

ATTACHMENT BOOKLET 1

CHIEF EXECUTIVE OFFICER DIVISION REPORTS

ORDINARY COUNCIL MEETING

TUESDAY 27 NOVEMBER 2018

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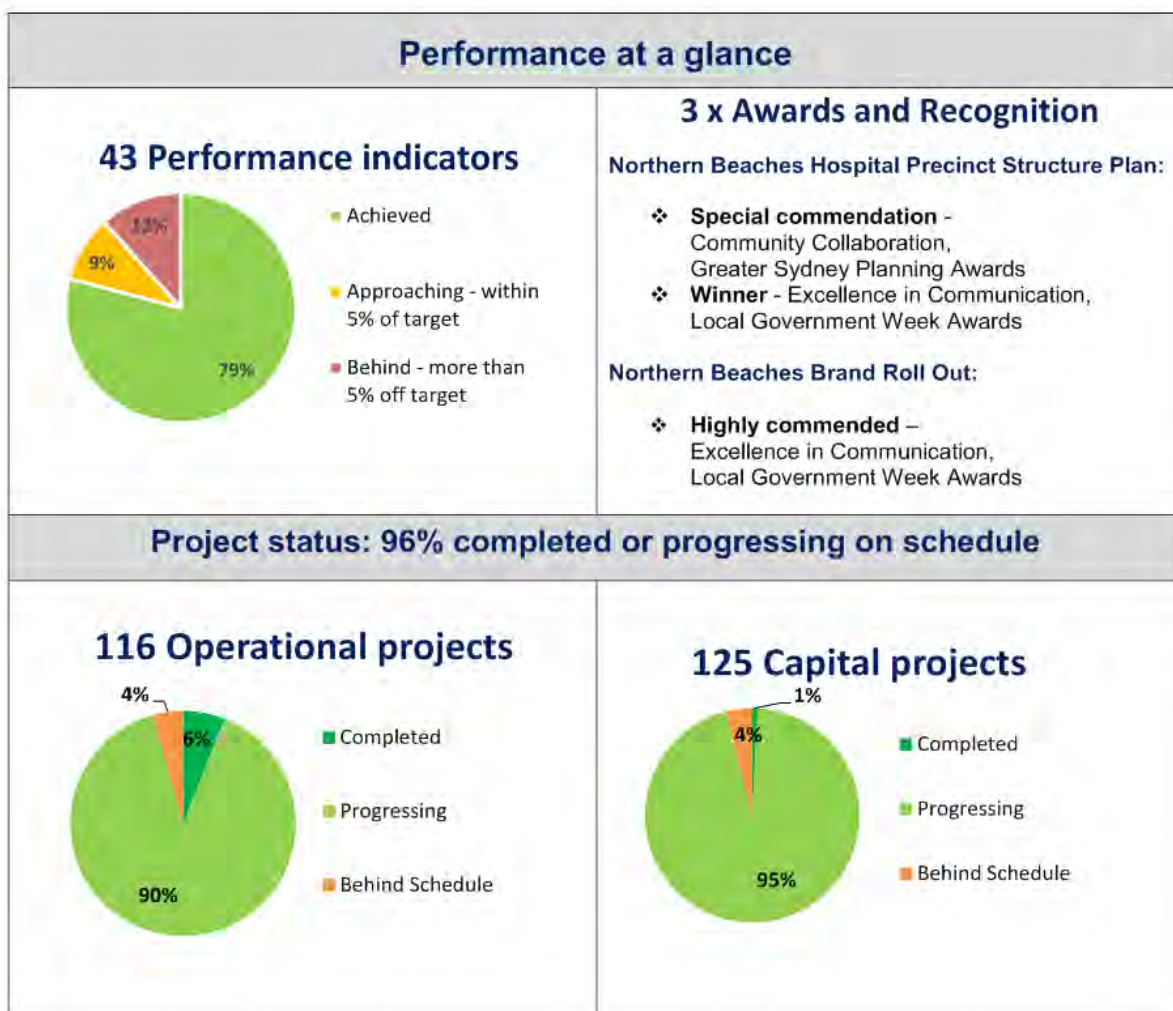
September 2018 Quarterly Report on Service Performance - Implementing the Operational Plan 2017/18

Introduction




This is a report on progress in implementing the Operational Plan 2018/19 for the period ending 30 September 2018. It is structured by 16 key services detailing highlights for the quarter, progress of projects, measures and financial performance. An overview of performance is below with further detail on the accompanying service pages

Progress on 241 operational and capital projects, 43 Performance Indicators and five Workload Measures are reported. Overall 96% of projects are either progressing or complete (nine completed). The target for operational and capital projects is that by 30 June 2019 80% will be completed or progressing (on schedule).

Of the 43 Performance Indicators, 79% have achieved their target while a further 9% are approaching their target - within 5% of the target. Two performance measures were unable to be reported on this quarter and reporting will commence in the December quarter.



Each service summary includes a short update on all projects, and their progress for the quarter:

 Completed
  Progressing on schedule
  Behind schedule

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Environment and Sustainability

HIGHLIGHTS

Coast, Catchment and Estuary Management

Council delivered an extensive program to protect, preserve and manage our coast and waterways. Some creek line activities completed were major sediment removal in Burnt Bridge Creek, and revegetation at Frog Hollow Reserve (Avalon) and Campbell Parade (Manly Vale).

Rehabilitation and restoration work at Curl Curl Lagoon has received a major boost after Council successfully applied for a \$100,000 grant from the State Government. This provides a significant portion of the funding for weed removal and revegetation of the northern bank, to improve for fauna habitats and movement.

Geotechnical hazards were assessed at coastal headlands, as well as condition assessment of all coastal dunes. These will inform management priorities for future works.

Coastal protection of Collaroy-Narrabeen Beach made progress, with our efforts combined with those of residents and the Department of Industry, on approvals for Crown Land works. The NSW Government also offered over \$5.5 million for public and private protection works.

Bushland and Biodiversity

Over 70 hectares of bush regeneration has improved native habitats and reduced invasive species. Pest animals were controlled with 16 rabbits culled and five fox baiting stations set, to reduce the pressures on native wildlife and plants. In the quarter, 117 customer requests were actioned for weeds and pest animals.

Bushfire hazards were reduced with proactive fire mitigation works. While five hazard reduction burns were delayed to protect Powerful Owl nesting sites during breeding, they have since moved on and the burns will be conducted as weather allows.

Stormwater and Floodplain Activities

Further progress was made to reduce the risks of flooding:

- Narrabeen Lagoon entrance clearance works commenced and will result in an open lagoon entrance by December 2018, by removing around 45,000m³ of sand
- Flood studies are being conducted throughout Council's area to support flood planning
- The first stage of the Wakehurst Parkway flood mitigation studies were completed, including data collection, modelling and developing options for flood mitigation.

Stormwater renewal works commenced at Jackson Road, Warriewood in major culverts to maintain the system's condition and reduce flooding. Other works progressed across the area in Avalon Beach, Elanora Heights, Frenchs Forest, Bayview, Belrose, and Seaforth.

Improving development and other applications

Various applications were assessed to ensure they were well-planned and meet requirements:

- Over 340 development applications for their engineering works, and 60 associated pre-lodgement meetings
- 181 development applications for potential effects on bushland and biodiversity
- Over 260 applications for driveways, hoarding permits and subdivision certificates (Roads Act and the Local Government Act)

Community Sustainability

Events and tailored information helped residents and businesses with energy efficiency:

- Two solar information evenings attended by over 180 people, with 126 seeking further information and quotes for their site.
- SunSPot online tool to calculate the benefits of a Solar PV system at individual properties. Over 220 properties were searched per week for their solar potential.

Manly Environment Centre (MEC)

MEC's work with Project Penguin engaged 850 students from ten local schools, supported by Taronga Zoo and the National Parks and Wildlife Service. Students presented their projects at the Zoo, with the works now on display in Manly.

MEC also hosted three overseas interns and continued with the cataloguing project in partnership with the University of New South Wales. The Video Conferencing Hub continued to be a great success, with nearly 800 school students engaged for Plastic Free July and NAIDOC week.

Coastal Environment Centre (CEC)

Over 2,700 students in 64 school groups enjoyed excursions in our local environments or visits to the CEC. Another 170 students in pre-schools, and 200 children in the school holiday programs, were educated in how to look after our environment and live more sustainably.

Various local schools were also supported with education and activities on:

- National Tree Day with 2,200 trees planted
- A regional Science Fair with 280 students
- Regional sustainability workshop for 60 school and P&C representatives
- Audit at local primary schools, reducing one school's daily garbage by over 80%
- Garden and composting programs
- Teacher sustainability professional development

The CEC Open Day on 'Creating wildlife friendly gardens' was very well attended. Community events included escarpment walks, night walks, rock platform tours at Long Reef and North Narrabeen, and workshops on snakes and spiders. The variety continued with nature play programs, seabird rescue training day, and a possum release together with Kinma School and Sydney Wildlife Rescuers. Some 700 people attended these community events.

Environmental Volunteers

National Tree Day was successful with 2,000 plants from the community nursery planted at North Curl Curl by over 500 people. Plans were finalised for the new community nursery and shed at Curl Curl. Over 80 Bushcare sites were also well cared for by our 263 volunteer regenerators.

Corporate Sustainability

Preparation commenced on the Northern Beaches Environment Strategy. This will address climate change mitigation and adaptation; coastal, catchment and bushland management; protection of biodiversity; sustainable living; natural hazards and Council's sustainability.

This strategy supports our sustainability pledges with the Cities Power Partnership, which also drove other actions on energy use:

- Installed energy efficient sports ground lighting at North Narrabeen reserve.
- A consultant appointed for energy audits on Council facilities to reduce our energy use.
- Received almost \$2,000 for NSW Energy Saving Certificates, allocated to upgrade to efficient street and public lighting (NSW Government's Energy Savings Scheme).

Performance Measures – Environment and Sustainability	Target	Quarterly Result
Bush regeneration by contractors (hectares)	≥ 75 ha	75 ha

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Workload Measures – Environment and Sustainability	Quarterly Result
No. sustainability education events	114
No. people attending sustainability education events	5,240
Gross pollutants removed from stormwater networks (tonnes)	165
No. DA referrals for assessment of environmental controls	375

OPERATIONAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Deliver programs to protect and restore our catchments, waterways and coast including ecological, risk and restoration programs

Council undertakes an extensive program to protect, preserve and manage our coast and waterways.

Council has completed a condition assessment of dunes in the Northern Beaches, which will inform development of management priorities for future regeneration. Lagoon, headland and dune bush regeneration contracts for 2018/19 are continuing.

Council continues to manage natural hazards, and is undertaking an assessment of coastal headlands to assess current geotechnical hazards.

In response to a grant application, Council has received a funding offer for \$5,505,000 under the 2017/18 Coastal and Estuary Implementation Program from The Hon Gabrielle Upton MP - Minister for the Environment to assist in delivery of public and private coastal protection works at Collaroy-Narrabeen Beach. Council can now develop the grant funding package to assist private residents in the construction of protective works.



Deliver strategic environmental sustainability programs and enhance resilience to climate change

During this reporting period, work was undertaken on the project documentation and timelines to deliver the Northern Beaches Environment Strategy. This is a long term strategy that will provide clear direction to deliver community outcomes under Council's Community Strategic Plan with regards to Environmental Sustainability and Protection of the Environment.

The Northern Beaches Environment Strategy will include directions for climate change mitigation and adaptation, coastal, catchment and bushland management, protection of biodiversity, sustainable living, natural hazards and sustainability.

Under the NSW State Government Energy Savings Scheme, Council can claim energy savings certificates for planned projects and works (e.g lighting or solar installations) undertaken throughout the year that produce energy savings. This quarter, Council claimed almost \$2,000 in energy savings certificates.



Deliver effective and engaging sustainability education and volunteering programs to local residents, businesses and schools

The Coastal Environment Centre (CEC) continued to host schools from pre-school through to Year 12, and work with students, parents and teachers on environmental and sustainability issues. A highlight was the first CEC Biodiversity day that brought over 500 community members to the centre on a rainy day to participate in activities designed to make their gardens more wildlife friendly. Other events included: a seabird rescue training day; professional learning programs for teachers in local schools, demonstrating how to link sustainability to the school curriculum; a spotlight tour through Warriewood Wetlands and a Snakes and Spiders information session.

The Manly Environment Centre (MEC) continued to host international interns working on local projects and was assisted by volunteers during the quarter. For instance, a volunteer professional product photographer helped with the MEC 2019 Kids Eco Calendar, and over 100 people attended the Sydney

Marine Park public meeting at North Steyne Surf Club.

Community Sustainability: Council's "Our Energy Future" continues to provide free energy saving advice to residents and businesses alike. A Solar Information Session on the September had 60 participants attending. Planning is underway for a business focused event in October.

Environmental Volunteers: Council's volunteers continue caring for the 83 sites across the Northern Beaches such as: bush care volunteers; Community Nursery and Friends of Cabbage Tree Bay.



Deliver programs to protect our community from the effects of flooding including floodplain planning, response and mitigation options

The flood mitigation program is on target.

During this period, the Narrabeen Lagoon Entrance Clearance works commenced with contractors on standby to undertake emergency openings if required. Completion of the works is expected by early December when the lagoon returns to an open condition.

Draft reports ready for public exhibition have been prepared for the Narrabeen Lagoon Floodplain Risk Management Study and Plan and Ingleside, Elanora and Warriewood Overland Flow Flood Study. These reports were endorsed for public exhibition by the Northern Beaches Flood Management Committee at the meeting of 20 September 2018.

Quotations for the McCarrs Creek, Mona Vale and Bayview Floodplain Risk Management Study and Plan have been assessed and a preferred consultant selected.



Investigate and implement viable options to reduce minor flooding on Wakehurst Parkway

With a number of potential options now identified and validated, the project has progressed to the final stages of feasibility assessment. Quotations for this work are currently being sought. The feasibility study will take the identified options and testing developed in the modelling, and test feasibility over a number of criteria including; permissibility, constructability and cost. The feasibility study will inform decisions as to whether to proceed to construction with the preferred option(s).



Investigate Scotland Island Wastewater feasibility

Council received funding from the NSW Government to conduct an independent investigation into the commercial feasibility of the supply of water and wastewater services to Scotland Island. The project is being administered by Council with the involvement of a working group comprising local representatives. During September, a number of quotations were received and are now being assessed to determine the preferred supplier to undertake the feasibility study.






Deliver programs to protect and restore bushland including threatened species and pest species management and control of bushfire risk

Bushland management includes: contractor bush regeneration, bushland maintenance works and responses to customer requests relating to bushland areas. During this period, the team have issued 44 bushland contracts across the Northern Beaches. On ground works commenced at 40 council bushland sites and customer requests addressed. The Bushland team identified active Powerful Owl nesting sites within 5 proposed hazard reduction burns locations. These hazard reduction burns were delayed until October in line with the Bush Fire Environmental Assessment Code. The team prepared 3 additional sites for upcoming burns across the region to manage bush fire risk.

Biodiversity management involves pest plant and animal control programs, operational management such as responding to ongoing customer requests, assessment of development applications and strategic programs. Council's Pest Animal Control Program operated in major reserves across the region with a fox baiting program undertaken.

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule

Coastal Protection Works



Collaroy-Narrabeen Coastal Protection

This project relates to the construction of works to protect public property on Collaroy-Narrabeen Beach including road ends, public parks, a surf club and carparks. The public works need to be aligned with the works being undertaken by residents to protect private property. A number of private applications are currently being finalized, and planning for the public works is underway.

Additional survey information to assist detailed design was collected and detailed design of priority sites is being finalised. Sourcing suitable materials for the works and consultation with adjoining landowners has commenced.

Additional grant funding for the works has also been secured. A funding offer for \$5,505,000 under the 2017/18 Coastal and Estuary Implementation Program from The Hon Gabrielle Upton MP - Minister for the Environment will assist with delivery of public and private protection works.

Stormwater program



Planned Stormwater new

The planned stormwater new works program provides new assets and upgrades to the existing stormwater network in order to reduce incidences of flooding and address water quality issues.

The current program includes works at Kuyora Place, North Narrabeen; The Crown of Newport Reserve; Palm Beach; Quarter Sessions Road Church Point and various water quality improvement projects.

Council's panel contractor has completed drainage improvement works at Kuyora Place, North Narrabeen to resolve localised flooding through private properties. The works consisted of an extension of the stormwater pipe network and construction of new inlet structures.

Preliminary design works have also been carried out for several water quality improvement devices proposed for the Manly area.

There has been a delay with the proposed works at Quarter Sessions Road, further investigations and approvals are required.



Warriewood Valley creekline works

This project will deliver creekline works to mitigate flooding and improve the riparian ecosystem in Warriewood Valley. Designs have been completed for the main site for this year's works and Council is awaiting the dedication of adjacent land before it can undertake the works.



Planned Stormwater renewals

The Planned Stormwater Renewal Program ensures our stormwater assets are replaced and renewed to maintain their expected performance.

The current program includes the replacement of major stormwater culverts Jacksons Road, Warriewood, increasing the size of the stormwater network in the vicinity of Ilford Road and Garie Place in Frenchs Forest and stormwater and embankment remediation works at Winbourne Road Brookvale.

Council is reviewing tender submissions for the South Steyne stormwater pipe repairs. The proposed construction works will include the concrete encasement of the fractured and damaged stormwater pipe to incorporate a seating area for an improved public amenity. Furthermore, Cured in Place relining of the stormwater pipe will also be required with tenders currently being reviewed for procurement recommendations.



Reactive Stormwater renewals

The reactive stormwater renewal works program provides for minor renewal and repair works to the

Stormwater program

existing stormwater network to assist in maintaining the network condition and reduce flooding.

During the last month, priority works have commenced at several sites including Pittwater Road, Bayview, and Gurney Avenue, Seaforth. These projects are proceeding on track.



Gross Pollutant Trap renewal works

This program enables minor renewals for gross pollutant traps to be undertaken. The gross pollutant traps work to trap litter, floating pollutants and sediment from Council's stormwater assets, and prevent them from entering our creeks, waterways and beaches.

Design reviews are currently underway with the intention to begin works in the second quarter.

Community Nursery



Community nursery - Curl

The supply and construction contract has been executed. The main slab for the shed is expected to be in place during October and November with the main shed components expected to arrive on site in late November.

Water and Energy Saving initiatives



Energy Saving Initiatives works program - special rate variation

This project delivers energy savings initiatives in Council facilities in the former Pittwater area. The installation of energy efficient sports ground lighting has been completed at North Narrabeen reserve and the lights have been commissioned. The consultant has been appointed to undertake the energy audits of selected Council assets. These audits will provide guidance for works to improve energy efficiency in council facilities.



Energy Saving Initiatives works program - revolving energy fund

This project delivers energy efficiency and renewable energy works in council facilities. During this period the project to install the solar PV at Cromer and Balgowlah depots continued. These projects have been slightly delayed due to wet weather. Planning is being undertaken for the installation of solar PV at other Council facilities including Manly Art Gallery. Documentation was prepared and released for the installation of energy efficient and compliant lighting at the Peninsula and Pacific Waves car parks in Manly.



Water Saving and re-use initiatives - special rate variation

This project will implement water saving and re-use projects in the former Pittwater area. During this reporting period documentation was prepared to undertake a water audit of various Council properties. The results of this audit will be used to deliver water saving and re-use projects during this financial year.

FINANCIALS

ENVIRONMENT AND SUSTAINABILITY SERVICES

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	7,086,782	7,086,782	0	32,860,125	32,860,125	32,860,125
User Charges & Fees	563,647	372,365	191,282	1,515,757	1,515,757	1,676,543
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	3,000	0	3,000	0	0	0
Grants and Contributions - Operating Purposes	119,080	135,000	(15,920)	894,518	894,518	894,518
Grants and Contributions - Capital Purposes	1,777	0	1,777	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	7,774,286	7,594,147	180,139	35,270,400	35,270,400	35,431,186
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,467,041)	(1,878,153)	411,112	(7,850,731)	(7,850,731)	(7,859,566)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(903,835)	(996,358)	92,523	(8,514,859)	(8,514,859)	(9,561,436)
Depreciation and Amortisation	(1,752,406)	(1,752,406)	0	(7,009,625)	(7,009,625)	(7,009,625)
Other Expenses	(1,393,570)	(1,396,068)	2,498	(5,592,400)	(5,592,400)	(5,592,400)
Internal Charges	(722,764)	(727,710)	4,946	(2,928,980)	(2,928,980)	(2,928,980)
Overhead Allocation	(843,452)	(843,452)	0	(3,373,807)	(3,373,807)	(3,373,807)
Total Expenses From Continuing Operations	(7,083,069)	(7,594,147)	511,078	(35,270,401)	(35,270,401)	(36,325,814)
Surplus / (Deficit) from Continuing Operations	691,217	0	691,217	(1)	(1)	(894,628)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$691,217 is higher than forecast at the end of September primarily as a result of higher income and lower than forecast expenditure during the quarter.

Total Income from Continuing Operations of \$7,774,286 is higher than forecast by \$180,139 as a result higher User Charges & Fees of \$191,282 and higher Other Revenues of \$3,000 partially offset by lower Grants and Contributions for Operating Purposes of \$15,920. The higher User Charges & Fees primarily related to higher than anticipated Development Engineering income from a larger than expected numbers of applications for street levels and post-development inspections, the lower Grants and Contributions for Operating Purposes are a result of Rural Fire Service grant income being received from the State Government later than anticipated and the higher Other Revenues are a result of a \$3,000 refund given to Council by the Cat Tracker program due to its suspension by the research body.

Total Expenses from Continuing Operations of \$7,083,069 are lower than forecast by \$511,078. This is principally the result of lower Employee Benefits & Oncosts of \$411,112 and lower Materials and Contracts of \$92,523. Employee Benefits & Oncosts are lower than forecast mainly related to a significant number of vacancies in the team. Vacancies are primarily associated with long lead times in the recruitment process and the implementation of new team structures. Staff are working very hard to maintain service levels with these vacancies and are utilizing temporary contractors where possible. Materials and Contracts are \$92,523 lower than forecast principally due to delays in the rollout of bush regeneration contracts. This work was delayed in order to reallocate resources into an expanded bush fire risk mitigation program given the poor bush fire outlook for this summer.

For the full financial year a Deficit from Continuing Operations is forecast of \$894,628. Expenses from Continuing Operations is forecast to increase by \$1,046,577 in Materials and Contracts to undertake the urgent Narrabeen Lagoon sand removal works. This has been partially offset by a forecast increase in Income of \$160,786 in line with the year to date trends in development engineering application fees and charges.

Waste and Cleansing

HIGHLIGHTS

New Waste Collection Contract

In August a new Waste Collection Contract was awarded for a ten-year period, to commence in July 2019, with United Resource Environmental Management (URM). This has been a rare opportunity to integrate and modernise waste management across the Northern Beaches, with next generation technology and improved services. It will result in 70% of household waste being recycled, and savings passed on to ratepayers in coming years.

This complements the waste processing contract awarded to SUEZ last year, also commencing in July, to increase recycling and turn garbage into compost. Together the waste management by both contracts will extend the life of Kimbriki landfill, and reduce our impact on the environment.

Reducing Single Use Plastics

To help our community reduce its plastics use, a 'Swap This for That' video was launched in July and had over 64,000 views online. A range of activities for Plastic Free July included:

- Avalon Car Boot Sale
- Street Art Roving Performers at Manly, Avalon and Dee Why Beach
- 12 beeswax wrap workshops attended by 231 people, supported by the launch of an instructional video which has had 45,000 views.
- Channel 7 media coverage -Northern Beaches Council leading the way in reducing plastics
- 'Swap This for That' - *Waste Free Party Guide* was released

Council's childcare centres are reducing their plastic bag use by transitioning reusable/washable 'wet bags' for wet and soiled clothing from the children.

Reducing Waste at Functions and Events

Event organisers are assisted to reduce waste at their events, with Council assessing their waste management plans. To reduce water bottle use at markets and events, Council also extended its permanent water refill stations to three new locations - Ararat Reserve (Frenchs Forest), North Narrabeen Reserve (Warriewood) and Village Park (Mona Vale).

Four new portable water fountains were also purchased for use by community event organisers.




Performance Measures – Waste and Cleansing	Target	Quarterly Result
Domestic waste and recycling services: Compliance with schedules	100%	100%
Complaints on domestic waste collection service	<1%	* Data not available
Clean town centres and villages: Compliance with schedules	100%	100%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Note on results:

* Complaints on domestic waste collection: No result currently available as the data collection system is currently undergoing an upgrade. Reporting will commence in the December Quarter

OPERATIONAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Implement Waste Strategy

Council's strategy to implement a new residential waste management system is on track.

- A Processing and Waste Disposal contract was awarded in 2017, to commence 1 July 2019.
- A new 10 year Waste Collection Contract was signed in September 2018 to commence 1 July 2019.
- Tenders for supply and delivery of new residential waste bins were advertised on Sept 29 and will close on 23 October 2018.
- Request for Quotations for a marketing and communications strategy for the new waste system were also advertised on 5 September 2018 and will close on 10 October.



Implement Event Waste Management Strategy

Waste Education is continuing to assist event organisers comply with the Waste Minimisation for Functions and Event policy. There was a total of 28 Events assessed during the September quarter.



Waste Education and Behaviour change projects

Request for Quotations for a marketing and communications strategy for the new waste system were advertised on 25 September 2018 and will close on 10 October.

Council's website has been updated with a new Frequently Asked Questions section related to the New Waste Service.

Event monitoring

- Assessment and approval of Waste Management plans for events
- Loan of portable water fountains to event organisers.

Schools Education during the quarter

- Narrabeen High School – Kimbriki excursion
- Manly Village Public School Waste Audit and Ocean Action Pod visit
- Forest High excursion to Kimbriki on composting and worm farm
- Barrenjoey High workshop on litter reduction



Implement Single Use Plastics Strategy

During this reporting period Council's childcare centres transitioned to the use of reusable/washable 'wet bags' instead of plastic bags to contain wet and soiled clothing from the children using the centres. This initiative will have considerable impact on the reduction of single use plastics in Children's Services and has been positively received.



Working with business – responsible waste management

Recruitment is currently in progress for two Waste Education Project Officers to work with local businesses to phase out single use plastic. NSW Environment Protection Authority funding was secured to fund a second position for a 2 year contract period.



Waste/Cleansing plant/ fleet review

Tenders were evaluated and new truck order was placed for New Litter Bin Service Trucks. Two small sweepers and trailer will also be budgeted for to provide increased level of service in town centres and tourist zones.

CAPITAL PROJECTS



Clontarf Reserve new recycling station

Working with Parks and Reserves to determine staging of proposed works.



Compactor bins trial

The compacting bin trial has been incorporated into Council's application to the Federal Government's Smart Cities and Suburbs Program. Determination of the application will occur around November 2018. The compacting bin trial will go ahead regardless of the success of the application. The bins for the trial will be procured and installed in the first half of 2019.



Domestic waste bins - bin replacement

The project is on track. Tender documents were completed and Request For Tender Advertised on 29 September 2018, with a closing date of 23 October 2018.

FINANCIALS

WASTE MANAGEMENT & CLEANSING

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	50,512,954	50,245,475	267,479	58,263,289	58,263,289	58,263,289
User Charges & Fees	154,025	163,779	(9,753)	654,138	654,138	654,138
Investment Fees and Revenues	15,610	12,269	3,340	49,077	49,077	49,077
Other Revenues	0	0	0	0	0	0
Grants and Contributions - Operating Purposes	260,371	270,000	(9,629)	714,050	714,050	714,050
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	50,942,960	50,691,523	251,437	59,680,554	59,680,554	59,680,554
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,811,877)	(1,871,619)	59,741	(7,576,307)	(7,576,307)	(7,576,307)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(9,342,344)	(10,519,842)	1,177,498	(46,304,390)	(46,398,170)	(46,398,170)
Depreciation and Amortisation	(141,176)	(141,176)	0	(564,706)	(564,706)	(564,706)
Other Expenses	(21,503)	(60,795)	39,293	(243,367)	(243,367)	(243,367)
Internal Charges	(816,395)	(836,316)	19,921	(3,327,865)	(3,327,865)	(3,327,865)
Overhead Allocation	(415,980)	(415,980)	0	(1,663,919)	(1,663,919)	(1,663,919)
Total Expenses From Continuing Operations	(12,549,275)	(13,845,728)	1,296,452	(59,680,554)	(59,774,334)	(59,774,334)
Surplus / (Deficit) from Continuing Operations	38,393,684	36,845,795	1,547,889	(0)	(93,780)	(93,780)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations \$38,393,684 is higher than forecast by \$1,547,889 at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$50,942,960 is lower than forecast by \$251,437. Rates and Annual Charges is higher than forecast by \$267,479 with minor variations in User Charges & Fees, Other Revenues and Grants and Contributions - Operating Purposes. The higher Rates and Annual Charges relates to Domestic Waste Management Charges with the annual charge being \$84,304 higher than forecast and pensioner rebates being \$183,174 lower than forecast.

Total Expenses from Continuing Operations of \$12,549,275 are lower than forecast by \$1,296,452. This is principally the result of lower Materials and Contracts \$1,177,498 with minor variations in Employee Benefits & Oncosts \$58,741 and Other Expenses \$39,293. The lower Materials and Contracts is primarily the result of a general decline in tonnes for all waste streams resulting in lower tipping and processing costs during the first quarter as well lower recycling costs subject to the finalisation of contract negotiations arising from the China Sword Policy which is yet to be resolved.

While actual expenses are lower than anticipated for the reasons noted above no changes have been made to the annual forecast as contract negotiations are continuing and there is insufficient information to conclude the decline in tonnes and resultant impact on tipping fees will continue for the full financial year.

Kimbriki Resource Recovery Centre

HIGHLIGHTS

Leachate Treatment Plant

Construction is nearly completed for a Leachate Treatment Plant and connection to the sewer. This will treat and dispose of waste water to improve the environment and local streams.

Buy Back Centre




The Buy Back Centre has increased customer numbers for the re-use of goods, in response to recent improvements:

- Staff can be contacted by phone, for residents and trades to check the availability of stock
- A new pricing schedule provides consistency and accountability
- Set days for re-stocking, tidying and pricing - centre is closed Tuesdays and Thursdays

The results are significant, with an extra 610 tonnes of waste diverted away from landfill:

- 23% increase in sales and 48% increase in revenue
- 15% decrease in labour costs at the centre
- Improved onsite Work Health and Safety

Performance Measures - Kimbriki	Target	Quarterly Result
Total waste diverted from landfill (onsite at Kimbriki Resource Recovery Centre)	79%	84.2%
Domestic dry waste diverted onsite from landfill	10%	* 4.20%

Results Key:  Achieved  Approaching - within 5% of target  Behind - more than 5% off target

Note on results: * Domestic dry waste diverted onsite from landfill - Recent improvements to operations will achieve progressively higher rates of diversion from this waste

OPERATIONAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Review site operations and develop new business plan consistent with Council's vision for the site

Review of governance structure, remediation and lease is continuing. Working to review and finalise the Draft Business Plan before the end of the second quarter.

CAPITAL PROJECTS



Kimbriki high level drain

Design works continued and detailed survey undertaken.



Kimbriki western bund wall on Area 3B

Construction phase during this quarter: Finalising Lifts 11 to 14 of a landfill section.



Kimbriki landfill cell development Area 4A

Submitted formal application to modify consent to Council. Procurement documentation underway, detailed design nearing completion.



Kimbriki leachate treatment plant

Mechanical installation completed and initial testing commencing. Offsite rising main construction complete and sewer connection commenced.



Kimbriki gas capture system

Connection of latest horizontal trenches completed in late September/early October.



Kimbriki cell development Area 4B

Initial planning undertaken. Staging of the development of the cells has been reviewed. The development of Cell 4A will be prioritised and no further work undertaken on Cell 4B due to KEEs capacity to manage incoming tonnes



Kimbriki landfill resource recovery facility

Purchased additional hooklift bins to allow for greater sorting of mixed waste at the transfer station and landfill cell.



Kimbriki vehicles

New water truck purchased.



Kimbriki renewal program

Finalised procurement and commenced installation of dust suppression pumping and storage system.



Kimbriki other

Purchased new hardware for weighbridges to improve reliability.

FINANCIALS

KIMBRIKI RESOURCE RECOVERY CENTRE

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	0	0	0	0	0	0
User Charges & Fees	7,332,466	8,422,656	(1,090,190)	33,704,105	33,704,105	33,704,105
Investment Fees and Revenues	56,915	24,250	32,665	97,000	97,000	97,000
Other Revenues	854,437	705,580	148,857	2,823,448	2,823,448	2,823,448
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	8,243,817	9,152,485	(908,668)	36,624,553	36,624,553	36,624,553
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,291,654)	(1,259,619)	(32,035)	(5,456,347)	(5,458,347)	(5,830,361)
Borrowing Costs	(470,001)	(278,082)	(191,919)	(1,112,772)	(1,112,772)	(1,112,772)
Materials and Contracts	(2,372,471)	(3,412,207)	1,039,735	(13,654,264)	(13,654,264)	(12,308,318)
Depreciation and Amortisation	(382,587)	(432,420)	49,834	(1,730,374)	(1,730,374)	(1,730,374)
Other Expenses	(2,627,004)	(2,933,175)	106,171	(11,737,395)	(11,737,395)	(12,711,327)
Loss on Disposal of Assets	0	0	0	0	0	0
Share of Interest In Joint Venture	0	0	0	0	0	0
Internal Charges	0	0	0	0	0	0
Overhead Allocation	0	0	0	0	0	0
Total Expenses From Continuing Operations	(7,343,717)	(8,315,502)	971,786	(33,693,152)	(33,693,152)	(33,693,152)
Surplus / (Deficit) from Continuing Operations	900,101	836,983	63,118	2,931,401	2,931,401	2,931,401

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$900,101 is \$63,118 higher than forecast at the end of September primarily as a result of lower than forecast expenditure which has been partially offset by lower than anticipated income during the quarter.

Total Income from Continuing Operations of \$8,243,817 is lower than forecast by \$908,668. This is a result of lower than anticipated User Charges & Fees of \$1,090,190 partially offset by higher Investment Fees and Revenues of \$32,665 and higher Other Revenues of \$148,857. The lower than anticipated User Charges & Fees are due to dry weather affecting vegetation volumes and strong competition in the landfill market which was partially offset by higher demolition revenues due to higher than average rates being achieved. The higher Investment Fees and Revenues reflects higher than anticipated interest on investments. The higher Other Revenues was principally due to high metal recoveries during the quarter.

Total Expenses from Continuing Operations are \$7,343,717 which is lower than forecast by \$971,786. Materials and Contracts were \$1,039,735 lower than forecast due to reduction in vegetation processing costs as a result of the lower volumes noted above, delays in commissioning of Leachate Treatment Plant and a focus on cost control. Depreciation and Amortisation were lower due to the timing of the completion of a number of capital works projects and Other Expenses were lower than forecast due to a reduction in the EPA waste levy as a result of lower volumes. Employee Benefits & Oncosts were \$32,035 higher due to the timing of leave and other minor factors. Borrowing Costs were higher than forecast due to reassessment of future rehabilitation costs at the end of the previous financial year leading to an increase in the remediation provision.

While actual income and expenditure were lower than anticipated during the first quarter for the reasons noted above, no change has been made to the Surplus from Continuing Operations as there is insufficient information to conclude these trends continue for the full financial year. Offsetting changes were made to Employee Benefits & Oncosts - \$372,014, Other Expenses - \$973,932 and Materials and Contracts - \$(1,345,946) to ensure all expenses were reported consistently for all Services.

Strategic Land Use Planning

HIGHLIGHTS

Award for Frenchs Forest Precinct planning

An Excellence in Communication award was received for Council's Northern Beaches Hospital Precinct Structure Plan, at the NSW Local Government Week awards in August. The judges comment on the win of the prestigious RH Dougherty Award for "A complex project which covered so many bases, developed messages for all its audiences, and truly displayed excellence."

It was also awarded a special commendation in July by the Greater Sydney Commission, for collaboration with the community, at the 2018 Greater Sydney Planning Awards.

My Place: Avalon - Avalon Place Plan

Development of the Avalon Place Plan has commenced with some 1,500 people engaged in:

- Online survey and face-to-face assessments
- 2 x visioning workshops
- 8 x pop up stalls and online feedback forms

The views of a broad range of people who live, work and play in Avalon were captured for consideration. We also established a Community Reference Group for ongoing collaboration with community members and groups. Council will draw on their valuable insights into youth, arts and culture, natural environment, heritage, business and the local community.

Warriewood Valley Development Contributions

The Contributions Plan for the Warriewood Valley release area was recently updated, to ensure that Council's delivery of infrastructure is timely and well-funded. The following documents were adopted by Council on 28 August and came into effect on 1 September 2018:

- Warriewood Valley Development Contributions Plan Amendment 16 Revision 3
- Specifications for infrastructure:
 - Warriewood Valley Landscape Masterplan and Design Guidelines 2018
 - Warriewood Valley Roads Masterplan 2018, was

Affordable Housing

The potential for affordable housing has improved, with the Northern Beaches area recently included in State Environmental Planning Policy 70 (Affordable Housing). For locations with proposed changes in land zoning rules (e.g. around the Frenchs Forest Hospital), Council can now amend its Local Environmental Plans so that affordable housing is provided.

In August Council resolved to tender for a Community Housing Provider to manage affordable housing units that are transferred to Council ownership - in areas like Frenchs Forest. Provision for affordable housing will also be incorporated into:

- Planning proposal for Frenchs Forest, soon to be exhibited
- Northern Beaches Housing Strategy, in preparation
- A future Northern Beaches Local Environmental Plan

Dee Why Town Centre Local Environmental Plan

In September Council resolved to amend its LEP to reflect the Dee Why Town Centre Masterplan, pending approval of the Department of Planning and Environment. The changes affect the wider town centre, key sites, height limits and floor space ratios. The changes aim to:

- Strengthen it as a commercial and residential centre, that is accessible and connected
- Revitalise key sites with high quality buildings and public spaces
- Ensure growth does not exceed road network and transport capacity
- Provide local and green infrastructure for the community and environment
- Encourage local jobs and investment

OPERATIONAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Develop Place Plans for Avalon, Mona Vale and Manly

My Place: Avalon Community Reference Group has been established. The first workshop is scheduled for 17 October 2018.

Draft Spotlight on Avalon document completed and currently being reviewed. Finalised draft document will be presented to the My Place: Avalon Community Reference Group for their consideration.

Request for Quotation for Traffic and Parking study completed.



Structure Planning and Rezoning - Ingleside - to deliver a new sustainable suburb. This will include achieving a Green Star Communities rating

Delays in program due to additional work commissioned by the Department of Planning and Environment including a review of strategic bushfire issues as required by the updated Planning for Bushfire Protection 2017. Ingleside Project Working Group meeting held on 13 September 2018.



Precinct Planning - Frenchs Forest – to deliver a sustainable town centre and precinct. This will include achieving a Green Star Communities rating

The NSW Department of Planning and Environment are finalising the technical studies, local character statement and urban design Masterplan for Phase 1. Work on the preparation of a Development Contributions Plan and State Infrastructure Contributions levy has commenced based on the information identified in the draft technical studies. A Draft Community Engagement Strategy has also been prepared. The Green Star Communities rating project is reliant on the outcome of these studies.



Develop an Aquatic Reserve Masterplan which includes the development of a state of the art education and recreation precinct

Discussions with School Infrastructure NSW are continuing in relation to potential funding opportunities for the Warringah Aquatic Centre, Aquatic Reserve and other Council facilities and assets. The technical studies to support this project are progressing including the urban design report. Council is reviewing a draft report relating to potential improvement opportunities for the Warringah Aquatic Centre. A joint Engagement Strategy is being developed with School Infrastructure NSW.



Structure Planning and Rezoning - Brookvale - to deliver revitalisation to Brookvale town centre

The Brookvale Structure Plan is on hold for the following reasons:

- The North District Plan, released in March 2018, contains requirements to retain and manage industrial land. Council has commenced an employment study (incorporating a strategic review of industrial lands).
- Consultation with Transport for NSW and Roads and Maritime Services has confirmed the existing transport study is outdated and a new study is required to support the Structure Plan. Council has commenced a new transport study for Brookvale - Dee Why

These additional studies will inform the forward path of this Structure Plan.



Implement the Pittwater Waterway Review

The draft Pittwater Waterway Strategy is being finalised and planned to be reported to Council in December 2018.



Undertake Northern Beaches Strategic Land Use Planning Study

The LEP Review is being finalised with the aim to report to Council 27 November 2018. This will coincide with the commencement of community engagement material informing the community of the process. The Department of Planning & Environment have confirmed they are comfortable with this reporting timeframe.



Implement an Affordable Housing policy

Notification of the Northern Beaches' inclusion in State Environmental Planning Policy 70 (Affordable Housing) was received in June 2018. As a result Council reviewed its Affordable Housing Strategy on

28 August 2018 and resolved to head lease affordable housing dedicated to Council through the planning process and to tender for a Community Housing Provider. A tender for the management of Council affordable housing was also prepared to be issued when LEP amendments are finalised.

Council is also liaising with Department of Planning and its consultants regarding the new LEP controls for the Frenchs Forest LEP amendments, as well as assisting the Department to review its affordable housing feasibility tool.

FINANCIALS

STRATEGIC & PLACE PLANNING

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	1,218,919	1,218,919	0	4,955,168	4,955,168	4,955,168
User Charges & Fees	212,298	316,979	(104,682)	1,267,219	1,267,219	1,267,219
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0
Grants and Contributions - Operating Purposes	47,500	47,500	0	206,500	206,500	206,500
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	1,478,717	1,583,398	(104,682)	6,428,887	6,428,887	6,428,887
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(793,081)	(824,109)	31,028	(3,390,560)	(3,390,560)	(3,390,560)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(113,395)	(285,948)	172,553	(1,143,792)	(1,143,792)	(1,143,792)
Depreciation and Amortisation	(8,207)	(8,207)	0	(32,830)	(32,830)	(32,830)
Other Expenses	(167,415)	(222,113)	54,697	(888,441)	(888,441)	(888,441)
Internal Charges	(63,264)	(64,380)	1,116	(258,700)	(258,700)	(258,700)
Overhead Allocation	(178,641)	(178,641)	0	(714,565)	(714,565)	(714,565)
Total Expenses From Continuing Operations	(1,324,004)	(1,583,398)	259,395	(6,428,887)	(6,428,887)	(6,428,887)
Surplus / (Deficit) from Continuing Operations	154,713	0	154,713	(0)	(0)	(0)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$154,713 is higher than forecast at the end of September primarily as a result of lower than forecast expenditure which has been partially offset by lower than anticipated income during the quarter.

Total Income from Continuing Operations of \$1,478,717 is lower than forecast by \$104,682 primarily as a result of lower User Charges & Fees associated with Planning Proposals.

Total Expenses from Continuing Operations of \$1,324,004 are lower than forecast by \$259,395. Employee Benefits & Oncosts are slightly lower than forecast by \$31,029 related to short-term vacancies, Materials and Contracts are \$172,553 lower than forecast principally due to the timing of budgeted expenditure on Brookvale Structure and Ingleside Precinct Plans and lower Other Expenses of \$54,697 related to advertising and other costs associated with the community engagement and exhibition of the Plans.

While actual income and expenditure were lower than anticipated during the first quarter for the reasons noted above, no changes have been made to the annual forecast as there is insufficient information to conclude these trends continue for the full financial year.

Development Assessment

HIGHLIGHTS

Our online application tracking tool was improved, and allows recently-determined applications to be viewed. It also has a new register on Variations to Development Standards.

This quarter 468 new Development Applications and 202 Modifications of Consent were received for assessment; and 71 pre-lodgement meetings were held to improve the application process.

A community survey on the Northern Beaches Local Planning Panel attracted a large number of responses. The feedback is being used to improve the Panel's operations and efficiency.

Performance Measures – Development Assessment	Target	Quarterly Result
Applications for new additional housing stock determined under delegation within 40 days (Development Applications and Complying Development Certificates)	90%	* 34%
DAs determined under delegation within 60 days	90%	** 47%
DAs referred to independent panels within 90 days	90%	*** 44%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Notes on results:

* Applications for new additional housing stock – This is a NSW Government target for the whole State, and does not account for differences amongst LGAs. Land within the Northern Beaches typically has more site constraints, leading to a more complex assessment which requires a DA. This results in a higher ratio of DAs to CDCs and time taken to determine the application. During this quarter the number of CDC's reduced significantly which has affected the combined outcome, and more studies, assessments and complex applications. This results in longer determination times for many applications.

** DAs determined under delegation - An aspirational target. Result has improved (previous period was 40%).

*** DAs referred to independent panels - This is an improvement from the previous period of 40%.

OPERATIONAL PROJECT



Review and monitor delegations in light of new Local Planning Panel (formerly IHAPs)

Delegations have been amended by Minister of Planning to change Planning Proposals referred to Local Planning Panel.

FINANCIALS

DEVELOPMENT ASSESSMENT

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	783,551	783,551	0	3,256,641	3,256,641	3,256,641
User Charges & Fees	1,229,587	1,078,055	151,533	4,313,781	4,313,781	4,313,781
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	2,013,139	1,861,606	151,533	7,570,422	7,570,422	7,570,422
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,142,377)	(1,408,577)	266,200	(5,757,993)	(5,757,993)	(5,757,993)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(71,353)	(160,272)	88,920	(641,090)	(641,090)	(641,090)
Depreciation and Amortisation	(15,466)	(15,466)	0	(61,863)	(61,863)	(61,863)
Other Expenses	(24,536)	(49,147)	24,610	(196,210)	(196,210)	(196,210)
Internal Charges	(76,417)	(79,814)	3,397	(319,943)	(319,943)	(319,943)
Overhead Allocation	(148,330)	(148,330)	0	(593,322)	(593,322)	(593,322)
Total Expenses From Continuing Operations	(1,478,479)	(1,861,606)	383,128	(7,570,421)	(7,570,421)	(7,570,421)
Surplus / (Deficit) from Continuing Operations	534,660	0	534,660	0	0	0

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$534,660 is higher than forecast at the end of September which relates to both higher than anticipated income and lower than forecast expenditure during the first quarter.

Total Income from Continuing Operations of \$2,013,139 is higher than forecast by \$151,533 primarily as a result of higher User Charges and Fees. Overall Development Application Fees were higher than forecast as a result of three significant Development Applications which were submitted during the quarter, however the remaining number of applications and value of the development received was less than forecast.

Total Expenses from Continuing Operations of \$1,478,479 are lower than forecast by \$386,128. Employee Benefits & Oncosts are \$266,200 lower than forecast mainly related to administrative vacancies. Materials and Contracts are lower than forecast by \$88,920 as a result of fewer than expected applications requiring referral to the Local and Regional Planning Panel meetings. Other expenses are lower than forecast by \$24,610 as a result of lower advertising and other costs associated with the lower overall number of development applications.

For the full financial year, no changes to the annual forecast are anticipated at this stage.

Environmental Compliance

HIGHLIGHTS

Many community requests were responded to, in relation to:

- Illegal building works or land use
- Fire safety
- Swimming pool barriers
- Pollution, including noise
- Food safety and public health
- Barking, menacing and dangerous dogs
- Illegal trailers and abandoned vehicles

Proactive programs included certification; alcohol free zones; parking patrols; monitoring of schools zones, dog exercise and prohibited areas; and inspections of cooling towers. Almost 230 food shops were also inspected, and three on-site food safety seminars were conducted.

Canine Connect was held at Hinkler Park, North Manly in September. Around 300 owners and their dogs enjoyed a Scouts BBQ breakfast, dog agility demonstrations, and activities such as 'give it a go' area, Pat the Pug, photo booth and dog wash. Stage talks by local vets and Council Rangers were of interest, followed by competitions for the best dressed, look a-likes and obedience tricks.

Performance Measures – Environmental Compliance	Target	Quarterly Result
Critical and high risk retail food premises inspections completed, in line with schedule	100%	* 97%
Critical and high risk public health inspections completed, in line with schedule	100%	100%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Note on results: * Critical and high risk retail food premises -
Two high risk inspections were not completed; one being a school which was closed due to holidays and the other a night only take away premises. In addition, 97 moderate, 10 low and 7 very low risk inspections were completed.

