
Financial and Insurance Services (e.g. banks, building societies, credit unions, insurance, superannuation, broking services, etc.)	5%
Wholesale Trade (e.g. wholesaling of raw materials, equipment/goods, vehicles, etc.)	4%
Education and Training (e.g. preschool/primary/secondary/higher education, vocational training, community education, sport education, etc.)	3%
Administrative and Support Services (e.g. employment/recruitment services, travel agencies, call centres, pest control, office administrative services, industrial cleaning, etc.)	2%
Arts and Recreation Services (e.g. museums, zoos, nature reserves, performing arts, gyms, sports clubs, gambling services, etc.)	2%
Other services (e.g. automotive repairs, appliance and equipment repairs, clothing repairs, hairdressing, beauty services, laundry/dry-cleaning, funeral services, religious services, business and professional associations, etc.)	2%
Manufacturing (e.g. production of food, drink, textiles, petroleum products, chemicals, building products, electronics, vehicles, equipment, furniture, etc.)	1%
Transport, Postal and Warehousing (e.g. all land/sea/air transport services, couriers, customs agents, freight forwarding, warehousing services, etc.)	1%

S5. In what industry do you operate your business?

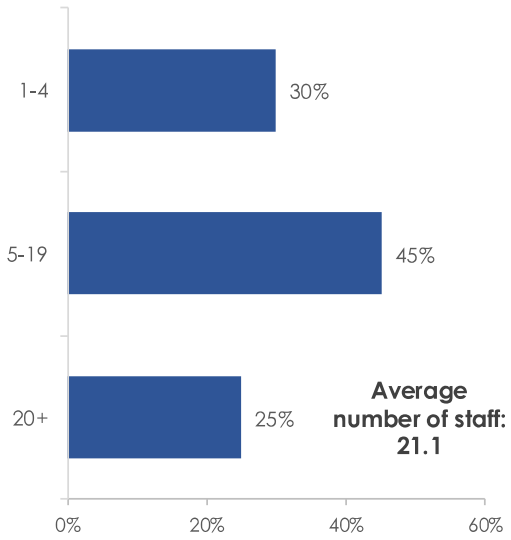
Business Sample Profile – Additional Analysis



D1. How long has your business been operating in the North Sydney local government area?

Business Sample Profile – Additional Analysis

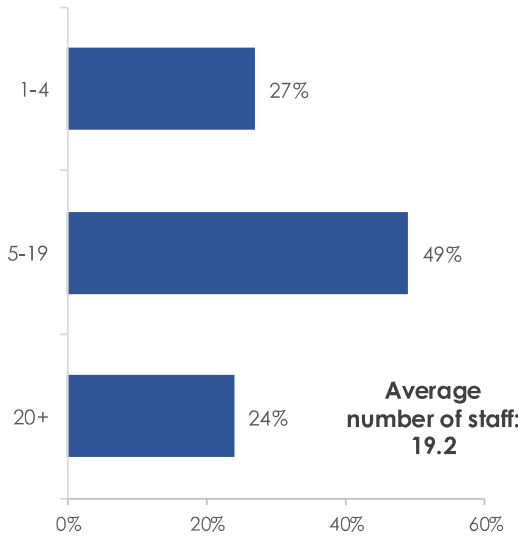
Total staff working in the North Sydney Council area



Base: N = 104

S4a. How many staff in total, including the business owner and any fixed-term contractors, do you have working in the North Sydney Council area?

Number of staff working at the business premises at least once a week



Base: N =96

S4b. If more than a total of one staff member based on S4a, ask] In an average week, how many of your [total staff based on S4a] staff work at your business premises at least once a week?

Awareness of the SRV – Other Specified

Other (specified)	
Email	1
Radio	1
TV news	1
Not specified	1
Don't know	2

Q4b. How were you informed that Council was exploring business sentiment towards a Special Rate Variation?



Appendix 2
Questionnaire

North Sydney Council
Special Rate Variation BUSINESS Survey
2025

Good morning/afternoon, my name is_____ and I'm calling on behalf of North Sydney Council from a company called Micromex. We are conducting a survey with business owners or senior managers in the local area about a range of business-related issues, would you be able to assist us please?

- Yes: Continue
- No time now: Arrange call-back
- No, it would be better to speak to someone else: Obtain their name/contact details

Section 1: Screeners (section headers not to appear in online Q'aire)

S1. How would you describe your position in your business? (Prompt, SR)

Position	Answers	Notes
1	Owner of this business	
2	Senior Manager of this business	
3	Employee	(**Organise call back to speak to owner/senior manager**)

S2a. Does the business operate out of separate business premises, such as a shop, office, factory, warehouse, etc., or does it only operate from a residential address?

Position	Answers	Notes
1	Separate business premises	Continue
2	Only from a residential address	Terminate
3	Can't say	Terminate

S2b. And does the business – or the owner of the business – pay business rates to North Sydney Council for the premises you operate from, or does the business rent the premises?

Position	Answers	Notes
1	Yes, pays business rates	
2	No rates paid, we rent	
3	Can't say	

S3. From which suburb or suburbs in the North Sydney Council area do you operate your business? (Do NOT Prompt, MR)

Position	Answers	Notes
1	Cammeray	
2	Cremorne	
3	Cremorne Point	
4	Crows Nest	
5	Kirribilli	
6	Kurraba Point	
7	Lavender Bay	
8	McMahons Point	
9	Milsons Point	
10	Neutral Bay	
11	North Sydney	
12	St Leonards	
13	Waverton	
14	Wollstonecraft	
15	Other	Terminate if only 'Other' with no North Syd locations

S4a. How many staff in total, including the business owner and any fixed-term contractors, do you have working in the North Sydney Council area? (Do NOT Prompt, SR)

Position	Answers	Notes
1	Record number from 0 up:	

Programmer note: TERMINATE if S4a is equal to 0.

S4b. If more than a total of one staff member based on S4a, ask] In an average week, how many of your [total staff based on S4a] staff work at your business premises at least once a week? (Do NOT Prompt, SR)

Position	Answers	Notes
1	Record number from 0 up:	

S5. In what industry do you operate your business? (Prompt only if needed/discuss options with respondent. Only record as 'Other' for back-coding as a last resort, SR)

Position	Answers	Notes
1	**Administrative and Support Services** (e.g. employment/recruitment services, travel agencies, call centres, pest control, office administrative services, industrial cleaning, etc.)	
2	**Agriculture, Forestry and Fishing** (e.g. growing of crops, farming of animals/fish, logging, trawling, forestry support, etc.)	
3	**Accommodation and Food Services** (e.g. accommodation, cafes, restaurants, takeaways, pubs, clubs and bars, etc.)	
4	**Arts and Recreation Services** (e.g. museums, zoos, nature reserves, performing arts, gyms, sports clubs, gambling services, etc.)	
5	**Construction** (e.g. building/construction, plumbing, electrical, painting, air conditioning installations, alarm installations, landscaping, etc.)	
6	**Education and Training** (e.g. preschool/primary/secondary/higher education, vocational training, community education, sport education, etc.)	
7	**Financial and Insurance Services** (e.g. banks, building societies, credit unions, insurance, superannuation, broking services, etc.)	
8	**Health Care and Social Assistance** (e.g. general practice, specialists, pathology, dental, physio, ambulance services, aged care services, childcare services, etc.)	
9	**Information Media and Telecommunications** (e.g. traditional media, digital media, movie/video production/distribution, telecommunications, library services, etc.)	
10	**Manufacturing** (e.g. production of food, drink, textiles, petroleum products, chemicals, building products, electronics, vehicles, equipment, furniture, etc.)	
11	**Mining** (e.g. mining and exploration)	

12	**Other services** (e.g. automotive repairs, appliance and equipment repairs, clothing repairs, hairdressing, beauty services, laundry/dry-cleaning, funeral services, religious services, business and professional associations, etc.)	
13	**Public Administration and Safety** (e.g. government, defence, police/other emergency services, correctional services, etc.)	
14	**Professional, Scientific and Technical Services** (e.g. architects, engineering, scientific research and testing, accounting, advertising, market research, management services, etc.)	
15	**Rental, hiring and real estate services** (e.g. property ownership/management/rental, property real estate services, vehicle hiring, rental of machinery/electronics, etc.)	
16	**Retail Trade** (e.g. supermarkets, vehicle/furniture/homewares/clothing etc sales, etc.)	
17	**Transport, Postal and Warehousing** (e.g. all land/sea/air transport services, couriers, customs agents, freight forwarding, warehousing services, etc.)	
18	**Electricity, Gas, Water and Waste Services** (e.g. generation/distribution of utilities, waste collection and treatment, etc.)	
19	**Wholesale Trade** (e.g. wholesaling of raw materials, equipment/goods, vehicles, etc.)	
20	**Other**	Please specify

S6. And do you live in the North Sydney Council area?

Position	Answers	Notes
1	Yes	
2	No	

If 'Yes' on S6, say: *"For the remaining questions, please answer from a Business perspective, not as a resident of the area".*

S7. Which, if any, of the following would describe or apply to your business?

***The business:* (Prompt, MR)**

Position	Answers	Notes
1	Relies on your customers/clients mostly coming to your business premises	
2	Located in a town centre (where there are other businesses etc.)	
3	Relies on local residents as customers	
4	Relies on nearby businesses or their staff as customers	
5	(Do not prompt) None of these	

Section 2: Priorities (section headers not to appear in online Q'aire)

Q1a. Thinking about the next twelve months, how confident do you feel about your business prospects? (Prompt, SR, FLIP)

Value	Answers	Notes
5	Extremely confident	
4	Fairly confident	
3	Neither confident nor worried	
2	Fairly worried	
1	Extremely worried	

Q1b. What do you think are the highest priority issues facing businesses in the North Sydney Council area?

Text	Answers	Notes
		5 lines

Q1c. Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas? (Prompt, SR, Flip)

Value	Answers	Notes
5	Very satisfied	
4	Satisfied	
3	Somewhat satisfied	
2	Not very satisfied	
1	Not at all satisfied	

Q1d. For each of the following economic development services, please indicate whether you think Council should:

- **Reduce services/ reduce maintenance of infrastructure (i.e. reduced quality)**
- **Maintain services or infrastructure**
- **Improve services or infrastructure, which may include more services, better services, new or upgraded infrastructure**

Please note that maintaining or improving services or infrastructure will require an increase in average rates. (Prompt)

Scale	Answers	Notes
1	Reduce	
2	Maintain	
3	Improve	

Position	Answers	Notes
1	Quality of CBD/town centre public spaces	
2	Public cleaning and graffiti removal	
3	Events and festivals to activate centres	
4	Town centre promotion	
5	Business support initiatives	

Q1e. Recent community consultation within North Sydney, has indicated a need to secure employment in North Sydney. Which, if any, of the following actions do you think council should implement? (Prompt, MR)

Position	Answers	Notes
1	Revitalise the CBDs with social spaces and upgrades	
2	Expand pedestrian spaces in local centres	
3	Activities to support increased tourism	
4	Use public land near metro for social/economic benefit	
5	(Do not prompt) None of these	Exclusive

Section 3: SRV Options - Concept statement: (section headers not to appear in online Q'aire)

North Sydney Council delivers a wide range of services to the community and local businesses. These include maintaining footpaths, roads, streetscapes, public place waste collection, traffic and transport management, town centre activation, community events, environmental initiatives, business support and strategic planning for the future of the area.

Through recent community engagement, Council have heard a strong message: residents value these services and want current service levels maintained, with improvements in some areas.

Over the past few years, Council has made significant productivity improvements and reduced operating costs. However, these efficiencies alone are not enough to close the growing gap between funding and the cost of maintaining essential business and community assets.

Council's income is regulated by the NSW Independent Pricing and Regulatory Tribunal (IPART), which limits how much rates can increase each year. This limit, known as the rate peg, is set at 4% for the 2026–27 financial year – and is estimated to be 3% in subsequent years.

A 4% increase will not be sufficient to maintain services at their current level, nor to properly renew ageing infrastructure. Without additional revenue or reductions in services, Council's financial position will become unsustainable.

At present, Council has identified $157 million worth of infrastructure, such as roads, footpaths, drainage, and community buildings, that are already in poor or very poor condition. Without action, these assets will continue to decline and future costs will escalate.

To address this funding gap, councils can apply to IPART for a Special Rate Variation (SRV), which allows rates to rise above the rate peg.

Earlier this year North Sydney Council applied for an SRV, but it was unsuccessful. Council has now addressed the recommendations made by the regulating body as part of that process and is considering re-applying for a permanent SRV, applied progressively over the next three years.

We will be presenting three options for businesses to consider, each with different implications for service levels, asset renewal, and long-term sustainability.

Business rates are based on unimproved land values. Therefore, there can be considerable variance in business rates depending on whether there are multiple businesses on one block of land, or only one or two businesses on a block of land. Given this variance, when we discuss the three rate options, we will focus on percentage changes rather than actual dollar amounts.

Council acknowledges that any rate increase may place financial pressure on some businesses. Council offers support through its Hardship Policy and can offer alternative payment arrangements to assist ratepayers.

Let's look at the options in more detail.

Order 1-2-3, NO flip – Show from Q2a – Q3b on the same page

Please note the % increases are subject to rounding effects – To check the absolute value, please refer to Council's SRV calculator using the link below.

North Sydney Council - Special Rate Variation Calculator

Option 1: Rate Peg Only

This option would continue the status quo with rates only increasing by the assumed rate peg amount of 4% in 2026-27, and an estimated 3% in each of the following two years.

Under this option the impact would be:

- Services would need to be reduced in key areas, including areas such as maintenance of town centres
- Infrastructure would continue to deteriorate
- Infrastructure at most risk, such as stormwater and building assets, could be subject to failure
- A lack of investment in new infrastructure would place further pressure on existing assets as the population grows
- Corporate systems would continue to have limited productivity and decision-making

Q2a. How supportive are you of Council proceeding with Option 1? (Prompt, Flip)

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Option 2: Special Rate Variation – Three year spread

This proposed SRV option would be introduced over 3 years:

- In year one (2026/27) rating revenue would rise by 20%, which includes the 4% rate peg.
- In year two (2027/28) rating revenue would rise by an additional 10%, which includes the estimated 3% rate peg.
- In year three (2028/29) rating revenue would rise by an additional 6%, which includes the estimated 3% rate peg.

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

The SRV will generate additional income, of which 80% including an average of $11 million per year over the next three years will be allocated to infrastructure renewals and critical backlogs. New corporate systems would be implemented over a four-year period to reduce risk, improve productivity, reporting, and decision-making.

A small increase in operational funding would ensure adequate maintenance of parks and gardens including new open space at Berry's Bay. This option would also ensure continued improvement of Development Applications times.

With this additional funding:

- Council can continue to provide services at existing service levels
- Infrastructure in poor or very poor condition are forecast to reduce from 14% to 10% over the next 10 years
- Critical backlogs will be prioritised
- Corporate systems will be implemented including infrastructure management systems to reduce risk, improve productivity, decision-making and customer service

Q2b. How supportive are you of Council proceeding with Option 2? (Prompt, Flip)

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Option 3: Special Rate Variation – Three year spread

This proposed SRV option would also be introduced over 3 years:

- In year one (2026/27) rating revenue would rise by 23%, which includes the 4% rate peg.
- In year two (2027/28) rating revenue would rise by an additional 15%, which includes the estimated 3% rate peg.
- In year three (2028/29) rating revenue would rise by an additional 9%, which includes the estimated 3% rate peg.

In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%.

With this additional funding, Council will provide the services and infrastructure mentioned for the previous option, plus…

- Increased commitment to addressing infrastructure in poor or very poor condition with backlogs forecast to reduce from 14% to 7% over the next 10 years
- Critical backlogs will be prioritised
- A small number of new or upgraded infrastructure projects would be supported including:
  - Upgrades to maximise the use of existing open space such as improved drainage, bushland walking paths, multi-purposing etc.
  - Accessibility improvements to infrastructure
  - Support towards traffic management and active transport initiatives
  - Stormwater harvesting and reuse
- Council can provide some response to current community pressures as well as preparing for increasing population through small scale initiatives such as:
  - A holistic review of parking within the council area
  - Developing of master plans for key sites such as those close to Metro or on foreshore locations
  - Small programs that support accessibility, inclusion, and cohesion
  - Strategic planning projects responding to concerns such as affordable housing

Q2c. How supportive are you of Council proceeding with Option 3? (Prompt, Flip)

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Q3a. Please rank the 3 options in order of preference: (Prompt)

Value	Answers	Notes
1	1st preference	
2	2nd preference	
3	3rd preference	

Position	Answers	Notes
1	Option 1 – Rate peg only	
2	Option 2 – (Special Rate Variation)	
3	Option 3 – (Special Rate Variation)	

Q3b. What is your reason for choosing that option as your highest preference?

Position	Answers	Notes
1		1 line

Q4a. Prior to this [survey/call], were you aware that Council was exploring business sentiment towards a Special Rate Variation?

Position	Answers	Notes
1	Yes	
2	No	**Go to Q5**
3	Not sure	**Go to Q5**

Q4b. How were you informed that Council was exploring business sentiment towards a Special Rate Variation? (Prompt, MR)

Position	Answers	Notes
1	Letter from the Mayor (mailout)	
2	North Sydney News (mailout)	
3	Council enews	
4	Business Breakfast event invitation/email/ promotion	
5	Posters/Noticeboards	
6	Council website	
7	Newspaper advertisement	
8	Social media	
9	Information stall/community drop-in session	
10	Word of mouth i.e. Family, Friends Neighbours, etc.	
11	Other	Specify

Q4bi. Other (Please specify). (TEXT)

Position	Answers	Notes
1		5 lines

Minimum Rate - Concept statement

As noted earlier, Council rates are levied based on unimproved land value. A 'minimum rate' is the lowest amount charged to any business, and it typically applies where multiple businesses are on the one block of land, such as an office tower or business park. Council is proposing to increase the minimum business rate over the next three years, to better reflect the cost of delivering services to all businesses.

North Sydney's minimum business rate is $743 per annum—the third lowest in Metropolitan Sydney. Neighbouring councils charge: Lane Cove ($1,096), Willoughby ($1,496), and Northern Beaches ($1,605).