FINANCIALS

ENVIRONMENTAL COMPLIANCE

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	883,833	883,833	0	1,600,444	1,600,444	1,600,444
User Charges & Fees	532,985	521,782	11,202	2,106,015	2,106,015	2,106,015
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	2,002,812	1,801,539	201,273	9,672,500	9,672,500	9,672,500
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	3,419,630	3,207,155	212,475	13,378,959	13,378,959	13,378,959
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,736,754)	(2,205,821)	469,067	(9,109,383)	(9,109,383)	(8,759,383)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(616,505)	(446,100)	(170,405)	(2,016,730)	(2,016,730)	(2,366,730)
Depreciation and Amortisation	(26,333)	(26,333)	0	(105,332)	(105,332)	(105,332)
Other Expenses	(17,438)	(21,141)	3,703	(86,379)	(86,379)	(86,379)
Internal Charges	(235,316)	(241,310)	5,993	(995,331)	(995,331)	(995,331)
Overhead Allocation	(266,451)	(266,451)	0	(1,065,804)	(1,065,804)	(1,065,804)
Total Expenses From Continuing Operations	(2,898,797)	(3,207,155)	308,359	(13,378,960)	(13,378,960)	(13,378,960)
Surplus / (Deficit) from Continuing Operations	520,834	0	520,834	(0)	(0)	(0)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$520,834 is higher than forecast at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$3,419,630 is higher than forecast by \$212,475 as a result of slightly higher User Charges & Fees income in a number of areas including building certification and environmental health and higher Other Revenues primarily as a result of higher than expected fine income.

Total Expenses from Continuing Operations of \$2,898,797 are lower than forecast by \$308,359. This is principally the result of lower than anticipated Employee Benefits & Oncosts partially offset by higher Materials and Contracts. The lower Employee Benefits & Oncosts largely relates to vacant Ranger positions with the higher Materials and Contracts being for agency personnel to cover these vacancies.

For the full financial year, no overall change has been made to the Surplus/(Deficit) from Continuing Operations, however Employee Benefits & Oncosts have been reduced by \$350,000 and agency personnel costs within Materials and Contract increased by the same amount to cover anticipated the vacancies while positions are filled.

Parks and Recreation

HIGHLIGHTS

Beach Safety

Manly was patrolled seven (7) days per week and Freshwater and Dee Why beaches were patrolled by Council Lifeguards from the beginning of September. Beach safety patrols for all other beaches commenced on 29 September by our Lifeguards and volunteer lifesavers.

Some 858,070 people attended the patrolled beaches with lifeguards performing 7,929 preventative actions, 8 rescues and 228 first aid actions. Our lifeguards also undertook 1,170 regulatory actions, which included dealing with anti-social behaviour, litter and dogs on beaches.

Three drones have also been purchased for shark sightings and search and rescue operations.

Sportsgrounds

The Sportsgrounds Strategy continues to be implemented to improve the availability and quality of our fields, courts and facilities. The following works were completed:

- Newport Oval: installed drainage and irrigation to improve its resilience and quality.
- Upgraded lighting: at St Matthews Farm, Old Reub Hudson, Dee Why Oval, and North Narrabeen Reserve to improve safety, useability and increased hours of use.
- Forestville War Memorial Playing Fields: hard courts for netball (5) and basketball (1), which are lit and can also be used as an overflow car park.
- Beacon Hill Reserve: Field 2 was returfed to improve its resilience and quality, including raising the natural ground level to improve drainage, releveling and turfing.

Other progress included:

- Lionel Watts: commenced conversion of Fields 3 and 4 to synthetic to provide an additional 38 hours sportsfield capacity per week (760 hours in a winter season).
- St Matthews Farm: started works to improve the fields and create one new field.
- Warriewood netball: Council adopted plans for a new netball court complex in Boondah Road.
- Sportsfield renovation programs commenced to ensure quality surfaces: top dressing, turfing, herbicide and pesticide treatments.

The summer sportsground allocations, and change over from winter sports, was completed over a two-week window to ensure the sportsfields were ready for play.

Parks, Beaches, Open Spaces and Playgrounds

The foreshore of Careel Bay at George Street, Avalon was improved to provide safe access and a more pleasant appearance, as well as regenerating local mangroves.

New fencing was installed at the Careel Bay off-leash dog area to protect nearby environmentally sensitive areas, and added a new area for small and shy dogs.

Mona Vale Rockpool is being improved, with underboring completed. This will enable installation of lighting for all conditions, and piping for more effective cleaning and better water quality.

A new inclusive playground was completed at Berry Reserve, Narrabeen, one of our most popular playgrounds. Features include a castle, nature play, village and high quality landscaping. Additional equipment was installed at Dewrang Playground, Elanora Heights.

Recreational trails are being improved for safe and sustainable access. The old quarry area at Dee Why Headland was completed, one of the most spectacular sections of the Coastal Walk. In Manly Dam a path and stairs were reconstructed on the Nature Trail, allowing a safe climb to the escarpment overlooking Park.

We also started implementing the East Esplanade Landscape Plan and South Palm Beach Masterplan stage 2, improving the recreational experience and resolving erosion issues.

Tree Management

In this quarter Council received and actioned 182 private tree permit applications and 1,259 customer requests related to trees.

The draft Urban Tree Canopy Plan was placed on exhibition until November 2018, which outlines management principles and priority actions. It aims to protect existing trees, maintain a high canopy cover, improve tree health and diversity, and encourage community involvement.

We planted 324 street trees as part of our annual program. Our "Would you like a new street tree" pamphlet encouraged over 400 residents to consider having a tree planted in front of their home. Contractors have been appointed for proactive tree maintenance, which will commence in the Pittwater Ward in October 2018.

Performance Measures – Parks and Recreation	Target	Quarterly Result
Rockpools cleaned weekly during summer season and every two weeks outside of summer	95%	100%
Sportsfields mowed weekly in summer playing season and monthly in winter	95%	95%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Workload Measures – Parks and Recreation	Quarterly Result
Number of preventative actions by professional lifeguards on patrolled beaches	7,778

OPERATIONAL PROJECTS

Key: ■ Completed ■ Progressing on schedule ■ Behind schedule



Develop a Mountain Bike Strategy

A mountain bike stakeholder meeting was held on 25 September 2018 with a range of stakeholder groups and representatives including Trail Care. Feedback was received regarding the project brief and key issues for mountain biking on the Northern Beaches.



Develop the Parks and Recreation website to ensure user friendly access to information

This following has been updated on the web:

- Watercraft storage locations and the hire terms and conditions.
- New photos added for some storage locations.
- Wharf Tie-up terms and conditions
- Photos of Pittwater Rugby Park
- A list of preferred tree plantings for the Northern Beaches (including photos)
- The benefits of trees
- Photos of wharves, boat ramps, parks and playgrounds

Additionally, a drone video of Pittwater Rugby Park will be uploaded on Council's Facebook page. Work has also commenced on the development of the 2019 rock pool rosters for the web.



Implement a new integrated private tree application processes

This project has been completed and the various Tree Development Control Plans amended on by Council resolution on 25 September 2017 to provide a consistent set of regulations across the Northern Beaches in line with State policies. The new permit application system has been implemented providing a more customer friendly service.



Develop and implement a system for measuring customer experience for Parks and Recreation

Project is scheduled to start in February



Develop and Implement Operational Plans for Manly Oval and North Narrabeen Reserve including Pittwater Rugby Park

Project is scheduled to start in November



Develop an Open Space Strategy (including for Playgrounds)

Initial scoping completed and draft project brief and community engagement plan developed.



Implement recommendations from the review of Beach Lifesaving services

Project is scheduled to start in October



Develop Masterplans – Little Manly, Clontarf Beach and Terrey Hills Oval

Council is planning to start community engagement in November for Little Manly and Clontarf Reserve with aim to having the masterplan adopted by May 2019.



Implement a tree planting program

The nature strip request planting program has commenced with 175 trees planted in September 2018. This program encourages residents to care for trees on the nature strip until full establishment has also commenced.


The draft Urban Tree Canopy Plan was approved for public exhibition and consultation by Council on 25 September 2018. The key objectives of this Plan is to maintain existing urban tree canopy cover and planting 5,000 trees annually on public open space.



Implement proactive tree maintenance program that aims to reduce risk of public tree failure

The preferred tenderer for proactive tree works on the Northern Beaches was approved and contracts planned to be executed shortly. It is expected that the Contractors will commence proactive maintenance works in the Pittwater Ward in October 2018

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule

Foreshore and Building improvements



Collaroy Beach - new accessible public amenities and ramp upgrades

The amenities building and the adjacent pathways are now open.



Dinghy storage new

Currently finalising proposed designs and locations before seeking community input.



Foreshores - new and upgrades

Works to implement the South Palm Beach Masterplan is progressing. The works to the north of the Pavilion is substantially complete. Work has commenced on the section between the Pavilion and Ocean Place, and it is anticipated it will be completed by mid December 2018.



Mona Vale Surf Life Saving Club - new building works

The planning of a new Surf Life Saving Club building in Mona Vale on the existing site is currently underway. The community consultation report has been completed and is available for the public, and the development application (DA) for the works is in the process of being lodged.

Foreshore and Building improvements



Long Reef Surf Life Saving Club new building works

This project intends to construct a new Surf Life Saving Club at Long Reef Beach. A concept design has been prepared for the new building and will be presented to the community through the second stage of community engagement, which will commence in October 2018.



Foreshores renewal program

- East Esplanade Park Landscape Improvements: works have commenced on the sandstone sitting wall, terraces and flagged seating bays along with the construction of timber deck around the fig tree.
- Mona Vale rockpool under-boring and floodlighting renewal: works are substantially complete with poles and lights installed; Commissioning of the lights is expected to take place in the next two weeks.
- Clontarf Seawall Construction Stage 3: the detailed design for the renewal of 160 metres of sandstone block seawall is substantially complete. Works are programmed to commence in March 2019.



Rockpool - renewal program

Construction work on the renewal of Collaroy rockpool is progressing to schedule with all work planned to be completed by mid-October.

Stakeholder consultation has commenced for the renewal of the boardwalk in North Narrabeen Rockpool. It has been agreed by all stakeholders that the works should commence in March 2019.



Mona Vale Surf Life Saving Club - renewal works

The planning of a new Surf Life Saving Club building in Mona Vale on the existing site is progressing smoothly. A development application for the works will be submitted in October 2018 with construction works planned to commence heading into the winter months in 2019.



Dinghy storage replacement of racks

This program of works aims to deliver upgrades to existing storage facilities for watercraft of various types across the Northern Beaches. Proposed designs for dinghy and kayak storage at Jamieson Reserve, Bilarrong Reserve, Berry Reserve are currently being finalised.



Rowland Reserve Boating Facilities Renewal

This project aims to improve the access and quality of boating facilities in Rowland Reserve. A new wash down bay and gross pollutant trap have been completed, with parking bays concreted and ramp tops re-asphalted. Works are also progressing well to have the new pontoons in place in the next few months, with this project being phased for completion in the 2018/19 financial year.



Long Reef Surf Life Saving Club renewal works

This project sees the construction of a new surf lifesaving club, public amenities and cafe at Long Reef Beach. The concept design is currently being presented to the community through the second stage of community engagement for a period of 6 weeks. Comments to close on 11 November 2018.

Playground improvements



Connecting all Through Play - Inclusive Play (Executive Manager Capital Projects)

At Manly Dam, a revised scope of works was presented to community groups for information. Tender documentation is being finalised.

At Lionel Watts Reserve, a contractor is being appointed to deliver the playground and construction has commenced.



Playground renewal program

- The updated design for Tania Park playground is being prepared for public exhibition.
- The concept plan to upgrade the playground at Fairway Close, Manly Vale is progressing.
- Additional equipment has been installed at Dewrang Reserve, Elanora Heights.

Playground improvements

- Quotations are currently being assessed for the playground replacement at Gilbert Reserve, Frenchs Forest.

Sportsgrounds improvements



Connecting all Through Play - Active Play (Executive Manager Capital Projects)

Sportsfield lighting component continuing with light poles being erected and commission across various sites and development applications submitted for Manly Vale and Curl Curl sites.

Further planning and approval works are ongoing for Surf Life Saving Club works stream with construction phased at the end of 2018/19.



Sportsgrounds - new and upgrades

The installation of irrigation at Newport Oval was completed in September. Design works for Tania Park irrigation is complete in preparation for tenders to be called. Development Applications are currently being prepared for new Sportsfield lighting at Tania Park, Passmore Reserve and Frank Gray / Mike Pawley Ovals lighting projects.



Sports Club Capital Assistance Program

Council received eleven applications for the 2018/19 Sports Infrastructure Grant program. An assessment report will be considered at the 16 October 2018 Council Meeting



Forestville War Memorial playing fields masterplan implementation

Council is working on the development of the tender documentation for the shared pathway, which is anticipated to be released in November.



Sportsfield renewal program

The following works have been completed:

- LED floodlighting for St Matthews Farm and North Narrabeen Reserve fields 3 and 4,
- New floodlighting for Dee Why Oval
- LM Graham Reserve lighting
- Manly Oval protective netting

Works are underway at Rheub Hudson/Denzel Joyce for field rectification; and Seaforth Oval new practice nets for cricket.



Warriewood Rugby Park clubhouse (Executive Manager Property)

This project sees the construction of a new sports clubhouse at Pittwater Rugby Park. Construction on the new sporting amenities and clubhouse building is estimated to be finished before the end of the calendar year.

Reserves and Parks improvements



Reserves - new and upgrades

New fencing has been installed at Careel Bay Unleashed Dog Exercise Area



Warriewood Valley - public space and recreation

The 3 Boondah Road Plan of Management and concept plan was adopted by Council in September. Council intends to engage a contractor to commence the demolition of the redundant structures in October with completion by November 2018. Concurrently, Council will commence works on a detailed design for the reserve. Council has also commenced preparation of an Ausgrid approved design to place underground high voltage power at Fern Creek Road, Warriewood in preparation of the development of a park at the site in 2020/21.



Glen Street masterplan implementation

Reserves and Parks improvements

The conversion of the Lionel Watts 3 and 4 sportsfields to a synthetic surface has commenced under a design and construction contract in September 2018. Work is anticipated to be completed in time for the winter 2019 sports season.



Youth facilities

Project is scheduled to start in October



Reserves renewal program

The upgrade to the Manly Scenic Walkway works at Castle Rock was completed in September. The works included new sandstone steps and landings, crushed sandstone path, handrail extension including new posts.

The development of specifications and obtaining quotes for the final section of Castle Rock track is underway. This will complete the Manly Scenic Walkway upgrade between the Spit Bridge and the Sydney Harbour National Park (Dobroyd Head).

Recreational trails



Narrabeen Lagoon Trail - aquatic boardwalk

Council is working with key stakeholders to confirm the final alignment of the boardwalk.



Recreational trails - renewal program - Executive Manager Parks & Recreation

The entry area of Dee Why Headland has recently been landscaping to improve the recreation experience. Works are also progressing on sections of the Manly Dam walking trail.

Town centre and village upgrades



Town and Village Enhancements (Pittwater)

Improvements to the Mona Vale and North Narrabeen Town Centres are currently being planned. It is anticipated that all works will commence in October and be completed by December 2018.



Minor streetscape improvements

Work on the paving of the footpath on the western side of Pittwater Road from the Tramshed to Waterloo St will commence immediately after Ausgrid have completed their power upgrade works to the Tramshed Community Centre.

New festoon lighting has been installed at Manly Corso and Gilbert Park Manly.

FINANCIALS

PARKS & RECREATION

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	7,007,235	7,007,235	0	32,665,203	32,665,203	32,665,203
User Charges & Fees	641,589	290,198	351,391	1,902,666	1,902,666	2,302,666
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	57,291	42,373	14,918	178,542	178,542	178,542
Grants and Contributions - Operating Purposes	24,281	7,500	16,781	30,000	30,000	30,000
Grants and Contributions - Capital Purposes	145,250	62,537	82,713	250,250	250,250	250,250
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	7,875,646	7,409,844	465,802	35,026,662	35,026,662	35,426,662
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,216,499)	(2,419,804)	203,305	(11,574,345)	(11,574,344)	(11,574,344)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(2,310,714)	(2,444,026)	133,313	(12,861,284)	(12,861,285)	(12,861,285)
Depreciation and Amortisation	(1,271,507)	(1,271,507)	0	(5,086,029)	(5,086,029)	(5,086,029)
Other Expenses	(17,414)	(17,029)	(385)	(458,449)	(458,449)	(458,449)
Internal Charges	(355,939)	(360,335)	4,395	(1,457,985)	(1,457,985)	(1,457,985)
Overhead Allocation	(897,142)	(897,142)	0	(3,588,569)	(3,588,569)	(3,588,569)
Total Expenses From Continuing Operations	(7,069,215)	(7,409,844)	340,628	(35,026,660)	(35,026,661)	(35,026,661)
Surplus / (Deficit) from Continuing Operations	806,430	0	806,430	1	1	400,000

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$806,430 is higher than forecast at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$7,875,646 is higher than forecast by \$465,802. This is primarily due to higher User Charges and Fees of 351,391 and higher Grants and Contributions for Capital Purposes. The higher User Charges and Fees primarily relates the additional fees for Dinghy and Boat Storage, the hire of sporting facilities and applications for tree permits. The higher Grants and Contributions for Capital Purposes are a result of Council receiving two grants from the Social Housing Community Improvement Fund for upgrades to Warri Reserve, Balgowlah and Cross Street Reserve, Brookvale earlier than anticipated.

Total Expenses from Continuing Operations of \$7,069,215 are lower than forecast by \$340,628. This is principally the result of lower than anticipated Employee Costs and Materials and Contracts expenditure during the quarter. Employee Benefits & Oncosts are \$203,305 lower than forecast mainly related to a number of staff vacancies within the Service. A number of these vacancies are currently being filled. Materials and Contracts are \$133,313 lower than forecast due to the delay of some planned sportsfield works due to the unseasonably dry weather and the realignment of some scheduled works with current capital projects.

For the full financial year the Surplus from Continuing Operations is forecast to increase by \$400,000 as a result of higher User Charges & Fees noted above.

Children's Services

HIGHLIGHTS

Council offers a range of quality education and care services for children aged 0 to 12 years:

- Long day care and pre-school centres cared for 925 children aged 6 weeks to 5 years.
- Family day care consists of 58 educators caring for 482 children aged up to 12 years.
- Vacation care offered 596 children care during the Winter school holiday period.
- Caring for 45 children with additional needs or socio-disadvantaged.

Our staff and centres strive for excellence, with over 150 educators attending our regional conference for professional development. Topics included 'Environments as the Third Teacher', professionalism, inquiry-based STEM (Science, Technology, Engineering, and Mathematics) and 'Connecting People Through Rhythm'. Our Belrose Pre-school commenced its Early Learning Stem Australia pilot program together with Belrose Public School students.

A number of our centres were also nominated for the 2018 Australian Education and Care Awards i.e. Manly, Harbour View and Brookvale Children's Centres, and Manly Community Pre-school. Four staff have also been nominated for awards as Director of the year or Educator of the year.

Working together with our partners has improved connections with the community:

- Narrabeen Children's Centre Street Library was registered with Street Library Australia and a local artist illustrated the Library. This centre also provided artwork for display in the local Woolworths supermarket to support the banning of single use plastic bags; and had an educational visit from the Fire Brigade
- Ivanhoe Park and Manly Community Pre-school continued their weekly incursions with a local organic gardener from "Growing Trend"
- Belrose Children's Centre had a walking excursion to Woolworths on healthy food groups.

Performance Measures – Children's Services	Target	Quarterly Result
No. children attending Long Day Care programs	≥ 700	783
No. children attending Family Day Care programs	≥ 380	782
No. children attending Preschool programs	≥ 100	142
No. children attending Vacation Care programs	Q1 ≥ 400	596

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

OPERATIONAL PROJECTS

Key: ■ Completed ■ Progressing on schedule ■ Behind schedule



Providing quality education and care – meeting or exceeding the National Quality Standard

- Professional development continues with Educators at a number of services completing Identify and respond to children and young people at risk of harm.
- Manly Community and Ivanhoe Park Pre-school hosted a parent information evening that focused on plastic pollution to build awareness within the community about the negative impacts of single use plastics. A highlight was Ivanhoe Park Pre-school working with local company "Wanderlightly" and engaged the children in making bees wax wraps.
- Dee Why Children's Centre was Assessed and Rated by the Department of Education on the 11 September

- Narrabeen Children's Centre submitted their Quality Improvement Plan to the Australian Children's Education and Care Authority in readiness for their Assessment and Rating visit
- Manly Vale Vacation Care has reviewed its Quality Improvement Plan and is seeking feedback from families
- The annual Satisfaction Survey has been distributed to families in the Long Day Care and Pre-school services via our Educators





Support children from diverse socio-disadvantaged backgrounds to participate in quality early education and vacation care programs

Thirteen children with additional needs are receiving Integration Support funding so additional educators can be employed to support the children to participate in the early learning programs at the centre. The additional needs of another 14 children were managed by educators in the room.

The federal government's child well-being subsidy supported six children at risk to receive early childhood education and care. Child care fees for a further three children are paid for by another organisation while parents study or attend training. Four families with children at pre-school were eligible for reduced fees through the Government's Start Strong program.

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Dee Why Children's Centre design works (Executive Manager Property)

This project aims to prepare a design for the Dee Why Children's Centre this financial year with a new building in place by 2022. Project meetings have been held with internal stakeholders to discuss the relevant needs of the project.



Harbourview Preschool/Community Centre upgrades (Executive Manager Property)

Works to upgrade and extend the existing Harbourview Child Care Centre in Seaforth continues on program. This project is on track to be completed in October 2018 as scheduled.



Kangaroo Street Preschool new works (Executive Manager Property)

The design works for alterations to the Kangaroo Street Child Care Centre and Youth/Community Centre have been updated and an application has been lodged to modify the existing approved works. This project is running on time with construction works scheduled to take most of 2019.



Children's centres works program (Executive Manager Property)

This program aims to deliver upgrades to Council's Children's Centre buildings. The tender for the works at Brookvale Children's Centre has been evaluated with works planned to commence in October 2018.

FINANCIALS

CHILDREN'S SERVICES

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	135,470	135,470	0	1,336,066	1,336,066	1,336,066
User Charges & Fees	3,250,458	3,271,978	(21,520)	12,800,552	12,800,552	12,604,552
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	935	2,499	(1,564)	10,000	10,000	10,000
Grants and Contributions - Operating Purposes	246,205	151,594	94,611	590,196	590,196	939,329
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	3,633,068	3,561,541	71,527	14,736,814	14,736,814	14,889,947
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,366,083)	(2,581,609)	215,526	(10,981,517)	(10,981,517)	(10,881,517)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(643,795)	(623,442)	(20,353)	(2,366,469)	(2,366,469)	(2,366,469)
Depreciation and Amortisation	(70,339)	(70,339)	0	(281,354)	(281,354)	(281,354)
Other Expenses	(48,864)	(50,314)	1,450	(144,836)	(144,836)	(144,836)
Internal Charges	(54,372)	(50,542)	(3,830)	(221,455)	(221,455)	(221,455)
Overhead Allocation	(185,296)	(185,296)	0	(741,182)	(741,182)	(741,182)
Total Expenses From Continuing Operations	(3,368,747)	(3,561,541)	192,794	(14,736,814)	(14,736,814)	(14,636,814)
Surplus / (Deficit) from Continuing Operations	264,320	0	264,320	0	0	253,134

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$264,320 is higher than forecast at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$3,633,068 is higher than forecast by \$71,527 (1.9%) as a result of higher than anticipated Grants & Contributions for Operating Purposes partially offset by lower User Charges & Fees. The higher than anticipated grant funding primarily relates to NSW Department of Education having now advised that the Legacy funding would continue until June 2019 pending an external review of the funding. It is unlikely this funding will continue beyond 2019. User Charges & Fees are lower than forecast as a result decreased utilisation of places with Harbour View Children's Centre operating on reduced numbers of children while undertaking renovations. The service is due to re-open in January 2019.

Total Expenses from Continuing Operations of \$3,368,747 are lower than forecast by \$192,794. This is principally the result of lower than anticipated Employee Benefits & Oncost

Employee Benefits & Oncosts of \$215,526 are lower than forecast mainly related to vacant positions particularly Early Childhood Educators and the lower number of places operating while Harbour View Children's Centre undertakes renovations. The staffing level will increase in January 2019 when the service re-opens with more children and staff to reflect occupancy.

For the full financial year the Surplus from Continuing Operations is forecast to increase by \$253,134. This is represented by Grants & Contributions for Operating Purposes which are forecast to increase by \$349,133 as a result of the unanticipated grant noted above and lower Employee Benefits & Oncosts of \$100,000 at Harbour View Children's Centre, partially offset by lower child care fees \$196,000 while the renovations are undertaken.

Community Arts and Culture

HIGHLIGHTS

Glen Street Theatre

Glen Street Theatre opened its exciting new pop-up cabaret Spiegelesque in the old Sorlies restaurant space to a great response from audiences, while *George's Marvellous Medicine* entertained families and played to sold-out houses.

Manly Art Gallery & Museum

This quarter saw 28,422 visitors to Manly Art Gallery & Museum's exhibitions and programs. The popular exhibitions of Frank Hurley photographs, *Belle Ile* paintings by Euan McLeod and Luke Sciberras and *Octennial* featuring the art of Reg Mombassa and Peter O'Doherty were major drawcards. The 25th Manly Arts Festival staged over 20 performances here, including Reg and Pete 'Music Lounge' concerts, children's art workshops, and artist and book talks.

Gai-mariagal Festival

A highlight of the Gai-mariagal Festival was the Weaving Bridges Project, with workshops on traditional and contemporary Aboriginal weaving practices. This is an annual collaboration with Pioneer Clubhouse, One Door Mental Health, Aboriginal Heritage Office and the Gaimaragal Group. This year's theme was 'Because of her, we can', with the final body of work acknowledging that local Aboriginal women once gathered the majority of their local food supply on this land. The weaving artworks are displayed on the Stuart Somerville Bridge in Queenscliff.

Youth events

Six Hip Hop Workshops were held at local schools facilitated by the O'Neill Twins, along with mentoring workshops as part of the Tofiga Fepulea'i – 'I Gan't Belive It' event at the Dee Why PCYC. The 24/7 Youth Film Festival Competition weekend saw 16 teams completing seven-minute films in just 24 hours.

Support for our community

Support for parents continued with a Parenting Webinar on Bullying, and a well-attended information night on Building Resilience in Teens. Over 100 people with disability attended the regular Discobility and Club All In dance events.

The Adolescent and Family Counselling Service provided free and confidential support to 179 young people and their families, supporting people through a variety of challenges.

A Suicide Prevention Working Group was established in response to growing concerns from the Police and services. Various actions have included safety signage and training, as well as planning a Roundtable with stakeholders such as police, local services and community groups.

Manly Meals on Wheels celebrated 21 years of nutritious community lunches to tens of thousands. These lunches have brought people together and prevented social isolation. This quarter 4,085 meals were home delivered and 486 people attended community lunches and social outings.

The popular Hop, Skip and Jump Bus Service provided free travel to 86,569 passengers during the quarter completing 4,790 trips and 96% running to schedule.

Community Centres

A long-term Community Centre Strategy is being developed in consultation with the community, including focus group meetings and 'pop up' information stalls.

Performance Measures – Community Arts & Culture	Target	Quarterly Result
Community centres: no. bookings	Q1 ≥ 9,270	9,401
No. arts and culture events/ performances	Q1 ≥ 75	111
No. community development events/ programs	Q1 ≥ 35	47
Direct services: No. Meals services	Q1 ≥ 4,390	4,571
No. clients for Youth and Family counsellors	Quarter ≥ 125	179
No. Hop Skip and Jump passengers	Q1 ≥ 97,300	* 86,589
No. volunteers who actively participate in ongoing programs	Quarter ≥ 250	** 675

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Note on results:

* The Hop Skip Jump bus service had lower than anticipated passengers this quarter, in response to the winter season and possibly the persistent wet weather.

** Volunteers are counted across community programs and sustainability education (250), Bushcare (263), Libraries (160) and Events (2)

OPERATIONAL PROJECTS

Key ■ Completed ■ Progressing on schedule ■ Behind schedule



Develop an Arts Strategy

The draft Arts & Creativity Strategy is under development, with the focus this period on undertaking internal consultation to ensure that the draft future directions (strategies) are consistent with other planning works within Council. The strategy is scheduled for presentation at the November Council meeting.



Develop a Community Centre Strategy

The community engagement process for the strategy is near completion. A number of community engagement initiatives were held in October, including five 'Pop up' information stalls at various locations and a number of focus groups with key demographic groups and organisations.



Develop a Public Art Policy and guidelines

The draft Northern Beaches Collection Management and Gift Policy and draft Public Art Policy is near completion. Once completed, the draft documents will be presented to Council and publicly exhibited.



Develop and support disability education and awareness initiatives

Information distributed to the community via Council's website, LINCS community database and Disability Newsletter which is distributed to over 1400 members.



Support biennial inclusion awards to recognise local businesses and community organisations demonstrating best practice

Investigation to identify current business awards on the Northern Beaches completed and consultation with local partners in progress. Identification of the best platform for these awards in the final stages.



Develop a Social Plan (2018/19), and specialised Plans for specific demographics (Youth, Aged, Disability, CALD, etc.)

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Project is scheduled to start in November



Develop a Volunteer Management Framework

The volunteer satisfaction survey is now closed with a completion rate of 61%. Council received extremely positive feedback with 97% of respondents indicating that their volunteer experience with Council was good to excellent.



Youth activities at PCYC

Preparation for the next series of the PCYC All Ages events is in progress and will be held on the 10 and 11 November. A Northern Beaches headlining band will be supported by local high school aged bands. Event 1 has sold out and tickets for the 2nd event are selling fast.



Develop a Manly Art Gallery and Museum Masterplan

A needs analysis of the Manly Art Gallery & Museum has been undertaken, with initial ideas presented to staff. The draft Masterplan will be finalised following community engagement, due to be undertaken in 2019 in conjunction with the West Esplanade Masterplan and the Manly Place Plan.



Expansion of the Meals on Wheels Service

Meals on Wheels is developing a marketing strategy to promote the service to the Northern Beaches community for meal deliveries, community lunches and social outings.

A number of community lunches and social outings were held in September with 134 people attending. Investigations have commenced to identify an alternate venue to conduct an additional community lunch every month. A six-month calendar has been developed for social outings and will be promoted to the community commencing October 2018.



Develop a programming strategy for Glen Street Theatre

Finalisation of the 2019 season program is pending the announcement of state government funding, due mid-late October 2018. Planning for the 2019 digital season launch, scheduled for mid - November, is in progress with postal distribution of brochures to follow.



Develop and promote an online disability inclusion and access information hub

Investigations for software needs for the disability inclusion and access information hub in progress.






Support the establishment of a youth and wellbeing hub at Mona Vale

The Avalon Youth Hub is a consortium of local youth agencies and operates on Mondays, Wednesdays and Thursdays from the Avalon Recreation Centre, as well as doing outreach work in public space, such as Mona Vale Skate Park and Dunbar Park. Also, the Youth Hub staff assisted three young people in hosting an R U OK Day event in Mona Vale on Saturday 25 August which was attended by approximately 500 people.

The Wednesday Outreach continues to see 150 to 200 young people engaging with the service. Nine referrals were taken during the month of September.

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule

Art Works



Manly Art Gallery - art works

No artworks were purchased for the collection. Purchases are sporadic depending on availability.



Theo Batten Bequest - art works

A Helen Read ceramic was purchased for the Art Gallery Ceramics Collection.

Community Centre Improvements



Warriewood Valley Community Centre (Executive Manager Capital Projects)

The Heather Nelson Centre site has been confirmed as the location for the new Warriewood Valley Community Centre. Consultation with key users as well as a building assessment is ongoing. Broader community consultation is expected to commence by mid 2019.



Community centres minor works program (Executive Manager Property)

The funds from this works program is allocated to the Beacon Hill Community Centre building upgrades in this financial year. This project is on schedule.



Beacon Hill Community Centre and Youth Club (Executive Manager Property)

Upgrades to the existing Beacon Hill Community Centre and Youth Club are being delivered under this project. Construction works have commenced, which include upgrades to the toilets and a new roof and are planned to be completed in early 2019.

Cultural Improvements



New creative art space - northern end of the Northern Beaches (Executive Manager Property)

This project aims to deliver a new community arts space for the Northern Beaches based out of Avalon. Preliminary concept drawings have been created for two potential locations. On 25 September 2018, Council approved the exhibition of the concepts for community feedback.



Coast Walk - art trail

Project Team to commence selecting the sites. Commence the development of Artists Briefs.



Manly Art Gallery renewal works (Executive Manager Property)

This project is to develop a Masterplan to guide future works at the Museum and Art Gallery. Architectural consultants have been appointed and considering design principles and building Masterplan options.



Glen Street Theatre renewal works (Executive Manager Property)

This project sees minor capital renewal works delivered at the Glen Street Theatre. The installation of new stage lighting was carried out in September 2018 as part of this program.

FINANCIALS

COMMUNITY ARTS & CULTURE

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	2,006,188	2,006,188	0	7,195,630	7,195,630	7,195,630
User Charges & Fees	707,586	809,425	(101,839)	3,000,735	3,000,735	3,000,735
Investment Fees and Revenues	0	6,500	(6,500)	26,000	26,000	26,000
Other Revenues	276,778	301,573	(24,795)	1,673,696	1,673,696	1,673,696
Grants and Contributions - Operating Purposes	167,286	155,008	12,278	676,132	676,132	676,132
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	3,157,838	3,278,693	(120,855)	12,572,193	12,572,193	12,572,193
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,383,788)	(1,520,598)	136,810	(6,259,301)	(6,259,301)	(6,259,301)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(615,559)	(840,212)	224,654	(3,119,300)	(3,267,707)	(3,267,707)
Depreciation and Amortisation	(192,544)	(192,544)	0	(770,174)	(770,174)	(770,174)
Other Expenses	(116,662)	(291,774)	175,111	(694,666)	(694,666)	(694,666)
Internal Charges	(91,519)	(94,466)	2,947	(372,354)	(372,354)	(372,354)
Overhead Allocation	(339,099)	(339,099)	0	(1,356,398)	(1,356,398)	(1,356,398)
Total Expenses From Continuing Operations	(2,739,172)	(3,278,693)	539,521	(12,572,193)	(12,720,600)	(12,720,600)
Surplus / (Deficit) from Continuing Operations	418,666	0	418,666	(1)	(148,408)	(148,408)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$418,666 is higher than forecast at the end of September primarily as a result of lower than forecast expenditure which has been partially offset by lower than anticipated income during the quarter.

Total Income from Continuing Operations of \$3,157,838 is lower than forecast by \$120,855. This is a result of lower than anticipated User Charges & Fees primarily related to two Community Centres being closed for renovation during July to September. The Tramshed was due to open in July and opened on 13 October 2018, and Beacon Hill Memorial Hall was due to close at the end of July, yet closed a month early on 1 July 2018. The lower than anticipated Other Revenues was principally due to ticket sales not meeting expected levels at Glen Street Theatre.

Total Expenses from Continuing Operations are \$2,739,172 which is lower than forecast by \$539,521. Employee Benefits & Oncosts are \$136,810 lower than forecast mainly related to a number of vacancies including Community, Arts & Culture and Youth Development Officers that are currently being recruited. Materials and Contracts are \$224,654 lower than forecast as a result of timing of maintenance and minor refurbishment of community centres which will now occur later in the financial year.

While actual income and expenditure were lower than anticipated during the first quarter for the reasons noted above, no changes have been made to the annual forecast as there is insufficient information to conclude these trends continue for the full financial year.

Library Services

HIGHLIGHTS

An additional 669 people became library members this quarter. E-Loans continued to rise, reaching 38,417 this quarter, an increase of over 9% from the previous quarter. Community engagement on digital platforms rose over 12%, with 93,468 visits to the library website.

The Library service delivered 487 programs with 13,384 community members participating. Program highlights included:

- 100 adult programs with 1,362 attendees which included nine author talks
- Launch of the new after school Kids Creator Space program, inspiring creative thinking and exploration in 462 children.
- Young writers celebrated at the 2018 Young Writers Presentation night.
- 24 children from grades K-12 were selected from 582 entries to receive an award for their original stories based on the theme word "tiny door".
- 32 youth programs with 341 participants for events such as movie screenings, comic book workshops and textiles activities.

Our new customer feedback tool 'Your Voice' was launched in September, to receive feedback and ideas. Recent results show very good satisfaction with libraries, and that our programs and events are highly valued. Over 900 instances of feedback included 55 ideas, 33 complaints and 157 compliments.

Performance Measures – Library Services	Target	Quarterly Result
No. library memberships	≥ 177,700	178,415
No. youth memberships	≥ 26,900	30,493

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

OPERATIONAL PROJECTS

Key: ■ Completed ■ Progressing on schedule ■ Behind schedule



Single library management system for customers to improve and increase access to all library loanable items and services across the Northern Beaches public libraries - Executive Manager Library Services

The project achieved the procurement and implementation of a single Library Management System for the Northern Beaches Library Service within budget, scope and original time estimate.



Modernise library spaces and identify opportunities to increase the number of spaces available in line with customer demand - Executive Manager Library Services

The project team consulted benchmark data to identify the minimum requirements for future library spaces based on the population size of the local government area.

Library usage trends, both local and international, have been reviewed to ensure best practice and suitability to customer as well as service delivery are considered in any recommendations.



Implement a single library card to access all library services across the Northern Beaches public libraries - Executive Manager Library Services

The single library card for all Northern Beaches libraries was available ahead of schedule as a result of the installation of the new library management system on 5 June 2018.



Implement the 'Tiny Doors' project as part of the Youth Opportunities Grant 2017/18 - Executive Manager Library Services

Artists and their teams have completed five tiny doors. Visits to local schools have been undertaken to run door making workshops with further outreach work commencing next quarter.

Council has commenced work on the Tiny Doors website and finalising the logo and merchandising options. Work continues on the 'passports' which will be distributed on project launch.



Implement new library opening hours to improve consistency and access to the service - Executive Manager Library Services

The working group is finalising the recommendations for the new and improved library opening hours which includes resourcing and communications requirements.



Increase engagement with youth through a range of programs and activities - Executive Manager Library Services

The project team has commenced research on effective youth communication channels. Several suitable options have been identified and are now being considered comparatively.



Increase volunteering opportunities across the service - Executive Manager Library Services

A volunteer Justice of the Peace has been added to the service at Dee Why Library in line with branch requirements.

Three volunteer couriers have been recruited and inducted to support the expansion of the Home Library Service.

Staff are planning an end of year event at Warringah Mall Library to recognise the contribution of volunteers to the service throughout 2018.



Implement consistent loan and security processes across the public library service - Executive Manager Library Services

The scoping of the project is underway with the issues and goals defined and studying of the impact of the issues underway.



Implement on-line customer suggestion and feedback process across all the public libraries to improve service delivery - Executive Manager Library Services




The approved customer suggestion and feedback tool - 'Your Voice' - has now been installed in the six library branches. Customer response has been positive, with many already engaging with the tool and providing valuable insights into their experience of their library service.



Review and improve eServices for library customers in line with customer needs and demands - Executive Manager Library Services

The analysis of the current usage statistics is being completed to establish benchmarks to better target customer needs and demands.

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule

Community Space and Learning



New library technology - printing and emerging technologies - Executive Manager Library Services

Due to the limitation of the current print capability at the Glen Street Library, the scope of the replacement program was expanded to include an extra multi-function printing device and associated payment mechanism for the Library.

System implementation delayed at this stage due to the roll out of the organisation's new single operating system.



New Library Books - Executive Manager Library Services

The ordering of new library stock has commenced with an emphasis on the purchase of subscriptions and eResources.



New Library Technology - Executive Manager Library Services

The project team has completed work on defining the issues surrounding the range of loans, returns and security systems across the service.



Replacement of Library Books - Executive Manager Library Services

Library books orders are in progress to be delivered over coming months across Adult Fiction collection, Adult Non Fiction, Adult DVDs and across the Junior, Young Adult and Audio Visual collections.

Library Upgrades



Mona Vale Library upgrades and new works - Executive Manager Property

This program of works sees the refurbishment of the existing Mona Vale Library to improve the functionality of the space, and meet the needs of the community and staff.

A design consultant has been engaged and is working with staff to develop a Masterplan for the upgrades to the internal library area.



Library buildings works program - Executive Manager Property

Project will create a new outdoor reading area at Dee Why Library. Development Consent has been received which now will allow the project to progress.



Mona Vale Library renewal works - Executive Manager Property

This program of works sees the refurbishment of the existing Mona Vale Library to improve the functionality of the space, and meet the needs of the community and staff.

A design consultant has been engaged and is working with staff to finalise the Masterplan for the upgrades to the internal library area.



Manly Library renewal works - Executive Manager Property

This project focuses on renewal of both the chillers and the internal fit out of the Manly Library. Consultation with internal stakeholders has been completed, the new chiller has been installed and works to the fit out are planned to commence in October, 2018.

FINANCIALS

LIBRARY SERVICES

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	2,412,052	2,412,052	0	9,645,125	9,645,125	9,645,125
User Charges & Fees	49,443	65,778	(16,335)	263,279	263,279	263,279
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	34,385	38,520	(4,135)	176,716	176,716	176,716
Grants and Contributions - Operating Purposes	0	0	0	180,000	180,000	180,000
Grants and Contributions - Capital Purposes	0	0	0	469,557	469,557	469,557
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	2,495,881	2,516,350	(20,470)	10,734,676	10,734,676	10,734,676
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,430,227)	(1,617,370)	187,143	(6,751,671)	(6,751,671)	(6,751,671)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(226,064)	(193,208)	(32,857)	(1,000,968)	(1,000,968)	(1,000,968)
Depreciation and Amortisation	(386,542)	(386,542)	0	(1,546,169)	(1,546,169)	(1,546,169)
Other Expenses	(35,219)	(47,867)	12,648	(345,279)	(345,279)	(345,279)
Internal Charges	(37,447)	(38,978)	1,531	(161,048)	(161,048)	(161,048)
Overhead Allocation	(232,385)	(232,385)	0	(929,541)	(929,541)	(929,541)
Total Expenses From Continuing Operations	(2,347,885)	(2,516,350)	168,465	(10,734,676)	(10,734,676)	(10,734,676)
Surplus / (Deficit) from Continuing Operations	147,996	0	147,996	0	0	0

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$147,996 is higher than forecast at the end of September primarily as a result of lower than forecast expenditure which has been partially offset by lower than anticipated income during the quarter.

Total Income from Continuing Operations of \$2,495,881 is lower than forecast by \$20,470 as a result of lower User Charges and Fees and Other Revenues. The lower User Charges & Fees are primarily due to print machine outages leading to a reduction in photocopying fees being collected. Other Revenues are lower than forecast as a result of the new and improved library management system notifying customers of pending overdue book fees prior to the due date.

Total Expenses from Continuing Operations of \$2,347,885 is lower than forecast by \$168,465. This is due lower Employee Benefits & Oncosts of \$187,143 and lower Other Expenses of \$12,648 partially offset by higher Materials and Contracts of \$32,857. The lower Employee Benefits & Oncosts are due to existing vacancies as a result of the phased implementation of the new library structure, the higher Materials and Contracts are largely as a result of timing and the realignment of database subscriptions annual payment cycles and the lower Other Expenses are lower than forecast due to the timing of costs associated with driving engagement and participation in programs and events.

While actual income and expenditure were lower than anticipated during the first quarter for the reasons noted above, no changes have been made to the annual forecast as there is insufficient information to conclude these trends continue for the full financial year.

Transport Traffic and Active Travel

HIGHLIGHTS

Connecting Communities Footpath Program

The iconic Palm Beach Walkway was completed in August as a scenic, safe connection along Barrenjoey Road from the Ferry Wharf to Governor Phillip Park. The coastal walkway along Narrabeen Park Parade in Warriewood, from Hunter Street to Turrimetta Headland, is well underway and due for completion in late 2018.

Footpath Renewal

The footpath renewal program is progressing ahead of schedule with 32 footpaths repaired, providing over 5.9 km of footpath at locations from Manly to Avalon. This important program replaces footpaths in poor condition to improve pedestrian safety.

Draft Transport Strategy

The draft Move Northern Beaches Transport Strategy was endorsed for public exhibition in August, proving to be of great interest to the community. As a framework for transport over the next 20 years it aims to:

- Change how we move around the Northern Beaches
- Improve how we travel to other areas of Sydney
- Decrease car dependency
- Improved public transport usage
- Support active transport
- Manage parking and the road network
- Integrate transport throughout our precincts, town and villages

Eight community information sessions were held across Manly, Warriewood, Collaroy, Dee Why, Mona Vale and Belrose, resulting in much valuable community feedback.

Bike Week

Bike Week was celebrated in September at Middle Creek Reserve, by Narrabeen Lagoon. Local businesses and riding clubs helped to promote the benefits of riding, shared pathway etiquette, and safety. Attended by 300 people, mostly local residents, the feedback was very positive.

Learner Driver Workshop

There were 55 residents who attended a workshop for supervisors of learner drivers. It highlighted changes to the Learner Driver licensing scheme, log book apps, and the benefits of supervised driving. Feedback was positive, with many attendees indicating they would recommend it to others.

School Walking Bus

Balgowlah Heights Public school has established the Northern Beaches first official 'walking bus' with Council's help, for students to walk to school with parent supervision. This is a great initiative to reduce congestion around schools; improve safety; and promote a healthy lifestyle.

Child Car restraints

This is a regular service that assists parents, grandparents and carers with young children. In August 40 cars and 57 restraints were checked, with 88% needing some adjustment. The majority were too loose; others were twisted, at the wrong angle, or an incorrect or expired seat.

Performance Measures – Transport & Active Travel	Target	Quarterly Result
Works on schedule for active travel assets	100%	100%
Road renewals program on schedule	100%	100%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

OPERATIONAL PROJECTS

Key: ■ Completed ■ Progressing on schedule ■ Behind schedule



Develop a Northern Beaches Transport Strategy - Executive Manager Transport & Civil Infrastructure

Draft Transport Strategy endorsed for public exhibition at the Council Meeting on Tuesday 28 August 2018. Community engagement commenced Thursday 30 August 2018 and will run until Sunday 7 October 2018. Community engagement 'pop ups' held in Manly, Warriewood, Collaroy, Mona Vale and Belrose. Z Cards distributed at commuter hubs.



Review Accessible Parking Provision - Executive Manager Transport & Civil Infrastructure

Project is scheduled to start in January



Develop a Northern Beaches Walking Plan - Executive Manager Transport & Civil Infrastructure

Draft walking plan text and footpath schedule being prepared for the December Council meeting.



Deliver an active to schools initiative to encourage walking and cycling to school in partnership with the Roads and Maritime Service - Executive Manager Transport & Civil Infrastructure

Initial investigations underway through reviewing of work prepared by other councils across Australia, New Zealand and the UK.



Develop Northern Beaches Bike Plan - Executive Manager Transport & Civil Infrastructure

Initial scope developed and engagement planning underway






Develop and Implement Pedestrian Access and Mobility Plans (PAMP) - Executive Manager Transport & Civil Infrastructure

Walk Avalon PAMP was adopted by Council on 8 August 2017 with delivery of recommendations to be programmed in future operational budgets. Specific funding for implementation has not been provided in 2018/19 financial year however the adopted plan will link with the Avalon Place Plan being developed in 2018/19

Walk Manly PAMP was adopted by Council on 24 October 2017. Specific funding for implementation has not been provided in 2018/19 financial year however designs and consultations on some higher priority measures will be completed in 2018/19

No new PAMP studies are being undertaken in 2018/19 due to RMS funding applications being unsuccessful.

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule

Active Travel – cycleways and footpaths



Footpath new - Executive Manager Capital Projects

The new footpath program is progressing as planned. Construction was completed on the following footpaths during September quarter:

- Mona Vale: Maxwell Street and Emma Street
- Newport: Ocean Avenue and Queens Parade East



Bike Plan implementation - new works - Executive Manager Capital Projects

Designs are in progress for the Manly Creek and Adams Street, Frenchs Forest shared user path projects. Construction is expected to commence on the Fitzpatrick Avenue, Frenchs Forest shared user path in October 2018.



Connecting Communities footpaths program - Executive Manager Capital Projects

Highlights this quarter were:

- The concept plan was completed for Mona Vale Headland lookout.
- The Newport - Avalon shared path concept plans and consultation plans were prepared.
- Developing plans for the intersection of Darley Street and Surfview Road Mona Vale
- Consultation for Whale Beach Road, Norma Road - Florida was completed with residents notified of outcomes.
- Construction has commenced at Narrabeen Park Parade to Hunter Street to Turrimetta Headland car park.



Connecting Communities cycleways program - Executive Manager Capital Projects

Concept designs prepared for public consultation from Newport to Avalon with consultation expected in November. The cycleways at Collaroy and Warriewood were delayed by external utilities.



Warriewood Valley - pedestrian and cycleway network - Executive Manager Parks & Recreation

Council is currently finalising technical reports and preparation of a design and construction tender to deliver the proposed pedestrian bridge across Narrabeen Creek to connect Brands Lane, Warriewood. It is anticipated this tender will be released in October 2018.



Bayview to Church Point - timber walkway - Executive Manager Capital Projects

Project is scheduled to start in October



Footpath renewal - Executive Manager Capital Projects

Footpath renewals are ongoing with footpath repaired at the following locations:

- Avalon: Central Road and Avalon Parade
- Beacon Hill: Beacon Hill Road
- Narrabeen: Garden Street and Powderworks Road
- Dee Why: Howard Avenue
- Manly: East Esplanade, Eustace Street and Victoria Parade
- North Narrabeen: Garden Street
- Terrey Hills: Tepko Road

Road and related infrastructure upgrades



New traffic facilities - Executive Manager Capital Projects

The new traffic facility program is progressing as planned with construction completed at:

Road and related infrastructure upgrades

- Church Point: McCarrs Creek Road enhanced lane delineation
- Frenchs Forest: Palanga Road turning Bay



Scotland Island - roads and drainage improvements - Executive Manager Capital Projects

Project is scheduled to start in December



Warriewood Valley - Macpherson Street Bridge restoration works - Executive Manager Capital Projects

Macpherson Street is open to the public. Final water main cut over works are still on hold pending Sydney Water work. Following finalisation of Sydney Water works southern footpath will be completed by Council



Warriewood Valley – traffic and transport infrastructure - Executive Manager Capital Projects

Designs are ongoing for the following projects:

- Boondah Road and Jackson Road roundabout
- Pittwater Road and Jackson Road intersection
- Pittwater Road and Warriewood Road intersection
- Warriewood Road and Brands Lane roundabout
- Warriewood Road and Jubilee Avenue roundabout



Church Point – Stage 2 road works - Executive Manager Capital Projects

Development of a revised design is currently in progress.



Eramboo, Terrey Hills - new driveway - Executive Manager Capital Projects

Planning and investigations have been completed for the Eramboo, Terrey Hills Art centre driveway works. Construction is expected to commence in the first week of November.



Bus stop renewal - Executive Manager Capital Projects

Project is scheduled to start in October



Car park renewal - Executive Manager Capital Projects

Project is scheduled to start in October



Kerb and gutter renewal - Executive Manager Capital Projects

The kerb and gutter renewal program is progressing as planned. Kerb and gutter renewals were completed in September at the following locations:

- Killarney Heights: Shamrock Parade
- Forestville: Starkey Street, Cannons Parade and Valley Road.



Retaining wall renewal - Executive Manager Capital Projects

Construction for The Esplanade, Narrabeen retaining commenced in September and is expected to be completed late November.

Concept designs and investigations are in progress for the following retaining walls:

- Church Point: McCarrs Creek Road
- Clontarf: Moore Street



Road re-sheeting program - Executive Manager Capital Projects

The road re-sheeting works were completed at:

- Belrose: Neridah Avenue, Hampden Street, Banyenna Place and Marina Place

Road and related infrastructure upgrades

- Killarney Heights: Shamrock Parade and O'Connell Avenue
- Dee Why: Fisher Road, South Creek Road
- Manly Vale: Kenneth Road
- North Curl Curl: Griffin Road



Bridge renewal - Executive Manager Capital Projects

A consultant has been engaged to undertake an investigation and design for scour protection for the Ocean St, Narrabeen Bridge abutments.

Geotechnical investigations are in progress, investigations will be co-ordinated with the Narrabeen Lagoon entrance clearance works.



Parking Station and Meters Infrastructure - Executive Manager Transport & Civil Infrastructure

Program on track

Wharf upgrades



Church Point - wharf extension - Executive Manager Capital Projects

A contract has been awarded and detailed design is in progress for the Church Point Cargo Wharf renewal. Meetings with relevant stakeholders including the Aesthetic Advisory Group are ongoing and detailed layouts have been produced. Site works are expected to commence in late 2018.



Wharves works program - Executive Manager Capital Projects

A contract has been awarded and detailed design is in progress for the Church Point Cargo Wharf renewal. Meetings with relevant stakeholders including the Aesthetic Advisory Group are ongoing and detailed layouts have been produced. Site works are expected to commence in late 2018.

Preliminary planning works are in progress for the renewal of Bells and Carols Wharves on Scotland Island. Construction of these wharves is expected to commence in mid 2019.

Plant and Fleet



Major plant renewal - Executive Manager Transport & Civil Infrastructure

Program timing being reviewed for full year delivery



Light fleet renewal - Executive Manager Transport & Civil Infrastructure

Program on track

Fareshore improvements



Tidal pools refurbishment - Executive Manager Transport & Civil Infrastructure

This project is currently on track and involves the renewal of tidal pool infrastructure. Council completed inspections of the Middle Harbour Tidal Pools in order to assess the assets condition and requirements for project scope and design.

FINANCIALS

TRANSPORT, TRAFFIC AND ACTIVE TRAVEL

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	3,495,474	3,495,474	0	14,554,781	14,554,781	14,554,781
User Charges & Fees	3,293,308	2,589,044	704,264	12,305,959	12,305,959	12,305,959
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	160,955	108,000	52,955	952,000	952,000	952,000
Grants and Contributions - Operating Purposes	848,547	1,282,160	(433,613)	4,189,710	4,189,710	4,189,710
Grants and Contributions - Capital Purposes	112,000	305,628	(193,628)	1,222,512	1,222,512	1,802,512
Gains on disposal of Assets	84,191	216,250	(132,059)	765,000	765,000	765,000
Total Income From Continuing Operations	7,994,475	7,996,557	(2,081)	33,989,962	33,989,962	34,569,962
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,256,192)	(2,790,113)	533,921	(11,344,442)	(11,344,442)	(10,644,442)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(2,287,585)	(2,424,539)	156,974	(11,282,001)	(11,282,001)	(10,282,001)
Depreciation and Amortisation	(2,877,962)	(2,877,962)	0	(11,511,847)	(11,511,847)	(11,511,847)
Other Expenses	(1,159,026)	(1,272,481)	113,435	(5,426,865)	(5,426,865)	(5,426,865)
Internal Charges	2,432,160	2,424,051	8,109	9,797,326	9,797,326	9,797,326
Overhead Allocation	(1,055,533)	(1,055,533)	0	(4,222,133)	(4,222,133)	(4,222,133)
Total Expenses From Continuing Operations	(7,184,118)	(7,996,557)	812,439	(33,989,962)	(33,989,962)	(32,289,962)
Surplus / (Deficit) from Continuing Operations	810,358	0	810,358	(0)	(0)	2,280,000

Commentary – Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations of \$810,358 is higher than forecast at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$7,994,475 is lower than forecast by \$2,081. This principally relates to higher User Charges and Fees of \$704,264 and higher Other Revenues of \$52,955 offset by lower Grants and Contributions for Operating Purposes of \$433,612, lower Grants and Contributions for Capital Purposes of \$193,628 and lower Gains on the disposal of Assets of \$132,059.

The higher User Charges & Fees primarily relates to higher fees from Parking of \$142,125 following the implementation of upgrades of parking station and meter infrastructure, higher Road Permits fees of \$218,710 and Road Restoration charges of \$372,338 reflecting the current higher levels of development activity. Grants and Contributions for Operating Purposes are lower than forecast by \$433,612 of which \$279,730 relates to the prepayment of 50% of the 2018/19 Local Roads component of the Financial Assistance Grant and the balance to the timing of receipt of the operational component of the RMS Block Grant and RMS Active Travel. Grants and Contributions for Capital Purposes are lower than forecast by \$193,628 as a result of timing of receipt of the capital component of the RMS Block Grant. The higher Other Revenue principally represents motor vehicle claim recoveries.

Total Expenses from Continuing Operations of \$7,184,118 are lower than forecast by \$812,439. This is principally the result of lower than anticipated Employee Benefits & Oncosts of \$533,921, lower Materials and Contracts of \$156,974 and Other Expenses of \$113,435. Employee Benefits & Oncosts are \$469,067 lower than forecast mainly related to vacant positions, the lower Materials and Contracts relates to the timing of expenditure for Contract Services for Road Networks, Parking, Signage and Stormwater, Maintenance & Servicing for Plant & Vehicle and Materials which have been partially offset by higher Agency costs for the vacancies noted above. The lower Other Expenses principally relates to lower third party insurance costs, public liability claims and streetlighting costs.

For the full financial year, the Surplus from Continuing Operations is forecast to increase by \$2,280,000. Grants and Contributions for Capital Purposes are forecast to increase by \$580,000 as a result of a RMS – 'Boating Now' grant for the Church Point Masterplan Wharf extension, Employee Benefits and Oncosts to reduce by \$700,000 and Materials and Contracts by \$1,000,000 (Contract Services – Road Network \$600,000 and Materials \$400,000) as a result of cost efficiencies generated.

Economic Development, Events and Engagement

HIGHLIGHTS

Award for Excellence in Communications

Council received a special commendation for the Brand Roll Out campaign of our new brand and identity. This was awarded by Local Government NSW, a peak industry body, in recognition of how well the new identity captures the spirit, lifestyle and environment of the Northern Beaches. It was developed with extensive community engagement in 2017.

Economic Development and Tourism

Council was the Major Sponsor for the Northern Beaches Local Business Awards held on 11 July, which recognises excellence in business services to our community. There were 740 businesses participating from cross section of industries, with 32 awards presented. Council judges the Sustainability Business Award and presented it to local electrician Energy Culture.

An Economic Development Plan is being developed, starting with an Employment Study of industry and workforce trends. The Economic Strategic Reference Group was consulted on the study, emerging trends, and development of the Economic Development Plan.

We've been working closely with the Manly Business Chamber to bring the Manly Visitor Information Centre back under the umbrella of Council. The Chamber has helped focus the Centre's role on the Manly tourist gateway, and for promotion of wider visitation across our area.

Dee Why Town Centre

The Town Centre works are progressing well, with the streetscape upgraded on the west side of Pittwater Road. This has seen new paving and mature trees between Sturdee Parade and St David's Park. Paving is also being laid on Oaks Avenue and Howard Avenue.

Place Coordination

In response to the findings of the Place Score Surveys, we have developed place priorities for 14 of our town and village centres. Activations will be trialled to gauge the community response and identify longer term placemaking projects. Examples include "Spring Nights" to build on the night time economy; businesses to "Adopt a Planter Box" to improve their village centre; and a "SWaT" cleaning and maintenance crew visiting key locations during the day.

The first Town Centre Profile has been finalised and published on Council's website for Avalon Village. This will inform the Place Plan for Avalon.

Other key placemaking achievements include:

- Freshwater Village Plaza: 18 metres of new seating
- Dee Why Beach: yarn bombing of Bike Racks
- Berry Reserve: opening Narrabeen playground
- Allambie Heights: consulting local businesses about a new playground
- Mona Vale: supporting booking of Aussie Night Markets
- Manly Jazz Festival: on-boarding 28 businesses to become Festival Friends
- Manly Corso: artistic hoarding during construction at St. Matthews Church
- Reskinning water drinking fountains with heritage and way-finding information.

Northern Beaches Art Prize

The Northern Beaches Art Prize was exhibited at the Creative Space Art Centre to recognise and foster the creativity of our amateur and emerging artists. Over 900 entries were received in four categories of General, Small Sculpture, Youth and Waste-to-Art. Nearly 2,000 people attended.

Vietnam Veterans Day

The Vietnam Veterans Memorial Service was held in Manly on Friday 17 August, supported by Council and hosted by the NSW National Servicemen's Association and Affiliates. The involvement of our schools was a wonderful expression of how we value our veterans, with students performing as youth speakers, choir, band and catafalque party. The service was attended by community members, plus 40 invited guests and 60 year-six students from Manly Village School.

Taste of the Beaches

Taste of the Beaches was held on Sunday 19 August at Winnererremy Bay in Mona Vale, with 8,000 people enjoying live music, local gourmet delights and children's activities. Mudgee Wine Region also provided a cosy cellar door experience from 10 wineries and one brewer.

Citizenship Ceremonies

Two citizenship ceremonies were held, with 330 people becoming Australian citizens.

Community Engagement

The community was engaged on a broad range of projects this quarter, including:

- Move Northern Beaches – Transport Strategy
- Community Centre Strategy
- Arts and Creativity Strategy
- Northern Beaches Coastal Walk – Public Art Trail
- Compliance and Enforcement Guidelines
- DCP amendments – trees and waste

Consultation on local projects included:

- My Place Avalon
- Pittwater Road Pedestrian and Cycle Bridge
- Plan of Management – Boondah Road, Warriewood
- Allambie Heights Oval – new district playground
- Manly Dam Playplace
- Long Reef Surf Life Saving Club and beach facilities - Concept Plans
- North Narrabeen Rockpool Amenities
- Ocean Street Narrabeen, proposal to name a reserve 'Surfrider Gardens'
- Reclassification of carpark – Oliver Street Freshwater
- Alcohol Free Zone expansion – Manly
- South Steyne Stormwater Remediation
- Avalon Dog Park Trial
- Warriewood Contributions Plan

In total, 35 engagement events were held, engaging 1,544 community members in meetings, workshops and drop in sessions. In addition, two working group meetings were held for Mona Vale Performance Space, and the Creative Art Space (North).

Council's online engagement platform had 69,814 page views from 25,421 unique users (76% new users). Over 833 hours were spent by people interacting with our online engagement content. Our Community Engagement Register continued to grow with 1,290 new contacts, now with a total 29,014 community members who wish to stay informed and engage on Council's projects.

Performance Measures – ED, Events, Engagement	Target	Quarterly Result
High impact projects with a Community Engagement Plan	100%	100%
No. businesses registered on Council's contact database	≥ 613	1,300
No. participating in business engagement	Q1 ≥ 250	375
No. community and civic events organised by council	Q1 ≥ 9	10

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

OPERATIONAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Seek to establish a university presence on the Northern Beaches - Executive Manager Strategy, Performance & Improvement

This project is in the preparation phase. A brief has been prepared. Council is working with consultants and key authorities including NSW Department of Planning and Environment and Roads and Maritime Services regarding potential sites. The focus on the project is defining the available properties and integrating the project with Frenchs Forest planning process. Delays in gaining project approval could affect implementation and delivery.



Develop a Placemaking Strategy - Executive Manager Community Engagement & Communications

Project is scheduled to start in October



Develop town and village centre profiles, including place and business audits - Executive Manager Community Engagement & Communications

Avalon village profile is in progress which is being developed concurrent with the delivery of the Avalon Place Plan. Town and village centre profiles will be developed in conjunction with Place Plans.



Support development and stakeholder engagement of Place Plans - Executive Manager Community Engagement & Communications

The Pittwater Place Coordinator is working to support the community engagement and consultation process to develop the Avalon Place Plan. Selection and recruitment of the Avalon Place Plan Community Reference Group has been completed.



Develop Place Activation Plans for key centres - Executive Manager Community Engagement & Communications

Place Activation Plans are in progress for key locations. This follows the data gathering project that has been completed using the Place Score engagement tool and the subsequent pilot projects action plan framework that has been developed for town centre improvements across the region.



Prepare an Economic Development Plan for the Northern Beaches - Executive Manager Community Engagement & Communications

Work is progressing towards finalising the scope of the Employment Study. This is phase one of the Economic Development Plan that will follow.



Develop a Northern Beaches Destination Management Plan - Executive Manager Community Engagement & Communications




The Plan is progressing with the Project Brief and community engagement plan presented to the Economic Development and Smart Cities Special Reference Group and Councillors.



Implement the Events Strategy - Executive Manager Community Engagement & Communications

Following the adoption of the Events Strategy by Council in June 2018, key actions are being implemented. The Events Grants program will be presented at the Council Meeting 16 October, and the Annual Events Calendar is under review.

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Dee Why Town Centre – design - Executive Manager Capital Projects

Project on track



Dee Why Town Centre – construction phase 1 - Executive Manager Capital Projects

Construction works progressing well this quarter with the following:

- Pittwater Road west completed between Sturdee Parade and St Davids Park.
- Construction underway on Oaks Avenue and Howard Avenue.
- Construction to commence shortly on Howard Avenue Shared Path.



Manly Laneways – new works - Executive Manager Capital Projects

Minor works being completed at Whistler Street Carpark



Manly Laneways – renewal works - Executive Manager Capital Projects

Line marking, signage and electrical works at Whistler Street car park are ongoing. Concrete remediation, ground floor bicycle cage and balustrade upgrade tender to be evaluated in October

FINANCIALS

ECONOMIC DEVELOPMENT, EVENTS AND ENGAGEMENT SERVICES

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	1,981,643	1,981,643	0	8,671,078	8,671,078	8,671,078
User Charges & Fees	3,850	2,465	1,385	9,319	9,319	9,319
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	118,293	96,018	22,274	704,239	704,239	704,239
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	2,103,786	2,080,126	23,660	9,384,636	9,384,636	9,384,636
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,082,290)	(1,054,230)	(28,061)	(4,426,809)	(4,426,809)	(4,426,809)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(509,894)	(609,763)	99,868	(3,116,225)	(3,266,225)	(3,266,225)
Depreciation and Amortisation	(12,801)	(12,801)	0	(51,203)	(51,203)	(51,203)
Other Expenses	(42,801)	(62,348)	19,547	(394,435)	(394,435)	(394,435)
Internal Charges	(42,922)	(49,782)	6,860	(231,156)	(231,156)	(231,156)
Overhead Allocation	(291,202)	(291,202)	0	(1,164,809)	(1,164,809)	(1,164,809)
Total Expenses From Continuing Operations	(1,981,911)	(2,080,126)	98,215	(9,384,637)	(9,534,637)	(9,534,637)
Surplus / (Deficit) from Continuing Operations	121,874	0	121,874	(0)	(150,000)	(150,000)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$121,874 is higher than forecast at the end of September primarily as a result of higher income and lower than forecast expenditure during the quarter.

Total Income from Continuing Operations of \$2,103,786 is higher than forecast by \$23,660. This is primarily due to higher Other Revenues as a result of revenue and sponsorship from the Manly Jazz Festival and the timing of income for the Brookvale Show.

Total Expenses from Continuing Operations of \$1,981,911 are lower than forecast by \$98,215. This is the result of lower Materials and Contracts of \$99,868 and Other Expenses of \$19,547 principally due to the timing of expenditure for Events which has been partially offset by higher Employee Benefits & Oncosts of \$28,061 as anticipated vacancies were not achieved.

While actual income is higher and expenses lower than anticipated for the reasons noted above, no changes have been made to the annual forecast as there is insufficient information to conclude these trends continue for the full financial year.

Property and Facilities

HIGHLIGHTS

Warringah Aquatic Centre

The Warringah Aquatic Centre held its first ever "U Ripper" program to teach children what to do if they end up in a rip. Bookings exceeding expectation and more sessions are being planned. The School Holiday Diving Program also received a great amount of positive feedback.

Manly Andrew Boy Charlton Aquatic Centre

The refurbished Centre received high visitation and growth in gym memberships, swim school and the squad program. Minor refurbishments to the outdoor pool area and plant were completed, along with replacing the boundary fence, vastly improving the outside areas.

Surf club planning

Planning progressed on Surf Life Saving Club building projects. The Mona Vale project's second stage of community engagement closed with 94% of comments showing support for the draft concept design. A related Development Application is being prepared. Concept plans for Long Reef, developed with our community working group, are ready for wider community review.

Tramshed Arts and Community Centre

The major refurbishment was finished in September, delivering a new fit-for-purpose community space and facilities. This is part of the urban renewal of the Berry Reserve area with improved car park, playground, and new public amenities, basketball court and outdoor gym. Many teams across Council were involved as well as various NSW Government departments. It's been a great example of working together to refresh a much-loved community space.

Performance Measures – Property & Facilities	Target	Quarterly Result
Learn to Swim attendance (Manly and Warringah Aquatic Centres)	Q1 ≥ 22,600	* 21,817
Total visitation to swim centres (Manly and Warringah Aquatic Centres)	Q1 ≥ 159,500	178,312
Occupancy of Council buildings: % utilised by the community	100%	** 99.5%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Notes on results:

* Learn to Swim attendance – Learn to Swim had reduced enrolments at one Aquatic Centre this quarter

** Occupancy of Council buildings – Three buildings were unavailable. Two are awaiting refurbishment (Currawong Games Room and Elanora Scouts Hall). Jacka Park Shed is scheduled for repurposing in 2019/20.

OPERATIONAL PROJECTS

Key: ■ Completed ■ Progressing on schedule ■ Behind schedule



Beach Building Works Program including major works at Mona Vale SLSC, Long Reef SLSC and the Narrabeen Swimming Club

This project will deliver refurbishments to Council's beach buildings. Upgrades for the Collaroy, South Curl Curl, South Narrabeen, Mona Vale and Long Reef Surf Life Saving Club buildings and the North Narrabeen Rockpool Amenities Building are currently all progressing well through their various planning stages.



Sports Buildings Works Program including the creation of a new sports building in Nolan's Reserve and a new sports building in Pittwater Park

Council's program to continually renew and provide improved sports amenities is progressing well. The new sports amenities building at Nolan's Reserve is progressing strongly through construction and the new sports amenities building at Pittwater Rugby Park is also on track for completion before the end of the calendar year.



Currawong Cottages and surrounds refurbishment and modernisation

This project aims to deliver refurbishments to the buildings at Currawong. The Development Application (DA) have received consent for the refurbishments to three cabins and the games room, and the detailed design for these buildings are underway with the intent to commence construction in the new year.



The purchase of the Pasadena site

As per Council's Resolution from the 1st August 2018 an offer was made to purchase the Pasadena which was subsequently rejected by the owner. Council will no longer be purchasing the Pasadena site. Following the instructions provided by the resolution Council is approaching the State Government regarding re-allocation of the funds provided by the State for this project.



The review, consolidation and potential transfer of lands to Council from Crown Lands as part of the Crown Land Transfer Program.

Council representatives have met with participants in the Crown Land Transfer Program for formal negotiations on four occasions with discussions progressing. The current agreed approach is to finalise the first tranche of agreed transfers for reporting and approval by the various governance bodies prior to continuing onto the remaining parcels in the new calendar year.



Develop a new customer friendly online booking and payment system for outdoor eating, watercraft storage permits, parking etc.

This project has been rolled into the Council booking systems project, which is progressing to plan.



Identify Council's top 10 public assets/locations to be accessible

This project will identify Council's top 10 public assets and locations which the community would expect to be accessible. An initial list of assets and locations has been developed and is undergoing internal review.



Conduct accessibility audits of Council's public facilities and assets

Council will undertake an accessibility audit of its public facilities and assets under this project, and are currently collating existing accessibility reports across Council. This work is scheduled for the second half of the financial year.



Implement priority asset improvements




The first year actions of the Asset Management Strategy action plan have been prioritised and activities are underway to complete the actions.



Work with the Department of Education on the future recreation use of the Manly Warringah War Memorial Park and plans to modernise the Warringah Aquatic Centre

Council officers have been working closely with the Department of Education on the funding model for the potential redevelopment of the Warringah Aquatic Centre. This funding model has yet to be agreed, and negotiations are continuing.

CAPITAL PROJECTS

Key  Completed  Progressing on schedule  Behind schedule

Rural Fire Service program



Terrey Hills Emergency Services Headquarters design works

The project aims to prepare a masterplan that will appropriately rationalise and utilise the site that houses the RFS, SES and Marine Rescue head office operations for the Northern Beaches, including suitable accommodation for all three services as well as providing appropriate accommodation and services during a major incident.

The project is on hold pending input and commitment to funding from relevant organisations.

Rural Fire Service program



Rural Fire Service building works program - Executive Manager Property

This program of works focuses on upgrades and minor refurbishments to Elvina Bay and Coal and Candle Rural Fire Brigades.

Planning for works to Elvina Bay and Coal and Candle Rural Fire Services building has commenced, with works expected for completion in June 2019.

Civic building and compliance works



Currawong Cottages - new cottages, games room and amenities

This project aims to deliver refurbishments to the buildings at Currawong. Development Applications have been approved for the refurbishments to three cabins and the games room. Detailed design is approaching completion for these refurbishments with construction on track to commence this financial year.



Operational buildings works program

Improvements to Council Offices and Depot buildings will be delivered under this program. Some minor renewal to Council's administration buildings have been completed and the integration of Council's building access system will be delivered through this program.



Sport buildings works program

This project sees the renewal of Council's sports amenities buildings.

Minor works have commenced at Cromer Park to provide an additional sports amenities building to users of the fields.

Upgrades to Forest Playing Fields Sports Amenities and LM Graham Reserve Sports Amenities are currently in the planning phase.



Beach buildings works program

This program of works aims to deliver upgrade works to Council's beach buildings. This includes the renewal of the Collaroy SLSC boat storage roof, South Curl Curl SLSC concrete repairs (complete), South Narrabeen SLSC lift and foyer upgrades, and North Narrabeen Rockpool amenities upgrades. This program of works is tracking to schedule.



Swim Club Buildings Works Program

These funds are being used for works on the North Narrabeen Rockpool Amenities, which includes the swim club accommodation.



Disability access compliance works (DDA)

This program of works aim to improve accessibility to Council buildings. In this current financial year, the funds are allocated to works on the Beacon Hill Community Centre building upgrades and Nolan Reserve amenities.



Building Code of Australia compliance works

This program of works aim to address building code non-compliances to Council buildings. In this current financial year, the funds are allocated to works on the Beacon Hill Community Centre building upgrades and Nolan Reserve amenities.



Sydney Lakeside Holiday Park renewal works

Upgrades to the facilities and cabins at Sydney Lakeside Caravan Park will be delivered under this project. Works to repair the bunk rooms has commenced and was completed in September 2018. An audit of the remaining cabins have been completed with further works being prioritised.



Pittwater Golf Driving Range renewal works

This project aims to deliver upgrades to the Pittwater Golf Centre. A program of works is currently under preparation, in consultation with the Golf Centre management group.

Public Amenities improvements



Public amenities works program

This program of work focuses on the renewal of Council's Public Amenities. Works have commenced at North Harbour Reserve, providing upgraded male and female amenities an accessible amenity and improved access. Works will be completed in early November 2018.

Works to East Esplanade Public Amenities are in the planning phase with a concept design having been prepared. Community engagement will commence in late October 2018.

A minor renewal of the public amenities at Manly Life Saving Club will also be carried out, with preliminary works to commence in late October.



Manly Dam amenities works

This project sees the refurbishment of the public amenities adjacent to the playground at Manly Dam to provide improved facilities to users of the main recreation area. The refurbished amenities will consist of improved male, female and accessible amenities as well as change rooms and external showers. Works are on track to commence in October and be completed by early 2019.



Nolan's Reserve Sports amenities works

This project will deliver a new sporting amenities building at Nolans Reserve, replacing two dated buildings. The project is on track, with the concrete ground slab poured, blockwork for the basement level including filling was completed and formwork for level 1 slab completed ready for the suspended slab pour.



North Narrabeen Rock Pool amenities works

This project sees the renewal of the existing male and female public amenities, the construction of an accessible amenity and family change room within the existing footprint of the building as well as refurbishment of the existing swimming club on the top level at North Narrabeen Rockpool.

Works are planned to commence after the summer season in February 2019 for completion in mid-2019.



Palm Beach Pavilion renewal works

This project aims to prepare designs to upgrade Palm Beach Pavilion. Potential options of work are currently being investigated

Cemetery Works



Cemetery works program

This project aims to deliver landscaping improvements at Mona Vale Cemetery in line with the Masterplan. The public tender for the construction works to the new memorial gardens is currently out to market.

Aquatic Centre Improvements



Warringah Aquatic Centre renewal works

This program focuses on the renewal of plant and equipment at the Warringah Aquatic Centre. Planning is currently underway to scope the renewal and refurbishment works to be undertaken this financial year, with the first plant already replaced through this program being the pool cleaner.



Manly 'Andrew Boy Charlton' Aquatic Centre renewal works

This project sees the delivery of renewal works to the Manly Andrew Boy Charlton Aquatic Centre. Upgrades to the 50m pool plant room, the polysoft flooring and the replacement of the site boundary fence have now been completed.

FINANCIALS

PROPERTY AND FACILITIES SERVICES

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	4,287,108	4,287,108	0	12,119,941	12,119,941	12,119,941
User Charges & Fees	3,447,012	3,275,036	171,976	15,108,526	15,108,526	15,309,776
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	3,039,658	2,974,976	64,682	11,874,748	11,874,748	11,673,498
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	57,545	149,995	(92,450)	1,142,688	1,417,350	370,384
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	10,831,323	10,687,115	144,208	40,245,903	40,520,565	39,473,599
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,304,167)	(2,628,610)	324,443	(10,683,330)	(10,683,330)	(10,683,330)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(3,548,173)	(3,637,917)	89,743	(11,883,624)	(11,883,624)	(11,883,624)
Depreciation and Amortisation	(1,238,955)	(1,196,627)	(42,328)	(4,786,508)	(4,786,508)	(4,786,508)
Other Expenses	(1,928,175)	(1,854,241)	(73,933)	(7,418,104)	(7,418,104)	(7,418,104)
Internal Charges	(274,028)	(226,603)	(47,424)	(901,870)	(901,870)	(901,870)
Overhead Allocation	(1,143,117)	(1,143,117)	0	(4,572,467)	(4,572,467)	(4,572,467)
Total Expenses From Continuing Operations	(10,436,614)	(10,687,115)	250,500	(40,245,903)	(40,245,903)	(40,245,903)
Surplus / (Deficit) from Continuing Operations	394,709	0	394,709	(0)	274,662	(772,305)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$394,709 is higher than forecast at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$10,831,323 is higher than forecast by \$144,208. This relates to higher User Charges & Fees of \$171,976 and higher Other Revenues of \$64,682 partially offset by lower Grants and Contributions for Capital Purposes of \$92,450. The higher User Charges & Fees are primarily due to the timing of Cemetery fees \$113,781 and the reallocation of fees of \$57,749 for accommodation at Currawong from Other Revenues. The higher Other Revenues primarily related to the lease income from telecommunication sites and permanent sites at the Sydney Lakeside Caravan.

Total Expenses from Continuing Operations of \$10,436,614 are lower than forecast by \$250,500. This is the result of lower than anticipated expenses related to both Employee Benefits & Oncosts and Other Expenses. The Employee Benefits & Oncosts are \$324,443 lower than forecast mainly related to the vacancies in the Property and Commercial team and Trades Services team. Both of these areas are struggling to attract the appropriately qualified staff in very competitive markets despite a range of different recruitment approaches, including the use of external recruitment agencies. Other Expenses are \$73,933 higher than forecast primarily due to the electricity costs.

For the full financial year the Deficit from Continuing Operations is forecast to increase by \$772,305 as a result of a reduction Grants and Contributions for Capital Purposes of \$1,046,966 due to a delay in the receipt of RMS 'Boating now' grant of \$922,304 for Bells and Carols Wharf until the next financial year and reduction in the grant for the Rowland Reserve Boating facilities renewal of \$124,662.

Governance and Assurance Services

HIGHLIGHTS

Business Assurance

A number of initiatives were undertaken to ensure strong business assurance:

- Established a co-sourced delivery model for the internal audit function. This combines the strengths of internal knowledge and understanding with external expertise.
- Council resolved in August that the Audit, Risk and Improvement Committee (ARIC) would have a staggered appointment schedule for the independent external members. This ensures an appropriate mix of skills, experience and diversity throughout the life of the Committee, and enhances the collective role of external members.
- Approval by ARIC of the 2018/2019 Interim Internal Audit Plan, providing a systematic plan for addressing any risks and issues across the organisation.




Strategic Reference Groups (SRGs)

The six SRGs held meetings and provided valuable advice on how Council addresses the Community Strategic Plan goals. Each SRG is positioned to ensure involvement and engagement with a broad range of stakeholders, community groups, associations and the wider community.

Performance Measures – Governance & Assurance	Target	Quarterly Result
Council meeting minutes finalised and published within 3 working days of meetings	95%	100%
Council's compliance with Governance Framework to meet Governance statutory requirements	100%	100%

Results Key:  Achieved  Approaching - within 5% of target  Behind - more than 5% off target

OPERATIONAL PROJECTS

Key  Completed  Progressing on schedule  Behind schedule

Design and delivery of a comprehensive Enterprise Risk and Opportunity Management (EROM) framework - Executive Manager Governance & Risk

The EROM Framework, together with the associated Risk Assessment Guideline is being progressed to finalisation and implementation. Development and refinement of the Strategic Risk Register is being undertaken with key stakeholders. Rolling reviews of individual business unit risk registers are also being undertaken. A Risk Workshop facilitated by KPMG with councillors is scheduled for November 2018.

Provide an Internal Audit program that is fully aligned with the Enterprise Risk and Opportunity Management (EROM) framework and is responsive to key strategic risks - Executive Manager Governance & Risk

The Internal Audit Annual Report for the year ended 30 June 2018 was endorsed by the Audit, Risk and Improvement Committee at its meeting on 5 September 2018, and will be presented to Council at its Ordinary Meeting on 16 October 2018.

The risk-based Interim Internal Audit Plan covering the period September 2018 to February 2019 was approved by the Audit, Risk and Improvement Committee at its meeting on 5 September 2018. Scoping of the cyber security internal audit has commenced with fieldwork scheduled in October 2018.

Maintain and coordinate the committees framework and register, including the provision of support to establish and manage committees and joint external stakeholder groups - Executive Manager Governance & Risk

This project to maintain and coordinate the committees framework and register, including the provision of support to establish and manage committees and joint external stakeholder groups has been completed. Governance support is now established for committees and joint external stakeholder groups and the committee register is being maintained.



Coordinate the development and review of an integrated policy framework and maintain Council's Policy Register. - Executive Manager Governance & Risk

Project running to schedule.



Develop and implement a technology platform to enable enhanced complaints management workflows and detailed reporting - Head of Integrity & Complaints

This project is on track.



Develop and facilitate Code of Conduct training to Councillors and Council staff
- Head of Integrity & Complaints

Education and awareness are being developed and delivered to staff and Councillors through:

- The Code of Conduct eLearning module for staff
- The Code of Conduct staff induction program
- Councillor Code of Conduct communications
- Development of an OICR roadshow to raise awareness of complaints management, misconduct reporting and staff obligations with regard to the Code of Conduct



Deliver on initiatives identified in the OICR three year strategic plan
- Head of Integrity & Complaints

The Office of Integrity and Complaints Resolution (OICR) team continues to progress its strategic business plan actions including development of core elements of a customer-facing complaints website to be delivered in October 2018.

FINANCIALS

GOVERNANCE AND ASSURANCE SERVICES

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	2,909,985	2,909,985	0	11,865,734	11,865,734	11,865,734
User Charges & Fees	873	2,500	(1,627)	9,735	9,735	9,735
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	55,364	0	55,364	0	0	0
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	2,966,221	2,912,484	53,737	11,875,469	11,875,469	11,875,469
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(713,362)	(807,815)	94,453	(3,440,743)	(3,440,743)	(3,440,743)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(842,800)	(1,051,149)	208,350	(4,209,724)	(4,209,724)	(4,209,724)
Depreciation and Amortisation	(8,389)	(8,389)	0	(33,556)	(33,556)	(33,556)
Other Expenses	(672,023)	(739,122)	67,099	(2,958,718)	(2,958,718)	(2,958,718)
Internal Charges	(11,314)	(31,746)	20,433	(135,676)	(135,676)	(135,676)
Overhead Allocation	(274,263)	(274,263)	0	(1,097,052)	(1,097,052)	(1,097,052)
Total Expenses From Continuing Operations	(2,522,150)	(2,912,484)	390,334	(11,875,469)	(11,875,469)	(11,875,469)
Surplus / (Deficit) from Continuing Operations	444,071	0	444,071	(0)	(0)	(0)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$444,071 is higher than forecast at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$2,966,221 is higher than forecast by \$53,737 principally as a result of higher Other Revenues from legal fees recovered.

Total Expenses from Continuing Operations of \$2,522,150 are lower than forecast by \$390,334. This is principally the result of lower than anticipated Employee Benefits & Oncosts of \$94,453, lower Materials and Contracts of \$208,350 and lower Other Expenses of \$67,099.

The lower Employee Benefits & Oncosts are due to vacant positions within the Governance & Risk Team. The lower Material and Contracts are principally due to a delay in engaging a contract for internal audit services - \$83,511, timing differences associated with the provision of legal services - \$83,343 and timing differences in the provision of catering services for councillor briefings and Council meetings - \$27,427. The lower Other Expenses are primarily due to the nature and variability of insurance claims.

While actual income was higher and expenditure lower than anticipated during the first quarter for the reasons noted above, no changes have been made to the annual forecast as there is insufficient information to conclude these trends continue for the full financial year.

Customer Service

HIGHLIGHTS

Customer service has continued to improve responsiveness to our customers:

- Improving phone call statistics, eg. responsiveness and satisfaction
- Improving the processing of customer permits and applications
- Reviewing customer requests and timeframes for responding and completing them

These are resulting in faster and more satisfying services for our customers. Our online customer portal was also improved with a key word search, google search and improved map. Further work is progressing on improving our after-hours customer service.

Performance Measures – Customer Service	Target	Quarterly Result
Calls answered within 30 seconds	80%	77%
Customer satisfaction with service calls	80%	90%
Customer satisfaction with online requests	80%	* No result this quarter
Customer requests conducted online	15%	17%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

Notes on results:

* Customer satisfaction with online requests – Customer feedback mechanism is in place but no feedback has been received from customers. Future enhancements are to include a more prominent feedback feature.

Workload Measures – Customer Service	Quarterly Result
No. calls to Customer Service 1300 434 434	49,048

OPERATIONAL PROJECTS

Key: ■ Completed ■ Progressing on schedule ■ Behind schedule



Continued improvement to customer portal to enhance the customer experience - Executive Manager Customer Service

Further enhancements are being phased for this project. Current scoping of waste and parking permit delivery through this platform is underway.



Building a customer centric culture by continued delivery on Customer Experience (CX) Strategy Measures of Success program - Executive Manager Customer Service

Project is focusing on the Measures of success of the CX Strategy. This is a 5 year strategy. Project is on target. Focus is on induction, etiquette/customer service standards and surveys.



Investigation of a concierge and customer queuing system across all front counters - Executive Manager Customer Service

Project is scheduled to start in October



Investigate service delivery options for customer service locations including hours of operation. - Executive Manager Customer Service

Report was finalised and Councillors were briefed on the report. Recommendation to Council accepted.

FINANCIALS

CUSTOMER SERVICE

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	591,177	591,177	0	2,495,218	2,495,218	2,495,218
User Charges & Fees	531,207	318,467	212,741	1,274,112	1,274,112	1,274,112
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	1,122,385	909,644	212,741	3,769,330	3,769,330	3,769,330
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(780,882)	(846,346)	65,464	(3,523,107)	(3,523,107)	(3,523,107)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(58,671)	(73,019)	14,349	(282,720)	(282,720)	(282,720)
Depreciation and Amortisation	(11,614)	(11,614)	0	(46,457)	(46,457)	(46,457)
Other Expenses	(5,763)	(11,047)	5,284	(44,803)	(44,803)	(44,803)
Internal Charges	165,534	164,150	1,385	654,824	654,824	654,824
Overhead Allocation	(131,767)	(131,767)	0	(527,067)	(527,067)	(527,067)
Total Expenses From Continuing Operations	(823,163)	(909,644)	86,481	(3,769,330)	(3,769,330)	(3,769,330)
Surplus / (Deficit) from Continuing Operations	299,222	0	299,222	0	0	0

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$299,222 is higher than forecast at the end of September primarily as a result of higher income and lower than forecast expenditure during the quarter.

Total Income from Continuing Operations of \$1,122,385 is higher than forecast by \$212,741 primarily as a result of the budgeted timing of the sale of parking permits having been allocated evenly over the financial year which is not consistent with the actual timing of the sales.

Total Expenses from Continuing Operations of \$823,163 are lower than forecast by \$86,481. Employee Benefits & Oncosts are lower than forecast by \$65,464 related to short-term vacancies that have now been filled, Materials and Contracts are \$14,349 lower than forecast as a result of a single database for our after-hours service and the expansion and optimisation of our online reporting tool for customers thereby allowing customers to self-serve for non-urgent issues and lower Other Expenses of \$5,284.

While actual income is higher than anticipated and expenses lower for the reasons noted above no changes have been made to the annual forecast as there is insufficient information to conclude these trends will continue for the full financial year.

Corporate Support Services

HIGHLIGHTS

Community Grants

We called for applications for \$550,000 in community grants. This seed funding enables us to partner with community groups for local sporting infrastructure, community projects, services and events. 102 applications were received and the successful recipients will be announced in October.

Grant Funding of \$12.3 million secured

Council secured the following funding from the NSW Government for infrastructure projects and environmental management:

Project	Agency	Grant
Narrabeen and Dee Why Lagoon pedestrian bridges	Transport for NSW	\$6,552,354
Collaroy-Narrabeen Coastal Protection Works	Office of Environment and Heritage (OEH)	\$5,505,000
Weed management at Middle Creek, Wakehurst Parkway	Crown Lands	\$24,275
weed management at Griffith Park, Long Reef	Crown Lands	\$15,000
Kangaroo Park Childcare centre improvements, Manly	Crown Lands	\$100,000
West Esplanade Masterplan, Manly	OEH	\$100,000
Manly Cemetery physical and digital access	OEH	\$24,275

Managing our Human Resources

A number of initiatives continue to build our workforce to be capable, efficient and safe:

- Introduced a new salary system that is simple, equitable and supports staff development. To date 70% of staff have accepted the offer to transfer to the new system.
- Launched a new cloud-based HR Information System to enhance staff performance, development, recruitment and induction.
- Aligning staff performance goals with strategic objectives and long term goals.
- Training of people leaders to drive a culture of high performance and engagement
- Developing Work Health and Safety systems to address risks, hazards and incidents.

Our White Ribbon Accreditation Journey

A Workplace Support Policy was developed on family and domestic violence, outlining the support available to our employees. Training sessions are being run on Understanding Violence Against Women, completed by 141 people leaders and 129 employees to date.

Performance Measures – Corporate Support	Target	Quarterly Result
Correspondence replied to within 5 working days	80%	83.2%
Operational projects progressing or completed	80%	89%
Capital projects progressing or completed	80%	91%
Quarterly and Annual Reports submitted to Council on time	100%	100%

Results Key: ■ Achieved ■ Approaching - within 5% of target ■ Behind - more than 5% off target

OPERATIONAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule



Implement the Procurement Framework - Chief Financial Officer

Procurement framework improvements undertaken this quarter included:

- Suite of standard templates developed for the evaluation of quotations, tenders and awarding contracts
- Procurement plans drafted
- Contract management template drafted
- Updating the mapping of procurement processes



Prepare and present Council's Quarterly Budget Review Statement - Chief Financial Officer

Continuous business improvement processes undertaken to ensure the accuracy and reliability of the Quarterly Budget Review Statement for Council.



Develop and refine processes, procedures, policies and management standards - Chief Financial Officer

A plan has been developed and this project will be undertaken in conjunction with the Corporate Plan Project "Identify and improve areas that support the long term financial sustainability of the organization"



Deliver a program of service reviews - Executive Manager Strategy, Performance & Improvement

Baseline assessments for all 65 Services have now been completed and baseline reports are currently being reviewed. The three pilot reviews are being finalised along with the development of the framework. The Service Review Prioritisation processes has been placed on hold to allow for further input.



Develop strategic directions and plans based on Integrated Planning and Reporting framework for Local Government. - Executive Manager Strategy, Performance & Improvement

Initial scoping work has been undertaken to identify the strategic document currently in place.



Develop the Delivery Program and annual Operational Plan - Executive Manager Strategy, Performance & Improvement

Project is scheduled to start in January



Implement disability awareness education and training for all staff - Executive Manager Human Resources

The training is being delivered as part of Council's Equal Employment Opportunity program.

EEO has been incorporated in to our Recruitment and Selection training for People Leaders, which commenced roll out in April with further sessions scheduled until the end of 2018. Ongoing training will be rolled out for new managers and refresher sessions will be developed as part of Council's blended / e-learning suite.

EEO will be incorporated in to our on-boarding / induction program for new employees and incorporating EEO, Diversity and Disability Awareness is currently being reviewed as a part of our blended / e-learning capability investigations.



Implement the Workforce Management Plan - Executive Manager Human Resources

During the quarter a range of initiatives were undertaken including introducing a new salary system and cloud-based HR Information System; training of people leaders to drive a culture of high performance

and engagement and developing Work Health and Safety systems to address risks, hazards and incidents





Implement the digital transformation strategy - Chief Information Officer

During the 2018/19 financial year, the project will:

- Enable 'Employee Central' roll-out for staff
- Implement online customer bookings
- Facilitate 'Release 3' of the OneCRM system to support more online transactions
- Roll-out location intelligence system across the Northern Beaches

CAPITAL PROJECTS

Key:  Completed  Progressing on schedule  Behind schedule

IT Improvements



IT Infrastructure – new works - Chief Information Officer

Infrastructure new works has commenced with the procurement and implementation of corporate WiFi coverage for council buildings. Boondah Depot is now Wifi connected and Civic Centre Dee Why is expected to be Wifi enabled in October.



IT Software – new works - Chief Information Officer

This program consists of :

- Identity Management Software - Project to commence early 2019
- Facilities & Events Bookings System - business requirements under development and draft Request for Tender being prepared
- Staff Roster Management System - Library and children's Services - brief to be finalised
- Timesheet System - brief to be finalised



IT Infrastructure - replacements - Chief Information Officer

Desktop PC replacement RFQ has been issued and quote accepted. Orders have commenced



IT Software - replacements - Chief Information Officer

This project tracks renewal of specialist software

FINANCIALS

CORPORATE SUPPORT SERVICE

Income Statement – 1 July to 30 September 2018

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	125,619,673	125,414,678	204,996	8,975,128	8,975,128	8,975,128
User Charges & Fees	307,666	333,538	(25,872)	737,970	737,970	737,970
Investment Fees and Revenues	1,600,377	1,388,104	212,273	5,576,010	5,576,010	5,826,010
Other Revenues	137,318	52,430	84,888	134,941	134,941	149,941
Grants and Contributions - Operating Purposes	688,969	1,397,463	(708,494)	7,262,682	7,262,682	7,262,682
Grants and Contributions - Capital Purposes	4,621,288	2,043,299	2,577,989	8,900,000	8,900,000	10,150,000
Gains on disposal of Assets	285,000	0	285,000	0	0	285,000
Total Income From Continuing Operations	133,260,292	130,629,512	2,630,780	31,586,731	31,586,731	33,386,731
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(5,777,289)	(6,237,780)	460,491	(26,286,653)	(26,286,653)	(26,286,654)
Borrowing Costs	(456,976)	(507,898)	50,922	(2,459,338)	(2,459,338)	(2,459,338)
Materials and Contracts	(2,045,008)	(2,475,761)	430,753	(8,057,879)	(9,313,312)	(9,313,312)
Depreciation and Amortisation	(690,970)	(442,006)	(248,964)	(1,768,024)	(1,768,024)	(3,518,024)
Other Expenses	(142,597)	(278,828)	136,231	(1,692,806)	(1,692,806)	(1,692,806)
Internal Charges	184,003	213,780	(29,778)	860,213	860,213	860,213
Overhead Allocation	6,402,659	6,402,659	0	25,610,635	25,610,635	25,610,635
Total Expenses From Continuing Operations	(2,526,178)	(3,325,833)	799,655	(13,793,852)	(15,049,285)	(16,799,286)
Surplus / (Deficit) from Continuing Operations	130,734,114	127,303,679	3,430,435	17,792,879	16,537,446	16,587,445

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$130,734,114 is higher than forecast by \$3,430,435 at the end of September as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$133,260,292 is higher than forecast by \$2,630,780 as a result of slightly higher Rates and Annual Charges of \$204,996, Investment Fees and Revenues of \$212,273, Other Revenues of \$84,888, Grants and Contributions of Capital Purposes of \$2,577,989 and Gains on disposal of Assets of \$285,000 partially offset by lower User Charges & Fees of \$25,872 and Grants and Contributions for Operating Purposes of \$708,494. The higher Rates and Annual Charges of \$204,996 relates to the timing of pensioner rebates, the higher Investment Fees and Revenues principally relates to interest on funds for capital works rolled over from the previous financial year, the higher Other Revenues principally relates to legal fees recovered on outstanding debts, the higher Grants and Contributions for Capital Purposes principally relates to higher developer contributions of \$1,272,128 and the receipt of the first milestone payment of the Connecting communities grant for the Dee Why Lagoon and Narrabeen pedestrian bridges from Transport for NSW earlier than anticipated and the higher Gains on disposal of Assets relates to the closure and sale of a section of the road reserve adjacent to 1153 Barrenjoey Road, Palm Beach in accordance with a Council resolution on 25 July 2017. The lower User Charges & Fees relates to a number of fees such as fees for s603 certificates and the Grants and Contributions for Operating Purposes relates to the prepayment of 50% of the 2018/19 Financial Assistance Grant at the end of the last financial year.