Q5. How supportive would you be of Council increasing the minimum rate to better reflect the cost of service delivery to all businesses? (Prompt, Flip)

Value	Answers	Notes
5	Very supportive	
4	Supportive	
3	Somewhat supportive	
2	Not very supportive	
1	Not at all supportive	

Section 4: Demographic & Profiling Questions (section headers not to appear in online Q'aire)

D1. How long has your business been operating in the North Sydney local government area? (Prompt, SR)

Position	Answers	Notes
1	Less than 6 months	
2	6 months to less than 1 year	
3	1 year to less than 5 years	
4	5 years to less than 10 years	
5	10 or more years	

D2. Please stop me when I read out your age group: (Prompt, SR)

Position	Answers	Notes
1	18-34	
2	35-49	
3	50-64	
4	65+	

D3a. What is your identified gender? (SR)

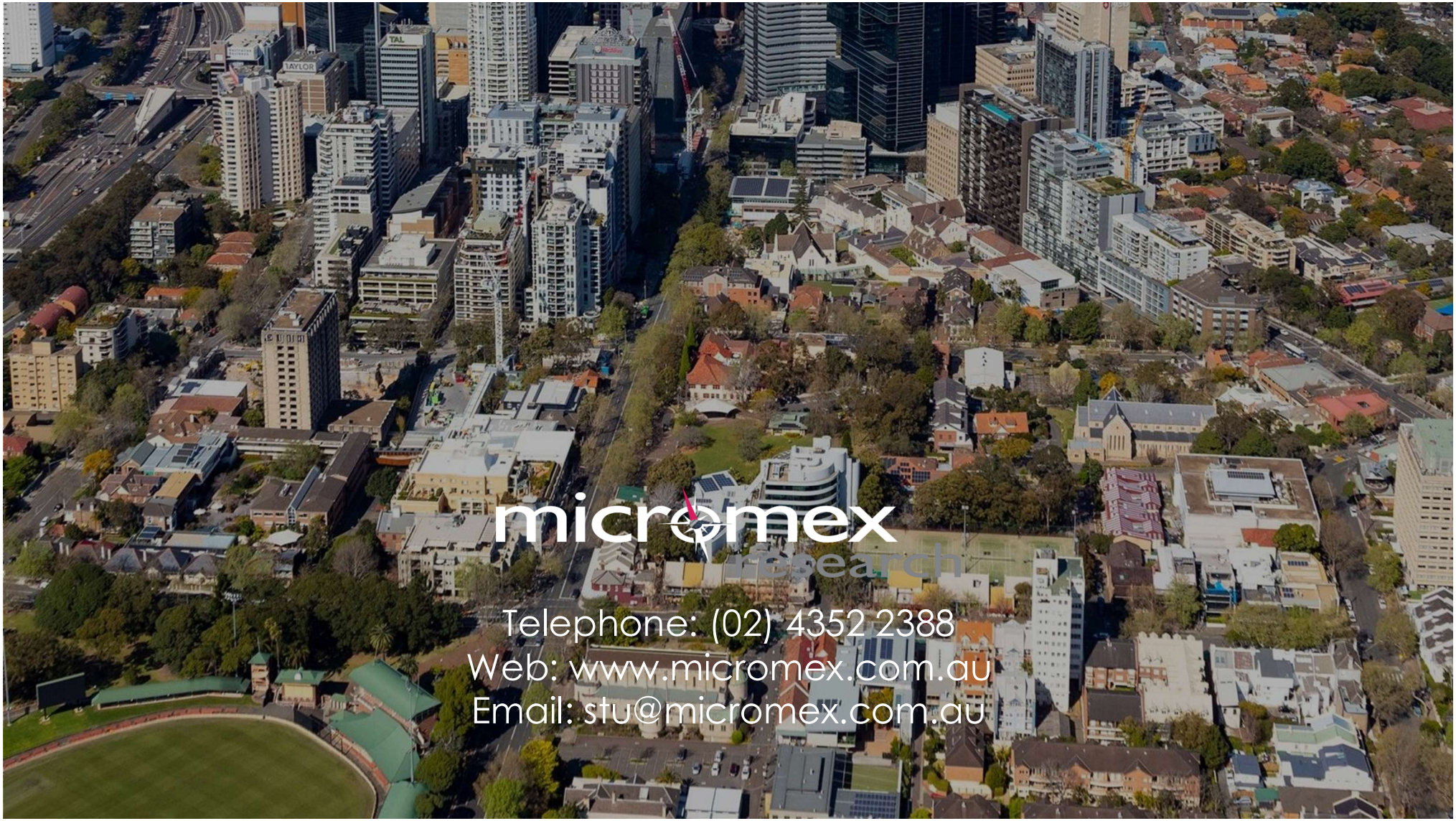
Position	Answers	Notes
1	Female	Go to D4
2	Male	Go to D4
3	Non binary/gender fluid	If Online - Go to D4
4	Different identity	If Online - Go to D4

D3b. Gender (determine by voice): (SR) -Phone Only

Position	Answers	Notes
1	Male	
2	Female	

D4. What is your highest level of education? (Prompt, SR)

Position	Answers	Notes
1	Postgraduate degree	
2	Graduate Diploma and Graduate Certificate	
3	Bachelor Degree	
4	Advanced Diploma and Diploma	
5	TAFE certificate	
6	Secondary school	


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Attachment 5 SRV Submissions (coded and verbatim)

Coding by CH, EF combined	Rating Preference	Submission received
OLG 3.11 OLG5.20 OLG 1.4 Preference - assume option 1 based on sentiment	1	We understand that Council is once again considering Special Rate Variation (SRV) scenarios that would result in substantial increases to the average council rates for commercial properties—ranging from approximately 39.9% to 54.1% over the period 2025–26 to 2028–29. As owners and managers of multiple properties in Neutral Bay, including xxxxxxx, we strongly oppose this proposal, including on behalf of our tenants, who, under the terms of their leases, bear primary responsibility for council rate charges. We previously raised concerns during the earlier consultation process regarding the existing council rate burden on business ratepayers within North Sydney Local Government Area (LGA). These concerns remain and continue to impact both our properties and tenants. Introducing an SRV that further increases rates for business ratepayers will significantly worsen these inequities for the reasons outlined in this submission. The proposed Special Rate Variation (SRV) will have significant adverse effects on existing commercial and retail properties within the North Sydney Council LGA as outlined below: • Existing Market Challenges: Commercial property within the North Sydney LGA has already been severely impacted by the broader post-COVID downturn. Elevated vacancy rates have resulted from reduced demand for office and retail space due to the rise of remote work, coupled with increased competition from alternative business hubs. Councils own 'Capacity to Pay' report states "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". • Retail and Business Viability: The shift toward fewer and shorter office visits has directly reduced foot traffic, impacting retail sales and the overall viability of businesses. This, in turn, limits their capacity to absorb higher council rates. • Planning and Development Uncertainty: Ongoing uncertainty surrounding the future planning framework for the Neutral Bay Town Centre, combined with current and forecast construction activity within the precinct, continues to undermine confidence and commitment to commercial space in the area. This is evidenced by the large volume of vacancies and 'For Lease' signs currently advertised within Neutral Bay and along the Military Rd corridor. Quite simply, given the uncertainty in planning outcomes, there is limited retail and commercial demand and little commitment to sites in the precinct. Additional burden on business ratepayers will continue to impact confidence and commitment by business owners. • Impact on Future Development and Refurbishment: The proposed SRV poses a significant barrier to both new commercial development in North Sydney and the upgrading of existing office stock. The scale of the increase, combined with uncertainty and volatility in council rate charges, threatens project viability and diminishes the ability to secure tenants. Outgoings are already a critical concern for tenants, and further cost escalation will only compound this challenge. • Existing Rate Burden: As highlighted in previous submissions, current council rates already pose a challenge for tenants. The proposed SRV will exacerbate this issue by significantly increasing occupancy costs for commercial and retail premises. This concern was echoed by IPART, which noted that Council "did not adequately consider the impact of its proposed rate rise on business ratepayers." • Competitiveness and Broader Economic Impact: The proposed increases will further erode the competitiveness of commercial assets within the LGA, hindering tenant retention and the attraction of new businesses. Additionally, the scale and volatility of these rate increases will influence broader business decisions, including employment levels and investment in other operational areas within the LGA. • Alternate Revenue Strategies: As highlighted by Council the proposed SRV is primarily to address liquidity issues, infrastructure backlogs and cost over-runs (including for the North Sydney Olympic Pool) and for new infrastructure and enhanced operational capacity. It is entirely inappropriate for the burden of that funding to fall to residential and business ratepayers, rather, alternative revenue strategies, such as asset sales, should be explored and pursued fully as a priority and

		before a SRV is explored. We appreciate the opportunity to continue engaging with Council regarding the proposed SRV. If implemented as outlined, the variation will further diminish the competitiveness of our assets and significantly challenge our ability to retain existing tenants and attract new businesses.
OLG 2.9 Preference - no option can be inferred	n/a	The tables on the back of that letter were not labelled sufficiently. I don't know how you would expect anyone to understand the difference between the tables and in any comparison come to any logical conclusion. Also below, when you ask me to select a project, there was none suitable, such as "general Feedback" ----- I wasn't complaining about the rates. I was complaining about the incomprehensible information published on page 2 of the letter (if you would like to read my original complaint).
OLG 2.7 OLG 1.2 OLG 5.16 OLG 5.20 OLG 6.21 Preference - assume option 1 based on sentiment	1	Why didn't Council contact all ratepayers via the last rate bill reminder that there was an opportunity to review and respond to these Special Rate Variations? I only found out about this by chance last week and have had no proper time to review all the information. This is the 2nd year that this type of mis- management has happened. After last year's fiasco most of the ratepayers who I know have lost complete faith and trust in the Council and their ability to set and manage budgets let alone handle effective communications. It appears to be a deliberate policy to keep ratepayer feedback to a minimum. In the survey there was also no opportunity to suggest a rate option between the Peg and 40%(option 2) which I think is still way too high. A more modest increase could be more palatable to a majority of ratepayers if more transparency and open discussion was available. Maybe Council should be considering an asset sale to cover the massive budget blow out for the North Sydney Pool and immediate infrastructure needs.
OLG 5.16 OLG 6.21 OLG 3.10 OLG 2.6 OLG 2.7 OLG 1.2 Preference - no option can be inferred	n/a	Hi, are we able to send a pdf copy of the SRV Micromex survey to XXXXXplease? I referred XXXto the Have Your Say site to take the survey. He replied that he got a copy of the last survey sent to him. (2/12) I have looked at the Your say rates site and would like to request the following feedback on these seven separate topics. Costs of the SRV processes I seek two clarifications about the cost of the two SRV processes. This is important for ratepayers to know and understand how Council funds are applied to these generally infrequent processes. 1. Is it possible to provide the total costs of preparing for, conducting and submitting the initial SRV, say between May 2024 and February 2025. If the costs could be itemised appropriately that would be appreciated. 2. Is it possible to provide an estimate of the total costs of preparing for, conducting and submitting the second SRV, say between May 2025 and February 2026. If the costs could be itemised appropriately that would be appreciated. Council staff numbers Could staff FTE numbers at 30 June 2025 please provided. The annual report provided a figure for 1 January 2025. The 30 June figure is important for understanding trends. North Sydney Pool Two SRV related questions about the NS Pool of relevance to understanding the project's demands on Council funds and accountabilities. 1. Is a revised cost of the NS Pool to be included in an updated LTFP prior to the SRV application being submitted? 2. Given the significant cost and time increases with the NS Pool since the PwC report of April 2023, will the full report now be released in the interests of transparency and accountability? Capacity to Pay Report Is a Capacity to Pay report (likely similar to last SRV) to be provided to residents within Council agenda papers before the second SRV application is submitted? Special levies On page 21 of LTFP total permissible income includes rates and special levies. Is Council looking to merge special levies into rates as proposed in the previous SRV? Business ad valorem figures The average ad valorem rates for business are not included separately on p25 of the LTFP. Could they be provided please. Surveys Council publicly relies on the results of surveys by Micromex, is Council responsible for them? (2/12) I was completing the survey and got to question 3a. I only wanted to support one option and could not then complete the rest of the survey. Why should I need to have a preference when I don't support the other two? The survey appears faulty,

		perhaps biased, as it requires you to have a preference for something you don't support. Is there a way around this so I can complete the survey? I believe it closes tomorrow. (3/12) I have just sent a PDF copy of the completed survey to Community Engagement Specialist. I did this as I did not receive a response from an email I sent yesterday to yoursay@north... I was having a problem with Q3a. I have asked xxx to forward my response to MIcromex for inclusion in the survey and asked for confirmation of this. Below are so additional comments I have to make about the engagement process and the survey. `````````````````````````` The quality and delivery of the survey engagement provides little encouragement to provide any further feedback to Council. Effort is best reserved for writing a submission to IPART. This view is, I believe, representative of many residents' disrespect of the Council built up over the last year. Timing not conducive to engagement Resident engagement has been poorly managed by Council. Residents are disadvantaged by having to consider Council's proposed submission to IPART over Christmas/New Year. Council's meeting is on 19 January 2026. The meeting should have been in November had Council been more adept and agile. Council's engagement aim was to avoid the Christmas and New Year holiday period. IPART refused SRV1 on 16 May 2025. Council's SRV2 documentation is an adjustment of that for SRV1. However, engagement did not commence until August 2025. Had it commenced earlier and the gap between surveys reduced and the public could have considered the SRV2 application in November and prepare IPART submissions. Surveys The surveys have not been effective service level reviews, are not balanced and are therefore not representative of the community's views. Few options and limited analysis There are only three options for rate increases put to residents in late October 2025. SRV1 had four options. Had it included a base option there would have been five options. The Council has not presented sufficient strategic options to support reduced rate increases. Its financial strategy is not robust long term document. (3/12) I was completing the Rates (SRV2) survey online yesterday but struck a problem with Q3a. I sent a message to yoursay@northsy... But didn't get a reply. So I completed the survey using the copy that you provided to me and I have attached it. As well as ticking answers I have added comments in boxes provided. There are also some thoughts included on problems with the survey, but these don't affect my answers. I would appreciate it if you could send my completed survey to Micromex or other for inclusion in the results. If you could send me a response confirming that this has been done it would be appreciated.
OLG 3.13 Preference - option 1	1	My preference is option 1 (one)
OLG 3.13 Preference - option 1 OLG 3.10 OLG 6.23	1	I prefer Option 1 as many North Sydney Council residents cannot afford more than the usual rate rise and the Council simply needs to adequately manage their budget. Emerency PA systems for North Sydney Oval are not necessary and are unlikely to be used - another waste of money. we need and have a right - to live in North Sydney, where I have lived for 37 years.
OLG 3.11 Preference - assume option 1 based on sentiment	1	As a resident it is somewhat evident as to what is provided to me as a rate payer, I'll even take rubbish collection as the only thing - put them up the maximum, the impact is minimal for myself, less than a couple of coffees a week or something... As a representative of a business owner in the area, it is NOT evident at all what we get for our rates, we don't even get rubbish collected. On that basis, the rates should not change, ~$18,000 year is already too much, going to $30,000 is ridiculous. I also think putting each invidivuals and business amounts on for public display is somewhat questionable....
OLG 3.13 Preference - option 3	3	Option 3 is preferred

OLG 3.11 OLG 4.15 Preference - assume option 1 based on sentiment	1	We understand that North Sydney Council is undertaking community consultation on a proposed Special Rate Variation (SRV) for a second time. We refer to the three SRV options that are on public exhibition which comprise No SRV, a +39.9% SRV and a 54.1% SRV respectively.In summary, the average council rates within the general business rating category would increase from $7,193 in FY26, to between $10,059 (+39.9%), and $11,137 (+54.1%) in FY29 based on the option rate, which is significant for our tenants, mostly small business who will suffer from the impact. As Council is aware, xxxxx has Office assets in the North Sydney Council LGA, including xxxx Pacific Highway, St Leonards, and three office towers between xxxxx North Sydney. In addition, xxxxx has substantial development plans in place for both locations. This new SRV, whilst less than the amount sought in the prior SRV is however, extremely material. We surmise the following from the current proposed SRV: • Whilst NSC have removed the cost of the North Sydney Olympic Pool in the allocation of the additional SRV revenue, it stands to reason that the SRV is required in part because the cost of the pool is now required to be funded through its existing budget. As NSC are obliged to complete the project, operate the facility and repay the debt, revenue will be required to fund these commitments We believe the proposed SRV will have a direct impact on existing commercial and retail assets within the North Sydney Council LGA. This impact on tenants includes: • Commercial property in the area 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 attractiveness of competing accommodation in the Sydney CBD, CBD fringe and other economic centres including Macquarie Park and Parramatta • Retail property in the area has suffered due to the rise of remote work post-COVID as it is predominantly driven by office workers with limited retail activity occurring outside of business hours and on weekends. The trend of fewer and shorter trips into the office directly impacts sales and the viability of businesses and, in turn, capacity to pay higher levels of council rates • As raised in our response last year, the level of council rates in North Sydney is already an issue for our tenants and the proposed SRV will compound this issue by significantly increasing the cost for tenants to occupy commercial and retail premises. This concern was shared by IPART who found that Council did not adequately consider the impact of its proposed rate rise on business ratepayers. The proposed increases will further impact the competitiveness of our North Sydney assets and our ability to retain tenants and attract new businesses. Further, the extent 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. 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 B-grade and C-grade office buildings is essential to supporting a diverse and vibrant local economy by providing engaging workplaces at varying cost levels: • The proposed SRV will significantly impact both future commercial development in North Sydney and the refurbishment of existing office stock given the impact the quantum of the proposed increase and the apparent volatility in council rate charges will have on project feasibility and the ability to attract tenants. • Future development and the continuing refurbishment of existing office stock is crucial to the ongoing success and competitiveness of the North Sydney office market for both existing asset 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 '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 increases will only slow the progress of development into the future which will directly counter council's commitment to job creation and the long-term stability of the local economy. Due to the above factors, xxxxxx welcomes the opportunity to further engage with Council on this SRV, however we do not support it in its current form. If it proceeds, the impact on the competitiveness of our North Sydney office assets and our ability to retain tenants and move forwards with our development plans will be significantly impacted.
OLG 1.2 OLG 5.16 OLG 5.23 OLG 6.24 Preference - no option can be inferred	n/a	The above article, especially the Council's "financial losses" and the astronomical rate increases it proposes needs another angle. The attached photos illustrate how Council funds are being misallocated. While there is a lot of infrastructure that needs replacing, repairing, or upgrading, why waste money on infrastructure that is no longer put to use? This bus stop on the side of 124 Shirley Road on Nicholson Road, the corner off Shirley Road in Wollstonecraft, has not been used since around 14 years ago or more. There are no plans to replace the old bus route along this street. Therefore, why on earth was the bus stop not pulled down instead of wasting funds in repairing the trip and bench, and repainting it? I wonder how much is being misspent on other defunct infrastructure... Furthermore, when is Council going to clean up the filthy paths along Willoughby Road on both sides from the Pacific Highway down through the shopping area? They are a disgrace.
OLG 3.12 Preference - assume option 1 based on sentiment	1	I am the Chairman of the Wondakiah Marina Strata SP 58231 We are a 41-berth marina complex, each "owner" holding a lease over an envelope of water, the lessor being Waterways , now TforNSW. As a precondition to leasing an envelope of water, each lessee MUST be the registered proprietor of a residential lot in the Wondakiah Estate. Each berth owner therefore pays full Council rates in respect of their residential Lot. North Sydney Council also levies full minimum residential rates on each marina berth, notwithstanding that no additional services are delivered by Council for the water envelope comprising each marina Lot. Each proprietor is therefore paying double rates. The same situation used to apply to water rates, however Sydney water struck a special rate for marina berths resulting in one full set of water rates for the whole marina complex, and a small additional special rate for each Lot of the marina. We would submit that this is a fair, equitable and reasonable approach to rates, and one that ought be adopted by Council. There is no justification for effectively double charging for Council services, this particularly in an environment where significant increases in Council rates are expected in the future as per the information disseminated by Mayor Zoe Baker. In the circumstances outlined, we therefore respectfully request that Council strike a special low rate applicable to the lease of water envelopes which as a matter of convenience, are managed via a Strata Plan Scheme. Would you kindly refer this request to the appropriate Council department for early consideration, and advise of the Council's decision in due course.
OLG 4.14 OLG 1.1 OLG 6.22 OLG 6.21 OLG 1.4 OLG 5.1 OLG 5.18	n/a	Acknowledge your hard work and dedication. But where are the councilors ??? The survey and your newsletter does not say the financial position of council, other that it cannot survive on current services offered What is the debt--- how much interest is committed over time period Can STATE GOVERNMENT take over the debt over defined period What is the status of private schools making a rate contribution of occupying land mass?—Campaign to do this by you until council wins ! OFFER MORE USER PAY FOR SERVICES EVEN IF IT IS UNPOPULAR 2026---- likely tough financial year—inflation over 4 %---- jobs redundancies increasing North Sydney pool---- status of corporate sponsorship Entry fees—what has been agreed Parking fees for users---- rebate if ratepayer ? Appreciate comments re above Take care and have councillors take more "workload"
OLG 3.13 Preference - option 1 OLG 6.22 OLG 6.23	1	With regards to Let's Talk I'm voting for Minimum Resident Rates. Option 1 While we are talking about Rate Rises again. How much does the Colleges / Schools contribute to the North Sydney Council. Each and every College is expanding their footprint/ Construction to their Colleges which would be in the multi millions!! Council/Governments keep spending on new infrastructure etc, yet nothing is maintained just let it deteriorate and then panic

OLG 6.21 OLG 4.14		because it's cost blown out to repair this long term neglect. Council continues to waste money... Young Street Plaza- What an absolute waist of money and how ugly it was, now more money being wasted to remove it.. You're allowing more and more apartments to be built which means more traffic yet you find ways to disrupt the flow of traffic. The BIKE tracks are another complete waste of money restricting traffic flow and parking spaces. On Miller Street opposite the Metro Station you extend the footpath out closing one lane, tables, chairs, flower pots, umbrellas. Now it's an eye sore never cleaned or maintained.. What a waste of money. Closing of a Busy Corridor and what you thought people would sit there and relax on a main road.. The building on Miller Street and Brett-Whiteley Place.. The Government is pushing for more apartments, this is an obvious location... Shops/Gardens level 1-2, businesses level 3-4, Hotel Level 5-7 and Apartments 8 upwards. This building is NOT a HERITAGE building it's just a building that has out lived its life. Again Brett-Whiteley Place, discussing Cigarette Buts. papers, fast food boxes drink cans, The rubbish continues upDenison Street cigarette buts fast food wrappers and boxes... Why aren't these areas cleaned, the rubbish bins never cleaned always fluids running out the bottom of them again never maintained. The Swimming Pool Disaster this should be a State Government pool as it's for the public not just for North Sydney residents, so we get stung for higher rates to maintain the pool for the population. The same goes for the Oval this should also be State Government Owned and maintained as it's for the Sydney population not just for North Sydney residents.
OLG 3.13 Preference - option 1 OLG 3.12	1	As a house owner in North Sydney I think option 1 is the best option. Council should focus on getting more income from apartment dwellers and Businesses who are receiving the same services as free standing homes .
OLG 1.1 OLG 3.12 Preference - no option can be inferred	n/a	I am a long-term rate payer and understand the financial predicament that our Council faces. I don't object to the necessity that all residents will have to pay more to provide services and maintain/improve infrastructure into the future. I note one of the options being considered is to increase Minimum Rate Charges. Again, I don't have a problem with this as residents and businesses receive services and use assets provided by Council however, there are 'rateable entities' within the North Sydney area that do not receive any services and do not use or rely on any infrastructure assets. I am referring to marina berths (eg Wondakiah) that operate under NSW Maritime Leases. They are not residential or business, receive no garbage services, do not use roads, footpaths, gardens etc. I question that these entities are rateable in any case but that is unlikely to change. Marina berths should receive a 'special classification' for rating purposes as charging a minimum rate is not fair. The letter from the mayor implies that future increases should be fair. I already pay significant rates on my residential property.
OLG 2.8 Preference - no option can be inferred	n/a	Please note that this rate calculator regarding the proposed rates does note take into account the cost we pay - attached to our rates - for our garbage collection. This is quite substantial and should be included as the calculator as it stands is VERY MISLEADING. I will note this in my individual survey submission as well. Kind regards
OLG 3.13 Preference - option 2 OLG 2.5	2	Option 2 is my preferred option. I could not find any other way to register my preference. Thank you