Total Expenses from Continuing Operations of \$2,526,178 are lower than forecast by \$799,655. This is principally the result of lower than anticipated Employee Benefits & Oncosts of \$460,491, Borrowing Costs of \$50,922, Materials and Contracts of \$430,753 and Other Expenses of \$136,231 partially offset by higher Depreciation of \$248,964. The lower Employee Benefits & Oncosts has largely occurred in Finance

\$222,461, Human Resources \$99,029, Information & Digital Technology \$45,387 and General Manager Environment & Infrastructure \$38,029 and relates to a number of vacancies and the timing of annual and parental leave. The lower Materials and Contracts principally relate to Information & Digital Technology \$414,977 specifically system improvement programs have been progressed using in-house staff and not required professional services as budgeted, the digitisation of 960 record boxes has not been progressed this financial year to date and computer software expenses are lower than forecast due to the timing of software license renewals. The lower Other Expenses principally relate to Human Resources \$30,536 – workers compensation and Information & Digital Technology \$105,708 – data services. The higher Depreciation relates to the revaluation of Buildings at the end of the last financial year which has resulted in an increase in the annual assessment of depreciation of \$1.75 million.

For the full financial year the Surplus from Continuing Operations is forecast to increase by \$50,000. Income from Continuing Operations is forecast to increase by \$1.8 million – Investment Fees and Revenues are forecast to increase by \$250,000, Other Revenues by \$15,000 and Gains on disposal of Assets by \$285,000 for the reasons noted above, Grants and Contributions for Capital Purposes are forecast to increase by \$1,250,000 as a result of Connecting Communities grant noted above. This has been partially offset by Expenses from Continuing Operations which have been forecast to increase by \$1.75 million as a result of the increase in the annual assessment of building depreciation.

General Purpose and Special Purpose Financial Reports

1 July 2017 to 30 June 2018

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council

FINANCIAL COMMENTARY 2017/18

INTRODUCTION

This commentary provides the highlights of Council's 2017/18 Financial Statements. The Financial Statements are prepared by Council to provide information in relation to Council's financial performance and position. The Statements are prepared in accordance with Australian Accounting Standards, the NSW Local Government Act 1993, and the NSW Local Government Code of Accounting Practice and Financial Reporting (Update No 26).

The Financial Statements are made up of the following:

- General Purpose Financial Statements – pages 11 to 96
- Special Purpose Financial Statements – pages 97 to 112
- Special Schedules – pages 113 to 122

The General Purpose and Special Purpose Financial Statements are independently audited by the Auditor General, reported to Council, placed on public exhibition and lodged with the Office of Local Government.

2017/18 SUMMARY RESULTS

• Total Income from Continuing Operations	\$391.112m
• Total Expenses from Continuing Operations	\$312.643m
• Net Operating Surplus for the period	\$78.469m
• Net Operating Surplus for the period before Capital Grants and Contributions	\$24.870m

• New Capital Works	\$47.710m
• Capital Renewal Works	\$31.040m
• Total Capital Expenditure	\$78.750m

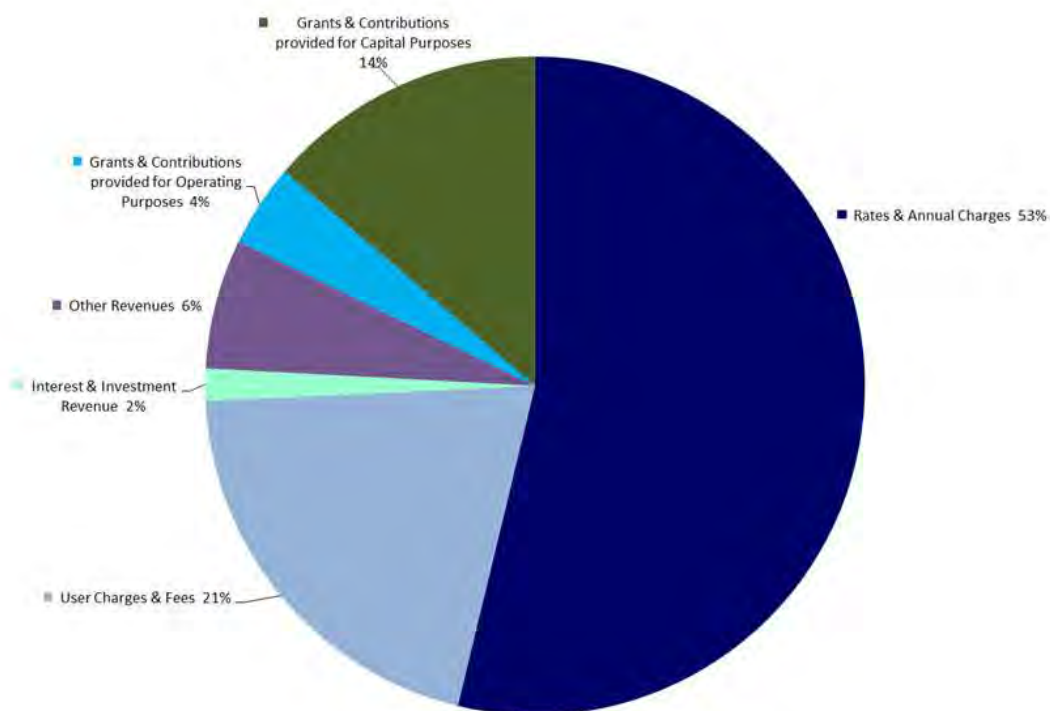
• Total Assets	\$5.153b
• Total Liabilities	\$147.854m
• Net Assets	\$5.005b

• Unrestricted Current Ratio	3.09x
• Debt Service Cover Ratio	4.62x
• Building & Infrastructure Renewals Ratio	99.79%

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council

INCOME FROM CONTINUING OPERATIONS



Income Items	1 July 2017 - 30 June 2018
	Actual (\$'000)
Rates & Annual Charges	210,291
User Charges & Fees	80,170
Interest & Investment Revenue	6,195
Other Revenues	24,946
Grants & Contributions provided for Operating Purposes	15,911
Grants & Contributions provided for Capital Purposes	53,599
Total Income from Continuing Operations	391,112

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council**Rates & Annual Charges**

Total Rates and Annual Charges were \$210.291m compared to an original budget of \$210.179m.

Of this, total Rates were \$155.545m and total Annual Charges were \$53.455m. Annual Charges for the period are predominantly represented by domestic waste charges. This includes a provision of funds towards a new bin system roll-out associated with the implementation of the new waste collection contract from 1 July 2019.

User Charges & Fees

Total User Charges & Fees were \$80.170m compared to an original budget of \$79.725m.

The \$80.170m comprised of \$22.098m in tipping fees at the Kimbriki Waste & Recycling Centre and \$58.072m in fees charged by Council for the services it provides. Major items within Council's \$58.072m are Child Care Fees of \$11.832m, Parking Fees of \$11.802m, \$6.980m from the Manly Boy Charlton and the Warringah Aquatic Centre swimming centres, \$6.142m in Planning & Building Regulation fees and \$5.677m from the Lakeside Caravan Park.

Interest & Investment Revenues

Total Interest and Investment Revenues were \$6.195m compared to an original budget of \$4.712m. This was due to higher than anticipated investment balances as a result of the receipt of \$21.1m from Round 2 of the Stronger Communities Fund and the timing of capital expenditure.

Council's Cash and Investments at the end of the financial year totalled \$218.294m. Council's investment portfolio performed strongly over the financial period returning an average of 2.66%, compared to the bank bill benchmark return of 1.76%.

Other Revenues

Total Other Revenues were \$24.946m compared to an original budget of \$22.802m. The total \$24.946m comprised of \$2.716m in other revenues at the Kimbriki Waste & Recycling Centre and \$22.230m from Council operations. Major items within Council's \$22.230m include \$7.904m in Parking Fines, \$4.710m from Leases & Licences, \$3.794m from the rental of Council's properties and \$1.062m in advertising income.

Grants & Contributions provided for Operating Purposes

Total Grants & Contributions provided for Operating Purposes were \$15.911m compared to an original budget of \$12.395m. This was principally due to the advance payment of the first two instalments of the estimated 2018-19 Financial Assistance Grant totalling \$3.973m.

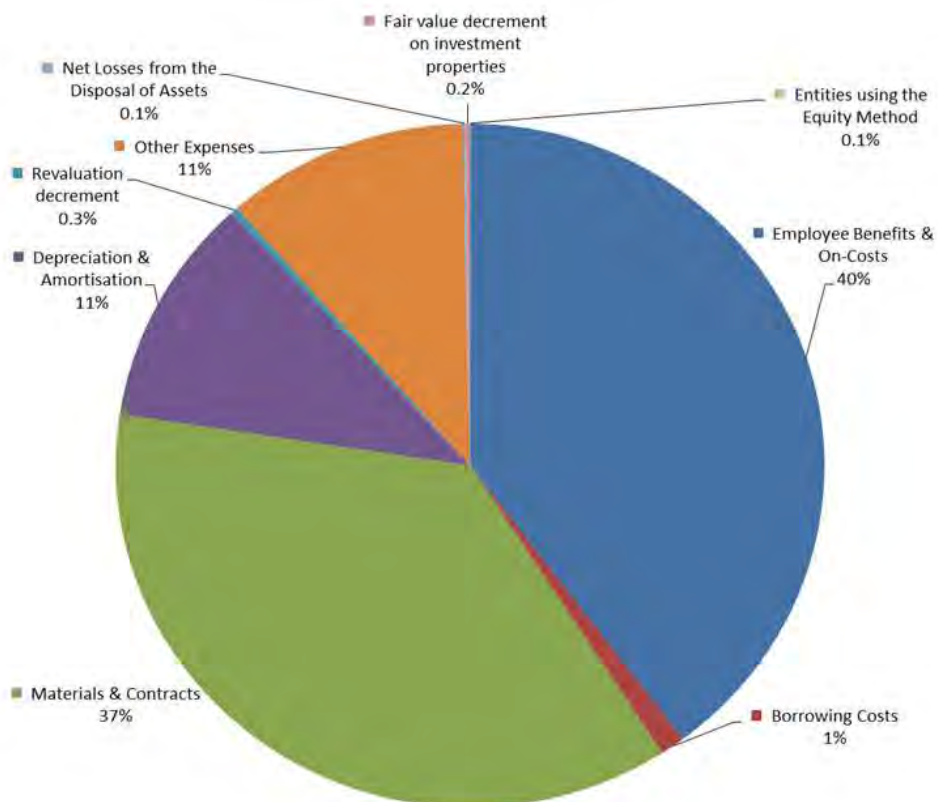
Grants & Contributions provided for Capital Purposes

Total Grants & Contributions provided for Capital Purposes were \$53.599m compared to an original budget of \$20.858m. This was principally due to the receipt of \$21.1m from the NSW Government under their Stronger Communities Fund program for larger scale priority infrastructure and services projects, other principal components included \$10.544m in developer contributions, \$6.5m from the Roads and Maritime Services relating to the B-Line and \$7.3m representing the fair value of the Manly Memorial Hall.

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council

EXPENSES FROM CONTINUING OPERATIONS



Expense Items	1 July 2017 - 30 June 2018 Actual (\$'000)
Employee Benefits & On-Costs	124,306
Borrowing Costs	3,478
Materials & Contracts	114,200
Depreciation & Amortisation	33,919
Revaluation decrement	987
Other Expenses	34,665
Net Losses from the Disposal of Assets	390
Fair value decrement on investment properties	684
Entities using the Equity Method	14
Total Expenses from Continuing Operations	312,643

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council**Employee Benefits & On-Costs**

Total Employee Benefits & On-Costs were \$124.306m compared to an original budget of \$130.786m and represent 39.75% of Council's Total Expenses from Continuing Operations.

Borrowing Costs

Total Borrowing Costs were \$3.478m for the financial period compared to an original budget of \$3.972m. Borrowing Costs consists of interest on loans of \$2.135m and the amortisation of discounts for remediation liabilities for the Kimbriki Waste Landfill \$1.343m.

The lower than anticipated borrowing costs were principally due to lower interest rates on variable loans.

Materials & Contracts

Total Materials & Contracts were \$114.2m compared to an original budget of \$115.105. The total \$114.2m comprised of \$11.3m in expenses at the Kimbriki Waste & Recycling Centre and \$102.9m relating to Council's operations. The major items within Council were \$14.563m in waste disposal costs, \$11.408m in garbage collection costs and \$10.238m in maintenance & servicing.

Depreciation & Amortisation

Total Depreciation and Amortisation \$33.919m compared to an original budget of \$33.310m.

Other Expenses

Other Expenses were \$34.665m for the financial period. Major items within this include \$8.359m Waste Levy, \$4.201m in electricity & heating, \$5.82m relating to the NSW Government Emergency Services Levy, \$2.885m in insurance costs and \$3.882m for street lighting.

Net Loss from the Disposal of Assets

The Net Loss from the disposal of assets was \$0.390m. This was principally due to the write down of projects which are either no longer proceeding or operational in nature.

Revaluation Decrement/Impairment of IPPE

Revaluation decrement/impairment of Infrastructure Property Plant & Equipment was \$0.987m representing a reduction in the fair value of Council's buildings.

Fair Value Decrement on Investment Properties

Fair value decrement on investment properties was \$0.684m for the financial period representing a reduction in the fair value of Council's three investment properties.

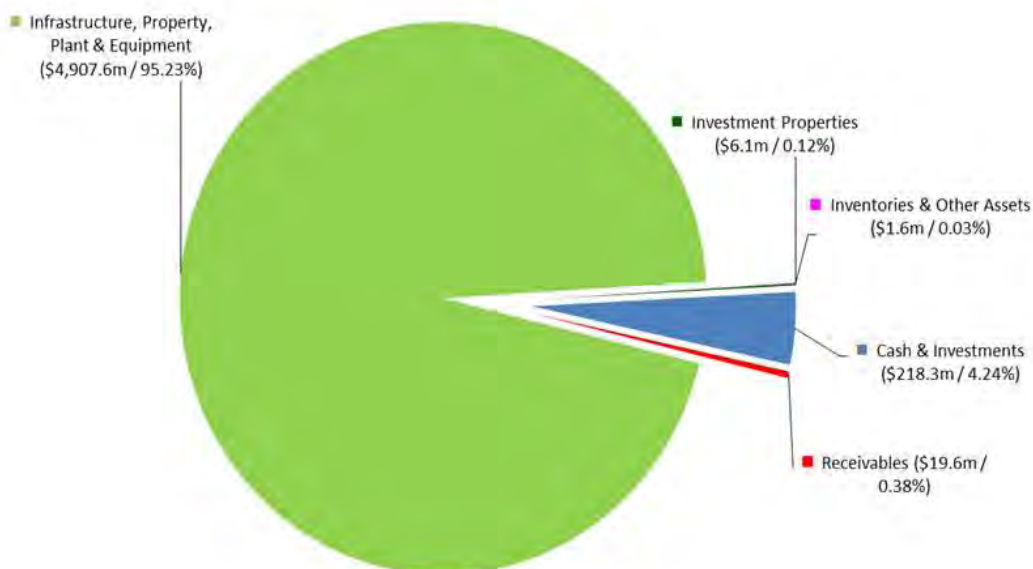
Net Share of Interests in Joint Ventures and Associates Using the Equity Method

The Net share of interests in joint ventures using the equity method was \$0.014m representing Council's share of the deficit of the Shorelink joint venture.

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council

ASSETS



Asset Items	30 June 2018 Actual (\$'000)
Current Assets	
Cash & Cash Equivalents	6,037
Investments	208,886
Receivables	18,379
Inventories	203
Other	1,375
Total Current Assets	234,880
Non Current Assets	
Investments	3,371
Receivables	1,234
Infrastructure, Property, Plant & Equipment	4,907,625
Investment Property	6,085
Total Non Current Assets	4,918,315
TOTAL ASSETS	5,153,195

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council

ASSETS

Cash, Cash Equivalents and Investments

Cash, Cash Equivalents and Investments totalled \$218.294m as at 30 June 2018. This represents an increase of \$29.850m from the 2016-2017 balance. This is principally due to higher than anticipated Grants and Contributions and the timing of capital works.

Receivables

Receivables totalled \$19.613m as at 30 June 2018. This is a decrease of \$0.744m from the 2016-2017 balance principally due to the timing of the receipts of Grants and Contributions.

Inventories

Inventories totalled \$0.203m as at 30 June 2018 and are represented by stores, materials and trading stock. This was comparable to the 2016-17 balance of \$0.192m.

Other Assets

Other Assets are represented by Prepayments which totalled \$1.375m at 30 June 2018. This represents a reduction of \$0.135m from the 2016-17 balance and is principally due to the timing of invoicing by suppliers.

Infrastructure, Property, Plant and Equipment

Infrastructure, Property, Plant and Equipment totalled \$4.908b as at 30 June 2018. This represents an increase of \$208.299m from the 2016-17 balance.

During the financial year a full revaluation of Operational Land was undertaken and resulted in an increase in the valuation of \$158.42million. This was credited to the Asset Revaluation Reserve.

A full revaluation of Buildings was also undertaken. The result was an adjustment to the values as follows:

	Prior to Revaluation \$'000	After Revaluation \$'000	Movement \$'000
Cost	557,237	623,860	66,623
Accumulated Depreciation	(91,915)	(159,526)	(67,610)
Total	465,322	464,344	987

The net decrease of \$987 was debited to the Income Statement through the Revaluation Decrement/Impairment of IPPE.

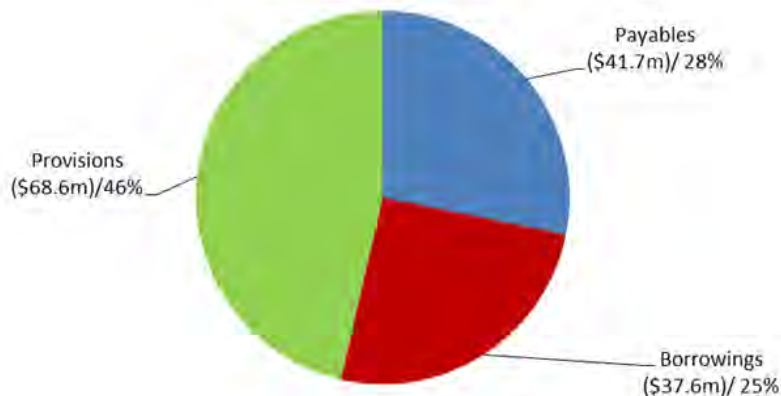
Investment Property

Council's investment properties total \$6.085m as at 30 June 2018. This represents an increase of \$4,005m from the 2016-17 balance. Council transferred two properties located at Sydney Road Balgowlah (\$2.982m) and Condamine Street Balgowlah (\$1.707m) to Investment Properties. A revaluation was also undertaken of Council's three investment properties which resulted in a reduction in the total fair value of \$0.684m which was debited to the Income Statement through the Fair Value Decrement on Investment Properties.

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council

LIABILITIES



Liability Items	30 June 2018 Actual (\$'000)
Current Liabilities	
Payables	41,671
Borrowings	5,225
Provisions	29,502
Total Current Liabilities	76,398
Non Current Liabilities	
Borrowings	32,358
Provisions	39,098
Total Non Current Liabilities	71,456
TOTAL LIABILITIES	147,854

Payables

Payables totalled \$41.671m at 30 June 2018 which represented a decrease of \$3.187m from the 2016-2017 balance. The principal components of the balance were Accounts Payable and Accrued Expenses of \$18.918m, Payments Received in Advance of \$4.501m and Deposits and Retentions of \$17.466m.

Borrowings

Borrowings totalled \$37.583m at 30 June 2018 which represented a decrease of \$10.435m from the 2016-2017 balance of \$48.018m. Included in the decrease was the early repayment of loans totalling \$5.2m.

Provisions

Provisions totalled \$68.60m at 30 June 2018. This represents an increase of \$17.999m from the 2016-2017 balance and is principally the result of an increase in the Asset Remediation Provision of \$17.905m following the independent assessment in June 2018 by Mockinya Consulting.

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council

KEY PERFORMANCE INDICATORS

	2018
Operating Performance	7.97%
Own Source Operating Revenue	82.23%
Unrestricted Current Ratio	3.12x
Debt Service Cover Ratio	4.62x
Rates & Annual Charges Outstanding Percentage	3.87%
Buildings & Infrastructure Renewals Ratio	99.79%
Infrastructure Backlog	0.51%
Asset Maintenance Ratio	116.98%
Cost to bring to agreed service level	0.44%

Operating Performance

This ratio measures Council's achievement of containing operating expenditure within operating revenue. It is important to distinguish that this ratio is focusing on operating performance and hence capital grants and contributions, fair value adjustments and reversal of revaluation decrements are excluded. The benchmark is greater than 0%.

Council's Operating Performance Indicator at 7.97% is above the benchmark of 0%.

Own Source Operating Revenue

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

Council's Own Source Operating Revenue Indicator at 82.23% is well above the benchmark of 60% highlighting Council financial flexibility.

Unrestricted Current Ratio

The Unrestricted Current Ratio is specific to local government and is designed to represent a Council's ability to meet short term obligations as they fall due. Restrictions placed on various funding sources (e.g. Section 7.11 developer contributions, RMS contributions) complicate the traditional current ratio used to assess liquidity of businesses as cash allocated to specific projects is restricted and cannot be used to meet a Council's other operating and borrowing costs. The benchmark is greater than 1.5.

Council's Unrestricted Current Ratio of 3.12 reflects Council's sound financial position.

Debt Service Cover Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments. The benchmark is greater than 2.

Council's Debt Service Cover Ratio of 4.62 is above the benchmark of 2.

ANNUAL FINANCIAL STATEMENTS

Northern Beaches Council**Rates and Annual Charges Outstanding**

The purpose of this ratio is to assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts.

Council maintains low levels of outstanding rates and annual charges particularly given that it may allow aged pensioners where in its opinion payment would cause hardship to accrue Rates and Charges against their estate.

Council's rates and annual charges outstanding ratio of 3.87% is within the benchmark of <5%.

Building and Infrastructure Renewal Ratio

The purpose of the Building and Infrastructure Renewal Ratio is to assess the rate at which these assets are being renewed against the rate at which they are depreciating.

Council's ratio of 99.79% is slightly below the benchmark of 100% and represents the timing of the completion of projects.

Infrastructure Backlog Ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Council's Infrastructure Backlog Indicator is 0.51% which is below the benchmark of 2% indicating that Council does not have a significant infrastructure backlog.

Asset Maintenance Ratio

This ratio compares actual versus required annual asset maintenance. A ratio of above 1.0 indicates that the Council is investing enough funds within the year to stop the infrastructure backlog from growing. The benchmark is greater than 1.0.

Council's Asset Maintenance Ratio of 116.98% indicates that the level of expenditure on the maintenance of infrastructure assets is sufficient to prevent the infrastructure backlog from growing.

Cost to Bring Assets to Agreed Service Level

This ratio indicates the proportion of the gross replacement cost of Council's assets that have reached the intervention level set by Council based on the condition of the asset. This ratio is simply the sum of the outstanding renewal works, valued as the work will be undertaken, compared to the total replacement cost of Council's assets.

This ratio provides a meaningful snapshot of the proportion of outstanding renewal works compared to the total suite of assets that Council has under its care and stewardship. The use of the gross replacement cost as the denominator in this ratio provides a more stable measure over time and is easier for Councils to calculate with greater consistency year to year. Council's ratio of 0.44% indicates the cost to bring assets to agreed service levels are at a financially sustainable level.

Annual Financial Statements

Northern Beaches Council

General purpose financial statements
for the year ended 30 June 2018

Annual Financial Statements

Northern Beaches Council

General purpose financial statements

for the year ended 30 June 2018

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These Financial Statements are general purpose financial statements of Northern Beaches Council and its controlled entities and are presented in the Australian Currency.

Northern Beaches Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:
725 Pittwater Rd
DEE WHY NSW 2099

These Financial Statements were authorised for issue by the Council on 25/09/18. Council has the power to amend and reissue the Financial Statements.

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

PRINCIPAL PLACE OF BUSINESS

725 Pittwater Road
Dee Why NSW 2099

OPENING HOURS

Monday to Friday
8.30am - 5.00pm

CONTACT DETAILS

Mailing Address:

DX 9118
Dee Why NSW 2099

Telephone: 02 9942 2111

Facsimile: 02 9971 4522

Internet: www.northernbeaches.nsw.gov.au

Email: council@northernbeaches.nsw.gov.au

OTHER INFORMATION

ABN: 57 284 295 198

AUDITORS

Audit Office of New South Wales

Annual Financial Statements

Northern Beaches Council

General purpose financial statements

for the year ended 30 June 2018

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

The attached General Purpose Financial Report has been prepared in accordance with:


- the Local Government Act 1993 (as amended) and the Regulations made thereunder
- The Australian Accounting Standards and professional pronouncements.
- The Local Government Code of Accounting Practice and Financial Reporting.

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


- present fairly the Council's operating result and financial position for the period 01 July 2017 to 30 June 2018, and
- accord with Council's accounting and other records.

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

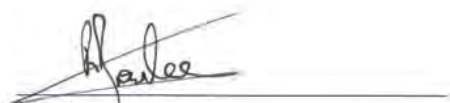
Signed in accordance with a resolution of Northern Beaches Council made on 25/09/2018.



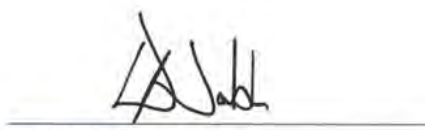
Michael Regan
Mayor
16/10/2018



Sarah Grattan
Councillor
16/10/2018



Ray Brownlee
Chief Executive Officer
16/10/2018



David Walsh
Responsible Accounting Officer
16/10/2018

Annual Financial Statements

Northern Beaches Council

Income Statement

for the year ended 30 June 2018

Original Unaudited Budget 2018 \$'000		Notes	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
Income from continuing operations				
Revenue:				
210,179	Rates and annual charges	3a	210,291	208,075
79,725	User charges and fees	3b	80,170	85,891
4,712	Interest and investment revenue	3c	6,195	6,737
22,802	Other revenues	3d	24,946	25,266
12,395	Grants and contributions provided for operating purposes	3e,f	15,911	34,206
20,858	Grants and contributions provided for capital purposes	3e,f	53,599	41,486
Other Income:				
500	Net gain from the disposal of assets	5	-	2,622
	Net share of interests in joint ventures and associates using the equity method	17	-	3
351,171	Total income from continuing operations		391,112	404,286
Expenses from continuing operations				
130,786	Employee benefits and on-costs	4a	124,306	149,790
3,972	Borrowing costs	4b	3,478	4,907
115,105	Materials and contracts	4c	114,200	124,658
33,310	Depreciation and amortisation	4d	33,919	37,027
	Impairment of investments	4d	-	-
40,050	Other expenses	4e	34,665	38,958
	Interest and investment losses	3c	-	-
	Net loss from the disposal of assets	5	390	-
	Revaluation decrement/impairment of IPPE	4d	987	-
	Fair value decrement on investment properties	11	684	-
	Net share of interests in joint ventures and associates using the equity method	17	14	-
323,224	Total expenses from continuing operations		312,643	355,340
27,947	Operating result from continuing operations		78,469	48,946
	Operating Result from discontinued operations		-	-
27,947	Net operating result for the period		78,469	48,946
Gain on local government amalgamation				
-	Assets and liabilities transferred from former Councils	27	-	4,718,682
27,947	Net result for the period		78,469	4,767,628
Attributable to:				
28,039	- Council		78,305	4,767,709
(92)	- Non-controlling Interests		164	(81)
27,947			78,469	4,767,628
7,089	Net operating result for the period before grants and contributions provided for capital purposes		24,870	7,460

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

Annual Financial Statements

Northern Beaches Council

Statement of Comprehensive Income

for the year ended 30 June 2018

	Year Ended 30 June 2018	Period 13 May 2016 to 30 June 2017
Notes	\$'000	\$'000
Net result for the period - from Income Statement	78,469	4,767,628
Other Comprehensive Income		
<i>Amounts that will not be reclassified subsequent to operating result</i>		
Gain on revaluation infrastructure property, plant and equipment	158,417	-
Total other Comprehensive Income for the period	158,417	-
Total comprehensive income for the period	236,886	4,767,628
Attributable to:		
- Council	236,722	4,767,709
- Non-controlling Interests	164	(81)

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

Annual Financial Statements

Northern Beaches Council

Statement of Financial Position

for the year ended 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	6a	6,037	29,820
Investments	6b	208,886	157,670
Receivables	7	18,379	18,671
Inventories	8	203	192
Other	8	1,375	1,510
Non-current assets classified as held for sale	9	-	-
Total current assets		234,880	207,863
Non-Current Assets			
Investments	6b	3,371	954
Receivables	7	1,234	1,686
Infrastructure, property, plant and equipment	10	4,907,625	4,699,326
Investments accounted for using the equity method	17	-	23
Investment property	11	6,085	2,080
Intangible assets	12	-	-
Inventories	8	-	-
Other	8	-	-
Total non-current assets		4,918,315	4,704,069
Total Assets		5,153,195	4,911,932
LIABILITIES			
Current liabilities			
Payables	13	41,671	44,858
Borrowings	13	5,225	5,411
Provisions	14	29,502	29,789
Total current liabilities		76,398	80,058
Non-current liabilities			
Payables	13	-	-
Borrowings	13	32,358	42,607
Provisions	14	39,098	20,812
Total non-current liabilities		71,456	63,419
Total Liabilities		147,854	143,477
Net assets		5,005,341	4,768,455
EQUITY			
Accumulated Surplus	15	4,846,014	4,767,709
Revaluation Reserves	15	158,417	-
Council Interest		5,004,431	4,767,709
Non-controlling equity interest		910	746
TOTAL EQUITY		5,005,341	4,768,455

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

Annual Financial Statements

Northern Beaches Council

Statement of Changes in Equity
for the year ended 30 June 2018

	Actual 2018					
	Accumulated Surplus	IPP&E revaluation reserve	Other Reserves	Council Equity Interest	Non- controlling Interest	Total Equity
Opening Balance	4,767,709	-	-	4,767,709	746	4,768,455
Correction of Errors	-	-	-	-	-	-
Changes in Accounting Policies	-	-	-	-	-	-
Restated Opening Balances	4,767,709		-	4,767,709	746	4,768,455
Net Operating Result for the year	78,305	-	-	78,305	164	78,469
Other Comprehensive Income	-	-	-	-	-	-
Gain (loss) on revaluation of Infrastructure, property, plant and equipment	-	158,417	-	158,417	-	158,417
Total Comprehensive Income	78,305	158,417	-	236,722	164	236,886
Transfers between Equity items	-	-	-	-	-	-
Closing Balance	4,846,014	158,417	-	5,004,431	910	5,005,341

	Actual 2017					
	Accumulated Surplus	IPP&E revaluation reserve	Other Reserves	Council Equity Interest	Non- controlling Interest	Total Equity
Transfer on Amalgamation	-	-	-	-	827	827
Correction of Errors	-	-	-	-	-	-
Changes in Accounting Policies	-	-	-	-	-	-
Restated Opening Balances	-	-	-	-	827	827
Net Operating Result for the period	4,767,709	-	-	4,767,709	(81)	4,767,628
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	4,767,709	-	-	4,767,709	(81)	4,767,628
Dividends Paid to Minority Interests	-	-	-	-	-	-
Closing Balance	4,767,709	-	-	4,767,709	746	4,768,455

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

Annual Financial Statements

Northern Beaches Council

Statement of Cash Flows

for the year ended 30 June 2018

Original Unaudited Budget 2018 \$'000		Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
	Notes		
Cash flows from operating activities			
Receipts:			
210,179	Rates and annual charges	208,776	237,802
79,265	User charges and fees	80,916	81,673
4,712	Investment revenue and interest	5,180	7,375
33,253	Grants and contributions	64,989	74,922
-	Deposits and retentions received	17,466	16,619
22,802	Other	23,220	28,297
Payments:			
(130,683)	Employee benefits and on-costs	(124,744)	(149,533)
(110,205)	Materials and contracts	(115,516)	(130,292)
(291)	Borrowing costs	(2,108)	(4,038)
-	Deposits and retentions refunded	(16,619)	(14,795)
(40,016)	Other	(34,161)	(38,188)
69,016	Net cash provided from (or used in) operating activities	107,399	109,842
	16(b)		
Cash flows from investing activities			
Receipts:			
-	Sale of investments	272,929	328,956
-	Sale of investment property	-	-
2,150	Sale of infrastructure, property, plant & equipment	3,964	3,213
-	Sale of non current assets held for resale	-	16,079
Payments:			
-	Purchase of investment securities	(326,531)	(317,915)
(116,065)	Purchase of infrastructure, property, plant and equipment	(71,109)	(94,800)
-	Purchase of intangibles	-	(1,203)
(45)	Purchase of inventory	-	-
(113,960)	Net cash provided from (or used in) investing activities	(120,747)	(65,670)
Cash Flows from financing activities			
Receipts:			
7,815	Borrowings and advances	-	-
Payments:			
(8,328)	Borrowings and advances	(10,435)	(41,784)
-	Finance lease liabilities	-	(7)
-	Dividends Paid to Minority Interests	-	-
(513)	Net cash provided from (or used in) financing activities	(10,435)	(41,791)
(45,457)	Net increase/(decrease) in cash and cash equivalents	(23,783)	2,381
29,820	Cash and cash equivalents at beginning of reporting period	29,820	27,439
(15,637)	Cash and cash equivalents at end of reporting period	6,037	29,820
	16(a)		

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

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1 Basis of Preparation

These financial statements were authorised for issue by Council on 25/09/2018. Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the Local Government Act (1993) (NSW) and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting. Northern Beaches Council is a not-for-profit entity. The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

(a) New and amended standards adopted by Council

The following new standards were adopted during the year. There was no material impact on reported financial position, performance or cash flows of the entity although some additional disclosures have arisen:

- AASB 2016 - 1 Amendments to Australian Accounting Standards - Recognition of Deferred Tax Assets for Unrealised Losses
- AASB 2016 - 2 Disclosure Initiative - Amendment to AASB 107
- AASB 2016 - 4 Disclosure Initiative - Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-For-Profit Entities
- AASB 2016 - 2 Disclosure Initiative - Amendments to Australian Accounting Standards - Further Annual Improvements 2014 - 2016 cycle
- AASB 124 Related Party Disclosures was adopted during the year. The impact of this standard had no impact on reporting financial position or performance, however additional disclosures have been included.

(b) Historical cost convention

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

(c) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

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

- (i) estimated fair values of investment properties - refer Note 11
- (ii) estimated fair values of infrastructure, property, plant and equipment - refer Note 10
- (iii) estimated tip remediation provisions - refer Note 14
- (iv) employee benefit provisions - refer Note 14

Significant judgements in applying the Council's accounting policies

- (i) Impairment of receivables
Council has made a significant judgement about the impairment of a number of its receivables - refer Note 7

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1 Basis of Preparation (continued)**Monies and other assets received by Council***(a) The Consolidated Fund*

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund. Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- general purpose operations
- Kimbriki Environmental Enterprises Pty Limited

(b) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (NSW) (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

Goods and Services Tax (GST)

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

Receivables and payables within the statement of financial position are stated inclusive of any applicable GST. The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the statement of financial position.

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

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018. Northern Beaches Council's assessment of the impact of these new standards and interpretations relevant to them is set out on the following pages.

Northern Beaches Council has not applied any pronouncements before their operative date in the annual reporting period beginning 1 July 2017.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1 Basis of Preparation (continued)

AASB 9 Financial Instruments and Associated Amending Standards

Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using AASB9 are to be measured at fair value.

Amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attributable to changes in the entity's own credit risk are presented in other comprehensive income.

Impairment of assets is now based on expected losses in AASB9 which requires Councils to measure:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) of full lifetime
- expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The available-for-sale investments held will be classified at fair value through OCI and will no longer be subject to impairment testing. The impairment loss recognised in the current period financial statements in relation to these statements was \$Nil.

The model for determining impairment losses in relation to receivables will be amended. The impact of the new model has not yet been quantified, although some impairment may be recognised earlier. Other impacts on the reported financial position and performance have not yet been determined.

The effective date is annual reporting periods beginning on or after 1 January 2018.

AASB 2014 – 10 Sale or contribution of Assets between an Investor and its Associate or Joint Venture.

AASB 2015 – 10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128.

AASB 2017 – 5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

The amendments address an acknowledged inconsistency between the requirements in AASB 10 and those in AASB 128 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The effective date is annual reporting periods beginning on or after January 2022.

AASB16 Leases

AASB16 will result in most of the operating leases of an entity being brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low- value assets which may remain off the balance sheet.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease.

Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges.

Whilst the impact of AASB16 has not yet been fully determined, Council currently has \$536,000 of operating leases which are likely to be brought to account. This will result in a non-current right of use asset and recognition of a lease liability which will be separated into a current and non-current component.

The effective date is annual reporting periods beginning on or after 1 January 2019.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1 Basis of Preparation (continued)

AASB 15 Revenue from contracts with customers and associated amending standards

AASB 15 introduces a five step process for revenue recognition with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Accounting policy changes will arise in timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The changes in revenue recognition requirements in AASB 15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. The impact of AASB 15 has not yet been quantified.

The effective date is annual reporting periods beginning on or after 1 January 2019

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 supersedes all the income recognition requirements relating to Councils, previously in AASB 1004 Contribution. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

AASB 1058 applies when a Council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the Council's objective is principally to enable the asset to further the council's objectives. In cases where the Council enters into other transactions, the Council recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

Upon initial recognition of the asset, this standard requires Council to consider whether any other financial statement elements (called 'related amounts') should be recognised in accordance with the applicable Accounting Standard, such as:

- (a) contributions by owners
- (b) revenue, or a contract liability arising from a contract with a customer
- (c) a lease liability
- (d) a financial instrument
- (e) a provision

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), the Council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised.

Prepaid rates received prior to the beginning of a rating period will now be recognised as a financial liability until the commencement of the rating period.

The effective date is annual reporting periods beginning on or after January 2019.

AASB 2017 – 1 Amendments to Australian Accounting Standards – Transfers of Investment Property 2014-2016 Cycle and Other Amendments (AASB 1, AASB 128, AASB 140)

This standard makes changes to the following standards:

- AASB1 - deletes some short-term exemptions for first-time adopters that were available only for reporting periods that have passed and to add exemptions arising from AASB Interpretation 22 *Foreign Currency Transactions and Advance Consideration*;
- AASB 128 - clarify that:
 - (i) a venture capital organisation, or a mutual fund, unit trust and similar entities may elect, at initial recognition, to measure investments in an associate or joint venture at fair value through profit or loss separately for each associate or joint venture; and
 - (ii) an entity that is not an investment entity may elect to retain the fair value measurement applied by its associates and joint ventures that are investment entities when applying the equity method. This choice is available separately for each investment entity associate or joint venture; and
- AASB 140 - reflects the principle that an entity transfers a property to, or from, investment property when, and only when, there is a change in use of the property supported by evidence that a change in use has occurred.

The changes to AASB 1 and AASB 128 will have no impact for Councils.

The effective date is annual reporting periods beginning on or after January 2019.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1 Basis of Preparation (continued)*AASB 2018 – 1 Amendments to Australian Accounting Standards – Annual Improvements Cycle 2015 - 2017 Cycle*

This standard makes the following amendments to existing standards:

AASB 3 - clarifies that an entity remeasures its previously held interest in a joint operation when it obtains control of the business

AASB 11 - clarifies that an entity does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

AASB 112 - clarifies that an entity accounts for all income tax consequences of dividend payments according to where the entity originally recognised the past transactions or events that generated the distributable profits and

AASB 123 - clarifies that an entity treats any borrowing originally made to develop a qualifying asset as part of general borrowings when the asset is ready for its intended use or sale.

The changes are not anticipated to have any impact for Council.

The effective date is annual reporting periods beginning on or after January 2019.

AASB 2017 – 7 Amendments to Australian Accounting Standards – Long term Interests in Associates and Joint Ventures

This standard amends AASB 128 to clarify that an entity is required to account for long-term investments in an associate or joint venture, which in substance for part of the net investment in the associate or joint venture the equity method is not applied, using AASB 9 Financial Instruments before applying the loss allocation and impairment requirements in AASB 128.

The changes are not anticipated to have any impact for Council.

The effective date is annual reporting periods beginning on or after January 2019.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 2(a) Functions or activities

Functions/Activities	Income, expenses and assets have been directly attributed to the following functions or activities. Details of these functions or activities are provided in Note 2(b)				Total assets held (current & non-current)			
	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations	
	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Governance	1,272	1,834	8,020	10,020	(6,748)	(8,086)	-	-
Administration	63,087	49,456	80,879	74,483	(17,792)	(25,027)	21,330	25,449
Public Order & Safety	9,009	9,155	16,268	20,530	(7,259)	(11,375)	-	100
Health	2,058	3,954	4,711	8,238	(2,653)	(4,284)	-	-
Environment	81,002	94,628	95,381	122,288	(14,389)	(27,660)	1,191	3,430
Community Services & Education	13,774	15,772	17,010	22,286	(3,236)	(8,514)	1,734	2,217
Housing & Community Amenities	6,323	4,976	15,437	16,572	(9,114)	(11,596)	759	1,189
Recreation & Culture	17,460	18,338	51,237	52,532	(33,757)	(34,194)	1,332	1,897
Transport & Communications	20,182	28,411	19,152	23,143	1,010	5,268	6,379	4,893
Economic Affairs	7,273	12,520	4,554	5,248	2,719	7,272	-	-
Total functions & activities	221,450	239,144	312,629	355,340	(91,179)	(116,196)	32,725	39,174
Shares of gains or losses in associates & joint ventures using equity method	-	3	14	-	(14)	3	-	-
General Purpose Income¹	159,662	165,139	-	-	159,662	165,139	8,786	12,283
Operating result for the financial period	391,112	404,286	312,643	355,340	78,489	48,946	41,511	51,457
							5,153,185	4,911,932

¹ As reported in the Income Statement

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2(b) Components of functions or activities

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

Governance

Governance: includes costs relating to Council's role as a component of democratic government, including elections, councillors' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

Administration

Administration: includes corporate support and other support services, engineering works and any Council policy compliance.

Public order and safety

Public order and safety: includes Council's fire and emergency services levy, fire protection, emergency services, beach control, enforcement of regulations and animal control.

Health

Health: includes immunisation, food control, health centres etc.

Environment

Environment: includes noxious plants and insect/vermin control; other environmental protection; solid waste management, including domestic waste; other waste management; other sanitation; and garbage, street cleaning, drainage and stormwater management.

Community services and education

Community services and education: includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration (excluding accommodation – as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and child services.

Housing and community amenities

Housing and community amenities: includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

Recreation and culture

Recreation and culture: includes public libraries; museums; art galleries; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other sporting, recreational and cultural services.

Transport and communication

Transport and communication (urban local, urban regional): includes sealed and unsealed roads, bridges, footpaths and parking areas

Economic affairs

Economic affairs: includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; markets; and other business undertakings.

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Northern Beaches Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3 Income from continuing operations

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(a) Rates & annual charges		
Ordinary Rates		
Residential	129,691	122,540
Farmland	14	28
Business	25,840	24,633
Total ordinary rates	155,545	147,201
Special Rates		
Business	1,291	1,206
Annual Charges (pursuant to s496, s501 & s611)		
Domestic Waste Management Services	52,384	58,620
Stormwater management services charge	874	946
Section 611 charges	197	102
Total Annual Charges	53,455	59,668
TOTAL RATES & ANNUAL CHARGES	210,291	208,075

Council has used 2016 valuations provided by the NSW Valuer General in calculating its rates

Accounting policy for rates and charges

Rates and annual charges are recognised as revenues when the Council obtains control over the assets comprising these receipts. Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3 Income from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(b) User charges and fees		
User charges (pursuant to s.502)		
Waste Management Services (non-domestic)	493	458
Total user charges	493	458
Fees		
Advertising Fees	837	652
Caravan Park	5,677	6,113
Cemeteries	724	611
Child Care	11,832	12,449
Coastal Environmental Centre	220	266
Community Centres	2,046	2,389
Currawong State Park	368	380
Dog Registration	164	12
Film Permits	126	190
Glen Street Theatre	1,245	1,343
Golf Course	2,025	2,212
Kimbriki Waste & Recycling Centre	22,098	24,528
Leaseback Fees - Council Vehicle	786	906
Libraries	186	136
Parking Areas	11,802	11,363
Pittwater Rugby Park	966	303
Planning & Building Regulation	6,142	6,172
Regulatory/ Statutory Fees	664	645
Restoration Charges	1,556	1,463
Road & Shop Inspection	409	409
Section 149 Certificates (EPA Act)	744	842
Section 603 Certificates	380	432
Swimming Centres	6,980	6,934
Other	1,700	4,683
Total fees	79,677	85,433
Total user charges and fees	80,170	85,891

Accounting policy for user charges and fees

User charges and fees are recognised as revenue when the service has been provided.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 3 Income from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(c) Interest and investment revenue		
Interest & Dividends		
- Overdue Rates & Annual Charges	487	559
- Overdue User Charges and Fees	-	-
- Cash and Investments	5,677	6,227
Fair Value Adjustments		
- Investments	31	(49)
Total interest and investment revenue	6,195	6,737
Interest revenue is attributable to:		
Unrestricted Investments/Financial Assets:		
Overdue Rates & Annual Charges	487	559
General Council Cash & Investments	4,820	5,074
Restricted Investments/Funds - External:		
Development Contributions		
- Section 7.4	5	
- Section 7.11	565	759
- Section 7.12	318	345
Total interest and investment revenue	6,195	6,737

Accounting policy for interest and investment revenues

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

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3 Income from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(d) Other revenues		
Ex Gratia Rates	24	23
Fair Value increments - Investment Properties	-	180
Commission & Agency Fees	40	13
Animal Management	33	113
Advertising Income	1,062	712
Lease Rental	4,710	3,508
Health & Compliance Fines	509	124
Diesel Rebate	80	32
Other Revenues - Kimbriki	2,716	2,580
Insurance Claim Recoveries	320	79
Legal Fees Recovery - Rates & Charges (Extra Charges)	77	198
Legal Fees Recovery - Other	278	715
Other Fines	665	539
Parking Fines	7,904	7,100
Recycling Income (non domestic)	277	889
Rental Income - Investment Properties	316	196
Rental Income - Other Council Properties	3,478	3,393
Sales - General	154	419
Sullage Income/Sponsorship	97	10
Other Revenues	2,206	4,443
Total other revenue	24,946	25,266

Accounting policy for other revenue

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council, and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- Parking fees and fines are recognised as revenue when receivable from the State Debt Recovery Office.
- Rental income is accounted for on a straight line basis over the lease term
- Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.
- Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3 Income from continuing operations (continued)

	Operating		Capital	
	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(e) Grants				
General purpose (untied)				
Financial Assistance - General Component	5,555	8,901	-	-
Financial Assistance - Local Roads Component	2,226	2,415	-	-
Pensioners' Rates Subsidies - General Component	1,005	967	-	-
Total general purpose	8,786	12,283	-	-
Specific purpose				
Pensioners' Rates Subsidies:				
- Domestic Waste Management	383	559	-	-
New Council Implementation Fund	-	10,000	-	-
Stronger Communities Fund	-	1,000	21,100	14,000
Bushfire & Emergency Services	-	100	-	-
Child Care	913	1,618	-	-
Coast & Estuaries	59	1,088	402	-
Community Care	810	599	-	-
Community Centres	82	182	-	373
Environmental Protection	499	1,659	-	99
Heritage & Cultural	141	63	-	-
Library	233	181	486	493
LIRS Subsidy	695	309	-	-
Noxious Weeds	77	24	-	-
Recreation & Culture	-	435	165	172
Street Lighting	759	1,188	-	-
Transport (Roads to Recovery)	-	663	2,046	1,699
Transport (Other Roads & Bridges Funding)	615	387	3,260	2,144
Other	-	139	-	-
Total specific purpose	5,266	20,194	27,459	18,980
Total grants	14,052	32,477	27,459	18,980
Grant revenue is attributable to:				
- Commonwealth Funding	8,337	12,822	2,046	1,775
- State Funding	5,660	19,655	25,399	17,205
- Other	55	-	14	-
	14,052	32,477	27,459	18,980

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3 Income from continuing operations (continued)

	Operating		Capital	
	Year	Period	Year	Period
	Ended	13 May 2016 to	Ended	13 May 2016 to
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	\$'000	\$'000	\$'000	\$'000
(f) Contributions				
Developer contributions:				
(s7.4 and s7.11 - EP&A Act, s64 of the LGA):				
Cash contributions				
- S 7.11 - contributions towards amenities/services	-	-	5,612	11,844
- S 7.12 - fixed development consent levies	-	-	3,896	5,545
- S 7.4 - contributions using planning agreements	-	-	1,036	-
Non-cash contributions				
Other developer contributions	-	-	-	-
Total developer contributions	-	-	10,544	17,389
Other Contributions:				
Cash contributions				
Bushfire Services	797	324	329	29
Coast & Estuaries	-	4	-	-
Recreation & Culture	274	532	351	-
RMS Contributions (Regional/Local, Block Grant)	709	578	525	1,294
Footpath	-	-	-	418
Community Services	47	38	6,771	445
Community Land	32	21	7,620	2,922
Other	-	232	-	9
Non-cash contributions				
Subdivision dedications (other than by s7.11)	-	-	-	-
Other	-	-	-	-
Total other contributions	1,859	1,729	15,596	5,117
Total contributions	1,859	1,729	26,140	22,506
Total grants and contributions	15,911	34,206	53,599	41,486

Accounting policy for grants and contributions

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner, or used over a particular period, and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed above.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3 Income from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(g) Unspent grants and contributions		
Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:		
Operating Grants		
Operating grants recognised in the current period that have not been spent	930	8,586
Operating grants recognised in a previous reporting periods that have been spent in the current reporting period	(2,966)	(1,845)
Net increase/(decrease) in operating grants during the current reporting period	(2,036)	6,741
Capital Grants		
Capital grants recognised in the current period that have not been spent	21,747	24,518
Capital grants recognised in a previous reporting periods that have been spent in the current reporting period	(4,709)	(13,144)
Net increase/(decrease) in capital grants during the current reporting period	17,038	11,374
Contributions		
Contributions recognised in the current period that have not been spent	11,431	18,678
Contributions recognised in a previous reporting periods that have been spent in the current reporting period	(16,632)	(16,815)
Net increase/(decrease) in contributions during the current reporting period	(5,201)	1,863

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 4 Expenses from continuing operations

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(a) Employee Benefits & On-Costs		
Salaries and Wages	101,611	114,761
Employee Termination Costs	95	4,807
Travelling	122	119
Employee Leave Entitlements (ELE)	11,077	15,903
Superannuation	10,782	12,531
Workers' Compensation Insurance	1,190	990
Fringe Benefit Tax (FBT)	634	788
Training Costs (other than Salaries & Wages)	1,452	1,241
Recruitment Costs	316	114
Other	967	1,321
Total Employee Costs	128,246	152,575
Less: Capitalised Costs	(3,940)	(2,785)
Total employee costs expensed	124,306	149,790

Accounting policy for employee benefits and on-costs

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

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

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

Superannuation

Defined Benefit Superannuation Contribution Plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a "multi-employer fund" for purposes of AASB119 Employee Benefits. Sufficient information is not available to account for the Scheme as a defined benefit plan in accordance with AASB119 because the assets to the Scheme are pooled together for all Councils. Further information is provided under d) below.

a) Description of the funding arrangements, including the method used to determine Council's rate of contributions and any minimum funding requirements.

Pooled Employers are required to pay standard employer contributions and additional lump sum contributions to the Fund. The standard employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current standard employer contribution rates are 1.9 times employee contributions.

The additional lump sum contribution for each Pooled Employer is a share of the total additional contributions of \$40.0 million per annum from 1 July 2017 for 4 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2017. These additional lump sum contributions are used to fund the deficit of assets to accrued liabilities as at 30 June 2017. The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4 Expenses from continuing operations (continued)

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

Each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

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

c) **Description of any agreed allocation of a deficit or surplus on:**

- i) Wind-up of the plan

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

- ii) Council's withdrawal from the plan

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

d) **Additional information under paragraph 34 of AASB119**

- i) The plan is a defined benefit plan
- ii) The reasons why sufficient information is not available to enable the Council to account for the plan as a defined benefit plan is as follows:
 1. Assets are not segregated within the sub-group according to the employees of each sponsoring employer;
 2. The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer;
 3. Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer; and
 4. The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors set out above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the extent that they are not borne by members). As such we do not believe that there is sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.
- iii) The expected contributions of fee plan for the next annual reporting period are \$1,891,184.
- iv) Information about any deficit or surplus in the plan that may affect the amount of future contributions, including the basis used to determine that deficit or surplus and the implications, if any, for the entity.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2018 is:

Employer reserves only*	\$millions	Asset Coverage
Assets	1,817.80	
Past Service Liabilities	1,787.50	101.70%
Vested Benefits	1,778.00	102.20%

*excluding member accounts and reserves in both assets and liabilities

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

Investment return	6.0% per annum
Salary inflation*	3.5% per annum
Increase in CPI	2.5% per annum

*Plus promotional increases

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

- v) An indication of the level of participation of Council in the plan compared with other participating entities.

Council's additional lump sum contribution per annum of \$1,063,000 as a percentage of the total additional lump sum contributions for all Pooled Employers (of \$40m each year from 1 July 2017 to 30 June 2021) is 2.66% which provides an indication of the level of participation of Council compared with other employers in the Pooled Employer subgroup.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4 Expenses from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(b) Borrowing Costs		
Interest on Loans	2,135	3,740
Charges on Finance Leases	-	-
Amortisation of Discounts and Premiums		
- Remediation Liabilities	1,343	1,167
Less: Capitalised Costs	-	-
Total borrowing costs expensed	3,478	4,907

Accounting policy for borrowing costs

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

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4 Expenses from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(c) Materials & contracts		
Raw Materials & Consumables		
- Bank Charges	921	772
- Computer Software	3,486	3,018
- Maintenance & Servicing	10,238	11,836
- Membership Fees & Subscriptions	641	943
- Minor Equipment	1,139	773
- Plant & Vehicle	2,736	2,516
- Postage	621	700
- Stationery & Printing	729	1,104
- Other	5,616	5,211
Contractor & Consultancy Costs		
- Agency Personnel	5,479	5,671
- Bush Regeneration	3,689	2,991
- Cleaning	3,451	2,743
- Consultancy	1,293	3,494
- Coast & Waterways	758	768
- Election Expenses	1,122	-
- External Roadwork	2,106	985
- Garbage	11,408	13,514
- Kimbriki Waste & Recycling Centre	11,300	13,485
- Lifeguard Services	1,125	1,075
- New Council Implementation Fund	831	1,569
- Parking	1,149	528
- Performance Fees	533	479
- Recycling	5,821	5,249
- State Debt Recovery Office Processing Fees	1,250	1,380
- Stormwater	793	999
- Tree Works	3,839	3,643
- Waste Disposal	14,563	16,182
- Other	13,847	16,984
Remuneration of Auditors ⁽¹⁾		
- Audit Services	264	245
- Other Services	1	8
Legal Fees:		
- Planning & Development	1,367	2,250
- Other	2,245	2,506
Operating Leases:		
- Printers	259	335
- Other	121	750
Less: Capitalised Costs	(541)	(48)
Total materials and contracts	114,200	124,658

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4 Expenses from continuing operations (continued)

Accounting policy for operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on a straight-line basis over the period of the lease.

1. Auditors' remuneration

Auditors of the Council - NSW Auditor General:

a. During the period the following fees were paid or payable for services provided by the Auditor-General

(i) Audit and other assurance services		
Audit and review of financial statements	264	223
Total remuneration for audit and other assurance services	264	223

b. During the period the following fees were paid or payable for services provided by other auditors:

(i) Audit and other assurance services		
Audit and review of financial statements	-	22
Other assurance services	1	8
Total remuneration for audit and other assurance services	1	30

(ii) Other services		
Other	-	-
Total remuneration for other services	-	-

Total remuneration of auditors	265	253
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Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4 Expenses from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(d) Depreciation, Amortisation & Impairment		
Depreciation and amortisation		
Plant and Equipment	3,574	4,259
Office Equipment	1,504	3,103
Furniture & Fittings	76	295
Property, Plant & Equipment - Leased	-	37
Land Improvements (depreciable)	1,010	1,115
Infrastructure:		
- Buildings	5,645	6,086
- Roads Sealed	6,537	6,713
- Roads Unsealed	1	8
- Roads Other Assets	1,094	1,125
- Bridges	65	74
- Footpaths	773	453
- Stormwater Drainage	6,483	7,299
- Swimming Pools	435	493
- Open space/recreational assets	2,818	2,799
- Other Infrastructure	1,869	1,589
Other Assets		
- Library Books	1,040	1,303
Tip Asset	995	276
Total depreciation and amortisation	33,919	37,027
Revaluation decrement of IPPE		
Infrastructure:		
- Buildings	987	-
Total impairment costs (IPPE)	987	-
Total depreciation and impairment	34,906	37,027

Accounting policy for depreciation, amortisation and impairment expenses

Depreciation and amortisation

The \$987,000 is a revaluation decrement on the fair value of Council's buildings.

Depreciation and amortisation are calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4 Expenses from continuing operations (continued)

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
(e) Other Expenses		
Other Expenses for the period include the following:		
Advertising	887	1,143
Bad & Doubtful Debts	162	173
Mayoral Fee	63	-
Councillors' Fees	326	-
Councillors' (include. Mayor) Expenses	138	-
Contributions to Other Levels of Government		
- Planning Levy	639	666
- Waste Levy	8,359	9,821
- Emergency Services Levy	5,820	5,761
- Other Levies	127	817
Contributions & Donations (Section 356)	573	1,975
Data Services	758	601
Electricity & Heating	4,201	5,711
Fair Value Adjustment Investment Properties	-	-
Insurance	2,885	3,283
Interest on Bonds & Deposits	74	161
Land Tax	286	281
Management Fees	1,614	1,500
SHOROC Contributions	-	75
Street Lighting	3,882	3,171
Telephone & Communications	1,063	1,306
Valuation Fees	522	441
Other	2,286	2,072
Total other expenses	34,665	38,958

Accounting policy for other expenses

Other expenses are recorded on an accruals basis as the Council receives the goods or services.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 5 Gain or loss from the disposal of assets

	Year Ended 30 June 2018 \$'000	Period 13 May 2016 to 30 June 2017 \$'000
Property (excl. Investment Property)		
Proceeds from Disposal	1,515	487
less: Carrying Amount of Property Assets Sold	(374)	-
Net gain/(loss) on disposal	1,141	487
Plant & Equipment		
Proceeds from Disposal	2,442	2,726
less: Carrying Amount of P&E Assets Sold	(1,794)	(2,048)
Net gain/(loss) on disposal	648	678
Office Equipment & Furniture		
Proceeds from Disposal	-	-
less: Carrying Amount of OE&F Assets Sold	-	(6)
Net gain/(loss) on disposal	-	(6)
Infrastructure		
Proceeds from Disposal	7	-
less: Carrying Amount of Infrastructure Assets Sold	(723)	(1,131)
Net gain/(loss) on disposal	(716)	(1,131)
Capital Work in Progress		
Proceeds from Disposal	-	-
less: Carrying Amount of Capital Work in Progress	(1,463)	(577)
Net gain/(loss) on disposal	(1,463)	(577)
Financial Assets		
Proceeds from Disposal	272,929	328,956
less: Carrying Amount of Financial Assets Sold	(272,929)	(328,956)
Net gain/(loss) on disposal	-	-
Non Current Assets Classified as "Held for Sale"		
Proceeds from Disposal	-	16,079
less: Carrying Amount of "Held for Sale" Assets Sold	-	(7,742)
Net gain/(loss) on disposal	-	8,337
Intangibles		
Proceeds from Disposal	-	-
less: Carrying Amount of Intangibles	-	(5,166)
Net gain/(loss) on disposal	-	(5,166)
Net gain/(loss) on disposal of assets	(390)	2,622

Accounting policy for disposal of assets

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is derecognised.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(a) Cash and cash equivalents

	Actual 2018 \$'000	Actual 2017 \$'000
Cash at Bank and on Hand	894	9,806
Deposits at Call	5,143	20,014
Total Cash & Cash Equivalents	6,037	29,820

Accounting policy for cash and cash equivalents

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

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Northern Beaches Council

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for the year ended 30 June 2018

Note 6(b) Investments

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Financial Assets at fair value through				
Profit and Loss - Held for Trading	-	871	-	954
Held to Maturity Investments	208,886	2,500	157,670	-
Total	208,886	3,371	157,670	954
Financial Assets at fair value through				
Profit and Loss - Held for Trading				
Opening Balance	-	954	-	-
Transfer on amalgamation	-	-	-	1,079
Revaluation to Income Statement	-	31	-	(49)
Additions	-	-	-	-
Disposals	-	(114)	-	(76)
Transfers between Current/Non-Current	-	-	-	-
At end of period	-	871	-	954
Comprising of:				
Mortgage Backed Securities	-	871	-	954
	-	871	-	954
Held to Maturity Investments				
Opening Balance	157,670	-	-	-
Transfer on amalgamation	-	-	168,635	-
Amortisation of discounts and premiums	-	-	-	-
Additions	318,031	8,500	312,915	5,000
Disposals	(272,815)	-	(328,880)	-
Transfers between Current/Non-Current	6,000	(6,000)	5,000	(5,000)
At end of period	208,886	2,500	157,670	-
Comprising of:				
Term Deposits	208,886	2,500	157,670	-
FRNs	-	-	-	-
	208,886	2,500	157,670	-

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(b) Investments (continued)

Accounting policy for investments

Classification

Council classifies its investments in the following categories: financial assets at fair value through profit or loss; held-to-maturity investments; and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are held at fair value with changes in value taken through profit or loss at each reporting period

(b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. Assets in this category are measured at amortised cost.

Recognition and de-recognition

Regular purchases and sales of investments are recognised on trade date: the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the Income Statement. Investments are de-recognised when the rights to receive cash flows have expired or have been transferred, and Council has transferred substantially all the risks and rewards of ownership.

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Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 6(c) Restricted cash, cash equivalents and investments

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Total Cash, Cash Equivalents and Investments	214,923	3,371	187,490	954
External Restrictions (refer below)	91,743	3,371	76,718	954
Internal Restrictions (refer below)	40,895	-	37,671	-
Unrestricted	82,285	-	73,101	-
	214,923	3,371	187,490	954
	2018 restricted cash		2017 restricted cash	
	\$'000		\$'000	
External Restrictions - Included in Liabilities				
Nil				
External Restrictions - Other				
Developer contributions - general (A)		36,184		41,385
Specific purpose unexpended grants (B)		3,611		2,914
Domestic waste management (C)		21,365		14,239
Stormwater management (C)		646		131
RMS contributions (D)		12		12
New council implementation fund (B)		1,266		3,317
Stronger communities fund (B)		31,310		14,954
Other		720		720
External Restrictions - Other		95,114		77,672
Total External Restrictions		95,114		77,672

A Development contributions which are not yet expended for the provision of services and amenities in accordance with contribution plans (refer Note 25).

B Grants which are not yet expended for the purposes for which the grants were obtained (refer Note 1).

C Domestic Waste Management (DWM) are externally restricted assets and must be applied for the purposes for which they were raised.

D RMS contributions which are not yet expended for the provision of services and amenities in accordance with those contributions.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 6(c) Restricted cash, cash equivalents and investments (continued)

	2018 restricted cash \$'000	2017 restricted cash \$'000
Internal Restrictions		
Balgowlah area improvements	295	757
Cemetery reserve	3,683	3,300
Church Point car park	-	1,719
Church Point precinct loan	-	2,045
Community development	-	487
Deposits, retentions & bonds	12,599	11,882
Employees leave entitlement	6,181	6,055
Environmental levy (former Manly Council)	1,827	1,644
Long Reef SLSC renewal	79	171
Manly wharf forecourt	-	50
Meals on Wheels	230	222
Narrabeen synthetic sportsfield	-	257
Road Reserve	-	96
Shelly Beach improvements	-	9
Special rates variation	4,509	2,982
Merger savings fund	9,596	4,537
Tennis liaison trust fund	283	317
Unexpended loans	1,479	663
Other	134	478
Total Internal Restrictions	40,895	37,671
Total Restrictions	136,009	115,343

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 7 Receivables

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Purpose				
Rates and annual charges	6,951	972	4,978	1,430
Interest and extra charges	245	262	224	256
User charges and fees	6,025	-	7,706	-
Accrued revenues				
- Interest on Investments	2,221	-	1,233	-
- Other income accruals	-	-	-	-
Government Grants & subsidies	1,764	-	4,863	-
Net GST Receivable	1,745	-	50	-
Total	18,951	1,234	19,054	1,686
less: Provision for impairment				
Rates & Annual Charges	-	-	-	-
User Charges & Fees	(572)	-	(383)	-
Total provision for impairment - receivables	(572)	-	(383)	-
Total net receivables	18,379	1,234	18,671	1,686
Externally Restricted Receivables				
Domestic Waste Management	1,434	139	1,304	329
Total External Restrictions	1,434	139	1,304	329
Internally Restricted Receivables				
Nil	-	-	-	-
Unrestricted Receivables	16,945	1,095	17,367	1,357
Total net receivables	18,379	1,234	18,671	1,686

Accounting policy for receivables

Recognition and Measurement

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Impairment

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired.

The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 8 Inventories & other assets

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Inventories				
At cost:				
Stores & materials	116	-	128	-
Trading stock	87	-	64	-
Total inventories	203	-	192	-
Inventories not expected to be realised within the next 12 months	-	-	-	-
Other assets				
Prepayments	1,268	-	1,510	-
Other	107	-	-	-
Total other assets	1,375	-	1,510	-
Total inventories & other assets	1,578	-	1,702	-

Note:

Refer to Note 22 Fair value measurement for information regarding the fair value of other assets held.

Accounting policy for inventories and other assets

Stores, materials and trading stock

Stores, materials and trading stock are stated at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 9 Non-current assets classified as held for sale

	Actual 2018 \$'000	Actual 2017 \$'000
\$ '000		
Land	-	-
Buildings	-	-
Total Non-Current Assets Held for Sale	-	-
Transfer on amalgamation	-	9,707
Proceeds on disposal	-	(16,079)
Gain on disposal	-	8,337
Transfer to infrastructure property, plant and equipment	-	(1,966)
Other	-	1
Balance at the end of the financial period	-	-

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Northern Beaches Council

Notes to the Financial Statements
for the year ended 30 June 2018

NOTE 10 Infrastructure, property, plant & equipment

By asset class	Other Asset Movements during the Reporting Period										At 30 June 2018	
	Gross Carrying Amount \$'000	Accumulated Depreciation & Impairment \$'000	Carrying value \$'000	Renewals \$'000	New Assets \$'000	Carrying Value of Disposals \$'000	Depreciation and Impairment \$'000	Transfers \$'000	Revaluation Increments/(decrements) \$'000	Gross Carrying Amount \$'000	Accumulated Depreciation & Impairment \$'000	Carrying value \$'000
Capital Work in Progress	28,651	-	28,651	8,450	7,114	(1,463)	-	(26,513)	-	16,239	-	16,239
Plant & Equipment	27,401	14,700	12,701	5,576	91	(1,794)	(3,574)	318	-	28,826	15,508	13,318
Office Equipment	15,920	10,856	5,064	797	1,408	-	(1,504)	296	-	18,417	12,356	6,061
Furniture & Fittings	2,009	1,816	193	7	-	-	(76)	30	-	2,046	1,892	154
Land:												
- Operational Land	280,120	-	280,120	-	-	(58)	-	1,190	158,417	439,669	-	439,669
- Community Land	2,073,518	-	2,073,518	-	6,994	(316)	-	(2,411)	-	2,077,785	-	2,077,785
- Land Under Roads	367	-	367	-	20	-	-	4	-	391	-	391
Land Improvements - depreciable	8,492	1,604	6,888	378	-	-	(1,010)	1,094	-	9,969	2,619	7,350
Infrastructure:												
- Buildings	542,366	86,353	456,013	10,249	8,503	(88)	(5,645)	734	(987)	628,794	160,015	468,779
- Roads Sealed	516,602	39,695	476,907	3,516	6,907	(19)	(6,537)	735	-	527,130	45,621	481,509
- Roads Unsealed	1,061	58	1,003	-	-	-	(1)	(714)	-	322	34	288
- Bridges	10,362	538	9,824	10	1,261	-	(65)	-	-	11,633	603	11,030
- Footpaths	78,717	9,706	69,011	972	7,738	(89)	(773)	1	-	86,932	10,072	76,860
- Other Road Assets	203,222	18,716	184,506	1,221	2,584	(71)	(1,094)	(30)	-	206,764	19,648	187,116
- Stormwater Drainage	936,458	137,106	799,352	4,134	2,524	(192)	(6,483)	(325)	-	942,365	143,355	799,010
- Swimming Pools	28,811	2,807	26,004	379	-	-	(435)	-	-	28,995	3,047	25,948
- Other Open Space/Recreational Assets	114,963	10,471	104,492	2,029	4,142	(93)	(2,818)	(335)	-	119,788	12,371	107,417
- Other Infrastructure	161,774	14,290	147,484	3,155	6,419	(171)	(1,869)	847	-	171,375	15,510	155,865
Other Assets:												
- Library Books	13,665	10,361	3,304	958	147	-	(1,040)	-	-	14,770	11,401	3,369
- Other	4,424	-	4,424	11	100	-	-	-	-	4,535	-	4,535
- Tip Asset	11,629	2,129	9,500	16,427	-	-	(995)	-	-	28,057	3,125	24,932
Total	5,060,532	361,206	4,699,326	58,269	55,952	(4,354)	(33,919)	(25,079)	157,430	5,364,802	457,177	4,907,625

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 10 Infrastructure, property, plant & equipment (continued)

	Actual 2018 \$'000	Actual 2017 \$'000
Renewals		
Capital expenditure during year	31,040	44,179
Amounts capitalised to Tip Asset	16,427	-
Amounts capitalised during year transferred from WIP	10,802	807
TOTAL	58,269	44,986

	Actual 2018 \$'000	Actual 2017 \$'000
New Assets		
Capital expenditure during year	47,710	53,652
Amounts capitalised during year transferred from WIP	8,242	14,374
TOTAL	55,952	68,026

Note:

Refer to Note 22 Fair value measurement for information regarding the fair value of I,P,P & E.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 10 Infrastructure, property, plant & equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Council's assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Office of Local Government.

At balance date the following classes of IPP&E were stated at their fair value:

- Operational land (External Valuation).
- Buildings - Specialised/Non Specialised (Internal/External Valuation).
- Plant and equipment (as approximated by depreciated historical cost).
- Road assets - roads, bridges and footpaths (Internal Valuation)
- Drainage assets - (Internal Valuation)
- Community Land - (Valuer General/Internal Valuation)
- Other structures (Internal Valuation).
- Other assets (as approximated by depreciated historical cost).

Non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. Council has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For all asset classes, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount. Full revaluations are undertaken for all assets on a 5 year cycle.

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

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

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

Plant & Equipment			Stormwater Drainage		
Office Equipment	4 - 10	years	Drains	60 - 100	years
Office Furniture	10 - 20	years	Transportation Assets		
Vehicles	5 - 8	years	Sealed Roads - Surface	15 - 40	years
Heavy Plant and Road Making Equipment	5 - 8	years	Sealed Roads - Structure	75 - 200	years
Other Plant and Equipment	5 - 15	years	Bridge - Concrete	100	years
Other Equipment			Bridge - Other	100	years
Playground Equipment	5 - 15	years	Road Pavements	50 - 60	years
Benches, seats etc	10 - 20	years	Kerb, Gutter & Paths	80	years
Park Structures - Masonry	50 - 100	years	Other Assets		
Park Structures - Other Construction	20 - 40	years	Library Books	5 - 15	years
Buildings			Artworks	Indefinite	
Buildings - Masonry	50 - 100	years			
Buildings - Other	20 - 40	years			

The assets' useful lives are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Capitalisation Thresholds - All items of infrastructure, property, plant and equipment are capitalised with the exception where the cost of acquisition is as follows:

Office Furniture	<	\$5,000
Office Equipment	<	\$5,000
Other Plant and Equipment	<	\$5,000

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 10 Infrastructure, property, plant & equipment (continued)

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads. Any land under roads that was recognised before 1 July 2008 was derecognised at 1 July 2008 against the opening balance of retained earnings. Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 - Property, Plant and Equipment.

Crown Reserves

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

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

Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, 'all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the Council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed'. Until such time as discussions on this matter have concluded and the legislation changed, Council will exclude these assets including plant and vehicles and depreciation charges within the financial statements.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 11 Investment properties

	Actual 2018 \$'000	Actual 2017 \$'000
At Fair value		
Opening Balance at 1 July	2,080	1,900
Acquisitions	-	-
Capitalised subsequent expenditure	-	-
Classified as held for sale or disposals	-	-
Net gain (loss) from fair value adjustment	(684)	180
Transfer (to) from inventories and owner occupied property	4,689	-
Closing Balance at 30 June	6,085	2,080
(a) Amounts recognised in profit and loss for investment property		
Rental income	317	196
Net gain (loss) from fair value adjustment	(684)	180
Direct operating expenses from property that generated rental income	(24)	(6)
Direct operating expenses from property that did not generate rental income	-	-
	(391)	370

(b) Leasing Arrangements

The investment properties are leased to tenants under long term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows.

Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:

Within 1 year	282	182
Later than 1 year but less than 5 years	171	48
Later than 5 years	-	-
Total Minimum Lease Payments Receivable	453	230

Accounting policy for investment property

Investment property, principally comprising buildings, that are held for long-term rental yields and are not occupied by the Council. Investment property is carried at fair value, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 12 Intangible assets

	Actual 2018 \$'000	Actual 2017 \$'000
At Cost		-
Accumulated Amortisation & Impairment		-
Net Book Amount	-	-
Movements for the period		
Opening Net Book Amount	-	3,963
Additions - internal development	-	1,203
Write Off	-	(5,166)
Amortisation Charge		-
Closing Net Book Amount	-	-

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 13 Payables and borrowings

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Payables				
Goods & services	499	-	818	-
Accrued expenses				
- Borrowings	355	-	463	-
- Wages and salaries	338	-	361	-
- Other	17,726	-	20,037	-
Payments received in advance	4,501	-	5,634	-
Deposits & retentions	17,466	-	16,619	-
Other Payables	786	-	926	-
Total Payables	41,671	-	44,858	-
Current Payables not expected to be settled within the next 12 months				
Deposits & Retentions	11,735	-	12,499	-
Total	11,735	-	12,499	-
Borrowings				
Loans - Secured ⁽¹⁾	5,225	32,358	5,411	42,607
Total Borrowings	5,225	32,358	5,411	42,607
Total payables and borrowings	46,896	32,358	50,269	42,607

Notes:

⁽¹⁾Loans are secured over the income of Council

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 13 Payables and borrowings (continued)

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
(a) Liabilities relating to Restricted Assets				
Externally Restricted Assets				
Domestic Waste Management	2,619	-	2,258	-
Total	2,619	-	2,258	-
Internally Restricted Assets				
Security Bonds, Deposits & Retentions	12,599	-	11,882	-
Total	12,599	-	11,882	-
Total Liabilities relating to restricted assets	15,218	-	14,140	-
Liabilities related to unrestricted assets	31,678	32,358	36,129	42,607
Total	46,896	32,358	50,269	42,607

(b) Changes in liabilities arising from financing activities

	2017	Cash Flows	Non-cash changes			2018
			Acquisition	Fair value changes	Other non-cash movement	
Loans:						
- secured	48,018	(10,435)	-	-	-	37,583
- unsecured	-	-	-	-	-	-
Finance lease liability	-	-	-	-	-	-
Other (specify if material)	-	-	-	-	-	-
Total liabilities from financing activities	48,018	(10,435)	-	-	-	37,583

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 13 Payables and borrowings (continued)

(c) Financing arrangements

	Actual 2018 \$'000	Actual 2017 \$'000
Total facilities		
The amount of total financing facilities available to Council at the reporting date is:		
- Bank overdraft facility	1,000	1,400
- Corporate credit cards	150	198
	1,150	1,598
Drawn facilities		
The amount of financing facilities drawn down at the reporting date is:		
- Bank overdraft facility	-	-
- Corporate credit cards	30	-
	30	-
The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.		
Undrawn facilities		
The amount of undrawn financing facilities available to Council at the reporting date is:		
- Bank overdraft facility	1,000	1,400
- Corporate credit cards	120	198
	1,120	1,598

Accounting policy for payables and borrowings

Payables

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

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective-interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

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

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 14 Provisions

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Provisions				
Employee Benefits				
Annual Leave	10,006	-	9,883	-
Sick Leave	387	-	455	-
Long Service Leave	18,451	1,895	19,089	1,827
Other Leave	155	-	46	-
Gratuities	8	-	17	-
Total - Aggregate employee benefits	29,007	1,895	29,490	1,827
Self Insurance - Workers Compensation	495	998	299	685
Asset Remediation	-	36,205	-	18,300
Total Provisions	29,502	39,098	29,789	20,812
 Current Provisions not expected to be settled within the next 12 months	 16,227	 -	 16,602	 -

	Actual 2018		Actual 2017	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Liabilities relating to Restricted Assets				
Internally Restricted Assets				
Employee Leave Entitlements	5,556	379	6,055	-
Total	5,556	379	6,055	-
Total Liabilities relating to restricted assets	5,556	379	6,055	-
Liabilities related to unrestricted assets	23,946	38,719	23,734	20,812
Total	29,502	39,098	29,789	20,812

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 14 Provisions (continued)

The movement in each class of provision (excluding those relating to employee benefits) is presented in the table below.

(a) Description of and movement in provisions

	Self Insurance \$'000	Asset Remediation \$'000
At beginning of year	984	18,300
Amounts used	(356)	-
Revised Costs	-	-
Additional Provisions	865	17,905
TOTAL	1,493	36,205

a. Self Insurance Provisions represent both (i) Claims incurred but not reported and (ii) Claims reported and estimated as a result of Council being a self insurer for Workers Compensation Claims. Public Liability and Professional Indemnity claims are expensed as they meet the recognition criteria set out in AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Specific uncertainties relating to the final costs and the assumptions made in determining Provisions for Self Insurance include:

- Claims Escalation of 2.5% per annum and Bond Yields of between 1.810% and 3.492% per annum over a 12 year period;
- All monetary amounts for past Workers Compensation Claims were indexed to bring them to "standardised" values at June 2018;
- Workers Compensation Claim payments projected into the future by the adopted actuarial model are in "standardised" values as at June 2018;

The last actuarial assessment of Workers Compensation claims was undertaken in July 2018 and was performed by David A Zaman Pty Ltd, Director David Zaman, BSc, FIA, FIAA, MBA.

b. Asset Remediation Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore and remediate assets and/or activities as a result of past operations. Council is required by law to restore the present tip site at Kimbriki to passive open space at the end of its useful life. The projected cost of this restoration is \$145.8 million based on a Landfill Closure and Post Closure Management Evaluation of Costs Report and has been discounted to its present value at 4.26% per annum being the risk-free cost of borrowing to Council. An Evaluation of Costs for Landfill Closure and Post Closure Management was prepared by Mockinya Consulting in June 2018.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 14 Provisions (continued)

Accounting policy for provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Employee Benefits

Short-term obligations

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

Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Self-insurance

Council has decided to self-insure for Worker Compensation. A provision for self-insurance has been made to recognise outstanding claims.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 14 Provisions (continued)

Accounting policy for provisions (continued)

Provisions for close down and restoration and for environmental clean up costs – Tips

Restoration

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down and restoration costs are a normal consequence of tip operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

Other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the reporting date. These costs are charged to the income statement. Movements in the environmental clean up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost. Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Close-down and restoration costs are a normal consequence of tip operations, and the majority of close-down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 15 Accumulated surplus and revaluation reserves

		Actual 2018 \$'000	Actual 2017 \$'000
	Notes		
(a) Accumulated Surplus			
Movements in Accumulated Surplus were as follows:			
Balance at beginning of period		4,767,709	-
Net Result for the period		78,305	4,767,709
Balance at end of period		4,846,014	4,767,709
(b) Reserves			
Infrastructure, Property, Plant & Equipment Revaluation Reserve	10	158,417	-
Total		158,417	-

(c) Nature and Purpose of Reserves

Infrastructure, Property, Plant & Equipment Revaluation Reserve

The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments and decrements on the revaluation of non-current assets.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 16 Statement of cash flows information

	Notes	Actual 2018 \$'000	Actual 2017 \$'000
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	6,037	29,820
Balances as per Statement of Cash Flows		6,037	29,820
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		78,469	48,946
Add:			
Depreciation and Amortisation		33,919	37,027
Revaluation Decrement		987	-
Decrease in Other Current Assets		135	638
Decrease in Receivables		564	32,508
Decrease in Inventories		-	66
Decrease in Equity Share in Joint Venture		14	-
Increase in Payables		-	-
Increase in Provision for Doubtful Debts		189	-
Increase in Provision for Leave Entitlements		-	972
Increase in Other Provisions		1,987	1,475
Loss on Disposal of Assets		390	-
Fair Value Adjustments to Investment Property		684	-
Fair Value Adjustments to Financial Assets through Profit and Loss		-	49
		117,338	121,681
Less:			
Decrease in Provision for Doubtful Debts		-	(552)
Increase in Equity Share in Joint Venture		-	(3)
Increase in Inventories		(11)	-
Decrease in Payables		(1,305)	(5,449)
Decrease in Accrued Interest Payable		(108)	(298)
Decrease in Other Current Liabilities		(449)	(2,735)
Decrease in Leave Entitlements		(415)	-
Non Cash Contributions		(7,620)	-
Gain on Disposal of Assets		-	(2,622)
Fair Value Adjustments to Investment Property		-	(180)
Fair Value Adjustments to Financial Assets through Profit and Loss		(31)	-
Net Cash provided from (or used in) operating activities from Statement of Cash Flows		107,399	109,842

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 16 Statement of cash flows information (continued)

	Actual 2018 \$'000	Actual 2017 \$'000
Notes		
(c) Non-Cash Investing & Financing Activities		
Non Cash Contributions - Land and Buildings	7,620	
	7,620	-
(d) Financing Arrangements		
Unrestricted access was available at balance date to the following:		
Bank Overdraft Facilities ⁽¹⁾	1,000	1,400
Corporate Credit Cards	150	198
Bank Guarantee for possible Workers Compensation Claims	1,500	3,000
	2,650	4,598

Notes:

⁽¹⁾The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice. Interest rates on Overdrafts and Loans are disclosed in Note 20.

(e) Bank guarantees/ Loan guarantees

Under the Workers Compensation Act 1987, self insurers are required to provide financial security to ensure that other employers in the State will not be required to meet the cost of claims if these entities are not able to meet their workers compensation liabilities. As a self insurer Council has provided State Insurance Regulatory Authority with a bank guarantee for \$1,500,000 to meet this requirement.

Kimbriki Environmental Enterprises Pty Ltd has provided a Bank Guarantee in the amount of \$1,000,000 to the Environmental Protection Authority as a condition to the granting of a licence to Operate a dry waste facility. The amount may be drawn down by the authority if licence conditions are not met. It is not expected that this amount will be drawdown.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17 Interests in other entities

Interests in subsidiaries

(a) Composition of the Group

	Principal place of business	Percentage % Owned 2018
Subsidiaries		
Kimbriki Environmental Enterprises Pty Limited	Kimbriki Road, Ingleside, NSW	96%

The percentage ownership interest held is equivalent to the percentage voting rights.

The financial position and performance Kimbriki Environmental Enterprises Pty Ltd is for the financial period ended 30 June 2018.

Controlled entities with ownership interest of 50% or less

Council does not have any subsidiaries with an ownership interest of less than 50%.

(b) Significant restrictions relating to subsidiaries

Council is the majority shareholder in Kimbriki Environmental Enterprises Pty Limited (Company). The Company commenced operating its waste and recycling business on 1 July 2009 with a lease over the Council owned site for a period of 25 years. The one minority shareholder in the Company is Mosman Council.

The Shareholder Agreement requires that a Super Majority Consent of Shareholders (majority shareholder plus one other shareholder) is required for the following decisions:

- any decision of the company to require the Councils to subscribe for further Shares to fund the continuing operation of the Company.
- any decision of the shareholders in relation to any of the following matters:
 - any lease of the Kimbriki Facility from Northern Beaches Council;
 - any call offer in favour of Northern Beaches Council to purchase the Kimbriki Residential Properties (assuming the Company acquires them); and
 - any Collection Contract between the Company and Northern Beaches Council.

Further, an Extraordinary Majority Consent of Shareholders (majority shareholder plus two other shareholders) is required for any decision relating to:

- Constitution amendment: any amendment to the constitution documents of the Company;
- Liquidation: the liquidation of winding up of the Company;
- Capital reorganisation: any reorganisation, reclassification, reconstruction, consolidation or subdivision of the capital of the Company, including any buyback or redemption of Shares, or the creation of any different class of marketable securities in the capital of the Company;
- Significant investments: any agreement by the Company to purchase any asset, make any investment or otherwise commit to a project with a value in a single case, or any number of cases with the same vendor or other contracting party (or person associated with them) in any year with an aggregate value exceeding \$2,500,000;
- Bonus issue: the issue of any bonus shares in the capital of the Company; and
- Share offers: any issue of marketable securities in the capital of the Company, except where this agreement expressly permits otherwise.

Northern Beaches Council now holds the shares of the former Manly, Pittwater and Warringah Councils and for the purposes of the Shareholder Agreement is taken to hold the position of majority shareholder and two other shareholders.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17 Interests in other entities (continued)

(c) Subsidiaries with material Non-Controlling Interests (NCI)

	Kimbriki Environmental Enterprises Pty Limited 30 June 2018	Kimbriki Environmental Enterprises Pty Limited 30 June 2017
% Ownership held by NCI	4%	4%
	\$'000	\$'000
Profit/(Loss) allocated to NCI	164	(81)
Accumulated NCI of subsidiary	956	746
Dividends paid to NCI	-	-
Summarised statement of financial position		
Current assets	19,264	18,017
Non-current assets	17,726	15,478
Current liabilities	5,430	7,528
Non-current liabilities	6,657	5,326
Net assets	24,903	20,641
Summarised statement of profit and loss and other comprehensive income		
Revenue	35,400	36,607
Profit/(Loss)	4,262	(2,120)
Total Comprehensive Income	4,262	(2,120)
Summarised statement of cash flows		
Cash flows from operating activities	6,546	5,510
Cash flows from investing activities	(3,562)	(10,451)
Cash flows from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	2,984	(3,176)

(d) Consequences of changes in a Council's ownership interest in a subsidiary that do not result in a loss of control

Disposal of ownership interest

Council did not dispose of any ownership interest in a subsidiary during the period.

Acquisition of ownership interest

Council did not acquire additional ownership interest in a subsidiary during the period.

Interests in Joint Arrangements

Name of Entity	Principal Activity	Percentage % Owned 2018
Shorelink Library Network	Sharing of library infrastructure	
	Council's share of net income	Council's share of net assets
Shorelink Library Network	14	-
Council ceased its membership of Shorelink effective 30 June 2018		

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18 Commitments for expenditure

	Actual 2018 \$'000	Actual 2017 \$'000
(a) Capital Commitments (exclusive of GST)		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
- Land & Buildings	616	852
- Plant & Equipment	1,210	1,221
- Infrastructure	8,832	9,516
Total	10,658	11,589

Description of Commitments

Contractual commitments for capital works currently being undertaken

(b) Non-cancellable Operating Lease Commitments

- Not later than one year	248	284
- Later than one year and not later than 5 years	288	433
- Later than 5 years	-	-
Total	536	717

Description of Leases

Information Technology Equipment Leases due to expire 2019

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 19 Contingencies

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

Contingent Liabilities

1. Guarantees

(i) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to Local Government. Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the Fund Years. The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(ii) WorkCover

Council provides bank guarantees to the value of \$1,500,000 to secure its self-insurance license for Workers Compensation. The guarantee is provided to the State Insurance Regulatory Authority.

(iii) Other Guarantees

Kimbriki Environmental Enterprises Pty Ltd has provided a Bank Guarantee in the amount of \$1,000,000 to the Environmental Protection Authority as a condition to the granting of a licence to operate a dry waste facility. The amount may be drawn down by the authority if licence conditions are not met. It is not expected that this amount will be drawn down.

2. Other Liabilities

(i) Third Party Claims

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

(ii) S7.11 and S7.12 Plans

Council has significant obligations to provide Section 7.11 and Section 7.12 infrastructure. It is possible that funds contributed may be less than the cost of this infrastructure requiring Council to borrow or use general revenue to fund the difference. (Refer Note 26).

(iii) Legal Expenses

Council, the Sydney North Planning Panel and the Northern Beaches Local Planning Panel are ordinarily the planning consent authorities under the Environmental Planning & Assessment Act 1979. Pursuant to that Act, certain persons dissatisfied by a planning decision of the Council or the panels may appeal to the Land & Environment Court. In relation to a determination by a panel, Council is to be the respondent to the appeal but is subject to the control and direction of the panel in connection with the conduct of the appeal. It is the Court's normal practice in Class 1 proceedings that parties bear their own legal costs. In class 4 (or judicial review) proceedings, costs usually follow the event.

At the date of these reports, Council was party to 19 appeals in the Land & Environment Court. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Council is involved in other litigation (including civil liability proceedings and Local Court prosecutions). Whilst these matters are unlikely to cost Council in excess of \$100,000 individually (subject to the comments below), the amount of further costs cannot be known until these proceedings are concluded.

(iv) Potential Land Acquisitions due to Planning

Restrictions imposed by Council

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

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Northern Beaches Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 19 Contingencies (continued)

(v) Other

At the first meeting of Northern Beaches Council on 19 May 2016, the Administrator undertook to review the Manly Oval project and the Whistler Street project in light of community concerns. At the meeting on 23 August 2016, Council resolved to terminate the Development Deed with Built Development (Manly) Pty Ltd (Built) and Athas Holdings Pty Ltd (Athas). On 15 November 2016, Council provided notice of termination of the Development Deed for the Whistler Street project to Built and Athas. On 25 November 2016, Built and Athas provided to Council a notice under the Development Deed disputing the validity of the termination. Council entered into negotiations with Built and Athas regarding the Whistler Street project and the disputed termination under a Negotiations Deed. These negotiations were without prejudice. The negotiations came to an end without agreement, and Built and Athas provided Council with a letter dated 25 May 2017 terminating the Negotiations Deed effective on or about 25 June 2017. On 26 October 2017, Built and Athas lodged a claim in the Supreme Court of NSW for loss of profit, interest (pursuant to section 100 of the Civil Procedure Act 2005 (NSW)), costs, interest on costs and such further or other orders as the Court thinks fit.

Following Council's List Response to the claim being filed and served, the plaintiffs have filed and served an Amended Commercial List Statement to which Council has served a response. There has followed a series of interlocutory Procedures and an adverse costs order against Council in relation to the interlocutory proceedings. However Council appealed the decision to strike out paragraphs of Council's Commercial List Response and the costs order. Council was successful in its appeal and the plaintiffs were ordered to pay Council's costs of the strike out application and the appeal. Council will continue to defend the claim.

Contingent Assets

(i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to and including 30 June 2008.

(ii) Infringement Notices/Fines

Fines and Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau. Councils Revenue Recognition policy for such income is to account for it as revenue on receipt. Accordingly, at Year End, there is a potential asset due to Council not recognising issued but unpaid Infringement Notices.

Due to the limited information available on the status, value and duration of outstanding Notices, Council is unable to determine the value of outstanding income.

(iii) Building Commencements

There were no current construction certificates on hand awaiting collection.

There is still building activity that may have commenced without proper approval and payment of appropriate fees. However, investigations into unlawful works will address these in part, and where a Building Information Certificate is sought, all relevant fees are required to be paid that would have been due if works had been commenced lawfully, including construction certificates and development assessment fees.

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20 Financial risk management

Risk Management

Council's activities expose it to a variety of financial risks including (i) price risk, (ii) credit risk, (iii) liquidity risk and (iv) interest rate risk.

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

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Unit under policies approved by the Council.

Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Cash and Cash Equivalents	6,037	29,820	6,037	29,820
Receivables	19,613	20,357	19,613	20,357
Financial Assets at Fair value through profit or loss - Held for Trading	871	954	871	954
Held-to-Maturity Investments	211,386	157,670	211,386	157,670
Total Financial Assets	237,907	208,801	237,907	208,801
Financial Liabilities				
Payables	37,170	39,224	37,170	39,224
Borrowings	37,583	48,018	37,583	48,018
Total Financial Liabilities	74,753	87,242	74,753	87,242

Note:

Refer to Note 22 for fair value information.

Cash and Cash Equivalents are not measured at Fair Value

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20 Financial risk management (continued)

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital. Council's Financial Unit manages its cash and investments portfolio with the assistance of independent advisors. Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. The Policy is regularly reviewed by Council and an Investment Report provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The risks associated with the investments held are:

- Price risk – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or factors affecting similar instruments traded in a market.
- Interest rate risk – the risk that movements in interest rates could affect returns.
- Credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from its independent advisers before placing any cash and investments.

(a) Market risk - price risk and interest rate risk

The impact on result for the period and equity of a reasonably possible movement in the price of investments held is shown below. The reasonably possible movement was determined based on historical movements and economic conditions in place at the reporting date.

	2018 \$'000	2017 \$'000
Impact of a 10% ⁽¹⁾ movement in price of Investments		
- Equity	87	95
- Income Statement ⁽²⁾	87	95
Impact of a 1% ⁽¹⁾ movement in Interest Rates on Cash and Investments		
- Equity	2,174	1,875
- Income Statement ⁽²⁾	2,174	1,875

Notes:

⁽¹⁾ Sensitivity percentages based on management's expectation of future possible market movements. (Price movements calculated on investments subject to fair value adjustments. Interest rate movements calculated on cash, cash equivalents and FRNs.)

Recent market volatility has seen larger market movements for certain types of investments.

⁽²⁾ Maximum impact.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20 Financial risk management (continued)

(b) Credit risk

Council's major receivables comprise Rates & Annual Charges and User Charges & Fees. The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid. Council manages this risk by monitoring outstanding debt and employing stringent debt recovery policies.

Credit risk on Rates and Annual Charges is minimised by the ability of Council to recover these debts as a secured charge over the land that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue Rates & Annual Charges which further encourages payment.

There are no significant concentrations of credit risk. The level of outstanding receivables is reported to Council quarterly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on material non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Council's credit risk at reporting date was:

	Not Yet Due	Overdue Debts				Total
	\$'000	< 1 year \$'000	1-2 years \$'000	2-5 years \$'000	> 5 years \$'000	
Rates and Annual Charges						
2018	-	740	5,762	757	664	7,923
2017	-	3,658	828	1,006	916	6,408

	Not Yet Due	Overdue Debts				Total
	\$'000	< 30 days \$'000	30-60 days \$'000	60-90 days \$'000	> 90 days \$'000	
Receivables - other than rates and annual charges						
2018	9,475	1,021	91	6	1,669	12,262
2017	-	10,185	1,738	369	2,040	14,332

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20 Financial risk management (continued)

(c) Liquidity risk

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities can be drawn down in extenuating circumstances.

The contractual undiscounted cash outflows of Council's Payables & Borrowings are set out in the Liquidity Sensitivity Table below:

	Due Within 1 Year	Due Between 1 and 5 Years	Due after 5 Years	Total Contractual Cash Flows	Carrying Values
\$'000					
At 30 June 2018					
Payables	37,170	-	-	37,170	37,170
Borrowings	5,214	19,711	12,658	37,583	37,583
Total Financial Liabilities	42,384	19,711	12,658	74,753	74,753

	Due Within 1 Year	Due Between 1 and 5 Years	Due after 5 Years	Total Contractual Cash Flows	Carrying Values
\$'000					
At 30 June 2017					
Payables	39,224	-	-	39,224	39,224
Borrowings	5,411	21,719	20,888	48,018	48,018
Total Financial Liabilities	44,635	21,719	20,888	87,242	87,242

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate on a 4 year renewal basis. The Finance Unit regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The following interest rates were applicable to Council's Borrowings at balance date:

	30 June 2018		30 June 2017	
	Weighted Average Interest Rate	Balance \$'000	Weighted Average Interest Rate	Balance \$'000
Overdraft	-	-	-	-
Bank Loans - Fixed	5.3%	27,537	5.3%	34,550
- Variable ⁽¹⁾	3.7%	10,046	3.5%	13,468
		37,583		48,018

⁽¹⁾ The interest rate risk applicable to Variable Rate Bank Loans is not considered significant.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 21 Material budget variations

Council's original budget was adopted by council on 27 June 2017 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% are explained below.