OLG 1.1 OLG 5.16 OLG 1.4 OLG 6.25 Preference - assume option 1 based on sentiment	1	It is apparent that some form of special rate variation is required due to the financial position being in a poor position. I still believe a 40% increase over 3 years, which is being proposed in option 2, is too high. Government tends to be inefficient at all levels and based on history the council is not great with effectively utilising its budget. I have very little faith in the council not to repeat mistakes of the past and am not comfortable at all funding such a large rate hike. Rates in nearby council areas are higher in most cases which provides some rationale for asking for rates to be ratcheted higher to be more on par. With infrastructure there is capacity to take on more debt to fund projects if required, this can be a prudent strategy with long term loans as the real value of the debt falls over time while rates are increasing typically at a rate above inflation. Perhaps a more acceptable rate of increase above the minimum could be 25% over 3 years. The shortfall that is apparently needed can be managed through an increase in efficiency or extra debt if required. It was very poor form that this financial issue was not brought up during the council elections and was sprung in rate payers shortly after the election.
OLG 1.1 OLG 1.2 OLG 1.3 OLG 1.4 OLG 4.14 OLG 2.8 OLG 5.16 OLG 5.20 Preference - assume option 1 based on sentiment	1	(11/11) Where exactly do we find a detailed breakdown of what the council intend to do if one choose option 2 or option 3. Just naming Transport, Greenspaces roads is not enough. I would be grateful in anyone could send me the link to this. Thanks (11/11) On page 77 it includes the bleow "Blues Point Road traffic management works Year 1 $600,000" Can we please have an exact breackdown of what this involves As you know we have horrific hooning most nights. (16/11) I am writing to provide feedback on the proposed Special Rate Variation (SRV). After reviewing your own financial statements and the material presented to the community, the conclusion is clear: the scale and permanence of the SRV being proposed is not justified. 1. Your own financial results show Council is in strong health. You achieved a $15M surplus in FY2025 and a $13M surplus in FY2024, and you met all State Government financial benchmarks. These are not the numbers of a council in financial distress. This confirms the SRV is not being driven by immediate need, but by longer-term ambitions and strategic choices. 2. The $157M infrastructure backlog you cite appears overstated.You have calculated this number using full asset replacement, rather than realistic repair or partial renewal. Other councils use more appropriate costing methods. If North Sydney adopted the same approach, the backlog would materially decrease — and so would the size of any justified SRV. Putting forward the highest-cost option as the only option is not transparent fiscal planning. 3. You are proposing a permanent SRV without offering a temporary alternative. A permanent SRV locks in the increase forever. A temporary SRV (3–5 years) allows accountability, review, and adjustment. The unanimous view of the Lavender Bay Precinct was: temporary SRV only, at lower levels, with revised asset costings. Your failure to include that option speaks for itself. 4. You have not exhausted alternative funding sources. Council holds underperforming assets — the Ward Street car park being the most obvious example — and has property recycling options that could materially reduce the need for higher rates.Other councils pursue this approach. North Sydney has chosen not to, prioritising asset retention over residents' cost-of-living pressure. 5. Your public claim that North Sydney's rates are "low" is not supported by State data. Government data shows North Sydney's rates per capita are the second highest in Sydney and 27% above the metro average. The repeated narrative that we "pay less than neighbouring councils" is selective and misleading. Residents are already contributing at a very high level. 6. Council has allowed $2.5M owed by Transport for NSW to remain uncollected for nearly three years. This amount represents 3% of annual rate revenue. If Council cannot collect funds clearly owed to it, ratepayers should not be expected to cover the gap. This is a governance issue — not a revenue issue. 7. The way Council has framed "Option 1" (no SRV) is manipulative. You have presented Option 1 as "no facility upgrades, declining service levels, and deteriorating infrastructure." This is not an evidence-based projection — it is a pressure tactic. A council that has reported two consecutive surpluses cannot credibly claim that choosing the base option will trigger service decline. This framing is designed to push residents into supporting the SRV rather than enabling a genuine choice. That is not

		consultation — it is strategic manipulation. Conclusion Based on your own financial statements and the information presented, there is no justification for a large, permanent SRV. Residents should not be asked to fund inflated backlog estimates, uncollected revenue, or strategic decisions to retain underperforming assets while expanding Council's long-term revenue base. I request that Council: • Recalculate the infrastructure backlog using realistic renewal costs • Consider asset sales or recycling before increasing rates • Collect the outstanding $2.5M from Transport for NSW • Present a temporary, lower-level SRV option for genuine consultation Until these steps are taken, a permanent SRV of the size proposed is not defensible.
OLG 1.4 OLG 5.17 OLG 5.19 OLG 5.20 Preference - assume option 1 based on sentiment	1	I'm choosing not to participate in the survey and would like my objection recorded. The proposal frames a rate increase as the only path forward. I haven't seen any discussion about alternatives, such as cost-saving measures, operational efficiencies, project reprioritisation, reducing discretionary spending, or assessing whether any non-essential assets could be sold or repurposed. These steps should be fully examined before asking residents to accept higher rates. Why haven't these options been presented to the community? The survey narrows residents into three versions of the same outcome, which limits transparency and genuine consultation. I'm asking the council to publish a broader set of scenarios, including cost reductions and asset strategies, so the community can make an informed decision.
OLG 1.2 OLG 3.10 Preference - assume option 1 based on sentiment	1	It is noted that you propose a selection of three options, with no possibility to deviate. Your Option 1 increases at 4% p.a. which is higher than the inflation rate. You do allow for concession rates, but only for a very limited few. Housing is becoming increasingly unaffordable in Sydney and more people cannot afford to buy property. Please (1) provide the current and future projected percentage of people renting rather than owning the property that they live in. Please (2) also clarify why there are no concessions for anyone who is renting a property. Please (3) explain why you use a very narrow definition of "pensioner", I.e. not the common law definition of a pensioner, but a much stricter and more limited definition. Thank you for the opportunity to "say my say". Thank you for this response, but you clearly did not read my email submission. To repeat one aspect: Your HARDSHIP POLICY and alternative payment arrangements do NOTHING. for pensioners and people struggling who are renting. They are only aimed at the rich property owners. QUESTION: What are your policies and arrangements to help the massive number of people renting apartments, including pensioners?
OLG 1.1 OLG 3.13 - option 3	3	Council is facing a financial crisis. It needs to plan for the future. Option 3 is the fiscally responsible option.

OLG 5.17 OLG 5.16 OLG 6.23 Preference - assume option 1 based on sentiment	1	Stop wasting money on bicycle lanes, cut salaries of council employees and then ask us for more money.
OLG 5.17 OLG 5.16 OLG3.10 Preference - assume option 1 based on sentiment	1	I object to the ridiculous increase in rates. The council has previously mismanaged its resources and should not be passing this inefficiency and waste on. Nobody has been held to account, it's absolutely unfair. Rates should increase at the same level as the income of your residents and no more.
OLG 4.14 Preference - no option can be inferred	n/a	I was at a Let's Talk Rates session tonight and was directed to read the Productivity Plan which I am told details the measures Council is implementing to find savings or alternative income streams. Can you point me to where I can find this report online. (4/12) Option 2 says there is no funding for new infrastructure yet it also says New Community Centre Facilites. Is there an Option for only maintenance and renewa od existing infrastructure?
OLG 5.17 OLG 5.18 Preference - assume option 1 based on sentiment	1	Dear all, like all business we need to operate within our means. To put up the rates is unacceptable when your focus should be driving efficiency. I do not believe I see that with the level of central staffing. If you can not operate effectively then offer to merge with another council. Remove the duplication of all the central functions and get better leaders. It's what happens in business and I see no difference here.
OLG 3.13 - option 3 OLG 5.16	3	Our vote would be for option 3 Thank you for your news letter regaring rates. Being realistic I have no problem in the Council raising the rates and I do think over a time scale to when a break even is achieved is the correct way to do it. The present Council cannot be held responsible for errors in judge and lack of proper financual adivce. However the present Council must adhere to the strictest financial procedures now to regain the trust of the rate payers. You, as Mayor, bear this reponsibility and I wish you well.
OLG 3.13 - option 3 OLG 5.16 OLG 6/21	3	(21/11) I would be supportive of a full rate increase as per the latest advice provided the Council returns to and maintains the governance and fiscal discipline that was evident in the era prior to the embarkation on the Olympic pool debacle. I would also urge Council to canvas options to dispose of the Pool complex which will undoubtedly continue to burden the budget in the medium to long term. In reality it is a State asset if not an asset of metro Sydney. (3/12) Thank you for taking the time to write. I had noted what was said about governance etc but it is vital to keep reminding oneself. I have lived in the municipality since 1981 and I think we have been fortunate that other than the aberration over the pool and some other historic issues the council has been very well run. This has created a very liveable community. Also I think our rates have been relatively modest. I hope sense will prevail over the rates issues. Regards

OLG 5.17 Preference - no option can be inferred	n/a	I would like to speak at any meeting that will be held about the use of Councils Funds and rates increases.. I have been the owner occupier of my house for 47 years. I have watched Crows Nest and North Sydney grow int a densely populated area. Whilst I appreciate the amount of work the Council has done, I feel there is still room for significant improvement. I have seen wastage of Council funds over the years and I would like the opportunity to address this topic at any meeting that is covering this.
OLG 3.13 - option 2 OLG 6.21 OLG 6.24	2	Hi I have registered as XXXX. I prefer option 2 on page 7 North Sydney News. I am dismayed at the cost of North Sydney Olympic Pool Redevelopment and wonder why staff of Council responsible for contracting and overseeing for redevelopment have not been demoted and lawyers involved sued or dismissed. Within limited powers remaining with the Council it is hoped that overdevelopment of North Sydney is carefully scrutinised to maintain quality of life for residents. Within the limited powers Council has action should be taken to protect aged residents and young children from speeding electric and battery scooters on footpaths. (19/11) My recent email message is for North Sydney Council only and not for general publication. Any comment is not meant to be defamatory to anyone as I don't have possession of all facts and hence is definitely not to be distributed to the public. It's not meant to be legal advice.
OLG 3.10 Preference - assume option 1 based on sentiment	1	I am not in favour of rates increase and prefer to leave it at the average residential rate . The cost of living is what is impacting my decision. If all cost are up and rates are up as well . We are back to the same situation of struggling to maintain a balance. Thanks
OLG 3.13 - option 3 OLG 4.15	3	I'm very supportive of the SRV option #3 as: * Option 1 (do nothing) is for low effort thinkers. This option will erode and undermine service levels, from what are already cheap rates by comparison to other LGA's * Option 2 (treading water) is okay, but barely the minimum standards that will just allow council to slowly catch up with maintenance and pay down interest and debts inherited from a poorly planned and contracted pool redevelopment (thanks Jilly) We must maintain and even lift standards, plus keeping an eye out for unforecastable threats and opportunities. It is very disappointing that IPART, whilst acknowledging the council's poor financial position, chose previously to deny any consideration to any rate increases. Finally, please do not be discouraged from advocating SRV's in future. The disgraceful behaviour from the 'rent a mob' protestors of the (mostly not from this LGA) Liberal party is not how democracies are run and do not represent any thoughtful input to how a lot of ratepayers truly value the hard working efforts of council to deliver great services on thin budgets.
OLG 1.2 OLG 5.17 OLG 5.19 OLG 3.13 - option 1	1	Thank you for the opportunity to give feedback on the proposed council rate increases. Having been in business all my life I appreciate the difficulty council has in managing costs given these tough economic times. Unfortunately your survey does not include an Option 1 which is unfortunate as it makes it difficult to see exactly how council is going to spend a base budget let alone options 2 and 3. There is obviously not a lot of project detail on exactly how Options 2 & 3 budgets will be spent but having read the survey results from earlier this year it would appear some of the initiatives are inconsistent with how residents rate their importance. e.g low support for cycleways,sustainability initiatives,reducing emissions, affordable housing etc. And given the total shambles with which the NSW Govt is fast tracking dramatic increases in housing availability, the various council initiatives such as planning for council owned properties and holistic reviews of parking across the entire LGA traffic mgt when council has no say in how the LGA is being overdeveloped is simply farcical. In the current uncertain economic climate, combined with a state govt that is ignoring all councils I strongly recommend Council be ruthless on what are "nice to have" projects and simply focus on the "must have" projects.Responsible governance is working within budget and if the revenue stream is not there then expenditure should be reduced accordingly. For these reasons I do not support Options 2 and 3.

OLG 5.18 Preference - no option can be inferred	n/a	Has council considered that perhaps the reason it is struggling financially is due to the low skilled staff + the failure to recruit the best professionals in the area? https://www.google.com/amp/s/www.news.com.au/national/nsw-act/news/north-sydney-councilasks-ratepayers-to-back-huge-jump-in-rates-to-cover-troubled-finances/newsstory/2333ac5eb4bb172ed8d7d8fe54991f77%3famp Council has a number of staff who occupy roles, whose existence doesn't even cover their own wages, let alone add value to the community
OLG 6.22 Preference - no option can be inferred	n/a	I request that thought be given to charging schools (especially the many private schools) for their ongoing & heavy use of council parks, ovals etc. As they they pay zero rates surely an annual facility/usage fee charged to them would generate funds that could be put towards ongoing maintenance of open space.
OLG 3.12 Preference - no option can be inferred	n/a	I have just read Mayor Baker's message concerning rate rises which was dropped in my letter box this morning. As a resident who lives in a house in North Sydney, I am compelled to react to the words of the Mayor in her message "Making Rates Fairer for Everyone". By Mayor Baker's figures, 77% of North Sydney's residents live in apartments and pay the minimum rate of $743. If the average rate is currently $1076, this means that the remaining 23% of residents who live in houses are currently paying an average rate of $2191. Increasing rates across the board by, say, 20%, will therefore increase the average rate for house owners by $438. A 20% increase in the rates for the 77% of North Sydney's residents who live in apartments is just $149. The discrepancy between the rates paid by apartment owners and house owners will get greater. Mayor Baker, given that all residents of North Sydney receive the same Council services, this is not at all fair for everyone. In my view, Council should be working towards changing the rating system so that fairness for everyone is properly achieved. With Sydney moving more and more towards apartment dwelling, changes to the rating system are required because this problem in equity will increasingly arise right across the city. I would appreciate it if my sentiments can make their way to the appropriate decision makers in North Sydney Council.
OLG 3.13 - option 3 OLG 2.8 OLG 2.9	3	I spent time with the CEO last night at Ros Creighton pavilion and gained a much better understanding of the issues facing council and the neccessity for rate increases. I am 100% behind option 3. i regard myself as reasonably savvy with finances etc but fell into the trap of thinking my TOTAL council bill of rates plus garbage etc was going to increase, when in fact its only the rates component that goes up under this proposal. Hearing 87% increase and knowing my current council bill was approx $2400 I asssumed my new bill would be about $4500...this was a real eye opener and I didnt like it, and Im sure most people think this. Council should explain this is not the case...it will make the story easier to tell. the majority of people are too busy not in touch or too lazy to look into this...the sv messaging needs to be simpler if possible. Thanks
OLG 3.13 - option 2 or 3 OLG 5.16	2 or 3	I would be inclined to support the rate increases - option 2 or 3 - but would definitely like some reassurances that the people responsible for us getting into this mess in the first place (especially those responsible for the pool, and for leaving the rates too low for so long) are kept a very long way from any financial decisions going forward, and ideally exited from the council altogether.

OLG 2.6 Preference - no option can be inferred	n/a	I totally disagree with the very invasive questionnaire which is required to be completed in order to address concerns regarding any matter within the council. Name and address should be adequate - why is there a need to ask personal information? In what way does that assist? Why should I give my life history just to comment on the new rates being proposed or anything else? It is no business of anyone in council. I live in the area, that is all that should be required.
OLG 4.15 OLG 6.23 OLG 5.17 OLG 2.5 Preference - assume option 1 based on sentiment	1	I have read your Let's Talk bulletin, and here we go again. The ink is barely dry on the IPART determination from earlier in the year, and yet you're having another go at trying to sting the ratepayers for the folly of NSC going beyond its 3Rs remit. To remind you, the Council's 3R job is roads, rubbish and ratcatching (the last R is not "rates" as you regularly insist: collecting rates is not the Council's job even if you spend more than inordinate time on the issue). Whenever a council goes beyond this remit, financial chaos is the result, as is the case with NSC. Nothing has changed since the last attempt to sting the ratepayers. Your job is to rein in spending, not perpetuate the profligacy of the past as I highlighted in my submission to last year's attempt to sting the ratepayers. Try to grasp this simple proposition: what you blithely call the "community's expectations" about the quality of services and infrastructure have to change. Start persuading the "community" that NSC does not have the money to lavish on their inflated expectations of what government provides. NSC suffers from the same problem of government at the higher levels – that there is an endless well of taxpayers (and ratepayers) money into which they think they can dip at any time they like to meet "expectations" about spending. I say again: change the expectations. Tell your ratepayers that there are financial constraints on the Council and, as a result, spending will be reduced and "expectations" will have to reduce accordingly. Therefore my position can be recorded as being that there should be NO INCREASE to rates at all (whether average or minimum), and certainly no SRVs. Cut your operating costs instead. I know, it's a novel proposition for government, but it's time to wake up. By the way, I am writing to you by e-mail because the NSC rates "Let's Talk" web page requires multiple hoops to be jumped through, the antithesis of good communication, no doubt designed to frustrate the process but enable the Council to crow about how "open" it was to receiving submissions. I look forward to your response.
OLG 3.13 - option 1 OLG 2.5	1	I tried unsuccessfully to register and put this on your website. I tried 3 times but could not gain entry to your relevant website. I am a residential ratepayer at xxxx Cremorne Point and I would like to register in favour of your option 1, the government rate peg.
OLG 3.13 - option 1 OLG 5.16 OLG 6.21 OLG 6.24	1	Dont agree on rate increase i believe council is responsible for the mess you are in Example the overrun of costs at North Sydney swimming pool and the disgusting development's that have been constructed in the area which has destroyed the character of the suburb

OLG 2.5 Preference - no option can be inferred	n/a	I have registered with Have your Say with North Sydney Council web site, however, there is no link available on the web site page for Have your Say Rates to obtain the survey so that I can have my say. It is filled with everything else but the survey. It seems to be the same old story with North Sydney Council promise you the world but do not deliver.
OLG 2.5 OLG 2.6 Preference - no option can be inferred	n/a	I'd like to do the survey, but you want my year of birth? a 16 digit password? You won't be getting my views
OLG 2.5 OLG 2.8 Preference - no option can be inferred	n/a	My first say will be a rant against the ridiculous requirement for a 16-character password. No financial institution, no commercial site of the hundreds I deal with in my business life has required such a needlessly complex sign-in. Not even the "strong password" devising tool in Chrome could satisfy that. My second rant will be against the printed flyer that contained on its second page - the obverse face - an over-long letter of explanation from the Mayor. While the Mayor is doing a good job my opinion is that the issue of communication would have been better served by using that page for the table of costs associated with each payment projection option and their rationale. And lastly, I would have completed the survey if I could have found it. Please in future get a person of commonsense communication skills to devise or pub-test these publications. I was left frustrated and lost interest.
OLG 4.15 OLG 1.2 OLG 5.20 OLG 1.3 Preference - no option can be inferred as members voted for an option that has not been proposed.	n/a	Lavender Bay Precinct MINUTES 30 October 2025 6. Community Consulation On Special Rate Variation (SRV) Options Submissions close 3 December 2025 On Monday 27th October, Councillors agrees to undertake community consultation on Special Rate Variations, together with the Draft Long-Term Financial Plan, from Wednesday 29 October to Wedneday 3rd December. Details available on Council's website https://yoursay.northsydney.nsw.gov.au/lets-talk-rates Council is proposing three options: 1. No change - Deteriorating infrastructure - 10.33% (rate page) 2. Treading water - Restore renewal funding and address critical backlogs - 39.92% (including rate peg) 3. Eye to the future - Enhanced contribution to infrastructure investment and planning - 54.18% (including rate peg) Precinct members are encrouaged to visit Counci's Your Say website and provide their feedback either: i) by completing an online survey, opening on 3 November; and/or ii) emailing Council at yoursay@northsydney.nsw.gov.au The consultation paper considered by Council on 27th October is 324 pages long. To support residents in considering their response to Council's SRV proposal, Lavender Bay Precinct circulated a Briefing Paper to Precinct on 29th October. The following additional comments were raised at the meeting: *Comparison with Ku-ring-gai Council: Council deserves credit for considering a lower increase than the 87% rejected by IPART earlier this year. The justification for the rate increase is to fund infrastructure renewal. Ku-ring-gai Council is also consulting on an SRV to fund infrastructure, but it is seeking significantly smaller increases of 22%, 29% and 33% and is providing a choice of four options - rate peg of three possible increases. *Overall rates per capita: North Sydney Council regularly claims that "North Sydney's existing average residential rates are 35-40% lower than the neighbouring councils of Lane Cove, Mosman and Willoughby." However, 2023/24 figures from the Office of

		Local Government show that North Sydney's overall rate revenue per capita was second highest after Woollahra in metropolotan Sydney. Counci's total rates per capita was $801 in 2023/24, which was 27% higher than the Sydney average of $630. This is an indication that Council has comparatively more capacity, compared to most other councils, to service the needs of its population through its rate revenue. *Property sales and reinvestment in public infrastructure: Unlike the last SRV, Council is not considering sale of any assets. However, council does recognise in their Long-Term Financial Plan that property sales and reinvestment in public infrastructure can meet long-term community needs. For example, the sale of part or all of the underperforming Ward St carpark would provide substantial funding for paying off the pool's loans and the infrastructure backlog/revewal and go some way to reducing a rate increase. *Use of a temporary SRV: Council is applying for a permanent rather than a temporary SRV. Under a temporary SRV, Council's allowable rate income reverts to where it would have been at the end of the SRV period. Under a permanent SRV, Council's allowable rate income is permanently higher. This produces a much greater, ongoing tax on the future. *Quantification of the infrastructure backlog is overstated: Council's quantification of the infrastructure backlog is overstated, as Council has calculated this cost as the full renewal cost of both Category 4 and Category 5 assets. A more realistic strategy would be repair and/or partial replacement i.e. bring Category 4 and 5 assets to Category 3 (satisfactory condition) rather than Category 1 (excellent/very good condition). Council should clearly disclose how the infrastructure backlog figure of $157 million was derived and what proportion of backlog is based on full vs partial renewal. Lavender Bay Precinct resovled to request Council to: i) include asset recycling to fund capital improvement/investments e.g. sale of the Ward Street car park and reduce the SRV FOR: 39, AGAINST: 0, ABSTENTIONS: 0 ii) Reduc the size of the SRV application based on repair and/or partial replacement for assets in poor condition and, similar to Ku-Ring-Gai Council's approach, provide a more stepped approach to rate increase options of peg rate, 22%, 29% and 33%. FOR: 39, AGAINST: 0, ABSTENTIONS: 0 iii) apply only for a temporary SRV of 3-5 years, with any need for additional revenue considered at that time. FOR: 38, AGAINST: 1, ABSTENTIONS: 0
OLG 3.13 - option 1 OLG 6.23 OLG 6.21 OLG 5.17	1	I cannot support the newsletter from Mayor Baker which is asking for a Special Rate Variation. I have looked at the minimum residential rate stated on the brochure. Beneath “Making Rates Fairer for Everyone” it states "This minimum rate applies mostly to apartments because many units share the same block of land.” I live in a block of 99 units sharing the one block of land and my rates are nearly double that quoted on the brochure. I don’t support a Special Rate Variation. I would suggest council re-evaluate their Draft Long Term Financial Plan and support the essential programs already in place “protecting the services and facilities the North Sydney community values." Forget the additional new future projects and allocate the saved finance to concentrate on the North Sydney Pool project. Mayor Baker has stated the ratepayers are not responsible for the Pool project. It is Council's financial responsibility and ultimately Council's financial management. We all need to budget and live within our means.
OLG 5.17 Preference - assume option 1 based on sentiment.	1	I don’t believe we need a rate rise. We need the money to be used more efficiently. I can’t ask for more if I use my money unwisely. Rates should stay where they are.

OLG 1.3 OLG 1.1 OLG 1.2 OLG 5.20 OLG 3.10 OLG 6.24 Preference - assume option 1 based on sentiment.	1	I am writing this email as a concerned elderly resident, who lives in a small studio apartment. Whilst not on a pension at the moment, I feel I will be in a few years time. It worries me that an increased SRV could be permanent with an ever increasing rate rise. I understand that there needs to be more spent on infrastructure, but the increased SRV should be temporary. As I age I will be unable to use all facilities that will be offered. Yet, I will be paying for it with a retirement income which won't be increasing. I feel the scale and permanence of the SRV being proposed is not justified as NS council's surplus is in strong health. The infrastructure backlog is overstated as you have quoted full asset replacement rather than repair. A permanent SRV locks in the increase forever. A temporary SRV (3-5 years) allows accountability and review. NS Council still holds underperforming assets that if sold could materially reduce the need for higher rates. Other councils pursue this approach. N Syd has chosen to prioritise asset retention over residents cost- of-living pressure. Lastly, the harbour foreshore around Blues Point is a disgrace as it looks like the ugly duckling of Sydney Harbour. This is an area that should be a smaller version of Barangaroo, so that not only residents and office workers can enjoy, but visiting tourists can have a pleasant visual experience as they sight see around the harbour. As local residents we should be able to be proud of our local environment, but as current rate payers we are not getting value for our money. If the SRV is to be increased this issue should be addressed.
OLG 3.11 OLG 4.15 Preference - assume option 1 based on sentiment	1	We understand that council are again considering Special Rate Variation (SRV) scenarios which would significantly increase the average council rates charge for commercial premises by between +39.9% and +54.1% from 2025-26 to 2028-29. We write in strong opposition to this proposal on behalf of the owner and as investment manager of xxxxxxx and on behalf of our tenants, who are predominantly responsible for council rate charges in accordance with their leases. We raised concerns about the current council rates charge for business ratepayers within North Sydney as part of the prior consultation process and this remains an ongoing issue for our assets and tenants. An SRV that proposes to further increase council rates charges for business ratepayers will exacerbate these existing inequities for the reasons set out in this submission. The proposed SRV will have the following impact on existing 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 attractiveness of competing accommodation in the Sydney CBD, CBD fringe and other economic centres including Macquarie Park and Parramatta. • Retail property in North Sydney Council has equally suffered due to the rise of remote work post-COVID as it is predominantly driven by office workers with limited retail activity occurring outside of business hours and on weekends. The trend of fewer and shorter trips into the office directly impacts sales and the viability of businesses and, in turn, capacity to pay higher levels of council rates. • As raised in our response last year, the level of council rates in North Sydney are already an issue for our tenants and the proposed SRV will compound this issue by significantly increasing the cost for tenants to occupy commercial and retail premises within North Sydney Council. This concern was shared by IPART who found that Council 'did not adequately consider the impact of its proposed rate rise on business ratepayers'. • The proposed increases will further impact the competitiveness of our North Sydney asset and our ability to retain tenants and attract new businesses. Further, the extent 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. • There is a shared vision with commercial landowners to drive economic development in North Sydney to ensure it remains competitive and fosters a 'thriving business environment'. The suggested strategic steps to achieve this outcome should include addressing the competitiveness of the council rates charge for business ratepayers.

		Furthermore, the proposal will 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) and the ongoing significant escalation in construction costs. These outcomes have significant cost implications for the owners / developers. • The proposed SRV will significantly impact both future commercial development in North Sydney and the refurbishment of existing office stock given the impact the quantum of the proposed increase and the apparent volatility in council rate charges will have on project feasibility and the ability to attract tenants. The level of outgoings are already an issue for prospective tenants in our buildings. • Future development and the continuing refurbishment of existing office stock is crucial to the ongoing success and competitiveness of the North Sydney office market for both existing asset 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 'cultivate a diverse connected and resilient business environment'. • Additionally, development provides significant direct and flow-on (indirect) economic benefits for the local economy and businesses. The impact the proposed increases will only slow the progress of development into the future which will directly counter council's commitment to job creation and the long-term stability of the local economy. We welcome the opportunity to further engage with Council on this SRV which, if it proceeds as proposed, will further impact the competitiveness of our North Sydney asset and our ability to retain tenants and attract new businesses.
OLG 6.21 OLG 6.24 Preference - assume option 1 based on sentiment	1	I do not think you can look at a rate increase until you have opened the pool. No one trusts the council, it's not fair. I would be all for a rate rise once the pool is open if council offered the following: A parking scheme for locals, similar to the beaches pass or the Bondi beach pass. So locals could pay a yearly fee and park at balmoral, Clifton gardens, kirribilli/mcmahons point, Cremorne point and any other area by the water without paying for a parking metre. Especially given the new pool is going in. I would also like to ensure that you keep all roads open in north Sydney, the idea of a pedestrian square is terrible given the amount of apartments being built in the area and the already huge build up of traffic with all the schools and new schools (reddam) and the propoganda on the news showing people j- walk there was ridiculous because if they turned the camera they would see that the pedestrian access has been closed forever due to the metro and building works!!

OLG 2.5 OLG 2.6 OLG 2.8 OLG 6.24 OLG 5.20 OLG 5.18 OLG 1.4 OLG 3.12 OLG 6.23 OLG 6.25 OLG 3.13 - option 3	3	feedback in attached pdf. It should not be so difficult to make a submission. I have wasted at least half an hour registering on another occasion and now having to go through all this nonsense. I have been aware of the initial rate increase proposal and now that ratepayers are encouraged to “have your say”. It was made difficult by having to register before I could do the survey. I completed the survey but like all surveys the questions and possible answers did not allow me to enter my real concerns or answers. Why did the survey ask about male or female or gay, aboriginal, education level and a host of other personal details that have little or no bearing on the survey outcome? All this information is collected by a third party. How do I know that it is secure? I consider that the survey will provide no useful information and is an unnecessary waste of money. Some of the survey questions required a detailed knowledge of the matter behind the question, e.g. the maintenance of assets or the delay and cost of the North Sydney Pool. Like most of the residents and councillors I am not an accountant, engineer or other specialist so I rely on reports that clearly identify the reasons for any action. There is a lack of information on Council matters that affect us. Apart from the Mosman Daily that get delivered occasionally or a mention on a couple of on line news bulletins the only source of information is at Precinct meetings but few people attend these. Social media is a minefield of misinformation and only inflames any issue. I discovered yesterday that I could get a copy of the North Shore Times at the Coles centre at Lane Cove but it is almost a carbon copy of the Mosman Daily and it had Kuringai News but no North Sydney News. My interest in the LGA for the last 15 years has been centred on Berrys Bay and issues in other areas have not been looked at in detail. I did not submit the survey and I list my comments on the question of a rate rise here. There was a question; how do you rate the Council’s performance and I rated it unsatisfactory but there was no option to clearly state why. 1. Council failed to get an annual fire certificate from Noakes Boatyard for 4 years and now, four years later the required equipment has still not been installed. Why has Council allowed this to continue in spite of frequent requests from the community? The regulations are there for a purpose and should not be ignored. The extent of a fire cannot be predicted as shown by the recent Hong Kong fire that spread to and destroyed eight high rise buildings with loss of life more than 100. It appears to have been caused by a lack of compliance which is exactly what has happened at Noakes. 2. I walk every day in the connected areas of The Merrett Playground, Waverton Park, Waverton Oval and Carradah Park and sometimes on to Balls Head Reserve. The area is used by hundreds of people every day with many coming from out of the area to see the iconic views of the harbour and the city. Carradah Park is an embarrassing neglected area that has not been maintained. There is nothing parklike about it and the vegetation is of little interest or value and weeds predominate and windblown branches are often a tripping hazard on the pathways. The grassed areas are generally just mown patches of various types of grass and are poorly drained with the recently upgraded Merrett Playground being the worst example with some new turf, dirt or sand patches and some very patchy grass. There has been some published criticism and suggestions of how to fix the problems without the need for a permanent rate increase but I am not aware of any explanation from Council to counteract the matters raised. Such as sell off some assets that are not providing a return. There was criticism of councillors spending a large amount on travel and conferences with what appeared to be unnecessary duplication. Council is now considering increasing the minimum rate so that owners of units pay the same rate as owners of houses who at present pay more. I believe that they should pay more as they have the benefit of some open space, a backyard for the kids to play in or a vegie patch. Unit owners may have less than 100 m2, a small balcony or no balcony and no privacy in any common area provided outside. This is why we need parks that are inviting and well maintained. Council gets far more rates from a unit development. In my case, there are five units in what was previously a single dwelling block. In Woolcott St there are 18 buildings and at least 105 ratepayers. Council is saying some of the extra rates will allow it to provide low cost housing. That is not a Council responsibility. Council says it will seek ways to relieve the car parking problems. It is more important to try to

		reduce the road congestion problems that are getting worse month by month. I cannot understand why we were told when the new councillors were elected that out finances were healthy. Why the sudden change? There is a long history of public infrastructure being built and forgotten about. The State is the worst with example in schools, hospitals, roads and transport. At the local level we have a responsibility to maintain our assets. So, I support the third option for a rate increase but there is a lack of detail of the proposed costs. I question the need for it to be permanent. It is so easy to spend other people's money that all expenditure should be well planned, essential and of benefit. Council staff should be productive or got rid of.

OLG 6.21 OLG 5.20 OLG 2.5 OLG 1.2 OLG 1.4 OLG 5.17 Preference - assume option 1 based on sentiment	1	Re Following feedback on three proposed rate options to help repair and renew the infrastructure we all rely on sents the best solution as s CPI and other economic conditions. NSC plans are full of high maintenance high cost programs, assets and services. Councillors, CEO/General Managers and senior staff/Directors need to review these plans, and for the time being, until finances are restored and normalised, commence seriously culling or delaying non essentials, not a priority for the next 1-5 years likely to be a minimal benefit to residents, businesses, agencies, local services (eg education, health, housing). For instance, NSC needs to sell (eg 99 year lease) the North Sydney Pool because it is not essential, the majority of residents go to the beach. If Federal or State Government want to own, operate and maintain this facility then give them the opportunity, otherwise go to market. This action alone (selling a 99 lease on the pool) should correct a diabolical mismanaged mess of corrupted practices and processes. ICAC should be investigating this utter shambles, and prosecuting those responsible for allowing it to happen. In addition, NSC has gone out of it's way to obstruct registration to this website, let alone get honest feedback. NSC's information and knowledge management needs expertise to correct and streamline the electronic processing, accessing and handling of general and specialised information. Hope this sends the correct message and underlines corrective measures to get North Sydney back on an even footing. (2/12) Thanks XXXX - YourSay probably very busy, so will keep this short,. No one envies the task to find solutions that sustainably produce an effective and efficient approach/strategy to providing public assets and services. However, North Sydney Council has not demonstrated it has learnt the embarassing lesson from the last iPART decision, or even bothered to explain the " vision" of the future in a reference to some " masterplan" or similar planning instrument? Although the following are just examples, they represent areas/actions/considerations where Council/General Manager can seek to do better, find solutions instead of using some financial algorithm in a spreadsheet to do the talking, recognise that local residents are not a full bucket of cash or a sponge either. Following for Council, Senior Staff, Consultant/s and iPART consideration, examples only: 1. (Long Term) Financial Plan: • does not demonstrate any significant asset sales/disposals/changes/shifts (at a competitive market rate) • does not identify significant segmented list of assets that are: high maintenance, low return, past use-by-date, whatever • does not describe strategic focus on consolidation of assets, or dollar return, or lease back (post sale) or lease (any other kind, incl peppercorn) • does not demonstrate rejuvenation approach • does not provide detailed modelling methodologies for offered Option 2 or Option 3 (rate payer is clueless) • does not provide significant/extraordinary quantitative $s with significant/extraordinary qualitative justifications • does not demonstrate NSC understands suburbs or precincts or commercial centres or industrial estates 2. Table Asset Class: • ageing asset inventory shows no futureproofing strategy eg consolidate, sell, refurbish, lease/commercialise • accum depreciation (method?)) indicates 30% consumed/redundant/worthless • demonstrate Council unwilling to sell/dispose/close/mothball 3. Expenses re "$maintenance to sustain its operational capacity" • does not demonstrate any strategy about paying off/down the two significant/extraordinary loans for NS Pool • $Satisfactory investment: Buildings > Drainage > Roads > Other > Footpaths > Open spaces • Drainage issues - seek Federal/State $assistance/grants • Bushland walkways - close down/restrict/rotate acess (seasonal, annual, 3 year) • Share with other Councils/Agencies/Enterprises/Organisations • Water harvesting - $Sydney water cheap unless restrictions or service fees exponentially increase (drought impact) • Renewable energy - $80k pa seems shortsighted, no clear strategy to accelerate private/public take-up • HR: Enterprise bargaining versus Contract • Change $Level, $Intensity or $focus of $assets and $services

		4. Income generation - sell, lease back, lease, regen opportunities • sell high cost/high maintenance assets • sell North Sydney Pool, achieve $highest return. Note: Luna Park privately owned (Oscars Group). Opportunities eg "Wet & Wild" theme. • sell or reinvent Ovals/Open Spaces • sell or reinvent redundant sites • sell or reinvent carparking • sell to open market, supperannuation/pension/SMSF • sell to (any) State Govt eg State Significant • sell to Federal Govt eg State Significant • sell or share with other local Councils/Agencies/Enterprises/Organisations • sell to O/S private or government enterprises • establish/sustain commercial events eg concerts, marathons, entertainment/creative, X-fests • establish PPP entertainment/events precinct eg Moore Park/Sports/Creative • establish PPP "Town Hall" for mixed income generating events 5. Blue Sky Thinking - PPP, Local/State/Federal Govt • Reinstate wasted property development opportunities, such as over/across the "canyon" of Bradfield Hwy/Warringah Fwy-Tollway • Renew/Reconnect North Sydney and Neutral Bay/Kirribilli communities/residents with elevated expansive "land bridges", establish open spaces, gardens, mixed commercial-residential facilities/accommodation, transit ways for pedestrians, bicycles, vehicles, monorail (yes, why not), ligh-rail, renewable tech (water harvesting, solar & battery energy

OLG 2.6 Preference - no option can be inferred	n/a	(3/11) I have just completed the Micromex survey about the proposed 54% SRV. Please be aware that Question 2 contains an ERROR after Option 3. The details about Option 3 should be followed by a Q2c asking whether you support Option 3, NOT a second Q2b referring to Option 1. Best Regards, Please see below. This is your current wording. The section shown in red is incorrect and needs to be updated. In its current form, your survey asks about Option 1 twice, Option 2 once, and does not allow a response about Option 3 at all (there is no Q2c). I tried leaving this section blank, however, I was not allowed to proceed until completing the incorrect section: Option 3: Special Rate Variation – Three year spread This proposed SRV option would also be introduced over 3 years: · In year one (2026/27) rating revenue would rise by 23%, which includes the 4% rate peg. This means the average residential ratepayer currently paying $1,076 per annum would pay $1,327 in Year 1, an increase of $251 · In year two (2027/28) rating revenue would rise by an additional 15%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,520 in Year 2, a further increase of $193 · In year three (2027/28) rating revenue would rise by an additional 9%, which includes the estimated 3% rate peg. This means the average residential ratepayer would pay $1,654 in Year 3, a further increase of $134 In subsequent years, the annual rate rise would return to the rate peg amount, which is estimated at 3%. With this additional funding, Council will provide the services and infrastructure mentioned for the previous option, plus… · Increased commitment to addressing infrastructure in poor or very poor condition with backlogs forecast to reduce from 14% to 7% over the next ten years · Critical backlogs will be prioritised · A small number of new or upgraded infrastructure projects would be supported including: o Upgrades to maximise the use of existing open space such as improved drainage, bushland walking paths, multi-purposing etc. o Accessibility improvements to infrastructure o Support towards traffic management and active transport initiatives o Stormwater harvesting and reuse · Council can provide some response to current community pressures as well as preparing for increasing population through small scale initiatives such as: o A holistic review of parking within the council area o Developing of master plans for key sites such as those close to Metro or on foreshore locations o Small programs that support accessibility, inclusion, and cohesion o Strategic planning projects responding to concerns such as affordable housing To achieve the desired outcomes of Option 3 - by the end of Year 3, this option will cost an additional $148 over Option 2… Q2b. How supportive are you of Council proceeding with Option 1? Q2b. How supportive are you of Council proceeding with Option 1?