Revenues

1 Investment Fees and Revenues

Total Interest and Investments were \$6.195 million compared to an Original Budget of \$4.712 million. This was due to higher than anticipated investments balances as a result of the receipt of \$21.1 million from Round 2 of the Stronger Communities Fund and the timing of capital expenditure.

2 Grants and Contributions provided for operating purposes

Total Grants and Contributions provided for operating purposes were \$15.911 million compared to an Original Budget of \$12.395 million. This was principally due to the advance payment of the first two instalments of the estimated 2018-19 Financial Assistance Grant totalling \$3.973 million.

3 Grants and Contributions provided for capital purposes

Total Grants and Contributions provided for capital purposes were \$53.599 million compared to an Original Budget of \$20.858 million. This was principally due to the receipt of \$21.1 million from Round 2 of the Stronger Communities Fund, \$6.5 million from the Roads and Maritime Services relating to the B-Line and \$7.3 million representing the fair value of the Manly Memorial Hall.

Expenses

1 Borrowing Costs

Total Borrowing Costs were \$3.478 million compared to an Original Budget of \$3.972 million. This was principally due to lower interest rates on variable loans than was assumed when the budget was developed.

2 Other Expenses

Total Other Expenses were \$34.655 million compared to an original Budget of \$40.050 million. This was principally due to a grant of \$3 million proposed to residents for the Collaroy - Narrabeen Beach Seawall works.

3 Net loss from the disposal of assets

Total Net loss from the disposal of assets were \$0.390 million. This is principally due to the writedown of projects which are either no longer proceeding or operational in nature.

4 Revaluation decrement/impairment of IPPE

The Revaluation decrement/impairment of Infrastructure, Property, Plant and Equipment (IPPE) was \$0.987 million representing a reduction in the fair value of Council's buildings

5 Fair value decrement on investment properties

The Revaluation decrement/impairment of investment properties was \$0.684 million representing a reduction in the fair value of Council's three investment properties.

6 Net share of interests in joint ventures using the equity method

The Net share of interests in joint ventures using the equity method was \$0.014 million representing Council's share of the deficit of the Shorelink joint venture.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 22 Fair value measurement

The Council measures the following assets and liabilities at fair value on a recurring basis.

- Infrastructure and property
- Investment property
- Financial assets

During a reporting period Council will measure non-current assets classified as held for sale at fair value on a non-recurring basis if their carrying amount is higher than their fair value and therefore the assets needs to be written down to fair value. They are measured at the lower of their carrying amount and fair value less costs to sell. During the current reporting period, there were no assets measured at fair value on a non-recurring basis.

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Fair value hierarchy

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

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the Council can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council

	Note	Level 2 Significant observable inputs \$'000		Level 3 Significant unobservable inputs \$'000		Total \$'000	
		2018	2017	2018	2017	2018	2017
Recurring fair value measurements							
Financial assets							
Investments							
- At fair value through profit or loss	6	871	954	-	-	871	954
Investment Properties							
Commercial Office and Retail	11	6,085	2,080	-	-	6,085	2,080
Infrastructure and Property							
Operational Land	10	439,669	280,120	-	-	439,669	280,120
Community Land	10	-	-	2,077,785	2,073,518	2,077,785	2,073,518
Land Under Roads	10	-	-	391	367	391	367
Land Improvements - Depreciable	10	-	-	7,350	6,888	7,350	6,888
Buildings	10	-	-	468,779	456,013	468,779	456,013
Roads Sealed	10	-	-	481,509	476,907	481,509	476,907
Roads Unsealed	10	-	-	288	1,003	288	1,003
Roads Other Assets	10	-	-	187,116	184,506	187,116	184,506
Bridges	10	-	-	11,030	9,824	11,030	9,824
Footpaths	10	-	-	76,860	69,011	76,860	69,011
Drainage Infrastructure	10	-	-	799,010	799,352	799,010	799,352
Swimming Pools	10	-	-	25,948	26,004	25,948	26,004
Other Open Space/Recreational Assets	10	-	-	107,417	104,492	107,417	104,492
Other Infrastructure	10	-	-	155,865	147,484	155,865	147,484
Total		446,625	283,154	4,399,348	4,355,369	4,845,973	4,638,523

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 22 Fair value measurement (continued)

Valuation Techniques

Level 3 Measurements

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

	Fair value (30/6/18) \$'000	Valuation Techniques	Unobservable inputs
Infrastructure and Property			
Community Land	2,077,785	Price per square metre or Average Unit Rate based on Valuer General valuations	Variations in amount per square metre
Land Under Roads	391	Price per square metre or Average Unit Rate based on Valuer General valuations	Variations in amount per square metre
Land Improvements - Depreciable	7,350	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Buildings	468,779	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Roads Sealed	481,509	Unit rates per m2 or length	Asset condition and remaining useful life
Roads Unsealed	288	Unit rates per m2 or length	Asset condition and remaining useful life
Roads Other Assets	187,116	Unit rates per m2 or length	Asset condition and remaining useful life
Bridges	11,030	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Footpaths	76,860	Unit rates per m2 or length	Asset condition and remaining useful life
Drainage Infrastructure	799,010	Unit rates per m2 or length	Asset condition and remaining useful life
Swimming Pools	25,948	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Other Open Space/Recreational Assets	107,417	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Other Infrastructure	155,865	Replacement cost used to approximate fair value	Asset condition and remaining useful life

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Northern Beaches Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22 Fair value measurement (continued)

Reconciliation of Movements

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

	2018 \$'000	2017 \$'000
Balance at 1 July	4,355,369	4,307,332
Recognised in profit or loss - realised	(1,840)	7,116
Recognised in profit or loss – unrealised	-	-
Purchases	80,569	77,425
Sales	(1,154)	(16,471)
Depreciation	(26,730)	(27,755)
Other Movements	(5,879)	7,722
Revaluations	(987)	-
Balance as at 30 June	4,399,348	4,355,369

There are no transfers identified in the table above.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 23 Related party disclosures

	Year Ended 30 June 2018 \$'000
Key management personnel (KMP)	
Compensation	
Short-term benefits	2,138
Post-employment benefits	102
Other long-term benefits	44
Termination benefits	613
Total	2,897

Other transactions with KMP and their related parties

	Nature of the transaction	Amount of the transactions during the year	Outstanding balances including commitments at year end	Terms and conditions
2018		\$	\$	
	Community Grant ¹	(5,000)	-	-
	Lease Income ²	2,802	-	Payable Monthly in advance
	Purchase of IT equipment ³	1,425	-	-
	Funding of Building works for RFS ⁴	(230,364)	-	-

¹ Council provided a community grant to Manly Warringah Women's Resource Centre, a not-for-profit service which has a member of Council's KMP on the board

² Manly Warringah Women's Resource Centre leases a building from Council. A member of Council's KMP is on the board

³ A KMP member purchased some minor IT equipment at market value from Council.

⁴ Council provided funding for works to Davidson RFS building. A Council KMP member is President of the brigade

Other related parties

	Nature of the transaction	Amount of the transactions during the year	Outstanding balances including commitments at year end	Terms and conditions
2018		\$	\$	
Subsidiary - Kimbriki Environmental Enterprises Pty Limited	Tipping Fees	(9,963,837)	(666,254)	-
Subsidiary - Kimbriki Environmental Enterprises Pty Limited	Lease Revenue	2,984,331	-	Payable monthly on the 1st of each month
Subsidiary - Kimbriki Environmental Enterprises Pty Limited	Other Income	20,684	-	-

Note:

KMP of the Council are those persons having the authority and responsibility for planning, directing and controlling the activities of the Council, directly or indirectly. This includes the CEO, General Managers, the Administrator, Elected Officials and Public Officers.

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Northern Beaches Council**Notes to the Financial Statements**

for the year ended 30 June 2018

Note 24 Events occurring after reporting date

On 27 September 2018 Council entered into a waste collection contract with URM Environmental Services Pty Ltd (URM). Under this contract, URM will manage the collection of all domestic waste in the Council area for a period of 10 years. The fee payable to URM depends on the number of waste services collected.

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 25 Statement of developer contributions

(a) Summary of developer contributions

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Community facilities	6,627	665	-	106	(353)	-	7,045	-
Drainage	4,863	699	-	63	-	-	5,625	-
Environmental programs (incl. drainage)	972	355	-	31	-	-	1,359	-
Library and recreation	(349)	-	-	0	-	-	(348)	-
Open space	12,752	2,151	-	274	(3,180)	-	11,997	-
Parking	1,916	56	-	50	-	-	2,022	-
Roads	(699)	1,085	-	(44)	(5,900)	-	(5,559)	-
Streetscape/transport	2,246	292	-	64	-	-	2,602	-
Traffic facilities	536	49	-	15	-	-	600	-
Other	(142)	260	-	5	(268)	-	(145)	-
S7.11 Contributions - under a Plan	28,721	5,612	-	565	(9,701)	-	25,196	-
S7.12 Levies - under a Plan	12,649	3,896	-	318	(6,931)	-	9,932	-
Total Revenue Under Plans	41,370	9,508	-	882	(16,632)	-	35,129	-
S7.11 not under Plans	730	-	-	0	(595)	-	136	-
S7.4 Planning Agreements	-	1,036	-	5	-	-	1,040	-
Total Contributions	42,101	10,544	-	887	(17,227)	-	36,305	-
Less: Land	(716)	-	-	-	595	-	(121)	-
Total Cash Contributions	41,385	10,544	-	887	(16,632)	-	36,184	-

(b) Contributions - Under a plan

S7.11 Contributions - Under a plan

Former Manly Council - Residential (2005 plan)

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Traffic facilities	431	27	-	12	-	-	470	-
Parking	-	-	-	-	-	-	-	-
Open space	509	276	-	35	(210)	-	610	-
Community facilities	(1,299)	47	-	-	-	-	(1,251)	-
Streetscape/transport	1,620	120	-	44	-	-	1,784	-
Environmental programs (incl. drainage)	233	179	-	10	-	-	422	-
Total	1,495	648	-	100	(210)	-	2,034	-

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Northern Beaches Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 25 Statement of developer contributions (continued)

(b) Contributions - Under a plan (continued)

Former Manly Council - Manly Precinct/Commercial (2005 plan)

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Traffic facilities	60	22	-	2	-	-	84	-
Community facilities	(94)	24	-	-	-	-	(70)	-
Streetscape/transport	(136)	141	-	0	-	-	5	-
Environmental programs (incl. drainage)	488	133	-	15	-	-	636	-
Total	318	320	-	17	-	-	655	-

Former Manly Council - Other Precincts (2005 plan)

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Traffic facilities	6	0	-	0	-	-	7	-
Community facilities	(71)	2	-	-	-	-	(69)	-
Streetscape/transport	762	31	-	20	-	-	814	-
Environmental programs (incl. drainage)	226	43	-	6	-	-	276	-
Total	924	77	-	27	-	-	1,027	-

Former Manly Council - Manly Precinct (1999 plan)

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Open space	245	-	-	6	-	-	251	-
Library and recreation	18	-	-	0	-	-	19	-
Environmental programs (incl. drainage)	-	-	-	-	-	-	-	-
Total	263	-	-	7	-	-	270	-

Former Manly Council - Other Precincts (1999 plan)

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Open Space	313	-	-	11	-	-	324	-
Library and recreation	(367)	-	-	-	-	-	(367)	-
Total	(54)	-	-	11	-	-	(43)	-

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Northern Beaches Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 25 Statement of developer contributions (continued)

(b) Contributions - Under a plan (continued)

Former Manly Council - Parking (1999 plan)

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parking	1,916	56	-	50	-	-	2,022	-
Total	1,916	56	-	50	-	-	2,022	-

Former Manly Council - Tourist Developments (2005 plan)

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Open space	29	-	-	1	-	-	29	-
Environmental programs (incl. drainage)	25	-	-	1	-	-	26	-
Total	54	-	-	1	-	-	55	-

Former Pittwater Council - Contribution Plan Number 2 - Open space, bushland and recreation

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Open space	190	221	-	4	(415)	-	0	-
Total	190	221	-	4	(415)	-	0	-

Former Pittwater Council - Contribution Plan Number 3 - Public library services

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Community facilities	350	54	-	8	(149)	-	263	-
Total	350	54	-	8	(149)	-	263	-

Former Pittwater Council - Contribution Plan Number 4 to 10 & 15 - Warriewood Valley and material public works

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Drainage	4,863	699	-	63	-	-	5,625	-
Roads	(699)	1,085	-	(44)	(5,900)	-	(5,559)	-
Open space	4,265	1,654	-	44	(2,556)	-	3,408	-
Community facilities	7,656	443	-	94	(57)	-	8,137	-
Other	(407)	92	-	(4)	(122)	-	(441)	-
Total	15,677	3,974	-	153	(8,634)	-	11,170	-

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Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 25 Statement of developer contributions (continued)

(b) Contributions - Under a plan (continued)

Former Pittwater Council - Contribution Plan Number 18 - Community service facilities

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Community facilities	83	95	-	3	(147)	-	35	-
Total	83	95	-	3	(147)	-	35	-

Former Pittwater Council - Contribution Plan Number 19 - Village streetscape

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other	265	168	-	9	(147)	-	295	-
Total	265	168	-	9	(147)	-	295	-

Former Warringah Council - 2001 plan

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Traffic Facilities	38	-	-	1	-	-	39	-
Parking	-	-	-	-	-	-	-	-
Open Space	7,201	-	-	174	-	-	7,375	-
Community Facilities	-	-	-	-	-	-	-	-
Total	7,240	-	-	175	-	-	7,415	-

S7.12 Contributions - Under a Plan

Former Warringah Council - s7.12 contribution plan

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other	12,649	3,896	-	318	(6,931)	-	9,932	-
Total	12,649	3,896	-	318	(6,931)	-	9,932	-

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 25 Statement of developer contributions (continued)

(c) Contributions - not under a plan

Former Manly Council								
Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other	14	-	-	0	-	-	15	-
Total	14	-	-	0	-	-	15	-

Former Warringah Council								
Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	716	-	-	-	(595)	-	121	-
Total	716	-	-	-	(595)	-	121	-

(d) S7.4 Contributions - Planning Agreements

Purpose	Opening Balance	Contributions received during the period		Interest earned during period	Expended during period	Internal borrowings during the period	Held as Restricted Asset	Cumulative Internal borrowings (to)/from
		Cash	Non Cash					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other	-	1,036	-	5	-	-	1,040	-
Total	-	1,036	-	5	-	-	1,040	-

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

NOTE 26 Statement of performance measures - consolidated results

	Amounts			Benchmark
	2018 \$'000	2018 Indicators	2017 Indicators	
\$ '000				
1. Operating Performance				>0
Total continuing operating revenue ¹ excluding capital grants and contributions less operating expenses	26,914	7.97%	1.31%	
Total continuing operating revenue ¹ excluding capital grants and contributions	337,482			
2. Own Source Operating Revenue				>60%
Total continuing operating revenue ¹ excluding all grants and contributions	321,571	82.23%	81.15%	
Total continuing operating revenue ¹ inclusive of capital grants and contributions	391,081			
3. Unrestricted Current Ratio				>1.5x
Current assets less all external restrictions	141,703	3.09x	2.67x	
Current liabilities less specific purpose liabilities	45,817			
4. Debt Service Cover Ratio²				>2x
Operating Results ¹ before capital excluding interest and depreciation/impairment/amortisation	64,311	4.62x	1.00x	
Principal repayments (from the statement of cash flows) plus borrowing interest costs (from the income statement)	13,913			
5. Rates and Annual Charges Outstanding Percentage				<5%
Rates and Annual Charges Outstanding	8,430	3.87%	2.80%	
Rates and Annual Charges Collectible	217,743			
6. Cash Expense Cover Ratio				>3 months
Current period's cash and cash equivalents + term deposits	217,423	8.59 months	5.94 months	
Payments from cash flow of operating and financing activities	25,299			

Note:

¹ Excludes fair value adjustments, reversal of revaluation decrements, net gain on sale of assets and net share of interests in joint ventures

² In 2017 this ratio was impacted by the early repayment of three loans. In the absence of these early repayments of \$35.6m the ratio would be 4.18x which is well above the benchmark

Annual Financial Statements

Northern Beaches Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 27 Local Government amalgamation

The Local Government (Council Amalgamations) Proclamation 2016 ('the Proclamation') under the Local Government Act 1993 (NSW) transferred the assets and liabilities of the former Manly, Pittwater and Warringah Councils to Northern Beaches Council as at 12 May 2016.

Gain on local government amalgamation

	2018 \$'000	2017 \$'000
Net Assets and liabilities of former Councils	-	4,591,392
Adjustments between former Council carrying amount of assets and fair values recognised in Northern Beaches Council	-	127,922
Accounting policy adjustments	-	813
	-	4,720,127
Adjustment to Retained earnings - Non Controlling Interest transfer on Amalgamation	-	(1,445)
	-	4,718,682

Adjustments between former Council carrying amount of assets and fair values recognised in Northern Beaches Council

There were no adjustments to the carrying amount of the assets and liabilities received as part of the amalgamation in the current financial year.

Adjustments made to recognise net assets at fair value

	2018 \$'000	2017 \$'000
• write-off of assets where original cost is below Council's capitalisation threshold	-	(555)
• changes in asset values due to comprehensive valuation process	-	138,590
• changes in the fair value of Inventory, Receivables, Payables & Provisions	-	233
• other adjustments (please specify)		
- Elimination of Equity Investment	-	(10,346)
Total adjustments	-	127,922

Accounting policy adjustments

The following Accounting Policy adjustments have been made to the assets and liabilities of the former Manly, Pittwater and Warringah Councils as a result of amalgamation:

Accounting Policy adjustments

	2018 \$'000	2017 \$'000
• to align the basis for the calculation of Debtors	-	330
• to align the basis for the calculation of Payables	-	(433)
• to align the basis for the calculation of Employee Provisions	-	189
• to align the basis for the calculation of Other Provisions	-	(899)
	-	(813)



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial report

Northern Beaches Council

To the Councillors of the Northern Beaches Council

Opinion

I have audited the accompanying financial report of Northern Beaches Council (the Council), which comprise the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2018, the Statement of Financial Position as at 30 June 2018, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial report:
 - has been presented, in all material respects, in accordance with the requirements of this Division
 - is consistent with the Council's accounting records
 - presents fairly, in all material respects, the financial position of the Council as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial report have come to light during the audit.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the financial report and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial report does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule 2 - Permissible income for general rates.

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Report

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

In preparing the financial report, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting except where the Council will be dissolved or amalgamated by an Act of Parliament, or otherwise cease operations.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to:

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

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

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

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 21 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule 2 - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial report on any website where it may be presented
- about any other information which may have been hyperlinked to/from the financial report.



Weini Liao
Director

17 October 2018
SYDNEY



Cr Michael Regan
Mayor
Northern Beaches Council
PO BOX 82
MANLY NSW 1655

Contact: Weini Liao
Phone no: 02 9275 7532
Our ref: D1623795/1772

17 October 2018

Dear Mayor

Report on the Conduct of the Audit for the year ended 30 June 2018 Northern Beaches Council

I have audited the general purpose financial statements of the Northern Beaches Council (the Council) for the year ended 30 June 2018 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2018 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2018 \$m	2017 * \$m	Variance %
Rates and annual charges revenue	210.3	208.1	↑ 1.1
Grants and contributions revenue	69.5	75.7	↓ 8.2
Operating result for the year	78.5	48.9	↑ 60.5
Net operating result before capital amounts	24.9	7.5	↑ 232
Gain on local government amalgamation	—	4,718.7	

* 13 May 2016 to 30 June 2017

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Council's operating result (\$78.5 million including the effect of depreciation and amortisation expense of \$33.9 million) was \$29.6 million higher than the 2016–17 result. The increase from the previous period is primarily due to the differing reporting periods. Council was formed on 12 May 2016 following an amalgamation and the initial reporting period was from 13 May 2016 to 30 June 2017. The operating result for the period ended 30 June 2017 was affected by the additional expenses attributed to the extended period.

The net operating result before capital grants and contributions (\$24.9 million) was \$17.4 million higher than the 2016–17 result. The increase is mainly due to the additional expenses attributed to the extended prior period as noted above.

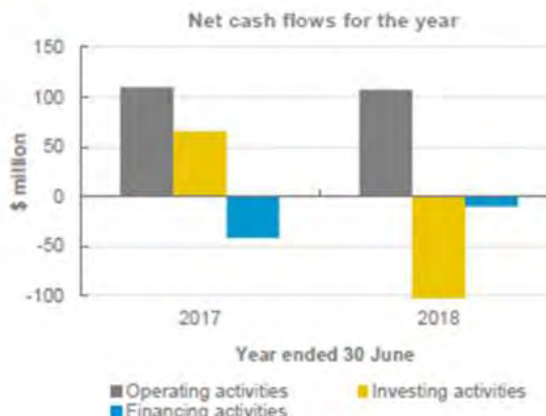
Rates and annual charges revenue (\$210.3 million) increased by \$2.2 million (1.1 per cent) in 2017–2018. The variance can be attributed to an increase in rates arising from a special variation relating to the former Warringah Council offset by a reduction in annual charges due to the differing reporting periods.

Grants and contributions revenue (\$69.5 million) decreased by \$6.2 million (8.2 per cent) in 2017–2018 due to:

- \$3.9 million of 2017–2018 financial assistance grants received in 2016–17
- one-off 'New Council Implementation Fund' grant of \$10 million was received in 2016–17
- the above decreases were offset by an increase of \$6 million in capital funding from the 'Stronger Communities Fund'.

STATEMENT OF CASH FLOWS

- Council's cash and cash equivalents balance at 30 June 2018 was \$6 million. The net cash flow for the period was a decrease of \$23.8 million.
- The reduction is mainly due to investing in longer term deposits and holding fewer funds in cash and cash equivalents.
- Financing activities for the previous period included the early repayment of \$35.7 million of borrowings. Loan repayments for 2017–18 were \$10.4 million.



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FINANCIAL POSITION

Cash and Investments

Cash and Investments	2018	2017	Commentary
	\$m	\$m	
External restrictions	95.1	77.7	• External restrictions mainly relating to developer contributions, specific purpose grants and Domestic Waste funds. Unspent grants from the 'Stronger Communities Fund' have increased by \$17.4 million.
Internal restrictions	40.9	37.7	
Unrestricted	82.3	73.1	
Cash and investments	218.3	188.5	<ul style="list-style-type: none"> • Internal restrictions primarily relate to employee leave entitlements and deposits, retentions and bonds. • Significant amount of unrestricted cash to fund day-to-day operations.

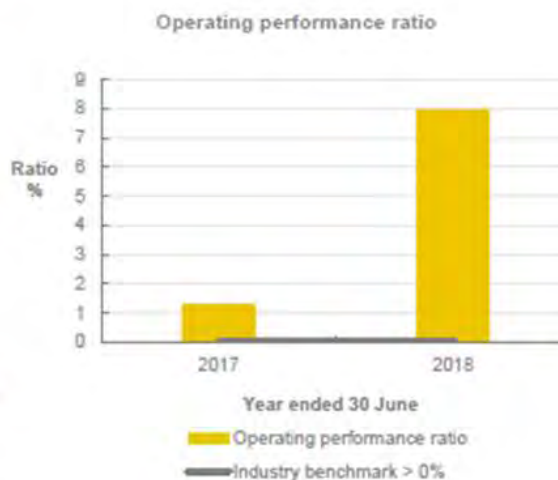
PERFORMANCE RATIOS

The definition of each ratio analysed below (except for the 'building and infrastructure renewals ratio') is included in Note 26 of the Council's audited general purpose financial statements. The 'building and infrastructure renewals ratio' is defined in Council's Special Schedule 7 which has not been audited.

Operating performance ratio

- The indicator of 8.0 per cent was above the industry benchmark of greater than zero per cent. The ratio for the previous period was impacted by the additional amalgamation grants received as well as a higher level of expenditure related to amalgamation. The ratio was also affected by the longer accounting period expenses with no corresponding rates revenue.

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



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Own source operating revenue ratio

- Council's own source operating revenue ratio of 82.2 per cent reflects a low level of reliance on externally sourced grant revenue and exceeded the OLG benchmark of greater than 60 per cent.

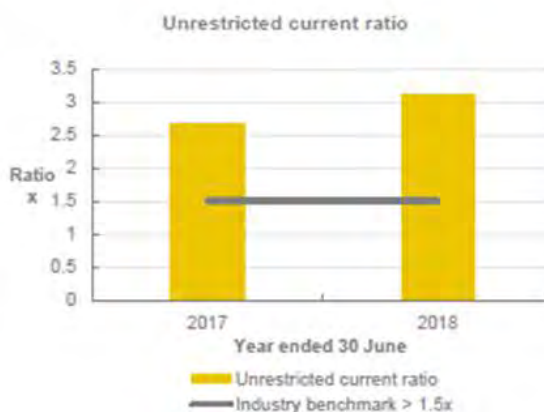
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

- This ratio indicated that Council currently had 3.1 times of unrestricted assets available to service every one dollar of its unrestricted current liabilities. This exceeded the industry benchmark.

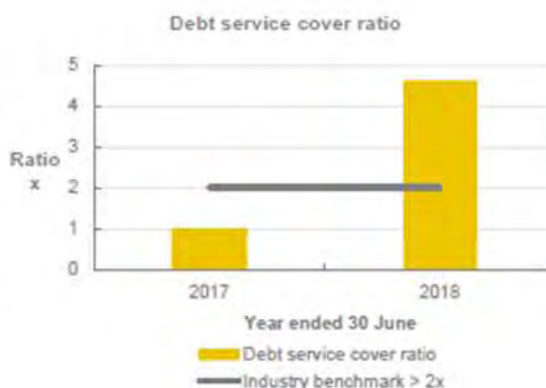
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

- The debt service cover ratio of 4.6 times exceeded the industry benchmark.
- The ratio for the previous period was impacted by the early repayment of borrowings.

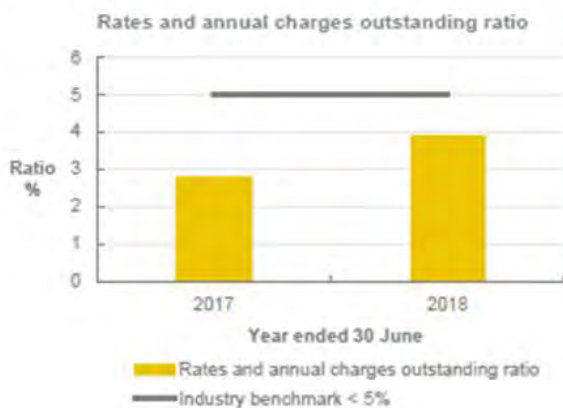
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding ratio

- Council outstanding rates and charges ratio of 3.9 per cent was within the industry benchmark of less than five per cent.

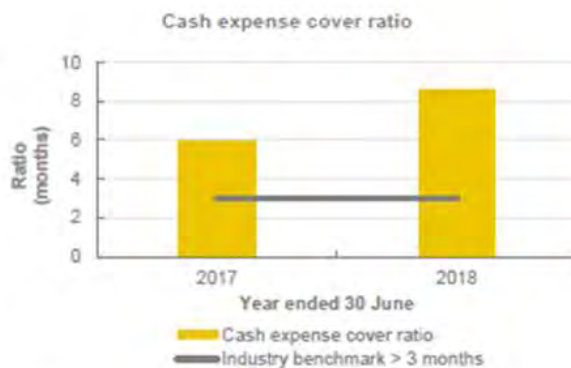
The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5 per cent for metro councils.



Cash expense cover ratio

- Council's cash expense cover ratio of 8.6 months well exceeded the benchmark of greater than three months due to the significant cash reserves and investment balances at the end of the year.

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

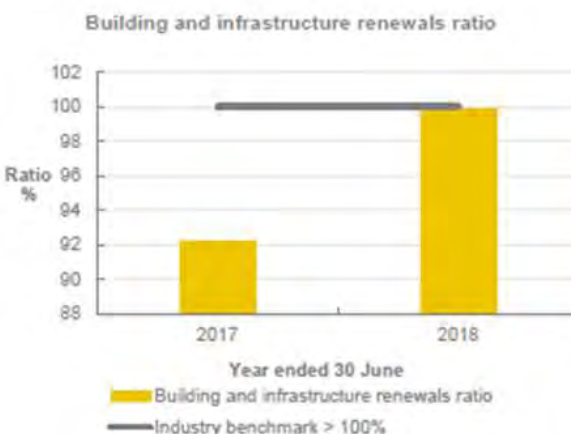


Building and infrastructure renewals ratio (unaudited)

- Council's building and infrastructure renewals ratio of 99.8 per cent did not meet the benchmark due to planned asset renewals not being completed by the financial year end.

The 'building and infrastructure renewals ratio' assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by OLG is greater than 100 per cent.

This ratio is sourced from council's Special Schedule 7 which has not been audited.



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OTHER MATTERS

Council Entities

The financial statements of Council include the consolidation of Council's controlled entity, Kimbriki Environmental Services Pty Limited.

New accounting standards implemented

AASB 2016-2 'Disclosure Initiative – Amendments to AASB 107'

Effective for annual reporting periods beginning on or after 1 January 2017

This Standard requires entities to provide disclosures that enable users of financial statements to evaluate changes (both cash flows and non-cash changes) in liabilities arising from financing activities.

Council's disclosure of the changes in their liabilities arising from financing activities is disclosed in Note 13(b).

AASB 124 'Related Party Disclosures'

Effective for annual reporting periods beginning on or after 1 July 2016

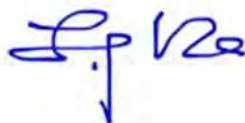
AASB 2015-6 extended the scope of AASB 124 to include not-for-profit public sector entities. As a result, Council's financial statements disclosed the:

- compensation paid to their key management personnel
- nature of their related party relationships
- amount and nature of their related party transactions, outstanding balances and commitments and outstanding balances (including commitments).

Legislative compliance

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

- accounting records were maintained in a manner and form to allow the general purpose financial statements to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Weini Liao
Director, Financial Audit Services

cc: Mr Ray Brownlee, Chief Executive Officer
Chair of Audit, Risk and Improvement Committee
Tim Hurst, Chief Executive of the Office of Local Government

Annual Financial Statements

Northern Beaches Council

Special purpose financial statements
for the year ended 30 June 2018

Annual Financial Statements

Northern Beaches Council

**Special purpose financial statements
for the year ended 30 June 2018**

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BACKGROUND

The Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.

The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market particularly between private and public sector competitors. Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

For Council, the principle of competitive neutrality and public reporting applies only to declared business activities. These include (a) those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and (b) those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

In preparing these financial reports for Council's self classified Category 1 businesses and ABS defined activities, councils must (a) adopt a corporatisation model and (b) apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

Annual Financial Statements

Northern Beaches Council

**Special purpose financial statements
for the year ended 30 June 2018**

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

(a) To the best of our knowledge and belief the attached Special Purpose Financial Statements have been prepared for referral to the auditor in accordance with:

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

(b) These statements:


- present fairly Council's Operating Result and Financial Position for the year
- accord with Council's accounting and other records

(c) We are not aware of any matter that would render this report false or misleading in any way.

Signed in accordance with clause 215(1)(b) of the Local Government (General) Regulation 2005.



Michael Regan
Mayor
16/10/2018



Sarah Grattan
Councillor
16/10/2018



Ray Brownlee
Chief Executive Officer
16/10/2018



David Walsh
Responsible Accounting Officer
16/10/2018

Made by resolution of Northern Beaches Council on 25 September 2018

Annual Financial Statements

Northern Beaches Council

Income Statement of Council's Other Business Activities
for the year ended 30 June 2018

	Children Services	Children Services	Kimbriki Environment Enterprises	Kimbriki Environment Enterprises
	Year Ended 30 June 2018	Period 13 May 2016 to 30 June 2017	Year Ended 30 June 2018	Period 13 May 2016 to 30 June 2017
	\$'000	\$'000	\$'000	\$'000
Income from continuing operations				
Access charges	11,832	12,890	-	-
User charges	-	-	-	-
Fees	-	-	31,978	35,788
Interest	-	-	146	196
Grants and contributions provided for non capital purposes	662	1,610	-	230
Profit from the sale of assets	-	-	-	-
Other income	22	23	3,276	3,755
Total income from continuing operations	12,516	14,523	35,400	39,969
Expenses from continuing operations				
Employee benefits and on-costs	10,177	10,879	5,207	6,947
Borrowing costs	-	-	-	-
Materials and contracts	2,326	2,591	11,300	16,752
Depreciation, amortisation and impairment	111	-	1,268	1,670
Loss on sale of assets	-	-	47	5,739
Other expenses	365	387	13,316	11,134
Revaluation decrement of IPPE	1,150	-	-	-
Total expenses from continuing operations	14,129	13,857	31,138	42,242
Surplus (deficit) from continuing operations before capital amounts	(1,613)	666	4,262	(2,273)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from continuing operations after capital amounts	(1,613)	666	4,262	(2,273)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus/(deficit) from all operations before tax	(1,613)	666	4,262	(2,273)
Less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(200)	(1,279)	-
Surplus/(deficit) after tax	(1,613)	466	2,983	(2,273)
Opening retained profits	8,757	-	20,641	-
Adjustments for amounts unpaid:	-	-	-	-
Add/Less: Allocation Adjustments Related to IPPE	717	-	-	-
Corporate taxation equivalent	-	200	1,279	-
Add:				
- Assets transferred on Amalgamation	-	9,544	-	26,911
- Subsidy paid/Contribution to operations	352	(1,452)	-	(3,997)
Less:				
- TER dividend paid	-	-	-	-
- Surplus dividend paid	-	-	-	-
Closing retained profits	8,213	8,757	24,903	20,641
Return on Capital %	-19.6%	7.6%	24.0%	-14.7%
Subsidy from Council	-	-	-	-

Annual Financial Statements

Northern Beaches Council

Income Statement of Council's Other Business Activities
for the year ended 30 June 2018

	Glen Street Theatre Year Ended 30 June 2018 \$'000	Glen Street Theatre Period 13 May 2016 to 30 June 2017 \$'000	Certification Year Ended 30 June 2018 \$'000	Certification Period 13 May 2016 to 30 June 2017 \$'000
Income from continuing operations				
Access charges	-	-	-	-
User charges	-	-	-	-
Fees	1,277	1,343	1,072	1,017
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	367	490	308	129
Total income from continuing operations	1,644	1,833	1,380	1,146
Expenses from continuing operations				
Employee benefits and on-costs	1,219	1,309	1,458	1,600
Borrowing costs	-	-	-	-
Materials and contracts	791	1,003	83	155
Depreciation, amortisation and impairment	96	125	-	-
Loss on sale of assets	-	-	-	-
Other expenses	242	126	300	176
Revaluation decrement of IPPE	1,752	-	-	-
Total expenses from continuing operations	4,100	2,563	1,841	1,931
Surplus (deficit) from continuing operations before capital amounts	(2,456)	(730)	(461)	(785)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from continuing operations after capital amounts	(2,456)	(730)	(461)	(785)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus/(deficit) from all operations before tax	(2,456)	(730)	(461)	(785)
Less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-	-
Surplus/(deficit) after tax	(2,456)	(730)	(461)	(785)
Opening retained profits	10,247	-	-	-
Adjustments for amounts unpaid:	-	-	-	-
Add/Less: Allocation Adjustments Related to IPPE	23	-	-	-
Corporate taxation equivalent	-	-	-	-
Add:				
- Assets transferred on Amalgamation	-	11,160	-	-
- Subsidy paid/Contribution to operations	608	(183)	461	785
Less:				
- TER dividend paid	-	-	-	-
- Surplus dividend paid	-	-	-	-
Closing retained profits	8,422	10,247	-	-
Return on Capital %	-29.2%	-7.1%	-	-
Subsidy from Council	-	-	-	-

Annual Financial Statements

Northern Beaches Council

Income Statement of Council's Other Business Activities
for the year ended 30 June 2018

	Aquatic Centres Year Ended 30 June 2018 \$'000	Aquatic Centres Period 13 May 2016 to 30 June 2017 \$'000	Parking Stations Year Ended 30 June 2018 \$'000	Parking Stations Period 13 May 2016 to 30 June 2017 \$'000
Income from continuing operations				
Access charges	6,668	5,820	-	-
User charges	-	-	4,121	4,314
Fees	-	-	-	-
Interest	-	3	-	301
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	445	453	-	-
Total income from continuing operations	7,113	6,276	4,121	4,614
Expenses from continuing operations				
Employee benefits and on-costs	4,785	4,952	534	469
Borrowing costs	-	-	-	-
Materials and contracts	1,332	1,320	655	280
Depreciation, amortisation and impairment	617	385	139	-
Loss on sale of assets	-	-	-	-
Other expenses	1,315	1,246	652	720
Total expenses from continuing operations	8,049	7,903	1,980	1,469
Surplus (deficit) from continuing operations before capital amounts	(936)	(1,627)	2,141	3,145
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from continuing operations after capital amounts	(936)	(1,627)	2,141	3,145
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus/(deficit) from all operations before tax	(936)	(1,627)	2,141	3,145
Less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	(642)	(944)
Surplus/(deficit) after tax	(936)	(1,627)	1,499	2,201
Opening retained profits	47,343	-	11,612	-
Adjustments for amounts unpaid:	-	-	-	-
Add/Less: Allocation Adjustments Related to IPPE	365	-	230	-
Corporate taxation equivalent	-	-	642	944
Add:				
- Assets transferred on Amalgamation	-	49,598	-	8,928
- Subsidy paid/Contribution to operations	320	(628)	-	(461)
Less:				
- TER dividend paid	-	-	-	-
- Surplus dividend paid	-	-	(2,280)	-
Closing retained profits	47,092	47,343	11,703	11,612
Return on Capital %	-1.7%	-3.4%	6.9%	27.1%
Subsidy from Council	-	-	-	-

Annual Financial Statements

Northern Beaches Council

Income Statement of Council's Other Business Activities
for the year ended 30 June 2018

	Sydney Lakeside Caravan Park Year Ended 30 June 2018 \$'000	Sydney Lakeside Caravan Park Period 13 May 2016 to 30 June 2017 \$'000
Income from continuing operations		
Access charges	-	-
User charges	5,821	7,043
Fees	-	-
Interest	-	-
Grants and contributions provided for non capital purposes	-	-
Profit from the sale of assets	-	-
Other income	993	-
Total income from continuing operations	6,814	7,043
Expenses from continuing operations		
Employee benefits and on-costs	-	38
Borrowing costs	135	582
Materials and contracts	851	528
Depreciation, amortisation and impairment	181	220
Loss on sale of assets	-	-
Other expenses	2,020	2,309
Revaluation decrement of IPPE	4,372	-
Total expenses from continuing operations	7,559	3,677
Surplus (deficit) from continuing operations before capital amounts	(745)	3,366
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from continuing operations after capital amounts	(745)	3,366
Surplus (deficit) from discontinued operations	-	-
Surplus/(deficit) from all operations before tax	(745)	3,366
Less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(1,010)
Surplus/(deficit) after tax	(745)	2,356
Opening retained profits	19,984	-
Adjustments for amounts unpaid:	-	-
Add/Less: Allocation Adjustments Related to IPPE	75	-
Corporate taxation equivalent	-	1,010
Add:		
- Assets transferred on Amalgamation	-	19,589
Less:		
- TER dividend paid	-	-
- Surplus dividend paid	(3,357)	(2,971)
Closing retained profits	15,957	19,984
Return on Capital %	-4.1%	14.8%
Subsidy from Council	-	-
Calculation of dividend payable:		
Surplus/(deficit) after tax	(745)	2,356
Less: capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	(745)	2,356

Annual Financial Statements

Northern Beaches Council

Balance Sheet of Council's Other Business Activities
as at 30 June 2018

	Actual 2018 Children Services Category 1 \$'000	Actual 2017 Children Services Category 1 \$'000	Actual 2018 Kimbriki Environment Enterprises Category 1 \$'000	Actual 2017 Kimbriki Environment Enterprises Category 1 \$'000
\$ '000				
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	2,633	6,843
Investments	-	-	14,366	7,173
Receivables	-	-	2,263	4,001
Inventories	-	-	2	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	19,264	18,017
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	8,213	8,757	17,726	15,478
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	8,213	8,757	17,726	15,478
Total Assets	8,213	8,757	36,990	33,495
LIABILITIES				
Current Liabilities				
Payables	-	-	4,307	6,483
Interest bearing liabilities	-	-	1,123	1,045
Provisions	-	-	-	-
Total Current Liabilities	-	-	5,430	7,528
Non-Current Liabilities				
Payables	-	-	6,552	5,326
Interest bearing liabilities	-	-	-	-
Provisions	-	-	105	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	6,657	5,326
Total Liabilities	-	-	12,087	12,854
Net Assets	8,213	8,757	24,903	20,641
EQUITY				
Retained earnings	8,213	8,757	24,903	20,641
Revaluation reserves	-	-	-	-
Council equity interest	8,213	8,757	24,903	20,641
Minority equity interest	-	-	-	-
Total Equity	8,213	8,757	24,903	20,641

Annual Financial Statements

Northern Beaches Council

Balance Sheet of Council's Other Business Activities
as at 30 June 2018

	Actual 2018 Glen Street Theatre Category 1 \$'000	Actual 2017 Glen Street Theatre Category 1 \$'000	Actual 2018 Certification Category 2 \$'000	Actual 2017 Certification Category 2 \$'000
\$ '000				
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	8,422	10,247	-	-
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	8,422	10,247	-	-
Total Assets	8,422	10,247	-	-
LIABILITIES				
Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Total Current Liabilities	-	-	-	-
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
Total Liabilities	-	-	-	-
Net Assets	8,422	10,247	-	-
EQUITY				
Retained earnings	8,422	10,247	-	-
Revaluation reserves	-	-	-	-
Council equity interest	8,422	10,247	-	-
Minority equity interest	-	-	-	-
Total Equity	8,422	10,247	-	-

Annual Financial Statements

Northern Beaches Council

Balance Sheet of Council's Other Business Activities
as at 30 June 2018

	Actual 2018 Aquatic Centres Category 1 \$'000	Actual 2017 Aquatic Centres Category 1 \$'000	Actual 2018 Parking Stations Category 1 \$'000	Actual 2017 Parking Stations Category 1 \$'000
\$ '000	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	55,604	47,343	31,128	11,612
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	55,604	47,343	31,128	11,612
Total Assets	55,604	47,343	31,128	11,612
LIABILITIES				
Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Total Current Liabilities	-	-	-	-
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
Total Liabilities	-	-	-	-
Net Assets	55,604	47,343	31,128	11,612
EQUITY				
Retained earnings	47,092	47,343	11,703	11,612
Revaluation reserves	8,512	-	19,425	-
Council equity interest	55,604	47,343	31,128	11,612
Minority equity interest	-	-	-	-
Total Equity	55,604	47,343	31,128	11,612

Annual Financial Statements

Northern Beaches Council

Balance Sheet of Council's Other Business Activities
as at 30 June 2018

	Actual 2018 Sydney Lakeside Caravan Park Category 1 \$'000	Actual 2017 Sydney Lakeside Caravan Park Category 1 \$'000
ASSETS		
Current Assets		
Cash and cash equivalents	-	150
Investments	-	-
Receivables	-	-
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	-	150
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	18,238	22,717
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total Non-Current Assets	18,238	22,717
Total Assets	18,238	22,867
LIABILITIES		
Current Liabilities		
Payables	117	342
Interest bearing liabilities	398	377
Provisions	-	-
Total Current Liabilities	515	719
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	1,766	2,164
Provisions	-	-
Other Liabilities	-	-
Total Non-Current Liabilities	1,766	2,164
Total Liabilities	2,281	2,883
Net Assets	15,957	19,984
EQUITY		
Retained earnings	15,957	19,984
Revaluation reserves	-	-
Council equity interest	15,957	19,984
Minority equity interest	-	-
Total Equity	15,957	19,984

Annual Financial Statements

Northern Beaches Council

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2018

Note 1 Significant accounting policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy reporting purposes follows:

These financial statements are a SPFS prepared for use by the Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting Interpretation.

The disclosures in these special purpose financial statements have been prepared in accordance with the Local Government Act 1993 (NSW), the Local Government (General) Regulation 2005 and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis, they are based on historic costs and do not take into account changing money values, or except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/ liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 Government Policy statement on the 'Application of National Competition Policy to Local Government'. The 'Pricing & Costing for Council Businesses A Guide to Competitive Neutrality' issued by the Division of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Children's Services - Child Care, Pre-school and Long Day Care

Kimbriki Environmental Enterprises Pty Limited - Waste landfill and resource recovery management

Glen Street Theatre - Council's local Theatre

Parking Stations - Whistler Street, Manly National, Manly Pacific and Peninsula Parking Stations in Manly.

Aquatic Centres - Manly Andrew "Boy" Charlton Swim Centre and Warringah Aquatic Centre

Sydney Lakeside Caravan Park - Permanent and short stay caravan park accommodation

Category 2

(where gross operating turnover is less than \$2 million)

Certification - Construction Certificate Certification activity of the Urban Development Approval Service (part of Council's Local Approval Service Unit)

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars.

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations (Special Purpose Financial Statements) just like all other costs. However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council nominated business activities and are reflected in the SPFS. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council nominated business activities (this does not include Council's non-business activities):

Corporate Income Tax Rate – 30%

Land Tax – The first \$629,000 of combined land values attracts 0%. From \$629,001 to \$3,846,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$3,846,000, a premium marginal rate of 2.0% applies.

Payroll Tax – 5.45% on the value of taxable salaries and wages in excess of \$750,000.

Annual Financial Statements

Northern Beaches Council

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2018

Note 1 Significant accounting policies (continued)**Income Tax**

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 30% is the equivalent company tax rate prevalent as at reporting date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that Council business activities face "true" commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and the Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statement of Business Activities.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that Councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field". Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return achieved is disclosed for each of Council's business activities on the Income Statement.

(iv) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial report

Northern Beaches Council

To the Councillors of the Northern Beaches Council

Opinion

I have audited the accompanying special purpose financial report (the financial report) of Northern Beaches Council's (the Council) Declared Business Activities, which comprise the Income Statement of each Declared Business Activity for the year ended 30 June 2018, the Statement of Financial Position of each Declared Business Activity as at 30 June 2018, notes comprising a summary of Significant accounting policies and other explanatory information for the Business Activities declared by Council, and the Statement by Councillors and Management.

The Declared Business Activities of the Council are:

- Children Services
- Kimbriki Environment Enterprises
- Glen Street Theatre
- Certification
- Aquatic Centres
- Parking Stations
- Sydney Lakeside Caravan Park.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2018, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial report may not be suitable for another purpose.

Other Information

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the financial report and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules.

My opinion on the financial report does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 2 - Permissible income for general rates.

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Report

The Councillors are responsible for the preparation and fair presentation of the financial report and for determining that the accounting policies, described in Note 1 to the financial report, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to:

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

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

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

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial report on any website where it may be presented
- about any other information which may have been hyperlinked to/from the financial report.