		1 - Not at all supportive 2 - Not very supportive 3 - Somewhat supportive 4 - Supportive 5 - Very supportive

OLG 1.1 OLG 6.22 OLG 6.24 Preference - no option can be inferred.	n/a	Your latest edition of North Sydney News has prompted me to make contact with you. Firstly, regarding proposed rate increases (and I accept there is a need for this), how earnestly is Council pursuing private schools in the NSC catchment area to pay their fare share, or any share at all ? They should be forced to contribute and help lessen the load on business and residents who have been shouldering this burden. Secondly, I live at xxxxx St Cammeray, and while the speed humps in the stretch of road between West Street and Miller Street are, on paper, a good initiative, they have proved to be not just ineffective, but dangerous. As I exit from the ramp of our building's car park into Amherst St, either by car or on foot, I have repeatedly been close to being wiped out by a car swerving around the hump so that they don't have to reduce their speed or drive over the hump. I would suggest lengthening the line of the speed hump so that it no longer allows for risky driver behaviour. I invite you to stand with me for 10 minutes to observe the ineffective and dangerous nature of what should have been a positive initiative.
OLG 3.13 - option 1 OLG 6.22	1	I am in favour of keeping rates at their lowest which is option 1 - on your form. I am a home owning resident and I have stayed in the north sydney council area for over 30 years because the rates are reasonable for the services offered. I believe strongly the council should tax the schools a small amount before it asks faithful residents and business to pay more for its short comings. That the school children overtake our public spaces and their parents put wear and tear on our streets with drop off and pick up with no regard for resident quality of life is unacceptable. It's high time they contributed to ease the burden on residents.
OLG 4.14 OLG 2.6 Preference - no option can be inferred.	n/a	Please can you send me the full findings summary report for the Let's Talk research study you conducted earlier this year. I would like to see the answers to all the questions we were asked. Thanks 1. The Rate survey was carefully written to encourage people to vote for a rate rise. For example, there were no questions which asked if we would like North Sydney Council to be run more efficiently and to stop spending money on things we don't need. 2. From what I can see only around 440 people completed the survey. This is not a surprise because the survey was not widely promoted. Most people did not know about it, again this would qualify as very poor community consultation. 3. I would like to know what % of North Sydney ratepayers completed the survey. 4. And therefore what % of North Sydney voters supported a rate rise and what % (including all those who did not complete the survey) did not vote for a rate increase. I think we would find that the number of people supporting a rate rise would not be statistically relevant, and certianly not a mandate.
OLG 3.12 OLG 1.4 OLG 3.11 OLG 4.15 OLG 2.8 Preference - assume option 1 based on sentiment	1	By way of introduction, xxxx is a Sydney-based real estate investment and development firm and the owner and manager of xxxx Street, North Sydney. We write in response to the current community consultation on the proposed Special Rate Variation (SRV) scenarios, which, if adopted, would significantly increase the average council rates charge for commercial premises by between 39.9% and 54.1% from FY26 to FY29. We wish to express our strong opposition to the proposal, both as owners/managers of xxx street, North Sydney and on behalf of our tenants, who are responsible for council rate charges in accordance with their lease obligations. Our concerns regarding the current council rates charge for business ratepayers within North Sydney remain unresolved, and the proposed SRV would exacerbate these existing inequities for the reasons set out below. Key Concerns and Impacts 1. Impact on Tenants and Business Environment • Commercial property in North Sydney 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 and increased competition from other economic centres. • Retail property has equally suffered, as reduced office attendance directly impacts sales and the viability of businesses,

		limiting their capacity to absorb higher council rates. • The proposed SRV will compound the issue of high occupancy costs, further impacting the competitiveness of North Sydney assets and our ability to retain and attract tenants. This concern was also highlighted by IPART, which found that Council "did not adequately consider the impact of its proposed rate rise on business ratepayers." • The volatility and magnitude of the proposed increases will directly affect broader business decisions, including employment, investment, and operational expenditure, undermining Council's vision for a diverse and vibrant local economy. • There is a shared vision among commercial landowners to drive economic development in North Sydney. Strategic steps to achieve this outcome should include addressing the competitiveness of council rates for business ratepayers. 2. Impact on Development and Investment • The feasibility of both new developments and the refurbishment of existing properties is already challenged by slowing demand, escalating construction costs, and tightening finance conditions. • The proposed SRV will significantly impact both future commercial development and the refurbishment of existing office stock, given the increased outgoings and volatility in council rate charges. • 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 "cultivate a diverse, connected, and resilient business environment." • Reduced development activity and tenant attrition will have significant flow-on effects for the local economy, impeding job creation, business growth, and the overall revitalisation of the North Sydney CBD. 3. Ongoing Concerns from Prior SRV Application • While the current SRV options are less material than the previous proposal, the increases remain significant and set a new baseline for council rates moving forward. • The inequity of the minimum rates charge is only partially addressed, and the existing high business rates in North Sydney remain a concern. • The consultation process, while improved, still lacks sufficient justification for further increases in the average council rates charge for business ratepayers, especially given that North Sydney's average business rates already sit towards the higher end compared to comparable councils. • There remains a risk of future reforms, such as the introduction of a differential rating category for the North Sydney CBD, which could further compound the impact of the SRV. Request for Consideration We urge Council to reconsider the proposed SRV and explore alternative strategies for addressing its financial challenges that do not disproportionately burden the business community. Should Council intend to proceed, we request an opportunity for an urgent meeting with the Mayor and CEO to discuss the impact on our property and tenant. Thank you for considering this submission. We trust Council will weigh the broader economic implications and the feedback from the business community carefully before deciding on this matter.
OLG 1.2 OLG 5.19 Preference - assume option 1 based on sentiment	2	I have not seen any evidence of cost management as an option. Could we not consider slightly reducing services - e.g. monthly not fortnightly green bin and council clean up collections? It might well be that the existing surplus plus Option Two rises is adequate for Option Three outcomes with some belt tightening. This 'line of thinking' is not shown as an option. I would like it to be please.

OLG 6.22 Preference - no option can be inferred.	n/a	Private Schools should pay council rates. They report a considerable profit each year, pay their teachers and executives higher salaries than public schools. They should not be exempt as they are essentially a business.
OLG 1.4 OLG 3.10 OLG 5.17 OLG 5.20 Preference - assume option 1 based on sentiment	1	Why isn't the council proposing to sell some assets. ? You are expecting rate payers to contribute to much with Options 2 & 3. There is a cost of living crisis occurring. What will landlords do with rents to pass on the increased rates? Are you considering this. I think the council should bring in an outside consultant to investigate and streamline its running costs. I await your response on these matters.
OLG 6.21 Preference - assume option 1 based on sentiment	1	North Sydney Council has created a financial disaster for the rate payers of NS through a hugely mismanaged pool project. Rate payers should not now be required to bailout the council. Bite the bullet, admit the failure then sell the pool to recover the costs
OLG 6.23 OLG 5.18 Preference - assume option 1 based on sentiment	1	Stop wasting money on bicycle lanes, cut salaries of council employees and then ask us for more money.
OLG 5.18 OLG 3.10 OLG 5.17 OLG 4.15 Preference - assume option 1 based on sentiment	1	Thank you for the email While the General manager continues to receive over $500,000 salary with all the add-ons and the executives receive salaries over $300,000, there is no justification for the Council to ask the rate payers to tighten their belt. We have inflation soaring, cost of services including Council rates being major contributor to the last quarterly jump, and lots of family struggling, it would be immoral and unjustified to ask for any increase over the 4 % you received last year. The council with Mayor Baker is so out of touch with the community. You have just had one year without your 87% increase, you can manage another . Please cut back on your salary bill before you come back to ask rate payer again.
OLG 3.13 - option 3	3	I support Option 3
OLG 2.8 OLG 1.2 OLG 4.14 Preference - no option can be inferred	n/a	(30/10) On the Let's Talk Rates website there is a heading titled "What you will get for your money ?" There is Option 2 and then Option 3 (everything in option 2 plus...) - is this really correct for option 3 eg $151 million and $186 million to renew infrastructure ???. My calculations show option 3 raises a total extra $278 million in rates over 10 years - can Council really propose to spend $337 million (151 +186) on infrastructure ? So in summary, the table is wrong ! This website page Lets Talk Rates is very unhelpful. You only show options 2 and 3 - where is option 1 ? Option 1 is valid and should be shown as comparison. Again Council is assuming the rates variation will go through and ratepayers should be kept in the dark.Again I have to comment on the proposal. Under option 2 Council will spend $151 million on infrastructure - where is a simple to read list of the projects ? Same for option 3 - $186 million to be spent on what ?

OLG 1.2 OLG 1.3 OLG 1.4 OLG 5.16 OLG 2.8 OLG 5.20 Preference - assume option 1 based on sentiment	1	Dear North Sydney Council I'm writing to provide feedback on the proposed Special Rate Variation (SRV). After reviewing Council's own financial statements and the material presented to the community, the conclusion is clear: the scale and permanence of the SRV being proposed is not justified. 1. Council's own financial results show that it is in strong health. In the 2025 Financial Year it achieved a $15M surplus and in the 2024 Financial Year it achieved a $13M surplus, as well as meeting all State Government financial benchmarks. These figures aren't those of a struggling council in financial distress. What these figures alone show is that Council's proposed SRV is not 'needs driven' and instead more about longer term ambitions. 2. The proposal is for a permanent SRV without offering a temporary alternative. A permanent SRV locks in the increase forever. A temporary SRV (lasts typically 3–5 years) and allows accountability, review, and adjustment. The unanimous view of the Lavender Bay Precinct is for a temporary SRV only, at lower levels, with revised asset costings. Council's failure to include the option for a temporary SRV speaks volumes. 3. Council has not exhausted alternative funding sources. It holds underperforming assets, among them the Ward Street car park as the most obvious example, and has property recycling options that could materially reduce the need for higher rates. Other councils pursue this approach. North Sydney has chosen not to, prioritising asset retention over residents' cost-of-living pressure. 4. North Sydney Council claim that current rates are "low" isn't supported by State data. Government data shows North Sydney's rates per capita are the second highest in Sydney and 27% higher than the metro average. The repeated narrative that we "pay less than neighbouring councils" is selective and misleading. 5. Council has failed to collect the sum of $2.5M owed by Transport for NSW For close to three years. This amount represents 3% of annual rate revenue. If Council can't collect funds clearly owed to it, ratepayers shouldn't be expected to bridge the gap. This is a governance issue, not a revenue issue. 6. How Council has chosen to frame "Option 1" (no SRV) is manipulative. Council has presented Option 1 as "no facility upgrades, declining service levels, and deteriorating infrastructure." This isn't an evidence-based projection. It's a purposely negatively worded pressure tactic. A council that has reported two consecutive surpluses can't credibly claim that choosing the base option will trigger service decline. This framing is designed to push residents into supporting the SRV rather than enabling a genuine choice. This tactic in itself is not consultation, it's outright manipulation. In conclusion, based on your own financial statements and the information presented, I see no justification for a large, permanent SRV. Residents should not be asked to fund inflated backlog estimates, uncollected revenue, or strategic decisions to retain underperforming assets while expanding Council's long-term revenue base. I request that Council: • Recalculate the infrastructure backlog using realistic renewal costs • Consider asset sales or recycling before increasing rates • Collect the outstanding $2.5 million from Transport for NSW and • Present a temporary, lower-level SRV option for genuine consultation with ratepayers. Until these steps are taken, a permanent SRV of the size proposed is not defensible.

OLG 1.4 OLG 6.21 OLG 4.15 Preference - no option can be inferred	n/a	Questions from Precinct Members with verbal responses Q: Is NSC able to issue municipal bonds? A: No. Local Government is a creature of an Act of the State Government and there are strict guidelines as to how Councils can bring in revenue. Councils cannot issue bonds. Q: Could NSC sell the pool to a private operator? A: The reality is the revenue from the swimming pool would result in a price that would be very much less than the amount invested in the project. Swimming pools are not financially desirable investments. Q: Is there any push to get the Constitution changed to recognise Councils as a third tier of Government? A: Federal and NSW LGA associations campaigned for a referendum and got close, but The Voice was prioritised. Local Government has been trying to get a referendum on this since the seventies. To help address financial sustainability there is a campaign to bring back the Commonwealth Federal Assistance Grant to one percent of Federal revenue. Q: With the minimum rate amount, does that depend on the State Government as well? A: It depends on IPART. NSC does two concurrent applications: a rate variation and a change to the minimum rate. In the last SRV in May, IPART found that 2 out of the 3 criteria for the minimum rate were met. The third criterion was that IPART did not like and that was the timing. Q: Should developer contributions be paying for essential things like schools and hospital beds and sewerage? A: No they should be funded by the Health Budget and the Infrastructure Budget. Sydney Water is about to embark on a major upgrade of the sewer network from Crows Nest connecting in at Angus Park. NSC was previously able to use voluntary planning agreements which allowed Council to negotiate with a developer for the provision of public benefits such as contributions to open space or a childcare centre. However, the effectiveness of voluntary planning agreements has been totally undermined by the State Government and now the Council no longer has the negotiating position since the developers go directly to the State Government and ask for a rezoning.
OLG 3.13 - option 2 (based off sentiment 'modest increases') OLG 1.1	2	Thankyou for your attendance at the Parks Precinct November meeting last week. Your information and insights were greatly appreciated by all. For your information, (and hopefully encouragement), the extract below is copied from our July '25 meeting: There was extensive discussion on the implications of the Council's failure to secure its revenue base through the recent SRV application. Parks Precinct supports Council continuing to apply for modest SRV rate increases to provide resources for the community and ensure its financial independence. Moved GD, Seconded.SM. Passed unanimously
OLG 1.2 OLG 1.3 Preference - no option can be inferred	n/a	It was observed that other councils (e.g., including but not limited to Willoughby, Waverley, Parramatta, Mosman, Inner West, Hills Shire, Fairfield, Georges River, Burwood, City of Sydney) do not charge separate Environment or Infrastructure Levies (based on financial statements from FY24). In those LGAs, all rates relating to infrastructure and environment are included in ordinary rates. This is relevant when comparing rates across councils, as NSC's ordinary rates exclude costs that other LGAs include—meaning such comparisons are not necessarily like-for-like. Options 2 and 3 involve a permanent increase in rates above the NSW Government rate peg (known as special rate variations - SRV) that will escalate in perpetuity through the compounding effect via the application of the annual rate-peg or any future SRV. It was observed that there is no option put forward for a temporary and time-limited rate increase above the rate-peg to fund discrete projects (for example the proposed $18M upgrade to corporate systems).

OLG 5.18 OLG 5.17 OLG 1.2 OLG 1.4 Preference - no option can be inferred	n/a	NSC effort to engage their community regarding identified concerns is appreciated as are their decisions to engage in-house staff instead of contract staff and the implementation of some natural systems in the area. Efforts to review and streamline processes are also commended. In the broader environment the recent high interest rates have severely impacted NSC & anyone with debt.There is a salutory but necessary lesson to learn here - the debtor is the servant of the lender. The employment outlook by many professionals is not favourable should governments and the population continue to choose and replace jobs with technology. NSC residential rates have increased by over 30% in the last five years and the 'average residential rate' figure quoted in the recent Survey appears to be on the low side. 1B NSC: Current situation is an opportunity to reflect on: a. The cause(s) leading up to the current situation - what bad decisions lead here? b. Big picture - what issues arose? What direction for NSC? What are the consequences? c. Understand what the consequences of uptake of a technological centric with heavy energy reliance system without human input will actually have on resources, employment, lifestyle, comfort etc. What impact has technology already had on the youth of today - ability to operate independently, emotional health, manual skills, understanding of the created world, ability to critically think, reference and research outside the technological framework? d. Explore a radical(?) new approach to local governance (ie opt out of the current global local governance trajectory, look at systems that are still working after hundreds of years. What other lessons can NSC glean from their current scenario? Whilst comparatively small savings from paperless transactions may provide financial benefits for providers, many people still require paper copies for record keeping. As a result, instead of a suburb having a few printers for public useage and paper documents issued by a couple of computers across departments, now most homes have to own a home printer. This creates an environmentally negative circle. Mobile phones too - instead of having one telephone in a household of six people over 30 year period, now that same household would have six mobile telephones (one for each person at least) & they are usually changed every 3-5 years to keep up with changing technology. So in a 30 year period it is likely that a six person family would own 36 to 60 mobile phones (and paid for the monthly usage of same) instead of one landline - an increasing financial burden on all. Note: The negative social impact & higher risk of these changes in behaviours (of fraud, theft and abuse etc) is not included here. All these factors, and others should be in NSC thinking when making decisions at the local community level. Indeed, NSC & across the world, society is at cross roads of critical decision making - so the choices we make today should reflect that. External Reality Impacts NSC and its Community All technological partners and major institutional investors are collaborative members of one international business group. According to a paper by Andrew Leigh, as Shadow Treasurer, the same group of businesses and institutional investors also own the majority of Australia's other sectors including food, utility, finance, transportation, communications etc. So how can a nation retain it's sovereignty, democracy, prosperity and higher standard of living in that scenario? Of particular concern is the transition of government administration services to privately-owned international companies which is exposing Australians to high risk and reduced Australian jobs resulting in less public money for spending and spiralling lower cost of living. Internationally the two top Web Servers 1. Google 89.7% global market share (Major shareholders of Google (Alphabet Inc.) are co-founders Larry Page and Sergey Brin, with institutional investors like Vanguard Group and BlackRock also holding significant stakes) 2. Microsoft Bing 3.97% global market share (Major shareholders are also the American and British institutional investors) Internationally the three top cloud platforms are mostly privately owned 1. AWS Amazon web services 33% global market share (90% of AWS is owned, a private individual, American Jeff Bezos) 2. Microsoft Azure 23% global market share (Major shareholders are a private individual Bill Gates, together with Canadian and American Institutional investors) 3. Google 13% global market share (Major shareholders of Google (Alphabet Inc.) are co-founders Larry Page and Sergey Brin, with institutional investors like Vanguard Group and BlackRock also holding significant stakes) Cognosant of these facts, NSC is in an ideal position to identify alternative opportunities, make decisions that move towards greater uptake of real sustainable systems with greater local resilliance and policies based on uptake and promulgation of proven nature based systems. Examples of English large country houses, French Chateaux and European medieval villages and towns who have maintained their effective urban planning of the past five hundred years or so, whilst also

		incorporating the best of modern thought such as passive house principles etc. Perceived Residents Risk in the Future • Water, Food and Energy security • Technological risks & loss of self-determination and the real ability to govern at local level • Solar panel, electrical and eWaste waste management • Declining employment if technological adaptation continues and the inability to finance current lifestyles & choices. Al, robots etc don't pay taxes or spend in the local economy! Additional Revenue Streams? • Council assets could be used to create additional revenue incomes for NSC and individuals eg local mushroom farm, bee hives, egg/poultry, mini goats (milk, cheese, meat - perhaps partnership with schools too?) local farm (small scale - like at Coal Loader), sale of animal manures to local residents. These would benefit sustainability goals too in reducing food miles, green house gases etc. • Grey water recycling into black water systems (reduce costs etc) • Local rain water collection and utilisation (reduce costs etc) • Biomass energy to provide alternative to non Australian owned energy companies which would reduce demands on the national energy system also. Alternative Rate Funding Model? Offer Option 1 to Concession Holders and Seniors with other rate holders to pay option 2. 3B and 2C NSC Priorities 1. Clear all debt. Whilst in the short term, the borrowed money (potentially) enables NSC to complete the NSW renovations, in the long run, prioritising clear the debt and putting aside funds to complete the NS pool renovations would prove more cost effective and reduce risk of exposing NSC to potential unpredictable market fluctuations in the cost of borrowing. 2. Determine course of the future Whilst more labour intensive and slower to establish, natural systems have proven to be continually effective for hundreds of years - think English and European medieval towns. If implemented appropriately, they have positive and beneficial impact on the natural environment. 3. Work Towards Creating Sustainable Independent Environment Shifting away from existing national and international dependencies for utilities and food etc. NSC financial Independence away from rates revenue and create other income streams.

OLG 5.16 OLG 5.18 OLG 6.25 OLG 5.17 Preference - assume option 1 based on sentiment	1	I am replying to the most recent correspondence from the Mayor re rate increase options. The letter states that the people responsible for the financial mismanagement of the pool project (biggest budget blow out $63M - $91M) are no longer in situ. I checked. Here are elected members to Council in Sept 2017 and currently elected members: 2107 Elected Council Members: The Mayor, Jilly Gibson, in the Chair, and Councillors Baker, Barbour, Beregi, Brodie, Carr, Drummond, Gunning, Keen and Mutton Current Elected members: Zoe Baker, MaryAnn Beregi, NicoleAntonini, Efi Carr, Chris Holding, Angus Hoy, Jessica Keen, Godfrey Santer, James Spenceley, Shannon Welch As you can see most ofthe members on council in 2017 when the pool upgrade was decided continue to serve on the Council. Mention was made of various Committee's set up within Council to prevent further mismanagement - no guarantees. Nonetheless, The Council members have the overriding responsibility to make sure all expenditure is managed within budget. The buck stops there otherwise why pay the Mayor $90K pa and all other Councillors $30K pa plus benefits whilst overseeing a 50% hike in the cost ofthe pool upgrade. I now draw your attention to the North Sydney Sun article of 19 November 2025 which states that the 10 councillors have increased their expense by 222% over last year's expenses. Including taking a salary increase of 3%. So we are being asked to find money to pay for Council financial mismanagement whilst in the same breath the Councillors vote to accept a pay rise and benefits. This is preposterous. IfI am expected to bear an increase in rates because ofCouncil mismanagement/incompetence, then I expected a quid pro quo reduction in salary and expenses from the Councillors and down. That's the way normal business and households operate. Ifwe overspend somewhere then we have to tighten our belts elsewhere. That's what I expect from Council. I have written before where that I am ofthe firm beliefs that all the current members on the previous council (most of you) who ran in 2024, knew before the election but did not advise the community that Council finances were in dire straits. Why -to protect self-interest ie your positions and cushy benefits. I believe that North Sydney Council should be put into administration and have a competent outside unbiased party installed until Council structure and budget is brought back into alignment.

OLG 1.2 OLG 1.4 OLG 1.3 OLG 2.8 OLG 5.16 OLG 5.20 Preference - assume option 1 based on sentiment	1	I'm writing to provide feedback on the proposed Special Rate Variation (SRV). After reviewing Council's own financial statements and the material presented to the community, the conclusion is clear: the scale and permanence of the SRV being proposed is not justified. 1. Council's own financial results show that it is in strong health. In the 2025 Financial Year it achieved a $15M surplus and in the 2024 Financial Year it achieved a $13M surplus, as well as meeting all State Government financial benchmarks. These figures aren't those of a struggling council in financial distress. What these figures alone show is that Council's proposed SRV is not 'needs driven' and instead more about longer term ambitions. 2. The proposal is for a permanent SRV without offering a temporary alternative. A permanent SRV locks in the increase forever. A temporary SRV (lasts typically 3–5 years) and allows accountability, review, and adjustment. The unanimous view of the Lavender Bay Precinct is for a temporary SRV only, at lower levels, with revised asset costings. Council's failure to include the option for a temporary SRV speaks volumes. 3. Council has not exhausted alternative funding sources. It holds underperforming assets, among them the Ward Street car park as the most obvious example, and has property recycling options that could materially reduce the need for higher rates. Other councils pursue this approach. North Sydney has chosen not to, prioritising asset retention over residents' cost-of-living pressure. 4. North Sydney Council claim that current rates are "low" isn't supported by State data. Government data shows North Sydney's rates per capita are the second highest in Sydney and 27% higher than the metro average. The repeated narrative that we "pay less than neighbouring councils" is selective and misleading. 5. Council has failed to collect the sum of $2.5M owed by Transport for NSW for close to three years. This amount represents 3% of annual rate revenue. If Council can't collect funds clearly owed to it, ratepayers shouldn't be expected to bridge the gap. This is a governance issue, not a revenue issue. 6. How Council has chosen to frame "Option 1" (no SRV) is manipulative. Council has presented Option 1 as "no facility upgrades, declining service levels, and deteriorating infrastructure." This isn't an evidence-based projection. It's a purposely negativelyworded pressure tactic. A council that has reported two consecutive surpluses can't credibly claim that choosing the base option will trigger service decline. This framing is designed to push residents into supporting the SRV rather than enabling a genuine choice. This tactic in itself is not consultation, it's outright manipulation. In conclusion, based on your own financial statements and the information presented, I see no justification for a large, permanent SRV. Residents should not be asked to fund inflated backlog estimates, uncollected revenue, or strategic decisions to retain underperforming assets while expanding Council's long-term revenue base. I request that Council: • Recalculate the infrastructure backlog using realistic renewal costs • Consider asset sales or recycling before increasing rates • Collect the outstanding $2.5 million from Transport for NSW and • Present a temporary, lower-level SRV option for genuine consultation with ratepayers. Until these steps are taken, a permanent SRV of the size proposed is not defensible
OLG 3.13 Preference - option 2	2	We wish to advise that we agree a rate increase is necessary for the NSC LGA and our preference is for OPTION 2.
OLG 3.12 Fairer rates Preference - no option can be inferred	n/a	The greatest anomaly in the rates payments is the tiny rates on the 75% of ratepayers who are on the minimum rate, many of them in multi-million dollar dwellings. This should be increases substantially.

OLG 3.13 Preference - option 1 OLG 3.10 Cost of living OLG 3.11 Business OLG 1 Alternatives OLG 1.4 OLG 5.20 OLG 5.16	1	I just missed the deadline for closure of the consultation, but wanted to have my say anyway. As a homeowner in North Sydney, I object to the council's proposal to increase rates at all, but if they must be increased I support Option 1 (increase limited to rate peg), for the following reasons: • We're in a cost of living crisis and increasing rates will materially worsen the situation for many households • North Sydney hosts a large number of offices of large corporations that are in a far better position to afford increased rates • The Council has not exhausted all other possibilities, such as levying large corporations, seeking relief from State/Federal Government, or selling assets • Households are not morally responsible for the Council's financial mismanagement
OLG 3.13 Preference - option 3 OLG 1.3 Temp/Perm OLG 4.15 IPART	3	Hello Sorry I'm late with this submission. Thanks to Council for coming back to residents with more moderate proposal options compared to the earlier more extreme option. I'm OK with option 3. My view is that for every cost there is a benefit and in this case the benefits seem worthwhile. My first question is what happens after 2029? Do levies revert back to previous levels? My second question is what is the process for making the decision about the best option? Will IPART be involved again? Will Council just go with the option preferred by the community or will it exercise some discretion? Thanks again. Good luck with your admiral goal of improving services and facilites under a difficult financial situation. Sincerely
OLG 3.13 Preference - option 1	1	There were 3 proposals for rates raises. I vote for option number 1 and ask that this option be supported by council.
OLG 2.7 Timings OLG 3.13 Preference - option 3 OLG 1.1 Position OLG 6.21 Pool	3	I received a copy of the Spring/Summer edition of North Sydney News in my mailbox today which, on the front page, invited me to have my say on the SRV along with a QR code to assist me in doing that. I was very keen to do this but found that submissions have closed a week before I received the notice. This seems emblematic of North Sydney's well meaning but fault ridden approach to administration. For the record, I'm a supporter of Option 3. We can't expect good service provision without Council having a secure financial position. Having said that, I've been a resident long enough to remember when Council was very efficiently run and could manage an excellent service portfolio with very low rates. I'm well aware of how Council's position was wrecked by the Pool project and, while there's nothing we can do about that now, I'm very disappointed that there's been almost no attempt to assign responsibility where it belongs. I'm also aware that you were not a supporter of the project but a majority of Councillors, at that time, were. Given the dire consequences for the entire municipality, they should be specifically named and called upon to explain their actions.
OLG 2.7 Timings OLG 6.21 Pool Preference - no option can be inferred	n/a	Yesterday Friday 5 December we received in our mailbox the North Sydney News My Cremorne Road neighbours report receiving their News yesterday too Page 1 of the News "Have Your Say" announces consultation about the proposed rate options closes on 3 December, that's 2 days prior to receiving your message saying "please, participate in the consultation". Surely Council can organise matters better than this, or like the pool, may be not. Sincerely

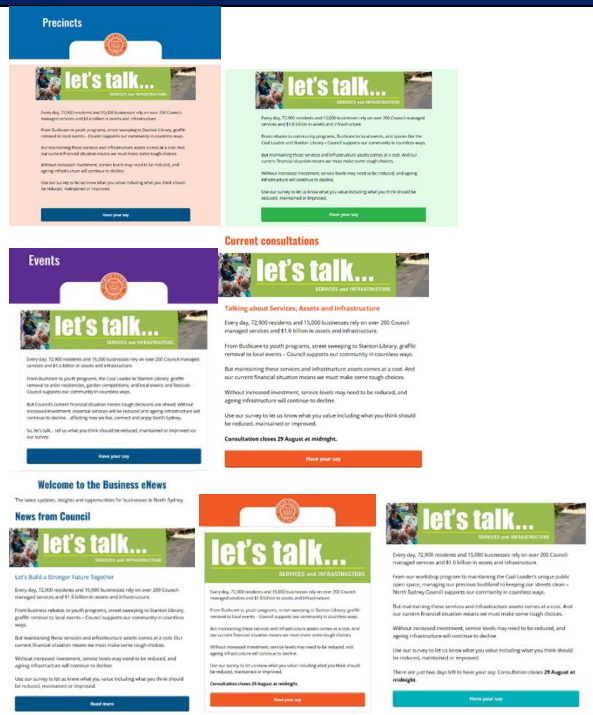
OLG 2.7 Timings OLG 6.21 Pool OLG 4.15 IPART OLG 6.24 Local issues Preference - assume option 1 based on sentiment	1	Very Dear (aka expensive) Drongos, No you don't want to hear from me, however..... Of course delivered on Dec 11 with a deadline of Dec 3 in you 'newsletter'. As a ratepayer for near 4 decades, I don't want a 'strong future' as defined by what is close to what is now the most incompetent, arrogant and apparently dishonest council in the country. (Somewhat an achievement.) No I most certainly do not want "Strong civic engagement" as defined by yourselves and I irrefutably do not want to pay for your thought bubbles. it. Like most residents I chose my friends and the last on the list would be lower less literate lifeforms like lawyers (a low bar), let alone 'para legals' and those chosen by such people. Lets turn to specifics. I noted the boast that the $120 million pool fiasco included the 'largest gymnasium in the southerner hemisphere" Who responsible and by what process was this made as a ratepayer liability? Oh ratepayers don't get to ask questions or get answers (this side of a court action). While there maybe some itinerant CBD office workers who desire access to a gym, there are already such facilities in the CBD owned and operated by those who are ratepayers. The probability of such folks trekking to the pool? About zero. The probability of ratepayers trekking to such a facility, costing millions of dollars given the required excavation? Irrefutably zero. I assume that the treat of contempt will be required to extract an answer. One could list a near never ending projects which provide no benefit to the ratepayers. Even the insane paving of Arthur St foot path, creating dangerous traffic situations. Not that anyone in council cares, just another (PC?) thought bubble. Pre reference to IPART which objectively determined that the outrageous demand to increase rates by 85% to cover up the council's incompetence and avoid transparency and accountability, I received a sensible suggestion. Organise a civil class action based on 'maleficence in public office'. Of course that would also be followed by damage recovery of the order of say $100 million. Looks like a good idea to me. Could be fun. Want to try to raise rates by ~50%? Make my day.

OLG 3.13 Preference - option 3 x 21 & option 2 x 10 meeting attendees OLG 6.21 Pool OLG 4.15 IPART	2 = 10 3 = 21	At the Wollstonecraft Precinct meeting on 10 December 2025, a vote was conducted on the three options put forward by North Sydney Coucnil for a Special Rate Variation application for the three years 2026/27, 2027/28 and 2028/29. Options were: 1. Do nothing: Deteriorating infrastructure: Minimum rates would be subject to a rate peg decided by the NSW government. 2. Treading Water: Restore revewal funding and address critical backlogs. 3. Eye to the Future: Enhanced contribution to infrastructure investment and planning. Questions from the meeting: 1. Has Council addressed the issues raised by iPart when it rejected Council's application last year 2. Has Council also satisfied itself that all of the known costs arising from the contracts from the construction and design of the North Sydney Olympic Pool have been properly assessed and that the final cost will not exceed @122 million Answers to those questions were addressed and answered by Mayor Zoe Baker. The Options were put to the meeting with the results being calculated by a show of hands and a formal record of attendees registered at the door: Total attendees: 37 Non-owners: 1 Councillors: 3 Abstain: 2 Option 1: 0 Option 2: 10 Option 3: 21

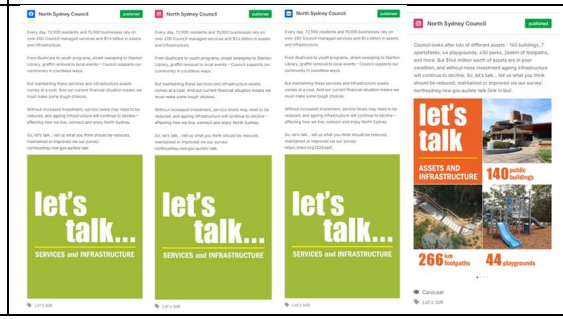
Communication and engagement undertaken by North Sydney Council

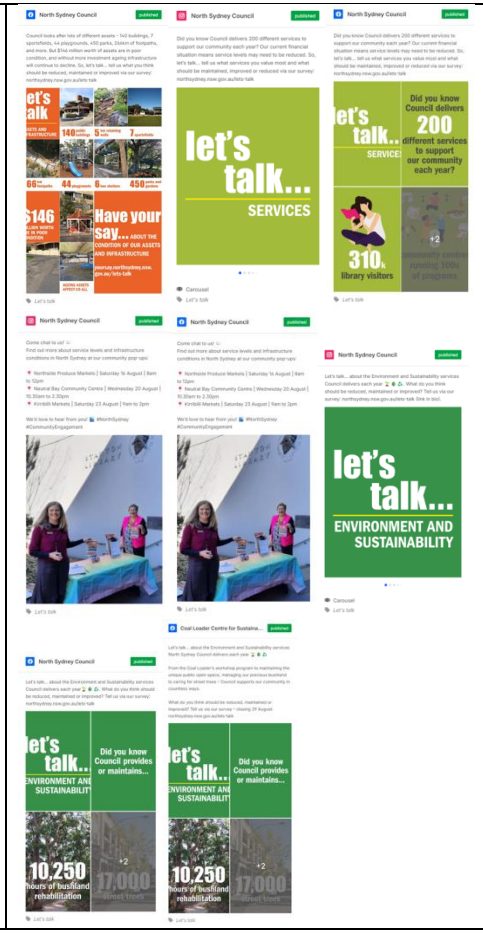
PHASE 1 Let's Talk Services & Infrastructure (1-29 August 2025)

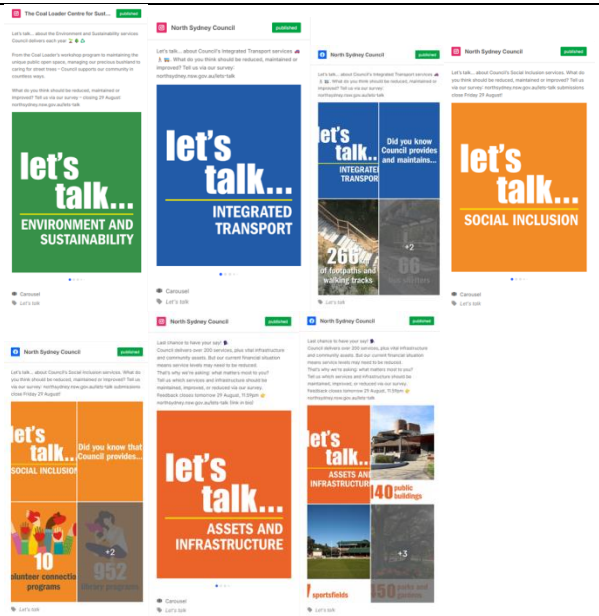
Communication Collateral

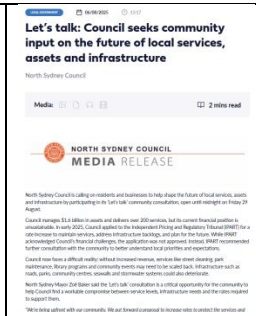
Communication Activity	Timing	Audience	Evidence	Outcome
Email newsletters 11 enewsletters were issued containing articles explaining the consultation and links to participate in the opt-in survey.	1 – 29 August 2025	Council enewsletter subscribers (mostly ratepayers & residents) • Precinct eNews x 5 weekly editions to 400+ subscribers • Sustainability eNews to 4218 subscribers • Events eNews to 3296 subscribers • Business eNews to 1,071 subscribers • Council eNews sent to 2,080 subscribers • Stanton Library eNews to 11,848 subscribers • Coal Loader Centre for Sustainability eNews sent to 4,902 subscribers		• Precinct (1/8) 258 opens, 35 clicks • Sustainability (5/8) 2,233 opens, 50 clicks • Events (6/8) 1,428 opens, 64 clicks • Precincts (8/8) 217 opens, 18 clicks • Business (8/8) 465 opens / 32 clicks • Council (12/8) 1,059 opens, 199 clicks • Stanton Library eNews (15/8) 4,986 opens, 98 clicks • Precinct eNews (15/8) 207 opens, 10 clicks • Precinct eNews (22/8) 257 opens/ 12 clicks • Coal Loader eNews (27/8) 2,491 opens, 19 clicks • Precinct eNews (29/8) 228 opens / 7 clicks

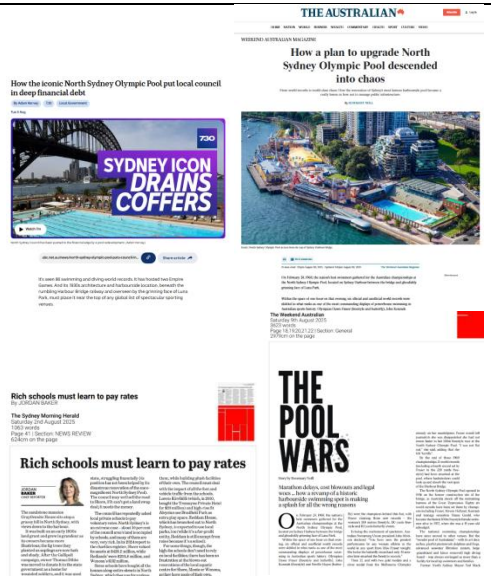
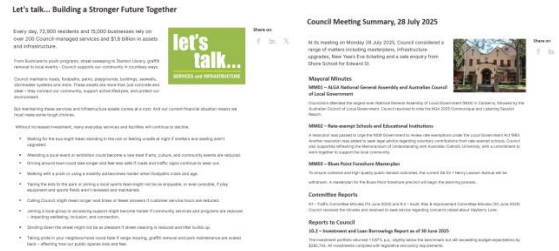
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Factsheets/Posters Infrastructure and assets factsheet & poster and a Services poster were developed providing information about the infrastructure and services provided by Council, the financial situation and a call to action to participate in the opt-in survey via QR codes and URL	1 – 29 August 2025	Ratepayers & residents Visitors to council facilities Handed out a pop-up events Shared online at Your Say page Information displays at 6 locations (customer service, library, 4 x community centres) Posters at 60 community noticeboards across the LGA		65 views & 52 factsheets downloaded from Your Say page 11 views/downloads of assets poster from Your Say page Services poster figures were not recorded A single QR code driving people to the Your Say page was used across all assets. It received 3 scans in total.
Social media posts Organic posts were shared on North Sydney Council's Facebook, Instagram and LinkedIn channels.	1 – 28 August 2025	Ratepayers & residents		Combined totals: • 20 posts • 9,490 reach • 26,400 impressions • 240 engagements

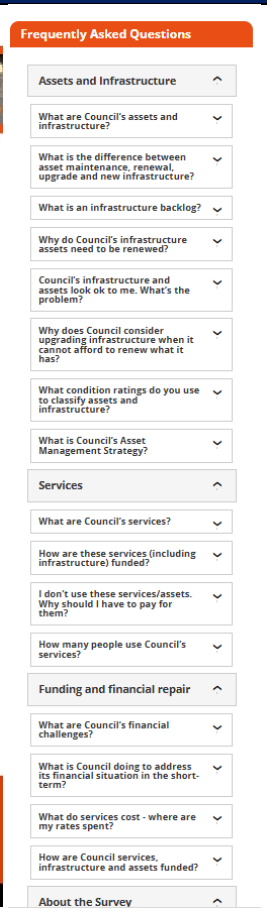
			 let's talk... SERVICES Have your Say... Did you know Council delivers 200 different services to support our community each year? 310k library visitors let's talk... ENVIRONMENT AND SUSTAINABILITY Did you know Council provides or maintains... 10,250 hours of bushland rehabilitation 7,000 street trees	

				
Customer Service digital display screens	1 – 29 August 2025	Council visitors saw messaging on display screens / heard IVR messaging if on hold for the call centre		A single QR code driving people to the Your Say page was used across all assets. It received 3 scans in total. One may have been from the CS display, but assets were not individually coded.
Council email signature	4 – 29 August 2025	Anyone who received emails from Council		All internal and external emails from Council promoted the consultation with a clickable link through to the Your Say page

Media Release	6 August 2025	Local and key metro media contacts	 Let's talk: Council seeks community input on the future of local services, assets and infrastructure North Sydney Council Media: 2 mins read NORTH SYDNEY COUNCIL MEDIA RELEASE MEDIA RELEASE: Let's talk: Council seeks community input on the future of local services, assets and infrastructure	28 journalists received the release with 16 opening and 1 clicking on the supplied information link
Media Coverage	1 – 29 August 2025	General public	Nine News, 1 August 2025, 6:29pm – interview with Mayor Zoe Baker: https://media.streem.com.au/player/O8RtGP  We have to find a way through North Shore Living Monday 1st September 2025 431 words Page 81 Section: IN THE NEWS 360cm on the page 'We have to find a way through' Council asks community to prioritise projects  NORTHSIDE LIVING NEWS North Sydney's new rate rise campaign	Let's Talk consultation period media report.pdf Let's Talk consultation period - Instant Insights Report.pdf Potential total audience reach: 7,898,003

				
Website news articles	28 July 2025 1 August 2025	General public	• Council Meeting Summary, 28 July 2025 – North Sydney Council • Let's talk... Building a Stronger Future Together – North Sydney Council 	Council meeting summary article • Total clicks: 3 • Total impressions: 187 • Average CTR: 1.6% Let's talk article • Total clicks: 5 • Total impressions: 59 • Average CTR: 8.5% Five people visited the Your Say engagement page after clicking on the website consultation promotion on the homepage

Engagement Activities

Engagement Activity	Timing	Audience	Evidence	Outcome
Your Say consultation webpage including Frequently Asked Questions	August 1 to 29 2025	General public – primarily local community members	 	Your Say page: • 4,464 Page views • 1,982 unique visitors • 76 documents downloaded • 54 unique visitors viewed the image gallery 211 times Frequently Asked Questions: • 18 FAQs • 367 views • 79 unique visitors

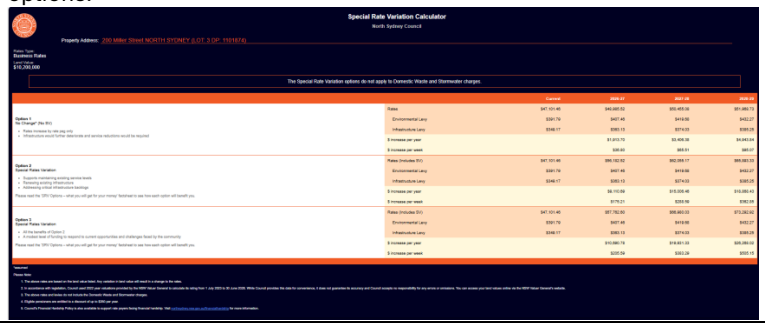
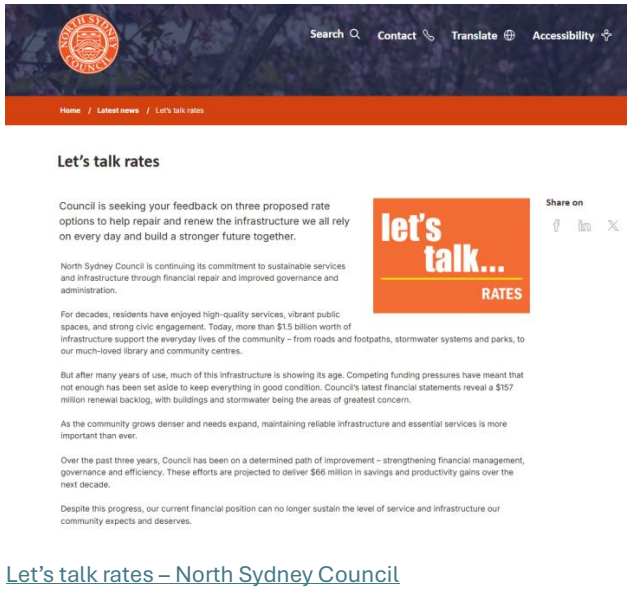
Community pop up stalls to raise awareness, provide information and answer questions about the consultation	Stanton Library - 13 August 2025 Northside Markets - 16 August 2025 Neutral Bay Community Centre - 20 August 2025 Kirribilli Markets 23 August 2025	General public – primarily local community members	    	Total people spoken to 325. (13/8) Council staff spoke with 107 members of the public. (16/8) Council staff spoke with 101 members of the public. (20/8) Council staff spoke with 15 members of the public. (23/8) Council staff spoke with 102 members of the public.
Precinct meeting presentations	Various dates between 5 -28 August 2025	Residents and members of Precinct committees	Precinct information flyers were also provided for attendees to circulate to members. This generated 42 scans to the Your Say page throughout the consultation period. NB The Precinct Committees are run by residents and provide feedback to Council in an advisory capacity. Anyone can join their local Precinct Committee to share views on a range of topics and to help inform Council of community opinion on projects, plans and proposals. Council currently has 18 active precinct committees. 	Combined Precinct meeting 19/8/25 - CEO of NSC spoke 18 members representing 11 out of the 18 active precinct areas. Seven other precinct meetings were held with either the Mayor, CEO, or Director of Planning in attendance. 153 people participated in total.