Weini Liao
Director, Financial Audit Services

17 October 2018
SYDNEY

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Northern Beaches Council

Special Schedules
for the year ended 30 June 2018

Annual Financial Statements

Northern Beaches Council

Special Schedules

for the year ended 30 June 2018

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Special Schedules	
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Special Schedule No. 2	Permissible income 117
Special Schedule No. 7	Report on infrastructure assets 118

Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as the:

- NSW Grants Commission
- Australian Bureau of Statistics (ABS),
- Department of Premier & Cabinet, Office of Local Government (OLG).
- Department of Primary Industries Water (DPIW)

(ii) The financial data is collected for various uses including;

- the allocation of Financial Assistance Grants,
- the incorporation of Local Government financial figures in national statistics,
- the monitoring of loan approvals,
- the allocation of borrowing rights, and
- the monitoring of specific service financial activities

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Northern Beaches Council

Special Schedules

for the financial year ended 30 June 2018

Special Schedule No. 1 - Net Cost of Services

\$'000	Expenses from continuing operations	Income from continuing operations (non capital)	Income from continuing operations (capital)	Net Cost of Services
Function or Activity	\$'000	\$'000	\$'000	\$'000
Governance	8,020	1,272	-	(6,748)
Administration	80,879	15,784	47,313	(17,782)
Public Order and Safety				
Fire Service Levy, Fire protection, Emergency Services	7,636	1,766	-	(5,870)
Beach Control	4,516	189	-	(4,327)
Enforcement of Local Govt Regs	3,897	6,812	-	2,915
Animal Control	219	242	-	23
Other	-	-	-	-
Total Public Order and Safety	16,268	9,009	-	(7,259)
Health	4,711	2,058	-	(2,653)
Environment				
Noxious Plants and Insects/ Vermin Control	1,070	210	-	(860)
Other Environmental Protection	9,964	1,163	10	(8,791)
Solid Waste Management	72,421	79,231	-	6,810
Street Cleaning	3,022	23	-	(2,999)
Drainage	1,853	304	-	(1,549)
Stormwater Management	7,031	61	-	(6,970)
Total Environment	95,361	80,992	10	(14,359)
Community Services and Education				
Administration & Education	2,786	508	-	(2,278)
Social Protection (Welfare)	-	-	-	-
Aged Persons & Disabled	498	-	-	(498)
Childrens Services	11,878	11,814	-	(64)
Education	796	1,025	-	229
Other Community Services and Education	1,052	427	-	(625)
Total Community Services and Education	17,010	13,774	-	(3,236)
Housing and Community Amenities				
Public Cemeteries	430	724	-	294
Public Conveniences	912	-	-	(912)
Street Lighting	3,788	760	-	(3,028)
Town Planning	10,307	4,839	-	(5,468)
Other Community Amenities	-	-	-	-
Total Housing and Community Amenities	15,437	6,323	-	(9,114)
Water Supplies	-	-	-	-
Sewerage Services	-	-	-	-

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Northern Beaches Council

Special Schedules

for the financial year ended 30 June 2018

Special Schedule No. 1 - Net Cost of Services (continued)

Function or Activity	Expenses from continuing operations \$'000	Income from continuing operations (non capital) \$'000	Income from continuing operations (capital) \$'000	Net Cost of Services \$'000
Recreation and Culture				
Public Libraries	8,450	567	487	(7,396)
Museums	-	-	-	-
Art Galleries	965	150	-	(815)
Community Centres and Halls	1,861	2,019	-	158
Performing Arts Venues	2,007	1,644	-	(363)
Other Performing Arts	-	-	-	-
Other Cultural Services	2,736	1,012	27	(1,697)
Sporting Grounds and Venues	15,991	3,198	-	(12,793)
Swimming Pools	8,445	7,478	-	(967)
Parks and Gardens (Lakes)	6,095	898	-	(5,197)
Other Sport and Recreation	4,687	-	-	(4,687)
Total Recreation and Culture	51,237	16,966	514	(33,757)
Fuel and Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction	-	-	-	-
Transport and Communication				
Urban Roads (UR) - Local	14,905	4,108	2,671	(8,126)
Urban Roads (UR) - Regional	-	-	-	-
Bridges on UR - Local	-	-	-	-
Bridges on SRR - Local	-	-	-	-
Parking Areas	2,093	10,130	(51)	7,986
Footpaths	773	-	3,143	2,370
Other Transport and Communication	1,381	161	-	(1,220)
Total Transport and Communication	19,152	14,399	5,763	1,010
Economic Affairs				
Camping Areas and Caravan Parks	3,058	7,182	-	4,124
Other Economic Affairs	1,496	91	-	(1,405)
Total Economic Affairs	4,554	7,273	-	2,719
Total - Functions	312,629	167,850	53,600	(91,179)
General purpose income⁽¹⁾	-	169,662	-	169,662
Share of interests - joint ventures & associates using the equity method ⁽²⁾	14	-	-	(14)
Net operating result for the year	312,643	337,512	53,600	78,469

Notes: ⁽¹⁾ The definition of general purpose income for the purposes of disclosure in Note 2(a) is the aggregation of specific income items disclosed in Note 3 of the GPFS: ordinary rates; general purpose untied grants; interest on overdue rates and annual charges, internally restricted assets, and general council cash and investments and ex gratia rates.

⁽²⁾ As reported on the Income Statement.

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Northern Beaches Council

Special Schedules

for the year ended 30 June 2018

Special Schedule 2 - Permissible income for general rates

	2018/19			
	Former Manly Council \$'000	Former Pittwater Council \$'000	Former Warringah Council \$'000	Northern Beaches Council \$'000
Notional general income calculation⁽¹⁾				
Last year notional income yield	29,441	40,987	89,067	159,495
Plus/minus adjustments ⁽²⁾	(29)	62	353	386
Notional general income	29,412	41,049	89,420	159,881
Permissible income calculation				
Special variation ⁽³⁾	% -	-	-	
OR Rate peg	% 2	2	2	
OR Crown land adjustment incl. rate peg	% -	-	-	
Less expiring special variations amount	-	-	-	-
Plus special variation amount	-	-	-	-
OR plus rate peg amount	676	944	2,057	3,677
OR plus crown land adjustment and rate peg amount	-	-	-	-
Sub-total	30,088	41,993	91,477	163,558
Plus or minus last year's carry forward total	1	2	-	3
Less valuation objections claimed in previous year	-	(36)	-	(36)
Sub-total	1	(34)	-	(33)
Total permissible income	30,089	41,959	91,477	163,525
Less notional income yield	30,088	41,983	91,476	163,547
Catch up or (excess) result	1	(24)	1	(22)
Plus income lost due to valuation objections claimed ⁽⁴⁾	-	10	15	25
Less unused catch up ⁽⁵⁾	-	-	-	-
Carry forward to next year⁽⁶⁾	1	(14)	16	3

Notes

¹ The 'notional general income' will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis, which includes amounts that relate to prior years' rates income.

² Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916 (NSW).

³ The 'special variation percentage' is inclusive of the rate peg percentage and where applicable, the Crown land adjustment.

⁴ Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.

⁵ Unused catch-up amounts will be deducted if they are not caught up within two years. Usually, councils will have a nominal carry-forward figure. These amounts can be adjusted for when setting the rates in a future year.

⁶ Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Act. The OLG will extract these amounts from councils' Special Schedule 2 in the Financial Data Return (FDR) to administer this process. Please check that data are transferred accurately to the Special Schedule 2 of the Financial Statements and FDR.

Annual Financial Statements

Northern Beaches Council

Special Schedules

as at 30 June 2018

Special Schedule 7 - Report on infrastructure assets

Asset Class	Asset Category	Estimated	Estimated	2017/18 Required annual maintenance	2017/18 Actual maintenance	Net carrying amount	Current Replacement Cost (CRC)	Assets in Condition as % of Current Replacement Cost				
		Cost to Bring Assets to the agreed level of service set by Council ¹	cost to bring to a satisfactory standard					1	2	3	4	5
Buildings		6,436	6,436	7,584	8,486	468,779	628,794	42.6%	46.5%	9.8%	1.1%	0.0%
		6,436	6,436	7,584	8,486	468,779	628,794	42.6%	46.5%	9.8%	1.1%	0.0%
Roads	Sealed Roads	1,282	1,282	4,464	7,109	481,509	527,130	50.4%	38.7%	9.5%	1.0%	0.4%
	Unsealed Roads	11	11	113	3	288	322	0.0%	85.3%	0.0%	14.7%	0.0%
	Bridges	-	-	64	-	11,030	11,633	39.3%	60.7%	0.0%	0.0%	0.0%
	Footpaths	130	130	1,679	2,629	76,860	86,932	42.1%	56.7%	0.1%	0.9%	0.2%
	Other Road Assets	370	370	4,843	5,880	187,116	206,764	19.0%	64.5%	14.5%	1.5%	0.5%
Other Infrastructure		1,794	1,794	11,163	15,621	756,803	832,781	41.5%	47.3%	9.6%	1.1%	0.4%
		107	107	4,296	4,616	155,865	171,375	33.7%	56.2%	9.0%	0.9%	0.2%
Stormwater Drainage		107	107	4,296	4,616	155,865	171,375	33.7%	56.2%	9.0%	0.9%	0.2%
		2,770	2,770	3,251	2,459	799,010	942,365	6.2%	73.3%	19.0%	1.1%	0.4%
Open Space/Recreational Assets		2,770	2,770	3,251	2,459	799,010	942,365	6.2%	73.3%	19.0%	1.1%	0.4%
	Swimming Pools	283	283	1,705	1,923	25,948	28,995	32.1%	29.6%	36.5%	1.8%	0.0%
	Other	497	497	4,203	4,565	107,417	119,788	27.7%	55.4%	15.5%	1.2%	0.3%
Total Classes		780	780	5,908	6,488	133,365	148,783	28.5%	50.4%	19.6%	1.3%	0.2%
	Total - All Assets	11,886	11,886	32,202	37,670	2,313,822	2,724,098	28.3%	56.9%	13.4%	1.1%	0.3%

Infrastructure Asset Condition Assessment

Level	Condition	Description
1	Excellent/Very Good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very Poor	Urgent renewal/upgrading required

¹ Estimated cost to bring assets to the agreed level of service set by Council represents the sum of outstanding renewal works, valued as the work will be undertaken. Council will make future budgeting decisions in relation to these outstanding works with those decisions likely to be prioritised in Council's forward plans based on social, economic and environmental factors, including risk to the community. As the agreed service levels are yet to be determined the estimated cost to bring to a satisfactory standard has been used.

Annual Financial Statements

Northern Beaches Council

Special Schedules

as at 30 June 2018

Special Schedule 7 - Report on infrastructure assets

Infrastructure asset performance indicators – consolidated

	2018 \$'000	Current Year indicators	2017	Benchmark
Building and infrastructure renewals ratio				
Asset renewals (renewals only for Infrastructure Assets listed above)	25,665	99.79%	92.22%	>100%
Depreciation, amortisation and impairment	25,720			
Infrastructure backlog				
Estimated cost to bring assets to a satisfactory condition	11,886	0.51%	0.29%	<2%
Net carrying amount of infrastructure assets	2,313,822			
Asset maintenance ratio				
Actual asset maintenance	37,670	116.98%	103.74%	>100%
Required asset maintenance	32,202			
Cost to bring assets to agreed service level				
Estimated cost to bring to an agreed level of service set by council	11,886	0.44%	0.25%	
Gross replacement cost	2,724,098			



INDEPENDENT AUDITOR'S REPORT

Special Schedule 2 - Permissible Income for general rates
Northern Beaches Council

To the Councillors of Northern Beaches Council

Opinion

I have audited the accompanying Special Schedule 2 - Permissible Income for general rates (the Schedule) of Northern Beaches Council (the Council) for the year ending 30 June 2019.

In my opinion, the Schedule of the Council for the year ending 30 June 2019 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter – Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule had been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and the Special Schedules excluding Special Schedule 2 (the other Schedules).

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Weini Liao
Director

17 October 2018
SYDNEY

Annual Report 2017/18





Oceanides, Manly

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Mayor's Message



This year it has been a privilege to be a part of the first representative Council for the Northern Beaches. My fellow Councillors and I all share an affinity and commitment to our local community. It's this that has brought us together, irrespective of the ward we represent, to build a common vision for our extraordinary area.

I am proud to present to you the outstanding service achievements that we have overseen across the entire Northern Beaches during 2017/18. Importantly, the Annual Report shows that we have addressed the community's top priorities - by providing quality services and assets, as well as, strategic solutions for transport, housing, local jobs and our environment.

An extensive capital program of \$78.7 million was delivered, directly benefiting the community and making it easier for people to get around the Northern Beaches, enhancing local communities, providing for more sport, disability inclusion and protecting our environment.

We have delivered 32kms of new cycleways and 3kms of new footpaths as part of our Connected Communities program, including parts of the walkway along the iconic Northern Beaches Coastal Walk which will span 36kms from Palm Beach to Manly. Co-funded through the NSW Government's Stronger Communities Fund, we have further secured another \$21 million from this fund for a range of high priority works which will be completed over coming years. Plus another \$20 million was sourced from State and Federal grants for other services and infrastructure.

Our enhanced strategic capacity has delivered great gains too. Government commitments on health and transport have become a reality with the Northern Beaches Hospital, a new community health centre, the B-line bus transport network and associated parking and road improvements. There's more to come for our area. We're investigating ways to reduce Wakehurst Parkway flooding. New commitments to the harbour link tunnel, Mona Vale Road and other improved bus services will bring massive improvements to transport and help reduce traffic congestion.

We have a stronger voice with the Government and it's paying off with sensitive plans for housing, sustainability, transport, education, employment and health - this is in tune with what the community is telling us through ongoing extensive engagement. We've been strategic in getting your crucial needs built into the State Government's District Plan, as well as our own long-term plans and strategies. And we're making progress on affordable housing.

Both the former Administrator Dick Persson and our outgoing Chief Executive Officer Mark Ferguson are to be acknowledged for their work in the formation of the new Council and transition to the elected Council.

I am delighted now to be working with Council's new Chief Executive Officer, Ray Brownlee. I have full confidence that he will lead the organisation forward to deliver the highest quality services and infrastructure for all in our community.

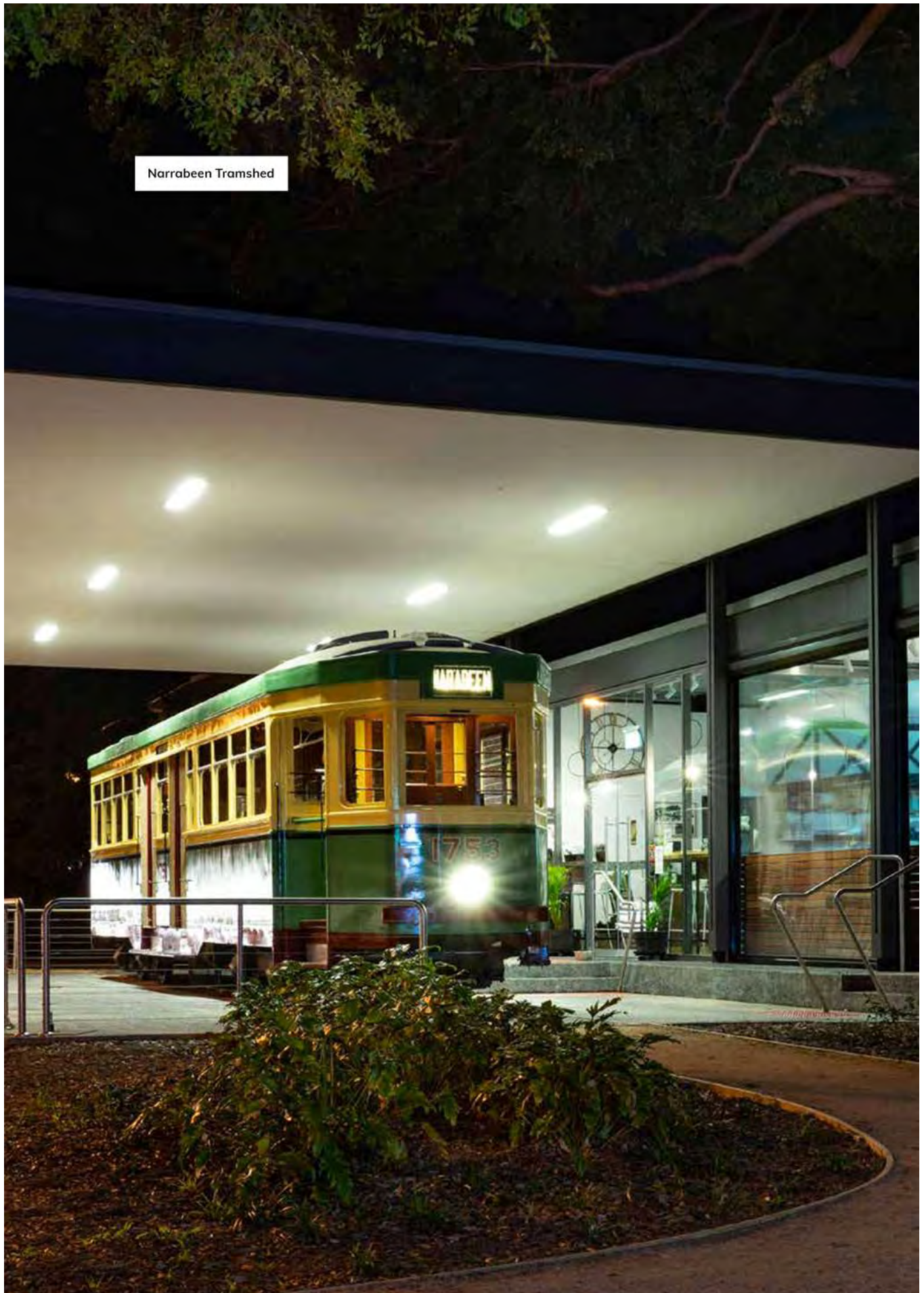
My fellow Councillors and I are passionate about representing the community, and maintain our commitment to listen well, plan soundly and deliver great outcomes across the entire Northern Beaches.



Michael Regan

Mayor





Chief Executive Officer's Message



As I take up the reins as the Northern Beaches Council's new CEO, I'm impressed by what the organisation has achieved so far. It's risen well to the challenge of delivering high-quality services and new works, whilst building a strong new organisation and reducing debt.

The new elected Council was on board for much of the year, working well together on the myriad of local needs, as well as, developing a strategic focus for the wider community. Key initiatives over the year have been delivered across the whole area, resulting in new and improved facilities, technology and outdoor spaces.

The achievements behind the scenes also reflect the continued staff dedication and innovation during the new Council's second year. It shows on both solid leadership to date and the unique workforce we have with 80 percent of our dedicated staff living locally. This makes us an employer of choice, as our levels of commitment across all functions - from the front line through to strategic and support functions - are extremely high.

Transforming services: There was significant progress in integrating systems and services, making it easier to interact with Council across a broad range of services. Some 700 staff were moved to co-locate teams. This was a vital step to improving how they function, holistically plan and deliver services. One example is the reduction of flood risks through better information, forecasting tools and unified development controls.

High performance: The results speak for themselves. Resident satisfaction has remained high with the organisation and staff, as well as for elected Councillors in their first year. Excellence was acknowledged with 13 industry awards being presented to Council. Our expertise was sought to develop a national industry guide on managing infrastructure in the midst of climate change.

Strong engagement on the future: Residents, businesses and Councillors were extensively engaged through the year. Notably, thousands of people helped shape the long-term goals and aspirations of the community and set our priorities for the next three years. Council adopted two key plans during the year: the Community Strategic Plan and the Delivery Program - ensuring that our ongoing work aligns with the community's priorities.

I'd like to thank the former Chief Executive Officer Mark Ferguson and our General Managers Ben Taylor, Helen Lever and David Kerr for their professionalism and leadership to date. And my thanks go to our Councillors for their vision. I look forward to working collaboratively with them and all staff to build on our services early achievements. Looking at the challenges ahead, I'm confident we'll continue to improve our results and deliver strong financial benefits for the community.



Ray Brownlee PSM

Chief Executive Officer

Purpose of this Report

The purpose of this Annual Report is to highlight to the community the Council's achievements in the delivery of services, infrastructure and projects across the Northern Beaches area.

This is the second annual report of the Northern Beaches Council, covering the financial year from 1 July 2017 to 30 June 2018. Prepared in accordance with the Local Government Act 1993 and Regulation, it reports on what Council planned to achieve in the Operational Plan 2017/18. This was the first integrated Operational Plan of the new Council.

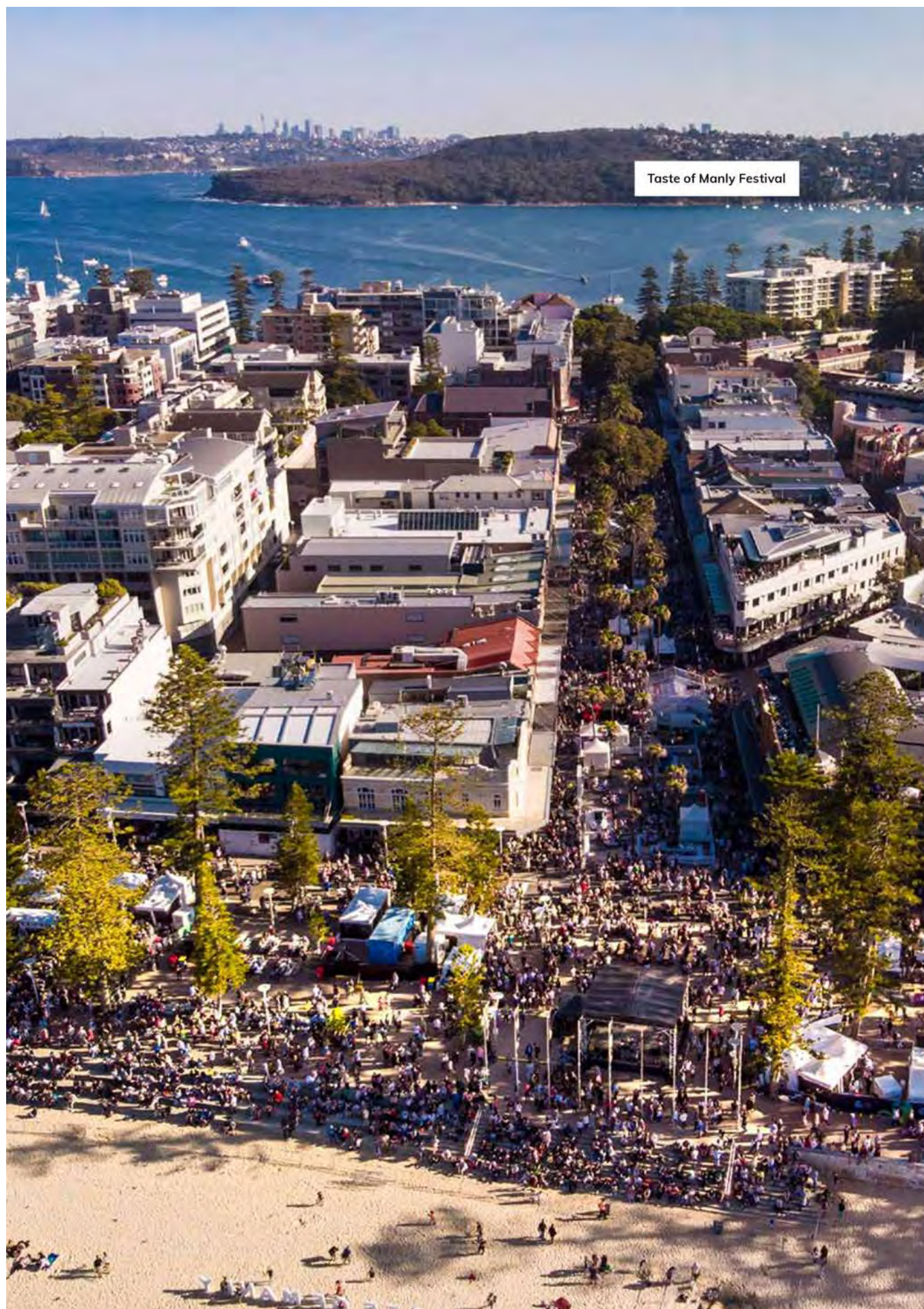
The Council was created from the merger of the former Manly, Warringah and Pittwater Councils, as proclaimed by the NSW Government on 12 May 2016. The appointed Administrator Dick Persson continued until the September 2017 local government elections which resulted in the first elected Council.

The organisation was led during the year by the former Chief Executive Officer Mark Ferguson (until March 2018) and then as Acting Chief Executive Officer on a rotational basis by the General Managers David Kerr, Helen Lever and Ben Taylor.

The report gives an overview of the top achievements across our community, environment, economy and civic leadership. Service achievements are detailed for each of the eight community outcome areas of our Community Strategic Plan. Each also includes details on:

- Performance measures: Indicating the result, any targets and whether they were met.
- Satisfaction measures: Indicating the satisfaction results from community research on Council and its services, and whether there has been a statistically significant change from the previous year. This is a representative telephone survey of 757 residents conducted in June 2018, matched to our community's demographic, and is compared to the May 2017 survey results.
- Projects: a summary of the progress of each operational and capital project.

This is followed by details on Council's statutory compliance with a range of legislation, and the audited financial statements.



Our Council

On 12 May 2016, the Governor of NSW proclaimed the merger of the former Manly, Warringah and Pittwater Councils and the creation of the Northern Beaches Council.

The first elections of the new Council were held on 9 September 2017 and fifteen Councillors were elected to represent the Northern Beaches community for the term 2017-2020. The Mayor and Deputy Mayor are elected by Councillors. On the 26 September 2017, The Mayor, Michael Regan was elected for a two year term and Deputy Mayor, Candy Bingham was elected for a one year term by their peers.



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Pittwater Ward



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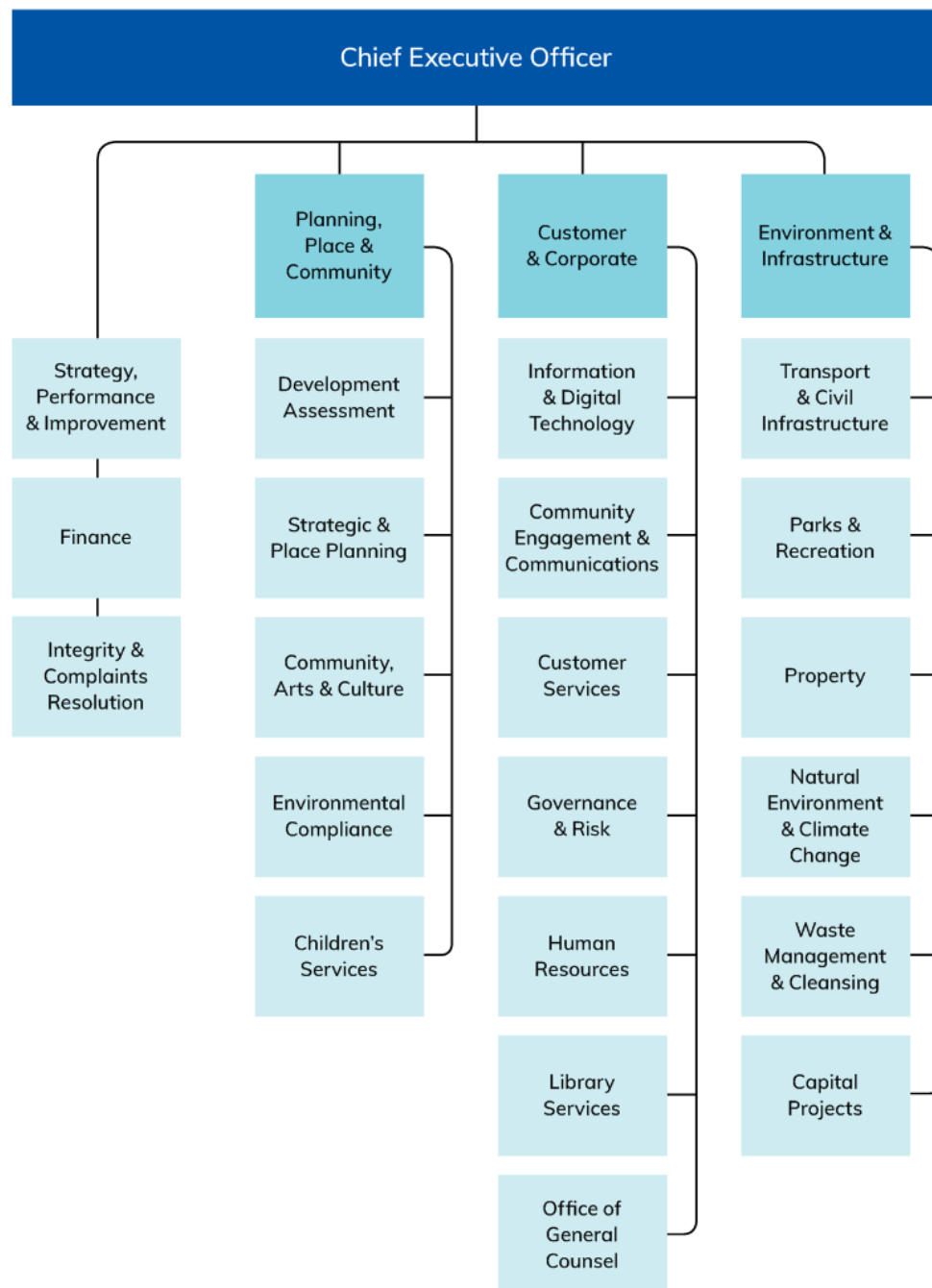


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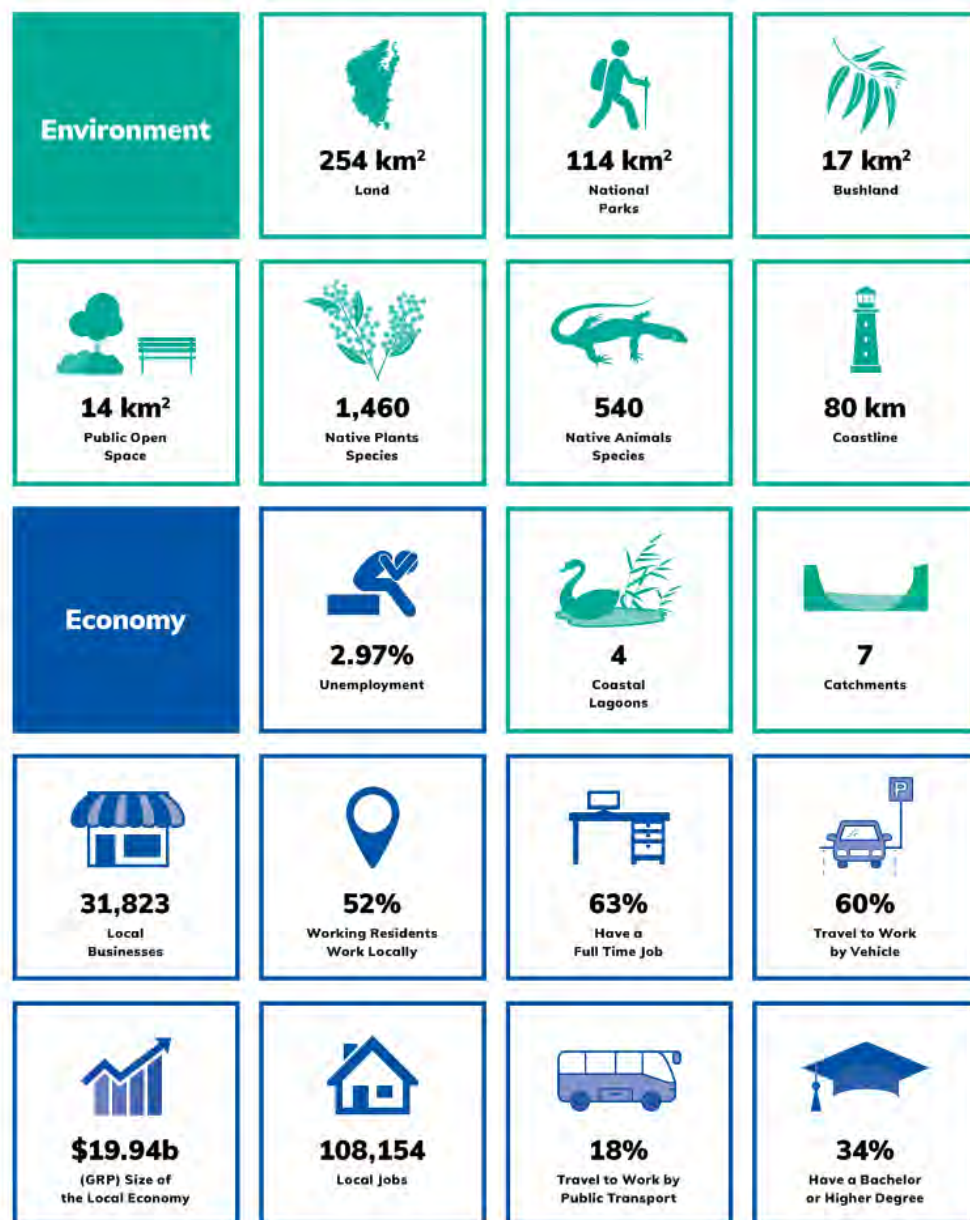
Our Organisation



Our Values

Corporate Values	
Trust being open brings out our best	<ul style="list-style-type: none"> • Be transparent and honest through open two way communication • Be sincere by actively listening to others and encouraging a shared understanding • Be courageous by taking and sharing accountability • Be adaptable and receptive to change
Teamwork working together delivers	<ul style="list-style-type: none"> • Be caring by thinking of the needs of others • Be flexible to focus on a common goal by considering the diverse views of others • Be loyal, supportive and helpful towards other people to develop harmonious relationships • Be open to share knowledge and to recognise the contributions of others
Respect valuing everyone is how we make a difference	<ul style="list-style-type: none"> • Be inclusive and culturally aware of others • Be polite and have a genuine concern for the wellbeing of others • Be prepared to give and receive feedback • Be aware of your personal impact on others
Integrity we are proud of doing what we say	<ul style="list-style-type: none"> • Be reliable by honouring promises and meeting goals and deadlines • Be honest by taking responsibility for your decisions and actions • Be confident towards challenge in the pursuit for excellence • Be familiar with policies and procedures and act lawfully at all times
Service we care as custodians for the community	<ul style="list-style-type: none"> • Be focused on delivering the highest quality service in everything we do • Be proactive and take ownership of the service provided internally and externally • Be dedicated to making a difference to our community, protecting our environment and encouraging innovation • Be proud to promote our vision and values
Leadership everyone has a leading role	<ul style="list-style-type: none"> • Be encouraging of others to enable problem solving and innovative ideas • Be inspiring by fostering a workplace that supports continuous learning and efficiency • Be work safe • Be a role model of the values and behaviours

Our Community Profile





Our Community's Vision

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

Redman Road Plaza, Dee Why

Our Achievements

Overview

Our community has benefitted from \$78.7 million in delivered capital works projects. Some of these were long-awaited such as a flood-proof bridge at Warriewood; carpark and roadworks at Church Point; a new synthetic sports field at Cromer; new sporting facilities in Forestville, Terrey Hills, Belrose and land set aside for more netball courts at Warriewood.

We've provided for more active travel, with over 51km of footpaths and cycleways completed to connect our communities. The environment is healthier with improvements at Kimbriki and to our stormwater network, extensive bush regeneration and more solar panels on Council buildings.

Town centres were improved in Avalon, Narrabeen, Dee Why, Manly and beyond with better plazas, amenities, community and childcare centres. Five new accessible playgrounds have formed a part of our ambitious efforts to enhance disability inclusion. With Government support, we also continued to host major professional surfing competitions in Manly.

Council secured an additional \$21 million in Stronger Communities funding, bringing forward high priority community projects which are planned for the coming years plus another \$20 million of State and Federal grants for services and infrastructure. We also awarded over \$960,000 in local grants to support much-needed projects in arts, community special needs, sports and the environment. Key partnerships brought the Avalon Youth Hub to life, as well as the PCYC in Dee Why.

Integration of our systems and staff teams has improved a range of services. The community will find it easier to make enquiries, payments, library loans, access childcare and lodge development applications. Our coordinated lifeguard teams performed over 429,000 preventative actions and trialled innovative new surveillance, keeping 10 million beach users safe this year.

Extensive community engagement underpinned the Council's first new plans that capture the long-term community goals (in the 10-year Community Strategic Plan) and what Council will be doing to address them (in the three-year Delivery Program). These were adopted during the year.

And a raft of awards highlight how well we are working with our community - in collaboration, communications and customer service.

The following highlights our social, economic, environmental and civic leadership achievements of the year, to reflect our holistic approach to service delivery.

Our Environment

Better Habitats

- Over 1,200 ha bushland regenerated with 12,000 native plants
- 800 street trees planted
- Cleanups at lagoons, Pittwater, Frog Hollow
- All beaches good/very good water quality

Reduced Risks

- 20 hazard reduction burns
- Better flood controls, information, funding
- 1.2 km stormwater system improvements
- Gross pollutant traps improved and 900 tonnes of pollutants removed from our waterways
- 2 new seawalls and 1 renewed

More Sustainable

- 31,000 residents and students educated
- 35 water refill stations for parks and events = 6,600 less bottles at just 1 event
- 4% reduction in domestic waste/capita
- Reduced emissions by Council
- Solar panels provide 318,380 kWh/ year
- Efficient lights in carparks, sportsfields
- More funding to cut energy use

Our Community

Supporting Our Community

- 39 actions for disability inclusion completed
- Single library card and catalogue
- \$1.1m new library stock and technology
- Streamlined childcare registration
- 333 arts and cultural events
- 152 community activities
- Over 429,000 preventative actions at beaches

More Playing Places and Hours

- 5 all-abilities playgrounds
- \$1.7m synthetic sportsfield at Cromer
- 6 New netball courts at Forestville and \$2.5m land for more at Warriewood
- BMX track and skate park at Terrey Hills
- Fairy Bower rockpool improved

Better Community Facilities

- New Youth Hub at Avalon
- Over 1,900 youth attend PCYC Council events
- 2 childcare centres improved
- New vacation care site at Manly Vale
- New community centre at Seaforth, and upgrades at Avalon and Narrabeen
- New Narrabeen Beach viewing tower
- 3 trails improved in Manly, Manly Dam and Narrabeen Lagoon

Our Economy

Getting Around Easier

- B-line network with parking and road improvements
- Over 379,000 Hop Skip Jump bus passengers
- \$10m floodproof bridge at Warriewood
- \$5m towards new carpark at Church Point

More Active Travel Opportunities

- 7 km new footpaths
- 44 km new cycleways and shared paths
- Linking networks together and with transport hubs

Better for Business at Villages/Town Centres

- 70 events attended by over 500,000 people
- improved plazas at Balgowlah and Dee Why
- Improved laneways at Manly with paving and landscaping
- 85 businesses assisted with Easy to Do Business start-ups
- New public amenities at Manly and Narrabeen
- Improved public amenities at Collaroy and sportsgrounds

Our Governance

New Council, New Plans

- First elected Council
- Community goals set for next 10 years (Community Strategic Plan)
- Council priorities established for next 3 years (Delivery Program)
- New community reference groups
- 85% satisfaction with Mayor and Councillors

Grants Gained and Given

- \$21m Stronger Communities Fund
- \$20m other Government grants
- \$100k in Council grants to sports clubs
- \$860k in Council grants to community projects

Easier to Interact with Council

- One customer service phone number
- Online customer portal
- DA system streamlined and unified
- Harmonised fees and charges
- Better volunteer engagement

Top Performance

- 13 awards as winner or finalist
- 84% satisfaction with staff performance
- 86% satisfaction with overall performance of Council

Performance Results



18 Performance Measures

78% Met Target



45 Satisfaction Measures

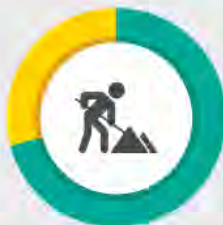
87% Met Target



83 Operational Projects

88% completed or
progressing on schedule

Target 80%



142 Capital Projects

71% completed or
progressing on schedule

Target 80%



Lifeguard on Duty



National Local Government Customer Service Network awards

Our Awards



GREATER
SYDNEY
PLANNING
AWARDS

Community Collaboration award

Special commendation for Northern Beaches Hospital Precinct Structure Plan, Frenchs Forest - Greater Sydney Commission Planning Awards



Community Partnerships and Collaboration award

Winner for PCYC Project, Dee Why - NSW Local Government Excellence Awards, LG Professionals



Excellence in Heritage and Restoration over \$20,000

Winner for Tram Restoration, Narrabeen - Master Painters Australia



National Local Government Customer Service Network awards:

- Customer Service Strategy Award - winner
- Customer Experience Excellence Award - highly commended
- Customer Service Team of the Year Award - finalist



Winner of 2 international W3 Awards from the Academy of Interactive and Visual Arts for Council's website:

- 2017 Silver award of distinction - Government category
- 2017 Silver award of distinction - Community category



REBRAND 100 award

Winner for Council's new identity developed with the community - REBRAND 100 Global awards



Winner of 4 international Communicator Awards from the Academy of Interactive and Visual Arts:

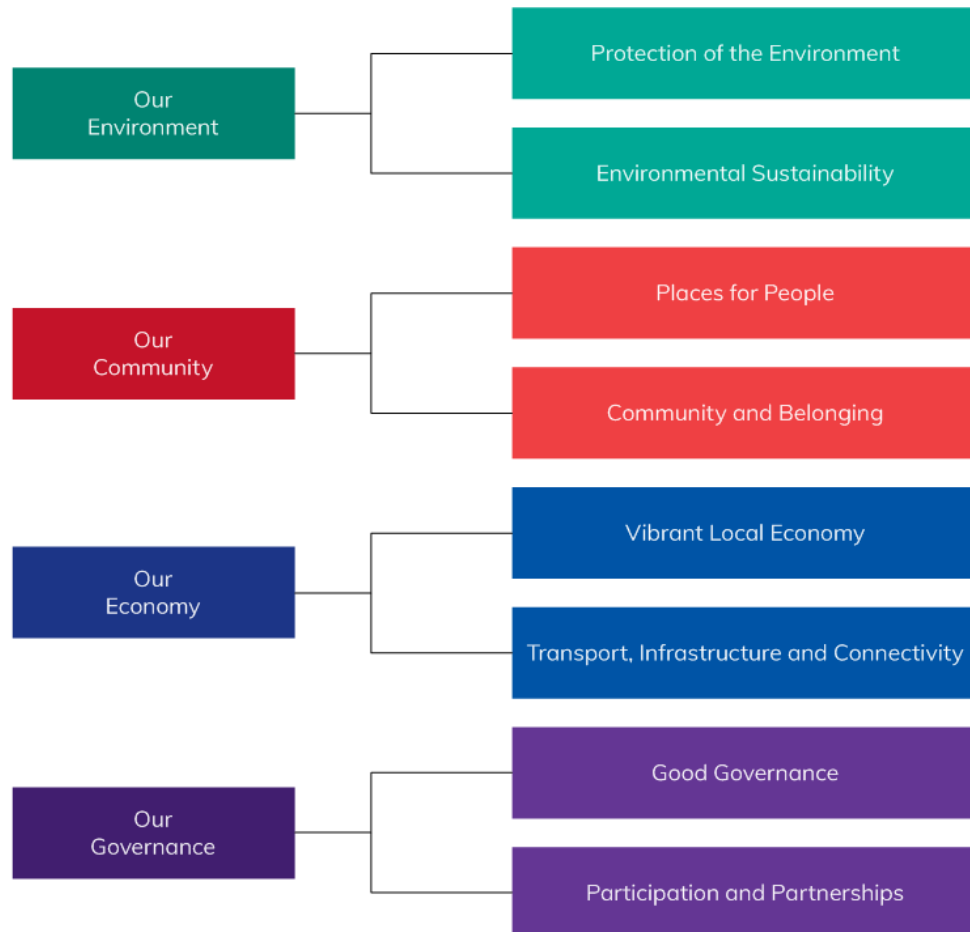
- 2017 Gold award of excellence - Government category
- 2017 Silver award of distinction - Community category
- 2018 Gold award of excellence - Social Media video category
- 2018 Silver award of distinction - Branded content category



Service Achievements

The Operational Plan 2017/18 was structured on the eight interrelated community outcomes of our long-term Community Strategic Plan, addressing the community's holistic vision of sustainability for the Northern Beaches.

The following sections highlight our major achievements and performance across the community outcomes. Results are detailed for our measures of performance and satisfaction as well as the progress of each project.





Dee Why Lagoon

Protection of the Environment

We are working together as a community to protect and enhance our natural and built environments for the future.

Bushland and Biodiversity

Extensive bush regeneration across the area included planting 10,000 native plants and 2,500 native trees. In addition, 250 volunteers provided 7,000 hours of bush regeneration work across another 83 sites. In total, these improved over 1,200 hectares of bushland.

Over 15,000 plants were propagated by volunteers at the Community Nursery in Manly Vale using locally native seeds. On National Tree Day, 120 volunteers planted 1,500 plants, and on World Environment Day 150 corporate volunteers planted trees across eight sites.

Our community also participated in 'Citizen Science' wildlife surveys. The Curl Curl Lagoon Bird Survey was repeated for the second year by volunteers at seven sites around the Lagoon. The annual 'Aussie Backyard Bird Count' was also repeated, with over 800 surveys completed. This was followed by live bird shows at the Brookvale Show watched by over 600 people, to enhance appreciation of our wildlife.

Community Education and Action

1,300 community members attended our walks and tours:

- Rock platforms at Long Reef and North Narrabeen
- Escarpment and wetland at Warriewood
- Night frog spotting
- Whale census at Long Reef headland
- Manly Dam nature walks.

Marine research at Curl Curl Lagoon included 125 students and teachers from Curl Curl Public School together with the Sydney Institute of Marine Science. And 300 student volunteers participated in the Schools National Tree Day, establishing native plants at 12 local schools for wildlife habitat.

Over 70 volunteers assisted in cleaning up Little Manly Beach, along with Fisheries NSW and Local Land Services. The Friends of Cabbage Tree Bay have 50 regular volunteers that assist with community events and education.

Stormwater Network

A consolidated database of all stormwater assets was built to capture asset data and mapping, and included the use of special cameras to assess their condition. This is invaluable information for engineers managing the stormwater network, as well as supporting flood studies and analysis.

Major improvements in stormwater assets extended over 1.2km of the network and included:

- Renewal of culverts under Jackson Road, Warriewood
- Replacement and upgrades at Ilford Road, Frenchs Forest to improve flood protection

- Renewal of several Gross Pollutant Traps (GPTs) in Manly and Balgowlah
- 900 tonnes of sediment and gross pollutants removed from GPTs across the area, to improve water quality

Other Natural Hazards

Bushfire risk was reduced by 20 hazard reduction burns, as well as extensive fuel reduction and vegetation thinning at key sites.

Following a significant rock fall from the North Avalon cliff in August 2017, Council is following engineering advice to manage its geotechnical stability. There is also ongoing monitoring of clifftop stability at Long Reef, Dee Why, Curl Curl, Freshwater and Queenscliff headlands.

To protect foreshores from erosion, new seawalls were completed at Avalon Beach Reserve and Paradise Beach on Pittwater foreshores. Design is in progress for the Fairy Bower seawall in Manly.

Council is active in progressing the Collaroy-Narrabeen coastal protection works, by coordinating work on both public and private land. Working closely with the Department of Industry and residents, representations were made to the Minister to progress funding, and to ensure integrated works.

Building Resilience to Climate Change

Council's expertise was used to develop national infrastructure guidelines for the Institute of Public Works Engineering Australasia (IPWEA). This addresses the effect of climate change on infrastructure, including usage, and physical and chemical condition.

IPWEA Practice Note 12.1 - Climate Change Impacts on the Useful Life of Infrastructure - is now available free to NSW Councils. This work has been recognised as ground-breaking at several conferences and forms part of the Building Resilience to Climate Change program of Local Government NSW.

Reducing flood risks

The area now has a consistent approach to managing flood prone land through a single, simplified clause in Council's development control plans. This assists planning development on floodplains, and reduces requirements where the risk is not significant.

Other achievements include:

- Better information available to the public for floodplain decision making
- Progress in flood studies and plans (e.g. Manly to Seaforth; Manly Lagoon Floodplain; North Narrabeen; Narrabeen Lagoon and Newport)
- Additional funding from the NSW Office of Environment and Heritage for flood studies and plans in Greendale Creek, Narrabeen Lagoon, Mona Vale, Bayview, Manly to Seaforth and Avalon Beach areas
- A new tool to forecast flooding conditions in Manly and Narrabeen Lagoons, to improve flood emergency response.



Narrabeen Lagoon



Coast and Catchments

An extensive program to protect, preserve and manage our coast and waterways included:

- Bank stabilisation at South Creek, Cromer
- Sediment removal works in Burnt Bridge Creek, Balgowlah
- Weed removal and riparian revegetation at Manly Lagoon and Frog Hollow reserve in Avalon.
- Bush regeneration on various beach dunes
- Expanded the Estuary Monitoring Program for our four coastal lagoons to include Middle Harbour and Pittwater.
- Manly Lagoon's groundwater inputs and nutrient fluxes were studied to better understand how to improve its condition. This is part of a new partnership with the NSW Government and leading universities.
- The foreshores of Pittwater and Narrabeen Lagoon were cleaned-up for future restoration works. Dumped watercraft and litter was removed from in and around coastal lagoons.

These efforts improve habitat condition as well as water quality. All ocean and harbour beaches were rated with 'good' or 'very good' water quality for swimming over the year.

Improving Environmental Compliance





We responded to a water pollution incident at Endeavour Drive, Beacon Hill, which killed aquatic life and vegetation. We investigated the pollution source and conducted a major clean-up.