Staff Communications	Various dates between 28 July – 29 August 2025	Council staff	A series of all staff emails and updates were shared via the internal newsletter and VIVA Engage platform as well as by the CEO. Detailed briefings and FAQs were also provided to the Customer Service team to assist with any enquiries.	Staff handled queries confidently and were aware of the campaign and its key objectives.

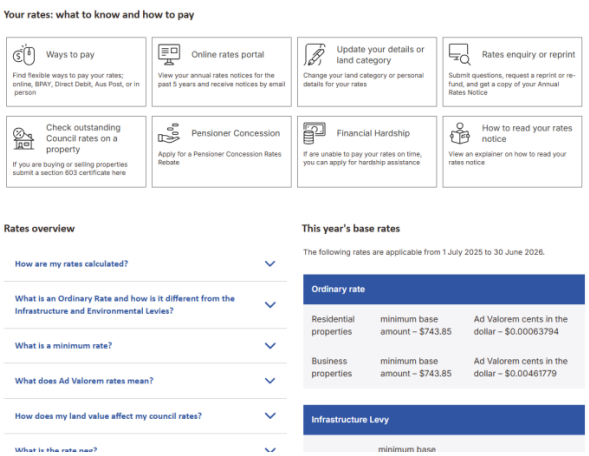
PHASE 2 Let's Talk Rates (29 October – 3 December 2025)

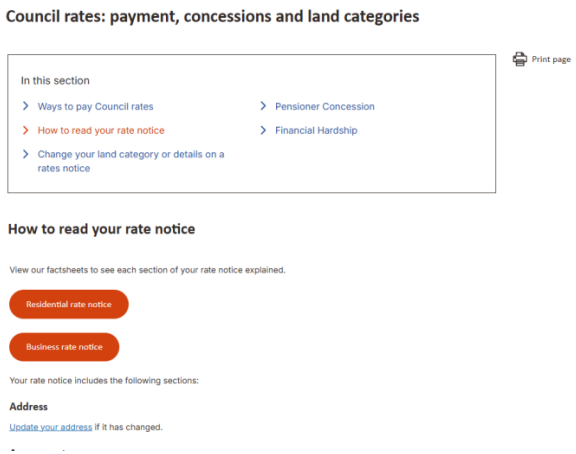
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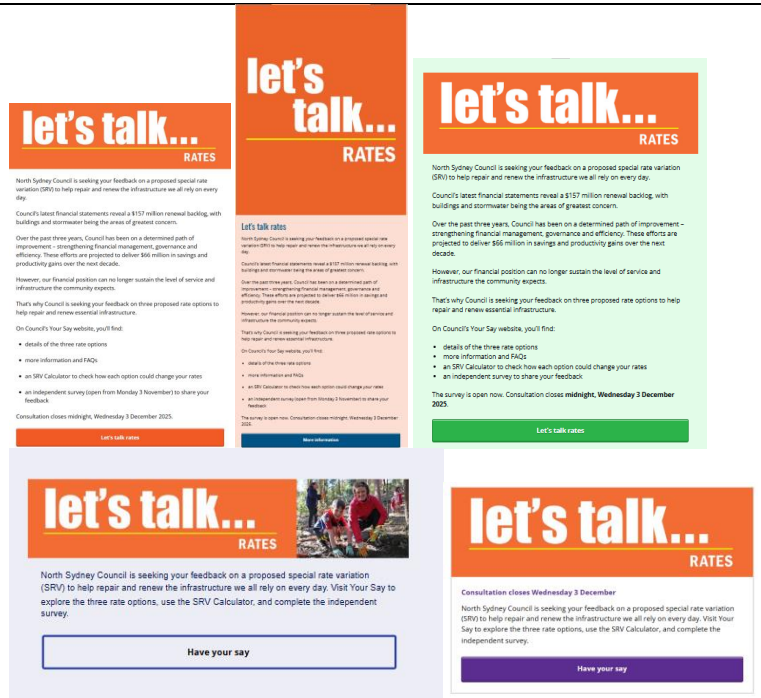
Communication Activity	Timing	Audience	Evidence	Outcome
North Sydney News community publication	Delivery by Australia Post scheduled for 17 – 21 November 2025	North Sydney residents by LGA postcode	  Featured on page 1, 6 & 7 of Spring/Summer 2025 edition Three-page article (including front cover) providing the following information: • Explanation of Council's financial situation and reasons for the challenges • Summary information on ageing infrastructure underfunding • Key results from community representative survey regarding assets condition and maintenance • Summary information on Council productivity and efficiency measures (past and planned) • Information on the three proposed rate options, minimum rates and financial hardship • Promotion of the SRV rates calculator • Multiple calls to have your say via QR codes and URLs with date of consultation closure	46,422 copies printed and delivered North Sydney News QR Codes (113 scans)

Interactive online rates calculator	29 October – 3 December 2025	Residents, Businesses and ratepayers	The calculator showed individual ratepayers (residents and businesses) the actual dollar impact on their property because of the 3 proposed rate options.  	Data on number of visits is unavailable.
Council Website News Articles	Published 29 October 2025	General public	 Let's talk rates – North Sydney Council	Let's Talk Rates Article Total clicks: 35 Total impressions: 389 Average CTR: 9%

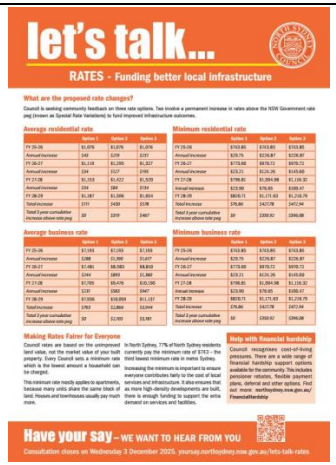
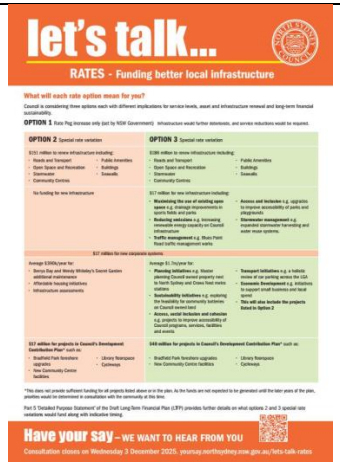
	Published 29 October 2025	General public	**Council Meeting Summary, 27 October 2025** At this week's meeting Council agreed to undertake community consultation on three different rate proposals, endorsed a number of policies and plans and received updates about DAs and NSOP.  Share on **Reports to Council** **Draft Long Term Financial Plan and Special Rate Variation Options** Council agreed to undertake community consultation on three different rate proposals as part of a new draft Long Term Financial Plan. The options include two different Special Rate Variations to fund critical infrastructure renewal and maintain service levels. Consultation runs from 29 October until 3 December 2025. **Critical Asset Renewal Works** A report identified key infrastructure assets, such as roads, stormwater systems, and community facilities, that require urgent renewal. Council resolved to prioritise these works in future capital planning and explore funding options to address the backlog. **Investment and Loan Borrowings Report – 30 September 2025** Council reviewed its investment portfolio and loan obligations, confirming compliance with financial policies. The report provided a snapshot of Council's financial position and market conditions affecting returns. **Council Christmas Closure 2025–26** Council has set its Christmas and New Year closure dates. Essential services will operate as usual, and public notices will announce service availability. **DV Safe Phone Partnership** Council reaffirmed its support for the DV Safe Phone initiative, which provides refurbished mobile phones to survivors of domestic violence. The program enhances safety and access to support services for vulnerable community members. **Swimming Pool Inspection Program – Post-Exhibition Report**	Council Meeting Summary article Total clicks: 5 Total impressions: 204 Average CTR: 2.5%
	Published 20 October 2025	General public	**North Sydney Councillors to discuss draft 2026–2036 Long-Term Financial Plan Proposals** North Sydney Council is continuing its commitment towards financial repair and improvement to ensure the sustainability of services and infrastructure for the community.  Share on On 27 October, Councillors will consider a draft 2026–2036 Long-Term Financial Plan, which proposes targeted rate increases to address the long-standing deterioration of local infrastructure, update corporate systems and maintain service delivery. The plan is a continuation of improvement efforts over the past few years which include significant cost-saving measures and productivity improvements undertaken in a bid to minimise the impact on ratepayers. The draft plan represents an important step towards restoring financial strength and aligning Council resources with the expectations and needs of a growing and evolving community. North Sydney recently ranked sixth place in the Australian Liveability census, with respondents agreeing that most important in their ideal neighbourhood was the general condition of public open space – street trees, footpaths and parks. Top five liveability metrics included connectivity, sense of personal safety, access to neighbourhood facilities, the natural environment and overall character of the neighbourhood. Such an environment can only be supported by a strong Local Government with the capacity to maintain infrastructure and deliver quality services.	Councillors long-term financial plan discussion article Total clicks: 2 Total impressions: 75 Average CTR: 2.7%

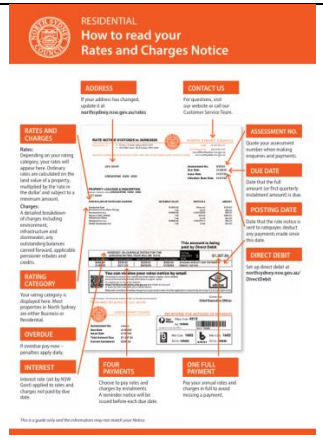
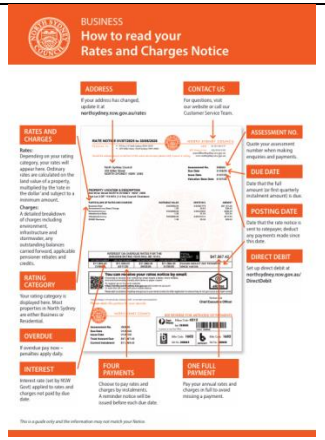
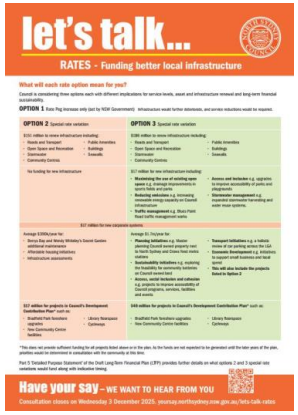
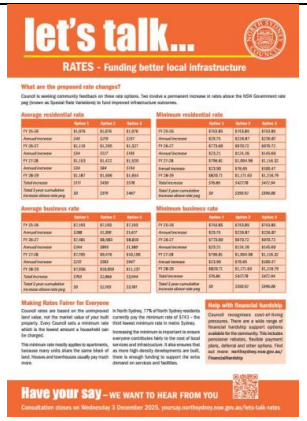
Council Website Rates Updates	29 October – 3 December 2025	Ratepayers and residents	 Council rates – North Sydney Council Information on the website was updated to make it easier for residents/businesses to understand. This included the addition of FAQs and downloadable guides on how to read rates notices as well as a CTA to find out more about the 3 rates options on the Your Say page.	Council Rates homepage. • Clicks: 309 • Total impressions: 3,380 • Average CTR: 9.1% • Average search position: 3.9 Website received 880 impressions and 31 clicks on the how to read you rates factsheets

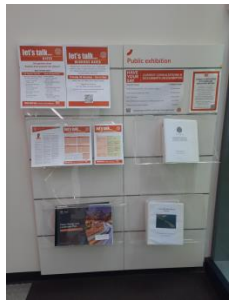
	29 October – 3 December 2025	Ratepayers and residents	 Council rates: payment, concessions and land categories – North Sydney Council	Council rates: payments, concessions and land categories. Total clicks: 31 Total impressions: 855 Average CTR: 3.6%

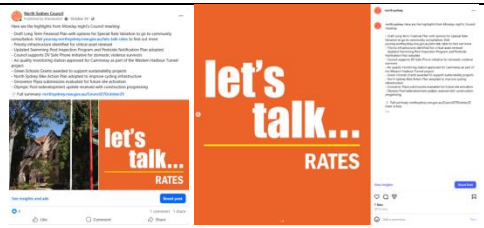
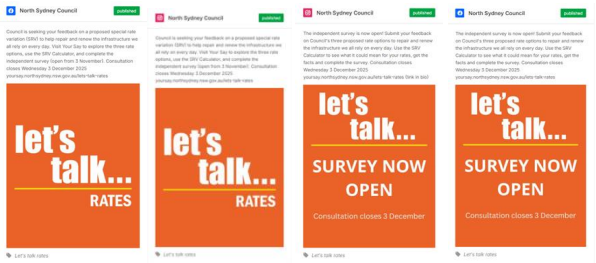
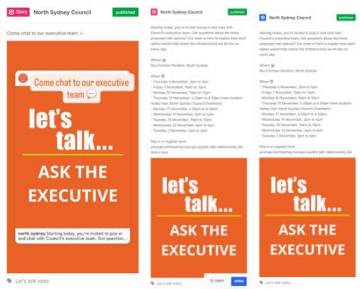
Email newsletters 17 enewsletters were issued containing articles explaining the reason for the consultation, information on the three proposed rate options, calls to action on how to have your say via the consultation page and online survey, prompts to use the SRV rates calculator and specific information about the business breakfast event and dates and locations of the community information pop ups and ask the executive drop-in sessions.	29 October – 3 December 2025	Subscribers to Council enewsletters are mostly ratepayers and residents • Council eNews sent to 2,724 subscribers • Precinct eNews x 4 weekly editions to 500+ subscribers • Stanton Library eNews to 12,368 subscribers • Events eNews to 3576 subscribers • Sustainability eNews to 4218 subscribers • Arts & Culture to 1335 subscribers • Business Breakfast &		• Council eNews (30/10) 1220 opens, 230 clicks • Precinct (31/10) 241 opens, 33 clicks • Stanton Library eNews (1/11) 5091 opens, 146 clicks • Events (4/11) 1650 opens, 76 clicks • Sustainability (5/11) 2235 opens, 36 clicks • Precinct (7/11) 253 opens, 15 clicks • Arts & Culture (10/11) 1161 opens, 8 clicks • Business Breakfast (10/11) 751 opens, 114 clicks • Precinct (14/11) 247 opens, 5 clicks • Stanton Library (15/11) 7254 opens, 142 clicks

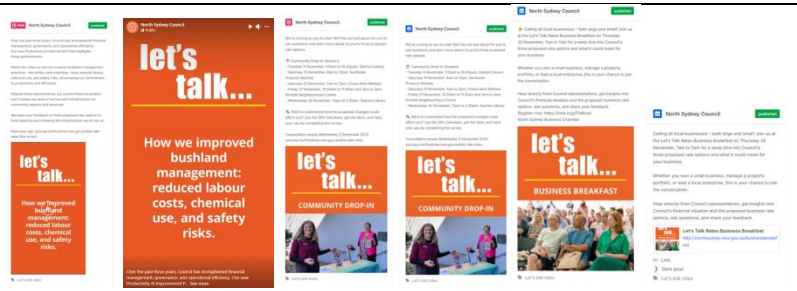
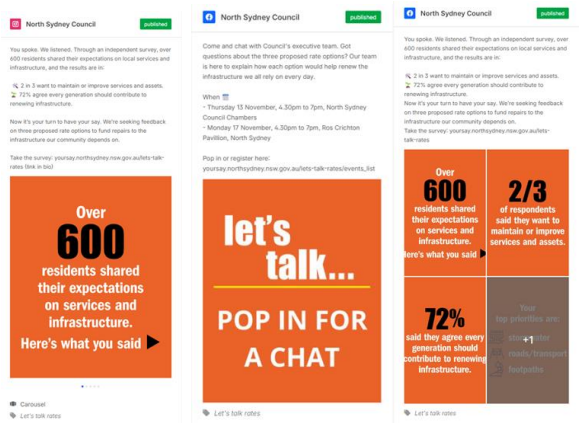
		Business Survey to 1460 targeted list • Coal Loader eNews sent to 4,970 subscribers • Business eNews to 1,126 subscribers		• Council (21/11) 1368 opens, 79 clicks • Precinct (21/11) 253 opens, 2 clicks • Business survey (25/11) 659 opens, 21 clicks • Coal Loader (26/11) 2407 opens, 15 clicks • Events (28/11) 1613 opens, 38 clicks • Business (1/12) 573 opens, 17 clicks • Stanton Library (1/12) 6850 opens, 72 clicks

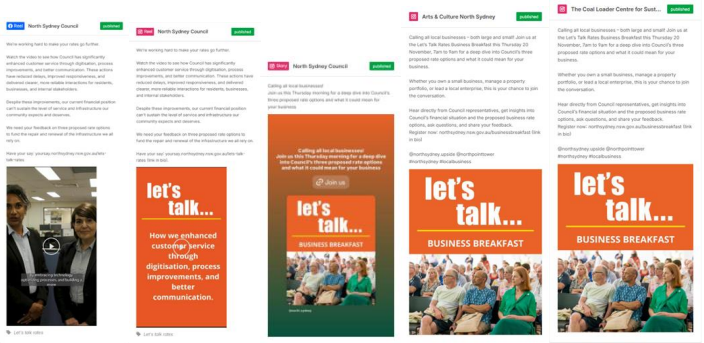
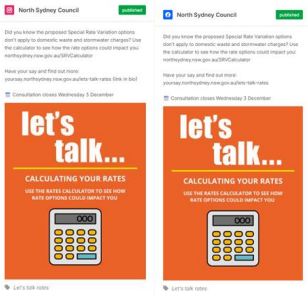
Factsheets • Rate options summary • What each option means for North Sydney • Information for Businesses • How to read your rates notice – residential • How to read your rates notice - business	29 October – 3 December 2025	Ratepayers, Businesses & residents Visitors to Council facilities Handed out at pop up events Shared online at Your Say	   	Factsheets were printed and distributed across all pop-up stalls over 6 locations including Council, Stanton Library, 4 x Community Centres and available to download at the Your Say page. Rates options summary factsheet was viewed/ downloaded 213 times by 170 unique visitors The Business factsheet was viewed/ downloaded 50 times by 40 unique visitors. Factsheets on how to read rates notices: • Business Rates: 26 views by 24 visitors • Residential: 31 views by 34 visitors

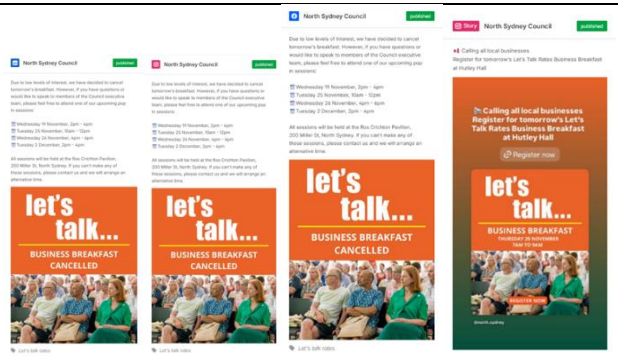
			 	QR Codes from the various factsheets were scanned: • Lets Talk Rates factsheet – 184 scans • Let's Talk Rates Business Breakfast – 3 scans • Let's Talk Rates Business Survey – 1 scan
Posters	29 October – 3 December 2025	Ratepayers, Businesses & residents Visitors to Council facilities Handed out at pop up events Shared online at Your Say	 	See above for QR code scan data.

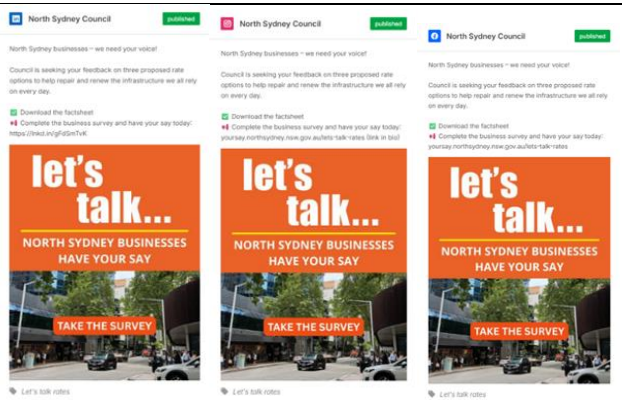
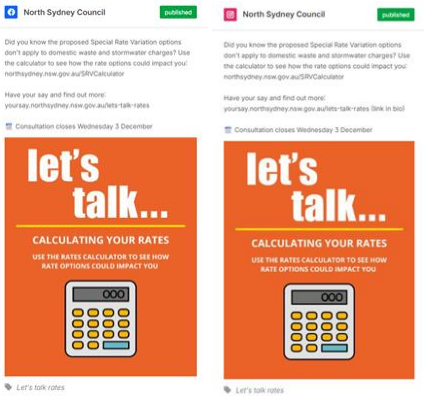
			  	
Information Displays / Community Noticeboards highlighted the 3 rate options and drove customers to the Your Say page through a call to action and QR code	29 October – 3 December 2025	Community members, library visitors, local businesses, commuters, visitors to pop up events and Council chambers	  	Displays at Council Customer Service, Stanton Library, 4 x Community Centres and on 60 Community Noticeboards Refer to factsheets and posters for data on QR scans.
Newspaper printed advertisements – North Shore Times and Mosman Daily	13 November 2025	Residents and businesses	 	North Shore Times: 49,000 print readership Mosman Daily: 34,000 print readership

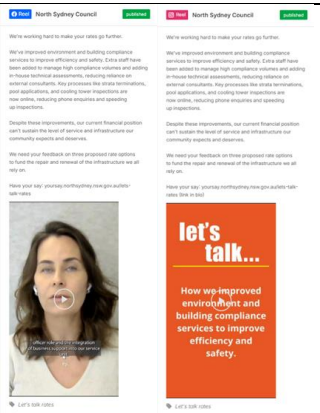
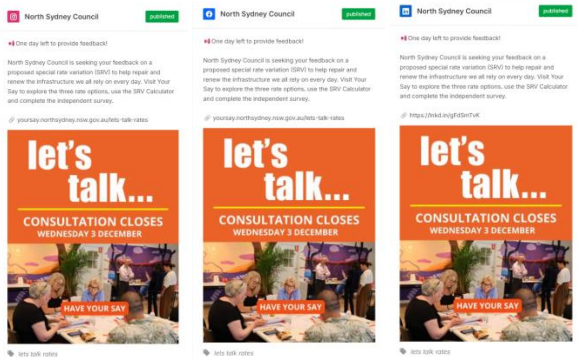
Social media (organic) Organic posts were shared on North Sydney Council's Facebook, Instagram and LinkedIn channels covering a range of topics including explaining why Council was consulting, how to get more information on the proposed rate options and draft long-term financial plan, links to the Your Say page and consultation dates, ask the executive schedules, pop up stall schedules, videos with staff explaining recent productivity improvements (street cleaning, bushland,	29 October - 3 December 2025	Ratepayers and residents Our main audience on social media is females aged 35-54 years. The largest segment falls within 35–44 years, making up 36.2% on Facebook and showing the highest engagement on Instagram. The second largest group is 45–54 years (25.6%), followed by 25–34 years (15.8%) Older age groups (55–64 and 65+) collectively account for about 21%, while younger audiences (18–24) are minimal at 1.4% on Facebook and very low on Instagram.	 https://www.facebook.com/share/p/1GiNXQY6gL/ https://www.instagram.com/p/DQYd6h7DXxw/?img_index=2  https://www.instagram.com/p/DQbDaWsDR1D/ https://www.facebook.com/share/p/1CsBSYmn5A/ https://www.instagram.com/p/DQn3T6_DReW/ https://www.facebook.com/share/p/1JJkGdChtV/  https://www.instagram.com/p/DQsmZqEF4g4/ https://www.facebook.com/share/p/16Zv9nmT1e/	41 organic posts were shared over 5 weeks. Totals combined across channels: 23,600 reach 45,420 impressions 215 engagements 20 comments 4,044 video views The top performing posts were reels across both IG and FB. The next best performing posts were tiles relating to the community drop-in sessions. 28 clicks were received from the SRV calculator posts

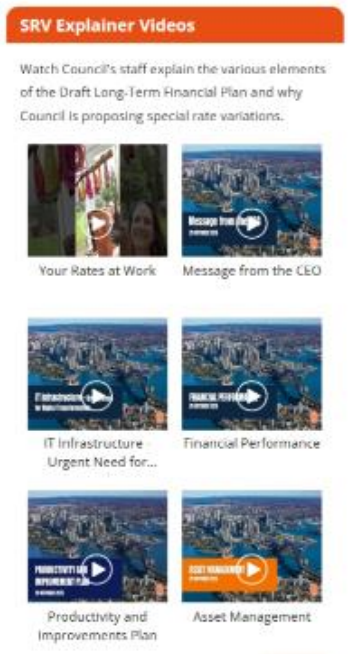
compliance and customer service teams), promotion of the business breakfast and business survey, highlighted results from the phase one community survey with links to the full report, awareness-raising of the SRV calculator and that domestic waste and stormwater management charges were not included in the proposed rate options, reminders to provide feedback before consultation closes.			 https://www.instagram.com/p/DQuu0Fjj8UX/ https://www.facebook.com/share/v/1Dbx3mVkPS/ https://www.instagram.com/p/DQ05i_2jTLF/ https://www.facebook.com/share/p/1C3R22uVwe/ https://www.linkedin.com/feed/update/urn:li:activity:7393520340255203328  https://www.linkedin.com/feed/update/urn:li:activity:7394501058644979712 https://www.instagram.com/p/DQ8hGMYjXVE/?img_index=1 https://www.facebook.com/share/p/1DBy16XyVL/	

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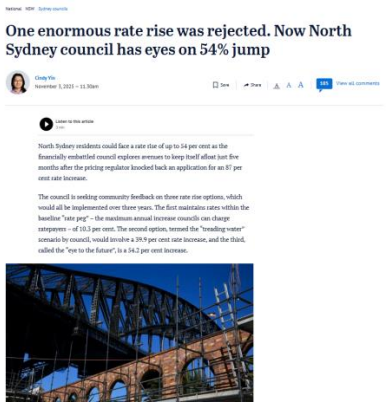
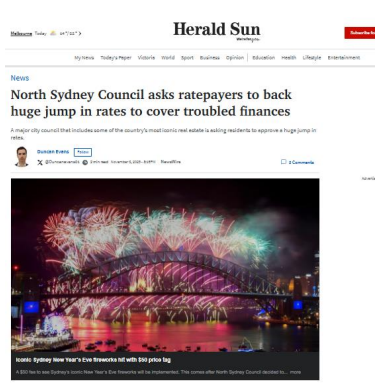
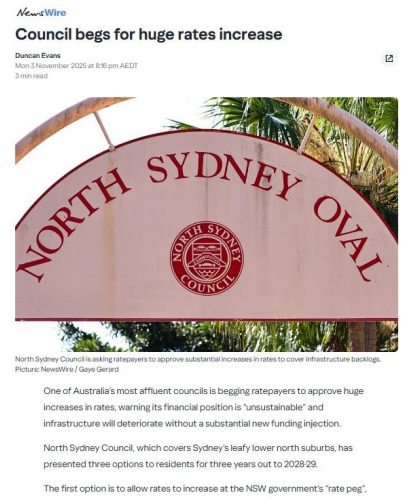
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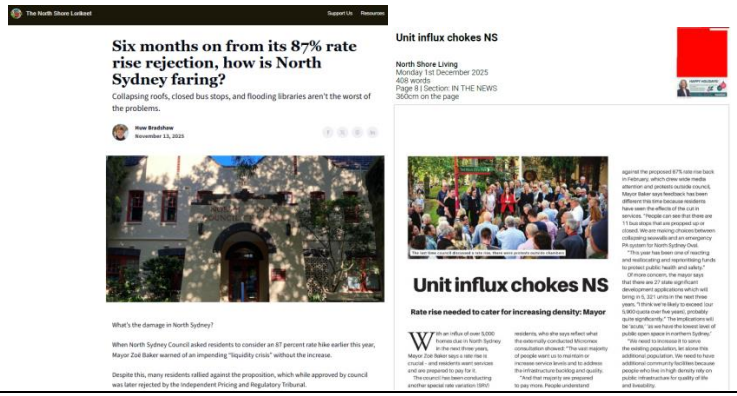
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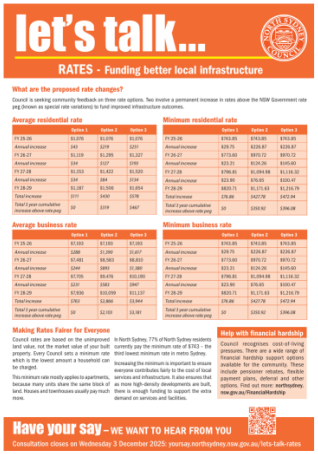
Social media (paid) - LinkedIn	11 - 19 November 2025	Targeted to businesses in North Sydney		One paid ad on LinkedIn was run to promote the SRV business breakfast. Results: 59 clicks 2,151 reach 3,639 impressions
Videos: A series of 6 videos were produced with Council's staff explaining the various elements of the Draft Long-Term Financial Plan and why Council was seeking feedback on the proposed special rate variations.	10 November – 3 December 2025	General public		North Sydney Council's YouTube has 947 subscribers. Each video received: • Your rates at work 48 views • Message from CEO 27 views • Financial performance 35 views SRV introduction 48 views IT Infrastructure 59 views • Productivity and Improvement plan 55 views • Asset Management 37 views

			Your rates at work Special Rate Variation Introduction IT infrastructure – Urgent Need for Digital Transformation Financial Performance Productivity and improvement Asset Management	Videos viewed via Your Say page had higher engagement with 105 unique visitors viewing the videos a total of 246 times. • Your Rates: 35 • Message from CEO: 49 • IT: 57 • Financial Performance: 40 • Productivity: 45 • Asset: 38
Customer Service digital display screens	29 October – 3 December 2025	Council visitors saw messaging on display screens / heard IVR messaging if on hold for the call centre	 	The customer service screen display received 1 QR code scan.
Council email signature	18 November – 3 December 2025	Anyone receiving an email from Council		All internal and external emails from Council promoted the consultation with a clickable link through to the Your Say page.
Media Coverage	29 October – 3 December 2025	General public	Let's Talk Rates consultation period media report.pdf Let's Talk Rates consultation period reporting (folder)	Media generated a potential total audience reach

NB No media release was sent as part of this campaign.			   	of 8,251,567 with coverage across broadcast, online and print media nationally and locally. Let's Talk Rates consultation period - Instant Insights Report.pdf Media queries were received from the SMH, North Shore Lorikeet and North Shore Living.

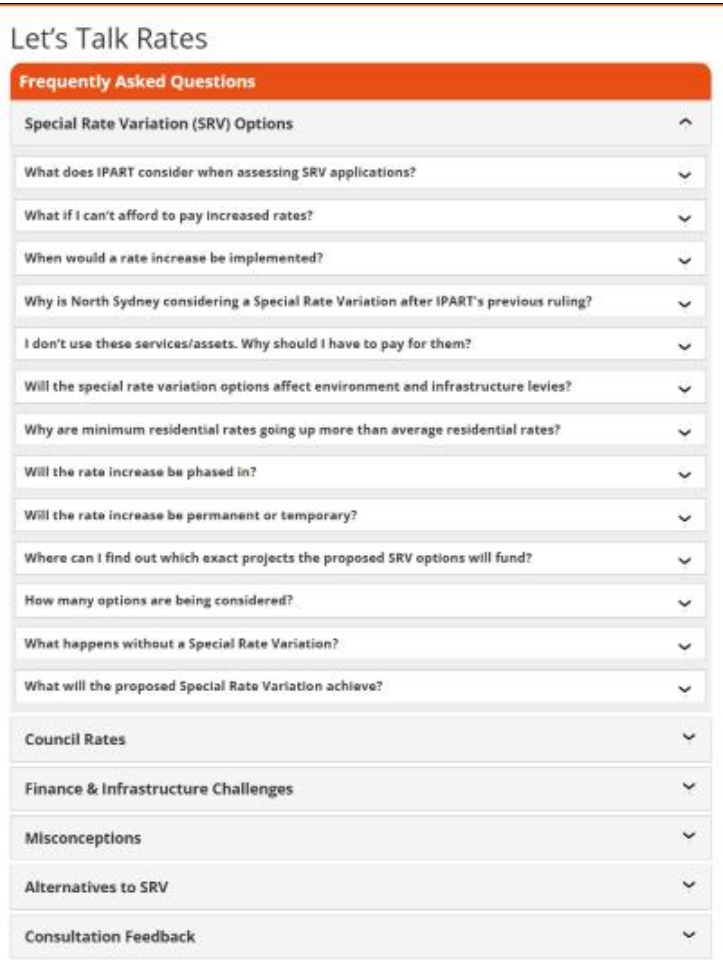
			  2GB Sydney – Ben Fordham Live, 4 November 2025, 5:51am: https://media.streem.com.au/player/K9pvUi 	

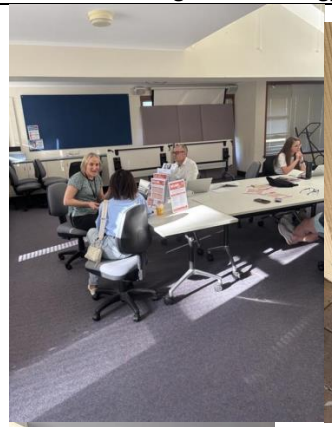
ENGAGEMENT

Engagement Activity	Timing	Audience	Evidence	Outcome
Letterbox Drop - Mayoral letter to residents with information outlining the rate options, reasons behind the SRV proposal and links to have your say including QR code and URLs.	19 November 2025	All ratepayers – residential & businesses	 	44,100 notification letters were distributed 182 scans to Your Say page from QR code

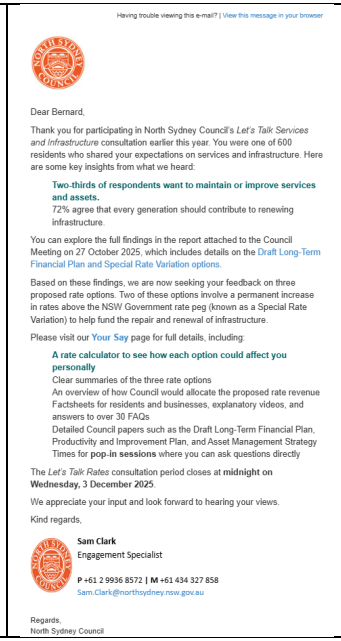
Your Say consultation webpage	29 October – 3 December 2025	General public – primarily local community members			Dedicated Your Say project page. Content included: • Reason for the proposal • Rates tables for residents and businesses as well as information on the cost difference between the SRV options • Links to residential and business surveys • Rates calculator • Information on what ratepayers would receive for their money, i.e. what each option would deliver • Explanation of Council's financial position • Explainer videos • Ask the Exec/pop up session schedule • Feedback comment box • Factsheets: Rate Options summary, How to read your Business / Residential Rates notice, Letter from the Mayor, Information for Businesses, What each rate option delivers/means for North Sydney • Key documents including the Draft Long-Term Financial Plan (LTFP),

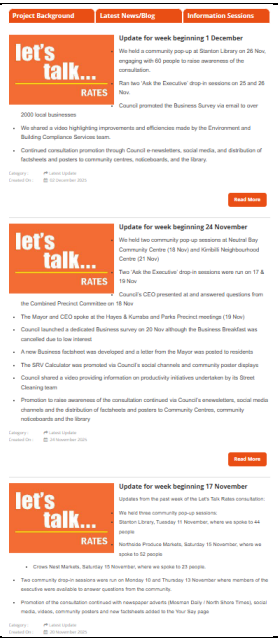
				Productivity and Improvement Plan, Report to Council on the Draft LTFP and SRV options, Asset Management Strategy 2025-2035, Phase One Community Representative Survey and Opt-In Survey Results • Weekly consultation updates • FAQs • Accessibility tools and Google Translate are also built into the Your Say website to support equal access for all. Key outcomes: • 8,814 Page views • 3,809 unique visitors • 626 registered portal users • 264 video views • 789 key documents downloaded by 498 unique visitors • 320 views of factsheets by 268 unique visitors

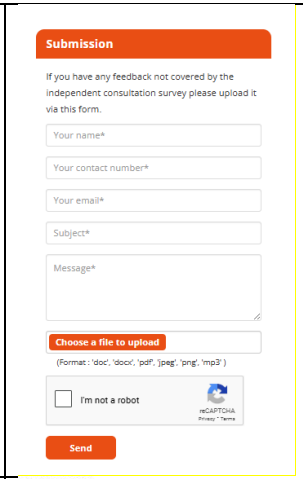
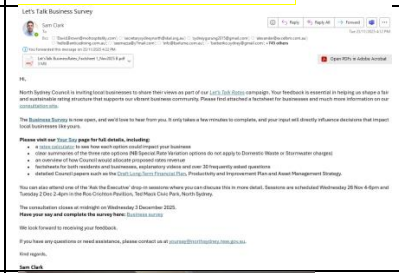
Frequently Asked Questions	29 October – 3 December 2025	General public – primarily local community members		55 FAQS were published on the Your Say page with updates made as customer feedback was received throughout the campaign. Answers were revealed once clicked on. These FAQs were accessed 1,289 times by 252 unique visitors
Key Documents were	29 October – 3 December 2025	General public – primarily local	Documents included the: 1. Draft Long-Term Financial Plan	In total 498 unique visitors viewed or downloaded the documents 789 times

published on the Your Say page for public download		community members	2. Micromex Research Community Survey Asset Management and Service Levels results 3. Productivity & improvement plan 4. Opt in Community Survey 5. Report to Council Draft Long Term Financial Plan including Special Rate Variation Options 6. Asset Management Strategy 2025-2035	1. 144 visits / 164 views 2. 66 visits / 79 views 3. 62 visits / 72 views 4. 45 visits / 51 views 5. 48 visits/ 55 views 6. 47 visits / 59 views
Ask the Executive public forums/drop-in sessions	17 November – 2 December 2025 17/11: 4.30 - 7pm 19/11: 2-4pm 25/11: 10am-12pm 26/11 4-6pm 2/12 2-4pm	Local community members	   	Over the five sessions the Executive team hosted these sessions only eight members of the public attended. Following community feedback sessions times were changed to include lunchtimes and early evening.
Business Breakfast	20 November 2025 7-9am	Local Businesses /	Council scheduled a business breakfast which included presentations from the CEO and Executive to explain Council's financial situation, the	Due to low registrations (8), Council cancelled the session. Instead, all invitees

		Business ratepayers	proposed rate options and the draft long-term financial plan from a business perspective and answer any questions from the audience.	(753) were emailed a copy of the 'information for businesses' factsheet and a link to the online business opt in survey.
Community pop up stalls	Various times between 11 – 26 November 2025	Local community and library visitors	 	A total of 201 people chatted to staff across the 6 pop ups. • Stanton Library 11/11 - 44 conversations • Northside Markets 15/11 - 52 conversations • Crows Nest Markets 15/11 - 23 conversations • Neutral Bay Community Centre 18/11 - 19 conversations • Kirribilli Neighbourhood Centre 21/11 - 3 conversations • Stanton Library 26/11 - 60 conversations

Email to phase one consultation participants	24 November 2025	People who had registered via the Let's Talk Services and Infrastructure phase one project page			98 registered participants who had interacted with the phase one project page were emailed to close the loop and ensure they were aware of the new consultation. NB Opt-in survey respondents could not be contacted as the survey was anonymous and managed independently via Micromex.

Weekly updates on Your Say consultation webpage	10, 20, 24 November and 2 December 2025	General public		Four weekly updates on the consultation were provided resulting in 61 views by 35 unique visitors

Submission section for extra comments on Your Say consultation webpage	29 October – 3 December 2025	General public		82 submissions were received overall, with 58 through the Submissions tool on the project page, enabling community members to provide detailed feedback and flag any issues they encountered when trying to submit their views to Council.
Targeted stakeholder email	25 November 2025	Business contacts		745 business contacts were emailed to promote the Business Survey and Business factsheet.
Precinct Presentations	Various dates between 4-19 November 2025	Precinct Committee members and meeting attendees		Total attendees: 146 The CEO presented to the Combined Precinct Committee meeting on 18/11 where 11 precincts were represented by 13 members. The Mayor and/or the CEO also attended the following Precinct meetings: • Willoughby Bay (13/11) 15 attendees

			The Mayor, CEO and Community Engagement staff attended local precinct committee meetings to provide advice on the consultation and answer questions.	• Hayes & Kurraba (19/11) 22 attendees • Kirribilli (4/12) 35 attendees • Wollstonecraft (10/12) 37 attendees • The Community Engagement Specialist also attended the Brightmore Precinct meeting (12/11) 24 attendees.