Other targeted programs for improving environmental compliance and regulation during the year included:

- Waste management in Market Lane, Manly
- New laws on advertising trailers, reduced the number of trailers parked on roads
- 'Cover Your Load' blitz campaign, targeted littering along major arterial roads managed by Roads and Maritime Services (RMS)

The Cover Your Load campaign, in partnership with Kimbriki and RMS, highlighted the legal and environmental results of transporting poorly-covered loads. Night clean-ups also removed litter along Mona Vale Road and Wakehurst Parkway, with over two tonnes collected.

Performance Results










Performance Measures	Target	Result 2018
No net loss of bushland under Council's care control and management	0% hectares	0 
No decline in waterway health	0% decline	0 
All areas of the LGA affected by Flooding, Coastal Erosion, and Bushfire are identified	90%	94% 
Council reduces its resource consumption each year (reduction in Greenhouse Gas Emissions as related to energy use)	>0% reduction	1.1% 



Target Met



Target Not Met

Satisfaction Measures *	Target	Result 2018
Protecting native plants and animals	3.57	3.62 
Restoring natural bushland (removing weeds, bush regeneration programs)	3.42	3.47 
Controlling feral animals	3.32	3.27 
Environmental protection and regulation	3.34	3.44 
Management of trees	3.30	3.28 
Trails and tracks	3.69	3.62 
Maintenance of beaches, headlands and rockpools	3.96	3.91 
Managing and protecting creeks, lagoons and waterways	3.33	3.41 
Management of local flooding	3.23	3.41 



Statistically on par with target



Statistically higher than target



Statistically lower than target

* Mean score out of 5.

750 resident random sample size.

A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed

Deliver programs to protect, preserve and manage bushland and biodiversity
Deliver programs to protect, preserve and manage our coasts, estuaries and waterways
Deliver targeted environmental sustainability engagement and education
Natural hazard management planning, mitigation works, warning systems and awareness campaigns

Capital Projects

Works addressed stormwater, coastal protection, bushland and the Rural Fire Service:

Completed

Collaroy-Narrabeen Coastal Protection Works
Reactive stormwater renewals
Warriewood Valley creek-line works
Gross Pollutant Trap renewals
Rural Fire Service building works program
Davidson RFS building extension

Behind Schedule

Planned stormwater new works - Works in Quarter Sessions Road, Church Point delayed due to the discovery of a potential aboriginal heritage item
Planned stormwater renewals - Delay in developing the stormwater relining program. This will be delivered in 2018/19
Fairy Bower Sea Wall project - Greater consultation required with State Agencies. The works are phased in 2019/20
New community nursery - North Curl Curl Community Centre - Design finalised. Construction to commence in 2018/19
Manly Oval stormwater upgrade - The business case is under review as the work was intended to compliment the underground car park which is not proceeding.



Beach Clean-up

Environmental Sustainability

We are taking action locally to tackle complex and global environmental challenges related to climate change, population growth, consumption and waste.

Corporate Sustainability

Data collected on our water and energy use has been consolidated and standardised to better manage our resource use and carbon emissions. These insights are being used to set goals for improvement including:

- More energy efficient lighting in streets and public car parks supported by \$9,700 funding from the NSW Energy Savings Scheme.
- More solar panels, now on 32 Council buildings.
- Efficient LED floodlighting installed at sports fields such as Reub Hudson Oval, with less light pollution.

Renewable sources provided 318,982 kW hours of energy for our facilities. We also reduced greenhouse gas emissions by 293 tonnes.

The energy footprint of our light vehicle fleet was reviewed. Improvements included smaller capacity engines, low emission vehicles (Euro 5 and 6 standards), and idle stop technology.

Cities Power Partnership

We have joined with 70 other Australian councils in the Cities Power Partnership to investigate and undertake more clean energy solutions. The pledges are being implemented through Council plans, strategies and education.

Renewable energy and efficiency initiatives included:

- Partnering with Our Energy Future service to provide free energy advice.
- Launched the online SunSPoT tool which calculates the potential electricity savings from solar panels for individual residents at their own site.
- Energy Savings Challenge with 70 participants reducing their energy use.
- Cool and Comfy Homes workshop during Seniors Week.
- Earth Hour campaign with events at Stony Range and Manly Dam, encouraging 'turning off' lights and appliances.

Reducing Community Waste

We are committed to helping our community reduce waste through proactive education, policies and supporting programs.

Over the year, we saw a four percent reduction in the amount of household waste generated dropping from an average of 447 kg to 428 kg per person. This significant reduction included garbage, green waste and recyclables.

Single Use Plastics

Council's Single Use Plastics Policy was adopted in August 2017, enabling Council to eliminate single use plastics and influence legislative change.

A 'Swap This for That' campaign supported the policy through various media and events such as World Environment Day, targeting the 'Big 4' of plastic bags, bottles, straws and coffee cups.

Volunteers and local community groups assisted at major events and markets. These events stretched from Avalon to Manly and were supported by Take 3, Boomerang Bags, Ausmap, and Surf Rider Foundation.

Sustainability in Project Design

Sustainability is vital to how we design our key projects, for example, the sporting hub at Forestville War Memorial Playing Fields (Melwood Oval).

This included a synthetic multi-sportsfield, netball courts and shared path, with the measured sustainability outcomes listed below.

Energy efficiency

- High efficiency LED lighting of pathways
- Lower embodied energy in materials used

Waste reduction

- 2,600 tonnes topsoil reused
- Maximum recycled content in sportsfield including 7,000 tonnes local aggregate

Water savings

- 74% reduction in water use
- Innovative stormwater detention to reduce flood risks

Biodiversity improvement

- 2,000 native seedlings grown by volunteers
- Improved habitat and wildlife corridor

Community benefits

- 200% more playing hours and fewer injuries
- 6 new netball courts
- People with disability employed for bush regeneration
- Courts double as an overflow carpark

Economic benefits

- \$20,000/year savings in operations and maintenance

Forestville War Memorial Playing Fields (Melwood Oval)





Waste Minimisation at Events

The Waste Minimisation for Functions and Events Policy was adopted in August 2017, requiring event organisers to minimise waste at all public events held on Council property. As well as Council events, it also covers some 200 other major events booked annually. Organisers are to provide a waste management plan, and stallholders are assisted with advice on minimising waste.

We installed 21 permanent water refill stations to provide free drinking water at major event sites and sporting fields. Another 14 portable stations are also available for events. During the 2018 Vissla Surf Pro in Manly, the stations dispensed almost 4,000 litres of water, reducing the use of single-use plastics by 6,600 bottles at this event.

Green Tick for Sustainable Food

The Green Tick initiative was launched at the Taste of Manly, to recognise stallholders with menus of organic and sustainably-sourced ingredients. Well-received, this generated interest in sustainable food at subsequent events.

Sustainability Education


Various activities held across the year inspired sustainable living. At major events, Council hosted its Sustainability Hub, engaging with people on our local biodiversity and more sustainable living - from reducing our water consumption, energy use and waste, to home gardens and keeping chickens.

Plastic Free July included workshops on bees-wax wraps, street art and sea turtle stories for kids, plus movie screenings to highlight the dangers of plastics to marine life. Local schools were provided 44 educational sessions, and the 'citizen science' activities aimed at reducing plastics in our lagoons.

Other highlights from our education programs and Environment Centres included:

- Over 21,000 students educated in sustainability and the natural environment
- Another 10,000 people reached at Ocean Care Day in Manly. Using the theme of 'Keep our Sea Plastic Free', there were 45 eco-exhibitors, indigenous ceremonies, live entertainment and kids' activities.
- 592 children attended sustainability workshops through the 'Kids on the Coast' school holiday program, plus another 100 students for vacation care.
- Sustainable gardens program for 10 local schools, partnering with Health NSW
- A video conferencing program with local and rural schools provided an interactive platform to learn about sustainability, the environment and Indigenous Studies.
- Other education highlights are under 'Protection of the Environment'.






Performance Results




Performance Measures	Target	Result 2018
Diversion rates from domestic waste service	>50%	48% 
Incidents of illegal dumping	-	2,951 incidents
Generation of energy from Council's built assets (kW hours)	-	318,381

 Target Met  Target Not Met

Note

Waste diversion rates: Green garden waste is collected for mulching or composting, and is a portion of diverted waste. However with extended dry weather during the year, there was less green waste produced by the community, thus lowering the diversion rate.

Satisfaction Measures *	Target	Result 2018
Management of litter control and rubbish dumping	3.47	3.50 
Cleaning of villages and town centres	3.63	3.70 
Environmental education programs and facilities (e.g. Coastal Environment Centre and Manly Environment Centre)	3.32	3.33 
Domestic waste collection service (e.g. garbage removal, recycling, vegetation, electronic waste)	4.15	3.92 
Household bulky items collections	3.67	3.67 

 Statistically on par with target  Statistically higher than target  Statistically lower than target

* Mean score out of 5.

750 resident random sample size.

A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed

Align domestic waste and recycling services across the new Council area consistent with selected resource recovery infrastructure

Behind Schedule

Develop a Northern Beaches Waste Strategy - Initial work was undertaken with the Waste Strategic Reference Group. The development of the Strategy will continue in 2018/19

Capital Projects

Works addressed energy savings in Council facilities, and improvements at Kimbriki Resource Recovery Centre:

Completed

Kimbriki high level drain

Kimbriki western bund wall on area 3B

Kimbriki gas capture system

Kimbriki vehicles

Kimbriki renewal program

Kimbriki other

Behind Schedule

Energy Saving Initiatives works program - Sportsfield lighting upgrades delayed due to land contamination.

Energy Saving Initiatives works program - Revolving Energy Fund - Design work for lighting and solar pv systems completed with delivery in 2018/19

Kimbriki landfill cell development area 4A - Delays experienced in re-designing the work. A development application to be lodged in 2018/19

Kimbriki leachate treatment plant - Design work complete and works underway for completion in 2018/19

Kimbriki new excavator - Acquisition of plant deferred

Kimbriki Road, Terrey Hills - new access road - Project deferred until Roads and Maritime Services complete upgrades of Mona Vale Road west



Places for People

We are planning and creating places that stimulate individual and social wellbeing in built environments and open spaces, catering for a variety of uses and needs.

Hospital Precinct at Frenchs Forest

Frenchs Forest is identified by the State Government in the Greater Sydney Region Plan and North District Plan as a vital Health and Education Precinct. The Hospital Precinct Structure Plan was endorsed by Council on 1 August 2017 guiding all future land use planning decisions around the new Northern Beaches Hospital.

It provides the planning framework for the next 20 years, with the phased delivery of approximately 5,360 dwellings and 2,300 jobs, and improved transport infrastructure. Council in partnership with various NSW agencies is implementing phase one of the plan, including technical studies and Green Star accreditation for a sustainable and liveable community

A special commendation award was received from the Greater Sydney Commission for our collaboration with the community on this plan.

Ingleside Precinct

Together with NSW agencies, Council is preparing a Landuse and Infrastructure Implementation Plan (Precinct Plan) for the sustainable development of 700 ha and 3,400 new dwellings, town centre, school, sporting and community facilities.

A Sustainability Forum was held with key stakeholders to develop ideas on building design, affordability, infrastructure, transport and a low-carbon lifestyle. Green Star accreditation is also proposed for this Precinct Plan, which will be exhibited later in 2018.

Affordable Housing

Following the adoption of the Affordable Housing Policy in June 2017, Council implemented a number of related actions in this area:

- Inclusion in the State Environmental Planning Policy No 70, Affordable Housing (SEPP 70) to initiate an affordable housing contribution scheme
- Prepared affordable housing contribution schemes for Ingleside and Frenchs Forest Hospital Precincts and Brookvale Structure Plan.
- Seeking Expressions of Interest from community housing providers.
- Working with NSW agencies on the North District Plan actions to prepare a local housing strategy and cater for affordable rental housing targets.

Development Contributions

Development contribution plans were prepared for new growth in Ingleside, Frenchs Forest Hospital Precinct and Dee Why Town Centre. These will be exhibited with other planning documents prior to rezoning.

The Manly and Warriewood Section 94 Plans and the Northern Beaches Contributions Plan were amended to better address local needs for infrastructure as development progresses.

Pittwater Waterway Strategy

The waterway's future management and control are being reviewed to address the needs of recreational and commercial boating, tourism, foreshore access, ecological health and employment.

In response to extensive community feedback on a discussion paper, a Pittwater Waterway Strategy is being prepared for public exhibition in late 2018.

Heritage Inventory

In order to better protect and conserve environmental heritage items in the Manly area, the Manly Heritage Inventory Database was updated. This includes detailed heritage assessment information for LEP heritage items, editorial review, consultations and engagement considerations, and investigation.

Beaches and Rockpools

Over 10 million visitors to our ocean beaches this year enjoyed safe swimming environments. There were over 429,000 preventative actions in the last year by Council's highly trained lifeguards. These are daily actions that manage the beach and beachgoers to minimise risk, as well as 1,415 rescues and 5,962 first aid actions. To ensure a nice day at the beach there were also 21,862 regulatory actions for anti-social behaviour, litter and dogs on beaches.

New measures were implemented to improve lifeguard response times at Shelley Beach, such as an electric bike with first aid and oxy-viva equipment on board. Additional safety signage and emergency alarm installation is planned, and a new Narrabeen Beach viewing tower installed.

Innovative ways to ensure beach safety were also investigated. In December 2017, a six-week trial using drones for patrols was conducted, in co-operation with Little Ripper Lifesaver, Surf Life Saving New South Wales and the Australian Lifeguard Service.

Various rockpools received repairs and improvements, plus major works at the Fairy Bower rockpool in Manly.

Manly Andrew 'Boy' Charlton Aquatic Centre

With over 502,000 visitations during the year, the Centre has more than doubled its patronage since the redeveloped facility opened in June 2016. The swim school and squad swimming programs continue to grow with over 1,500 children participating. The Fitness Centre membership base is 1,100 people and conducts an average of 40 group-fitness classes per week.

Warringah Aquatic Centre

Over 285,000 people visited the centre this year. In September, a new "Hit" Cafe commenced, and an open day in November drew over 1,100 families to the updated outdoor area and splash pad. It hosted more than 40 school swimming carnivals during February and March.



Manly Andrew 'Boy' Charlton Aquatic Centre



Outdoor Recreation

A new BMX track and a skate park were opened at separate locations in Terrey Hills.

Lagoon trails were improved at Manly and Manly Dam, and community engagement undertaken on a boardwalk for part of Narrabeen Lagoon.

A review of unleashed dog exercise areas was completed, and a four-year plan commenced for future upgrades. Actions completed include:

- Trial of an unleashed exercise area at Avalon
- Enhanced off-leash area at Careel Bay
- Levelling and turfing of off-leash dog areas at Rowland Reserve and Careel Bay

A canine education event was also held at Rowland Reserve in April was well attended.

Fences were upgraded in various reserves: Tania Park, David Thomas Reserve, Millers Reserve, Lake Park, Turrimetta Headland Reserve and Furlough Park.

Boating facilities were upgraded at Rowland Reserve, Bayview.

Activation for All Abilities

Through our Connecting All Through Play program, more playgrounds were upgraded to cater for disability. Now, 28 percent of Council's playgrounds are fully accessible, up from 19% last year.

In partnership with 'Play For All Australia', a pilot project on five local playgrounds in Belrose resulted in sensory play features being installed, improving inclusion for all families and children.

Dee Why Headland walkway is now fully accessible. Manly Aquatic Centre has a new mobile disability change table. Collaroy rockpool has a new FreeWheeler aquatic wheelchair and accessible amenities, with work progressing on an accessible pathway to Beach Road and the Sargood Centre.

Accessible amenities were also added to:

- North Harbour Reserve
- Marine Parade coastal walk in Manly
- Manly Soldiers Building
- Cromer Park sports building
- Warriewood Rugby Park
- Tramshed Community Centre and Berry Reserve.

Sportsgrounds and Facilities

The Northern Beaches Sportsgrounds Strategy and Strategic Implementation Plan were adopted in July 2017. Actions completed so far include:

- adjusted seasonal sportsground allocation.
- improved irrigation and drainage in multiple fields, to enhance resilience and wet weather recovery.

Netball was enhanced by six new netball courts at Melwood Oval in Forestville and land purchased for more in Warriewood. Melwood Oval works are profiled in the Environmental Sustainability on page 36.

A range of works were completed to improve the user experience of our sportsgrounds:

- returfing and weed management
- improving turf with topdressing, over-sowing and aeration
- irrigation systems were audited and adjusted
- new irrigation systems were installed at Allambie and Seaforth Ovals,
- drainage upgraded at Pittwater Park Field 2 and Careel Bay Mini Fields
- Cromer Park Field No.2 was converted to a synthetic field, opening in April 2018 to increase the capacity for training and competition during wet weather.

Fences were upgraded at Boondah Oval, North Narrabeen Reserve baseball fields, Careel Bay playing fields and LM Graham Reserve.

At Nolan's Reserve a new multi-user sports amenities building was completed. And Warriewood Rugby Park Clubhouse was improved.

The NSW Waratah's Rugby Union used Brookvale Park for a trial Super Rugby match in February 2018 and hosted the Super Rugby fixture match in May 2018.

Managing Trees

A Private Trees Development Control Plan was approved in June 2018 to simplify controls and streamline tree permit applications.



A new pro-active tree inspection, audit and maintenance cycle also commenced for Council's trees in car parks, playgrounds, sportsfields and commercial centres.

Other highlights were:

- 800 street trees planted.
- 10 mature Norfolk Island Pines and Fig Trees planted at Manly (three locations), Freshwater (Kooloorua Avenue), Warriewood Bay, Rowland Reserve and Palm Beach (Ocean Street).
- Three dead Cabbage Tree Palms in The Corso in Manly removed and replaced.
- 4,000 trees pruned in local streets and gardens to clear access for footways and roads.
- Nutrient and foliage testing to improve the health of Norfolk Island Pines at Manly and Dee Why beach fronts.






Performance Results

Performance Measures	Target	Result 2018
Increase in availability of active open space (playing hours/week)	> 0 increase	19 
% of Playgrounds that are inclusive and accessible	> 20%	28% 
% of buildings available for community usage	-	95%

 Target Met  Target Not Met

Satisfaction Measures *	Target	Result 2018
Food safety standards of retail food outlets	3.81	3.84 
Companion animal management, including dogs	3.30	3.46 
Condition of public toilets	2.90	2.96 
Parks and recreation areas (including playgrounds)	3.87	3.78 
Sporting fields and amenities	3.58	3.70 
Managing development (land use planning)	2.83	2.82 
Development approvals process	2.82	2.74 
Warringah and Manly aquatic centres	3.62	3.70 

 Statistically on par with target  Statistically higher than target  Statistically lower than target

* Mean score out of 5.
750 resident random sample size.
A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed



Review the Manly Section 94 Plan

On Schedule



Implement the Northern Beaches Hospital Precinct Structure Plan

Implement the Affordable Housing Policy

Commence a review of Land Use Strategy for the Northern Beaches

Implement the actions of the adopted District Plan

Behind Schedule



Implement the Ingleside Land Release project - Department of Planning has delayed the project until the end of 2018

Complete the Pittwater Waterway Strategy - Draft Strategy finalised. To be adopted in 2018/19

Review the Manly Wharf Master Plan - Awaiting the establishment of a project control group by Roads and Maritime Service to look at future works on the Wharf, Manly Aquarium and West Esplanade precinct

Complete the Brookvale Structure Plan - Project on hold pending additional traffic and transport studies and a strategic review of employment lands

Review and update the Warringah Section 94A Plan - Awaiting finalisation of various studies before completion in 2018/19

Capital Projects

Works were undertaken aquatic centres, playgrounds, sportsfields and their facilities, public amenities, reserves, parks, foreshores and cemeteries:

Completed



Aquatic Centre accessibility
Warringah Aquatic Centre renewals
Manly Aquatic Centre renewals
Manly aquatic centre works
Connecting Communities - Pilot Project Local Parks
Allambie Oval Upgrades - new playground, multi-use court, pathway
Parkes Road, Collaroy playground and pathway lighting
Playgrounds - new and upgrades
Playground renewal program
Cromer Park Field 2 - synthetic sportsfield
Lionel Watts Frenchs Forest - synthetic sportsfield design and preparation
Sportsgrounds - new and upgrades
Sport buildings works program
Reserves - new and upgrades
Reserves renewal program
Recreational trails renewal program
Warriewood Valley - public space and recreation
Warriewood Valley - Land purchase 3 Boondah Road for netball
Walter Gors Reserve and shared walkway Dee Why Parade
Foreshores new works
Foreshores renewal works
Foreshores - new and upgrades
Rockpool renewal program
Tidal Pools refurbishment
Swim club buildings works program
Beach equipment renewals
Beach accessibility renewals
Beach buildings works program
Narrabeen Beach viewing tower
Manly Beach Controls Office and Viewing Platform
Cromer Park sports public amenities west works
Marine Parade, Manly public amenity works
Marine Parade, Manly upgrade

On Schedule



Sportsfield renewal program

Dinghy storage new

Dinghy storage replacement of racks

Collaroy Beach - new accessible public amenities and ramp upgrades

Long Reef Surf Lifesaving Club renewal

Mona Vale Surf Lifesaving Club - design works

Newport Surf Lifesaving Club

Berry Reserve, Narrabeen inclusive playground upgrade

Behind Schedule



Connecting all Through Play - Inclusive Play Program - Design for Lionel Watts and Manly Dam playgrounds being finalised. Construction in 2018/19

Connecting all Through Play - Active Play (Sports Facilities and Surf Clubs) - Consultation on concept designs for Surf Club upgrades underway

Sports Club capital assistance program - The calling of grants was delayed. The grants were award in May 2018

Forestville War Memorial Playing Fields - netball court upgrade - The engagement of a contractor was delayed. The project was rescope due to high than expected costs of the original works. Works will be completed in 2018/19

Warriewood Rugby Park clubhouse - The engagement of a contractor was delayed. The project was rescope due to higher than expected costs of the original works. Works will be completed in 2018/19

Public amenities works program - Work on the North Harbour public amenities have been delayed and will be completed in 2018/19

Manly Dam public amenities works - Concept plans are under development and the works will be completed in 2018/19

Nolans Reserve, North Manly sports public amenities works - The engagement of a contractor was delayed to enable a single contract for upgrades of multiple buidings. Works will be completed in 2018/19

North Narrabeen Rock Pool public amenities works - The engagement of a contractor was delayed to enable a single contract for upgrades of multiple buidings. Works will be completed in 2018/19

Cemetery works program - Initial concept plans finalised for Mona Vale Cemetary. Works to be completed in 2018/19

Church Point public amenities works - Awaiting the outcome of the acquision of Pasadena site



Creative Made Market, Creative Space

Community and Belonging

We are building a welcoming community, celebrating our similarities and diversity, to include everyone in community life, through our community programs, events and facilities.

Events

Over 70 community and civic events were held to bring together people, places and celebrations. Highlights were:

- The 40th annual Manly Jazz Festival, October, attended by over 120,000 people
- The annual Brookie Show in October attended by hundreds of families and children.
- Christmas Choral Concert and Christmas by the Beach events (over 1,000 attending).
- Six Australia Day events (over 1,000 attending)
- World Food Markets in Manly held on Friday nights from January to March (over 1,000 attending).
- Taste of Manly, in May with 130,000 people attending
- Anzac Day Dawn Services at Manly Dam, Dee Why Beach, Manly Corso and other locations, attended by over 1,000 residents.
- Ten citizenship ceremonies welcoming 1,200 new Australians

Other events were Vietnam Veterans Day and Remembrance Day services.

Quality Child Care

Our centres continue to be improved to ensure high-quality service delivery to children and their families. Harbour View centre at Seaforth was renovated to increase capacity. Brookvale centre redeveloped its playground to enhance play, education, and exploration. The newest vacation care centre was opened in Manly Vale close to public transport and caters for local families.

Over 4,100 children attend the seven long-day care centres, five vacation care services, two pre-schools, family day care and occasional care services with streamlined childcare registration introduced this year.

Vulnerable and at-risk families are supported by child care services. There were 67 children and families supported with additional needs in early childhood services. There were also 51 children with families facing difficult circumstances or risks.

Our service was selected for the Australian Early Development Census, due to the geographical breadth of our area. The research data looked at support for children with developmental delay.

Belrose Children's Centre was also selected as one of 100 pre-schools to pilot a new STEM (Science, Technology, Engineering and Maths) program on scientific curiosity and numeracy skills. This is also being shared across all our early learning services and joint STEM programs with some neighbouring schools.

Libraries

Our six libraries have 177,746 members, which encompasses 66 percent of the population. This is above the State Library standard of excellence for memberships. Of these, 238 access home library services, as they would otherwise be unable to access a library.

Of the 1.5 million loans this year, over 125,000 were e-loans. E-loans grew by 33 percent over the year due to increased promotion of more loanable items, the single library card and new management system.

Over 46,000 people enjoyed programmed library activities, including:

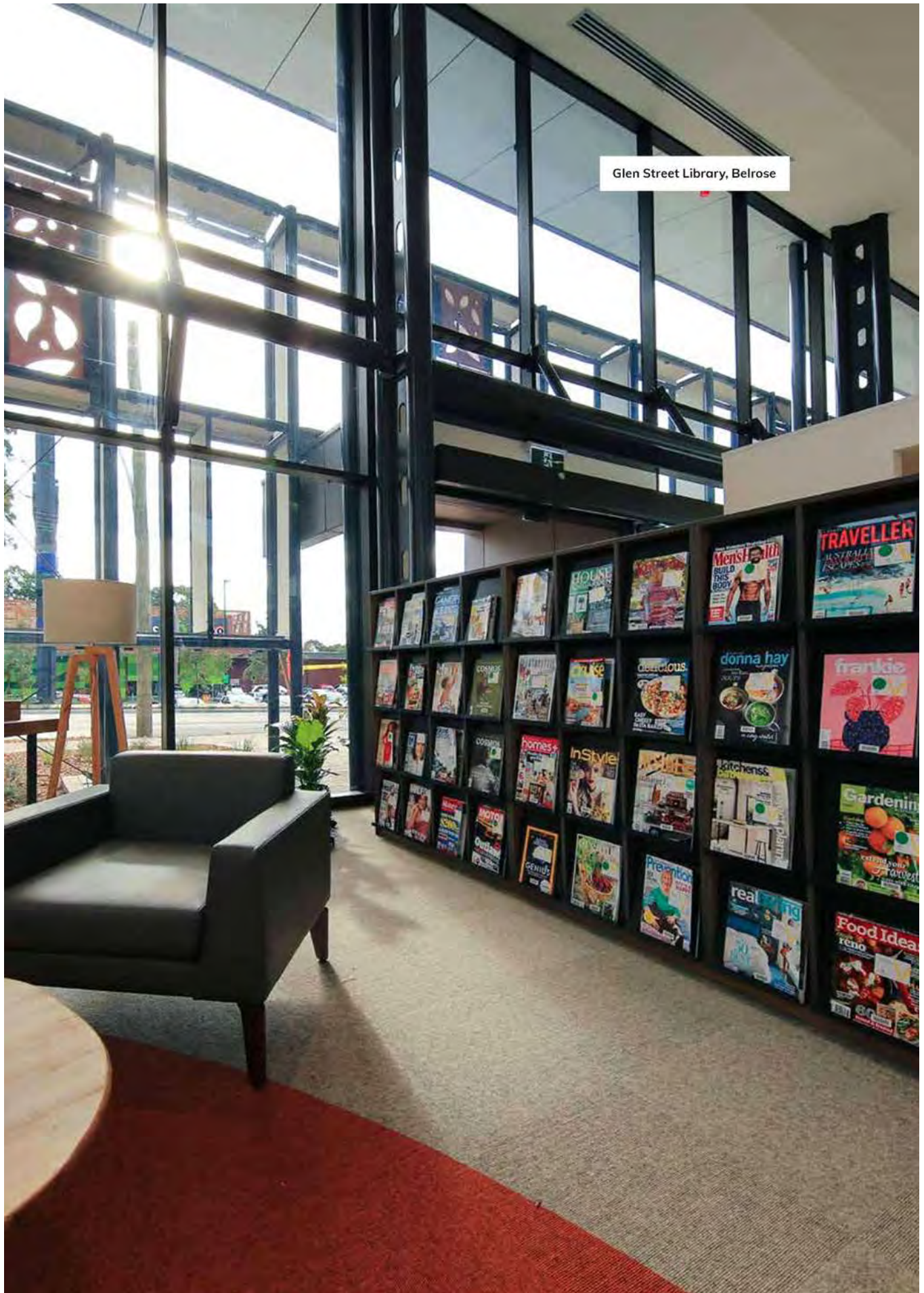
- Children's Summer Reading Club
- Young Writers Competition
- Bookmark Design Competition
- Escape Room Programs
- Where's Wally Scavenger Hunt Series
- Family History Fridays
- Local Studies Heritage Walks
- A series of 12 adult author talks
- Manly Artists Book Award Exhibition
- Boomerang Bags against waste
- HSC Lock-in program to support students in their exams.

Manly Art Gallery & Museum (MAG&M)

There were 15 major exhibitions held during the year at the MAG&M with over 100,000 visitors. Highlights were:

- 'North Head Project' with 10 artists responding to the area's historical, ecological and social elements
- Frank Hurley's previously unseen Sydney photographs
- 'A Thousand Journeys' exhibition of Aboriginal art from the Kimberley and Central and Western Deserts
- Complementary public programs and workshops held for all exhibitions

The 2017 Manly Arts Festival marked the 24th year this vibrant cultural event was celebrated with over 12,000 people taking part in more than 70 exciting events.



Glen Street Library, Belrose

Manly Andrew 'Boy' Charlton Aquatic Centre



Disability Inclusion in Library Service

The Library Service ensures all its programs are inclusive and that selected items catering for diverse needs are advertised.

The service works in partnership with community stakeholder groups (such as Northside Enterprises Inc.) and organisations including 'Ability Links' and 'One Door' to build awareness and develop programs for people of all abilities. This includes welcoming volunteers with additional needs.

Working with Unisson Disability, Arranoubai School, The Beach School and Artability, the service also supports the artworks created by its artists.

Better Provision for Disability

The Disability Inclusion Action Plan commenced this year with 39 actions undertaken. This provides our community with better access for the disabled to locations, facilities, events, communications, a range of services and support and online information.

A progress report on all actions is included from page 137.

Glen Street Theatre

The venue provided a range of shows and events attracting over 59,000 people. Highlights were the popular 'Music At The Glen' program for seniors, 'KidsPlay' for children and families, and annual theatre program.

Alongside professional performing arts events, there is a range of community hirers such as the Northern Beaches Eisteddfod and Sydney North Public Schools Dance Festival. The theatre enabled over 25,000 children to perform on stage before audiences this year.

Arts Development Support

The Creative Space in Curl Curl housed 25 exhibitions with 9,700 people attending. Exhibition series showcased the work of 85 artists over four exhibitions on 'Earth, Water, Air and Fire' themes.

Two Creative Made Makers Markets showcased 80 stalls of local maker's products at the Creative Space and Glen Street Theatre, attended by over 4,000 people.

Professional development for market stall applicants assisted them in business development, online sales and brand development. This course 'Creative Toolkit - Professional Development for Artists and Makers' was attended by over 150 people.

Community Development Services

This service builds social cohesion for all in our community. Several events were coordinated including a 'Seniors Festival Wellbeing Expo', workshops on the National Disability Insurance Scheme (NDIS), 'Carers Week' activities and four 'Preventing Dementia' forums.

Several publications were produced, including a 'Northern Beaches Seniors Directory' for 2018-2020. Council's Disability Newsletter was distributed to over 1,400 recipients, covering information and programs for people, carers and their families.

Some target initiatives support our local networks addressing drugs, alcohol, homelessness, domestic violence, mental health, community safety and social isolation.

Youth and Families

A variety of programs and 96 events were held to engage young people with over 15,000 participating. Highlights were:

- Several sold-out all-age events held at the PCYC featuring headline artists.
- The Future Youth Summit attended by 120 secondary and university students on future education and careers.
- National Youth Week celebrations in April: 25 events attended by 2,545 participants, including the Northern Composure Band Competition.
- Skate events: 'Friday Night Lights', the international 'DAMN AM Skate Series' and the new Terry Hills Skate Park opening.

A new 'Youth Hub' was opened at Avalon in partnership with the Burdekin Centre. This is building a community network for youth and also provides support services.

Across the whole area, Council also provides free and confidential support to young people (aged 12 to 18) and their families. This year 410 clients were provided with a total of 527 counselling and support sessions.

Parent programs and seminars included: 'Developing Healthy Connections with Teens' and 'Navigating Adolescence' with 110 attendees. A 'Managing Difficult Students' workshop was held for 26 teachers.





Community Centres

Over 500 groups and individuals use 41 Community Centres for various recreational, educational and social activities. This year over one million people attended an activity across these centres.

The new Seaforth Village Community Centre (on the redeveloped Seaforth TAFE site) opened for community hiring, with a café commencing business there.

The Tramshed Community Centre at Narrabeen is undergoing progressive upgrades. Close to the historic tram stop on Pittwater Road, the centre was refurbished this year and includes the permanent display of a restored 1930s-era tram, opening along with the new Tramshed Cafe on 30 April 2018.

This earned an award for the high-quality restoration of the heritage tram, completed with the Men's Shed group of volunteers. The centre is also now complemented with new amenities in Berry Reserve designed to match the heritage colour scheme.

Improvements were also completed at the Avalon community centre.

Manly Meals on Wheels

Manly Meals on Wheels delivered 18,420 meals to 256 clients in their homes. The service achieved Third Party Verification against the Disability Service Standards.


Community lunches aimed at reducing social isolation were held in Seaforth, St Matthews Church, Manly and Manly Senior Citizens Centre with a total of 1,920 lunches served. There were 24 social outings held with 168 people attending.

85 people attended the Meals on Wheels Volunteers Christmas Lunch providing an opportunity to thank our dedicated volunteers and recognise their length of service.

Meet Your Street Program

There were 20 Meet Your Street events held this year, mostly during February 2018, to help residents get to know their neighbours and build a friendly, connected community.

Performance Results

Performance Measures	Target	Result 2018
% increase in library visits	5%	-10% 
No. of children attending child care programs (Family day care, Long day care, Vacation care, PreSchool)	-	4,041












Target Met



Target Not Met

Note - Library visits: The drop in counted visits to libraries is partly due to Belrose Library having no door counters installed for six months due to the relocation and fit-out of the library into the cultural hub building. This affected the total count for the service. This is also offset by substantial growth in online e-Loans, rising another 33 percent this year to almost 125,000 loans.

Satisfaction Measures *	Target	Result 2018
Provision of child care services	3.32	3.23 
Facilities and services for youth	3.21	3.22 
Facilities and services for older people	3.36	3.33 
Facilities and services for people with disabilities	3.36	3.22 
Community centres	3.49	3.50 
Community events and festivals	3.79	3.63 
Arts and cultural facilities (e.g. Glen Street Theatre and Manly Art Centre and Museum)	3.34	3.37 
Library services	4.06	3.95 
Provision of lifeguards on beaches	4.43	4.46 



Statistically on par with target



Statistically higher than target



Statistically lower than target

* Mean score out of 5.

750 resident random sample size.

A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed

Cater for children from diverse and socio-disadvantaged backgrounds in Childcare Services

Meet National Quality Framework standards in providing service to children

Amalgamate pre-schools to Kangaroo Street centre from Ivanhoe Park

Investigate options to relocate the Youth and Family Counselling Service to enhance access

Review and harmonise fees for Council's 41 community centres

Deliver an entrepreneur conference for young people on the Northern Beaches

Review opportunities to expand the Manly Meals on Wheels service

Support for Northern Beaches Club Grants Committee, to assist licenced clubs to provide grants

Establishment of an expert access panel

Promote all library services at all the public library branches

Review library opening hours across all the public libraries

Continue to support and promote the provision of community library services

Implement a single on-line booking system for all library events and programs

Review customer services processes and practices in all the public library branches

Operate Glen Street Library as part of the Glen Street Cultural Hub

Implement an on-line customer suggestion process across all the public libraries

Implement a single library card to access all library services

Development of a Community Safety issues paper in consultation with key stakeholders

Trial place making activations in identified village and town centres

Undertake a strategic review of the annual program of events

Establishment of inclusion conditions in funding agreements

Develop and implement a process to book use of the beach FreeWheeler

On Schedule

Implement a single Community Centre booking system for the Northern Beaches

Undertake Ingleside Land Release community development planning

Develop an online disability inclusion and access information hub

Establish a single library management system for customers to access all library loanable items

Development of a Creative Strategy

Behind Schedule

Develop accessibility and inclusion guidelines and toolkit for Council events - Research commenced and work to be finalised in 2018/19

Capital Projects

Works addressed libraries, community and childcare centres, as well as cultural improvements:

Completed

Mona Vale Library - new works
Warriewood Valley Community Centre
Avalon Community Centre
Community centres minor works program
Community buildings works program
Dee Why community facility and parking (PCYC)
Allambie Public Hall renewal
Manly Art Gallery & Museum - art works
Public art purchases
Glen Street Theatre renewal works
Glen Street Theatre Revitalisation Stage 2

On Schedule

New library technology
New library books
Replacement of library books
Harbour View Children's Centre
Children's centres works program
Manly Art Gallery - accessibility investigations
New public art installations

Behind Schedule

Mona Vale Library - upgrades - A masterplan is under development and works expected to be completed in 2018/19
Library buildings works program - Development application lodged for the Dee Why Outdoor space
Beacon Hill Community Centre and Youth Club - The engagement of a contractor was delayed to enable a single contract for upgrades of multiple buildings. Works will be completed in 2018/19
New creative art space - north - Community engagement on the location of the new centre underway. Works expected to be completed in 2018/19





Vibrant Local Economy

We are facilitating a thriving, diverse and well-connected local economy that supports traditional as well as innovative businesses. We have supported local businesses, jobs and active town centres.

My Place: Avalon

Development of the Avalon Place Plan known as 'My Place: Avalon' commenced in March 2018 with a comprehensive community engagement program. This included an online survey, two community workshops and a range of pop-up stalls.

These activities captured community values and ratings for local places, experiences and enjoyment of the area. The community feedback is assisting the development of the 10-year Plan for Avalon.

Balgowlah Plaza Revitalisation

Sydney Road, Balgowlah was revitalised with new pavers, garden beds, lighting, landscaping and a fountain providing a safe, friendly public space within the shopping precinct. This benefits the local community, business and the economic resilience of the centre.

Dee Why Town Centre

The new Redman Road Plaza provides a fresh community space that activates the western side of Pittwater Road. The upgrade included paving, seating and a water feature, along with hanging gardens and public art. The area links nearby shops and carpark with elevated lighting to provide a safe, attractive space, with paving extended to Sturdee Parade.

Other Town Centre Improvements

Paving was repaired at various centres to improve pedestrian safety, including Seaforth and Brook Street shops.

Gardens were renewed and improved at Forestville, Narrabeen and Collaroy.

New public amenities are available at Marine Parade, Manly and Narrabeen town centre. In addition, the amenities at Collaroy were improved.

Brookvale Structure Plan

The draft Brookvale Structure Plan released in September 2017 provides the strategic and land-use framework for the centre. It aims to deliver an additional 670 homes and 1,700 jobs for the area. There were over 110 submissions supporting the plan, strengthening the centre, increasing development opportunities, employment and public domain improvements.

Key concerns regarding traffic, transport, parking and industrial lands management will be addressed through additional technical studies in the next year and responses to NSW planning priorities.

Manly CBD Laneways

Manly Laneways were revitalised with paving, new street furniture and trees. The works improved pedestrian areas to make the precinct more functional and attractive, and alleviate pinch points on pathways. The works focused on The Corso, Raglan Street, Sydney Road, Henrietta Lane and Manly Plaza, extending into Belgrave, Whistler Street and Short Street and Central Avenue. Work also commenced on the Whistler Street carpark refurbishment with painting and electrical work, line marking and refurbishment of toilets with final works planned to be completed by August 2018.

Destination Management Plan

Working with the Manly Business Chamber, Council finalised the Manly Destination Management Plan. This supports the sustainable growth of the visitor economy for Manly town centre and surrounds and will inform future plans.

Business Events

There were more than 70 community events held throughout the year, attended by over 500,000 people. Stallholders, suppliers and local businesses are supported by this activation of our town centres and villages, providing a year-round stimulation of the local economy.

Other tailored events helped build the capacity of local businesses:

- Business Networking and Engagement at the Curl Curl Creative Space in October. This facilitated discussion on business priorities for Council's first Delivery Program.
- A 'Strategies to Remain Relevant' seminar was held in April with the NSW Government Business Advisory Service.
- A Brookvale networking lunch held at Brookvale Oval in May, attended by over 130 businesses focused on the economic future of Brookvale, together with a Mayoral update and discussions.
- Future YOUth Summit for local high school students delivered in partnership with Council's youth service in June involving local industry leaders, start-ups and innovative thinkers for the area.



Market Place, Manly



Easy to do Business

Together with Service NSW, a pilot 'Easy to do Business' program was undertaken in May 2017 to streamline the application process for new or expanding restaurants, cafes and small bars. By June 2018, there were 85 enquiries from local businesses regarding the program.

As a result of the program, four restaurants or small bars opened across the Northern Beaches, and several more businesses are progressing through the program.

Following the pilot, the Office of the NSW Small Business Commissioner delivered a Small Business Friendly workshop on 17 May 2018. This was attended by the Mayor and NSW Small Business Commissioner.

Compliance and Certification




All critical, high and moderate-risk food inspections were undertaken during the year, together with seven food safety education seminars. Of the 1,393 fixed food premises inspected, 30 percent received an excellent Five Star Rating. Scores for all food premises are available on the 'Scores on the Doors Australia' website.

Investigations continue into illegal building works, illegal land use, fire safety and swimming pools barriers. Certification services are also provided.

New regulations resulted in a reduction in the number of trailers parked on roads with less visual pollution and increased parking availability.

Performance Results

Satisfaction Measures *	Target	Result 2018
Encouraging local industry and business	3.27	3.30 
Keeping town centres and villages vibrant (e.g. activities, mixed-uses, landscaping)	3.43	3.35 

 Statistically on par with target
  Statistically higher than target
  Statistically lower than target

* Mean score out of 5.

750 resident random sample size.

A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed

Finalise the Manly Destination Management Plan and commence a similar plan for region

Coordination of Meet Your Street program

On Schedule

Host and/or support business events and networks across the region

Work with local communities and businesses to identify ways to improve town centres

Develop policies and issue papers with appropriate actions to promote the region's economy

Capital Projects

Capital works upgraded a range of town centres and villages:

Completed

Dee Why Town Centre - Redman Road Plaza East - Stage 1

Dee Why Town Centre - design

Balgowlah Plaza

Manly Laneways

On Schedule

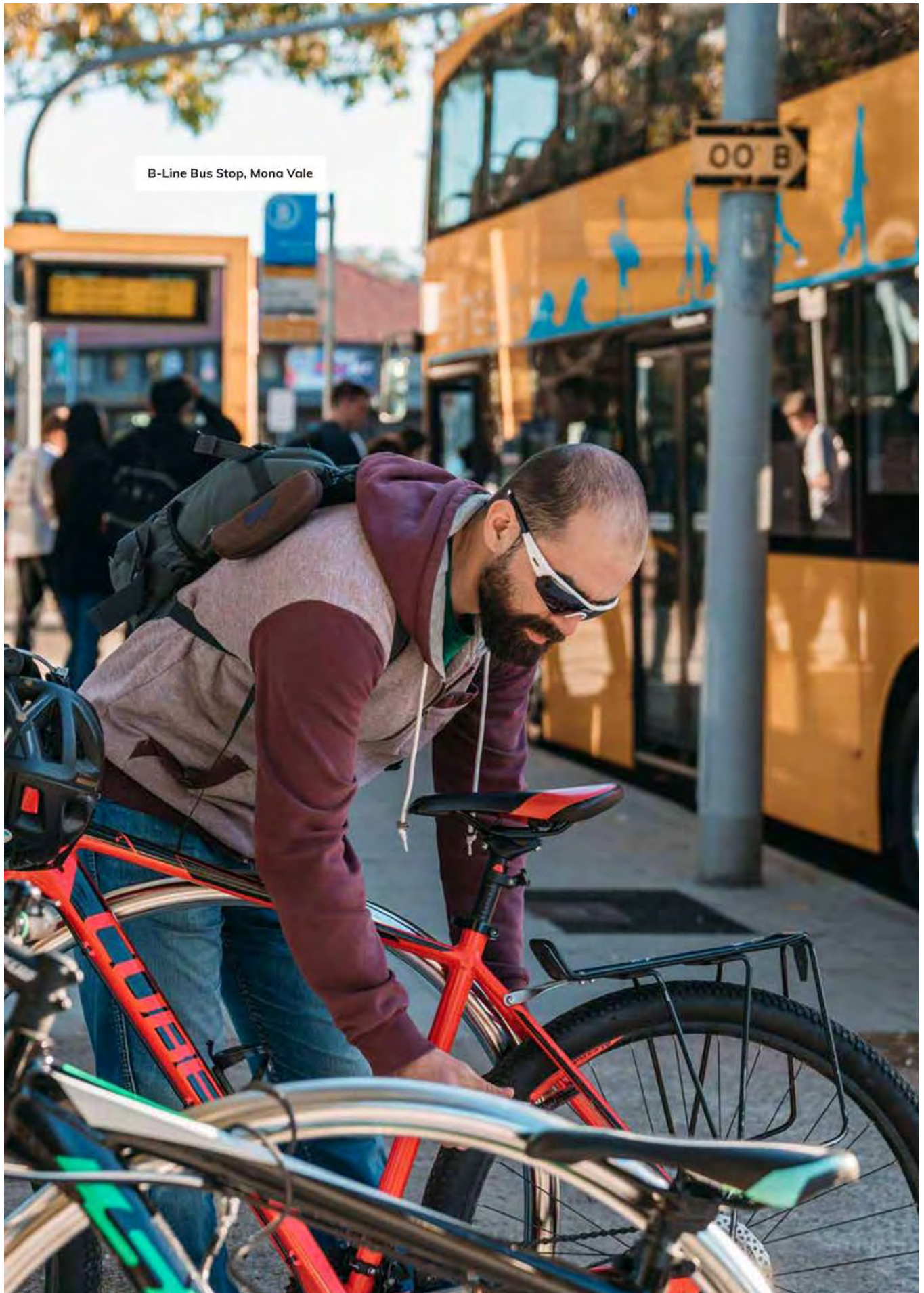
Place making infrastructure (Enliven)

Sydney Lakeside Holiday Park renewal work

Public amenity renewal - Tramshed, Narrabeen

Behind Schedule

Dee Why Town Centre - construction - Phase 1 - Oaks and Howard Avenue Streetscape Upgrades contract awarded and works to commence in July 2018



Transport, Infrastructure and Connectivity

Making it easier for residents, businesses and visitors to communicate and connect across and beyond the Northern Beaches. Our ongoing services and programs have improved roads and related infrastructure, community and transport planning, and advocacy with NSW agencies.

B-Line Buses

Council worked hard to advocate with the NSW Government and Transport agencies for the delivery of a new rapid bus service for the Northern Beaches. The B-line bus service commenced in November 2017 with a fleet of yellow double deck buses that now provide frequent and reliable services between Mona Vale and Wynyard. The service is also supplemented by trial on-demand services to connect people to the B-Line stops. The new services have increased patronage of public transport across the Northern Beaches.

Highlights of the B-Line bus service include: seven stops and six new commuter 'park n ride' parking with 900 spaces. Council's PCYC at Dee Why has a dedicated lower parking level to support public transport usage.

Council undertook cooperative construction work with various state agencies over road changes and building bus stops and footpath upgrades to connect the B-line stops. Council is also committed to ongoing and improved bus services north of Mona Vale.

Frenchs Forest (Hospital Precinct)

Collaboration with State Government agencies on Frenchs Forest Hospital Precinct and associated road works has improved access, management and timing of road construction works for residents.

Complementary road works by Council were also undertaken on feeder streets to relieve congestion around Frenchs Forest area including: Allambie Road upgrade and sealing of Oxford Falls Road west. Investigation is also proceeding on the feasibility of reducing flooding risk along Wakehurst Parkway.

Council is also collaborating with the NSW Government on the Beaches Link tunnel to support additional public transport and enable precinct developments at Frenchs Forest and Ingleside.

Move Northern Beaches Transport Strategy

Traffic and transport are the top concerns for residents on the Northern Beaches.

A discussion paper released in April 2018 kick-started a conversation on transport with more than 2,000 people engaging on the paper. Their views all contributed to the development of draft strategy for release in August 2018.

A strategic approach was undertaken to tackle transport challenges on the Northern Beaches over the next 10 years and better coordinate Council's work with the NSW Government, transport providers and the community.

Northern Beaches Walking Plan

A range of plans will be developed to prioritise Council's response to the transport strategy and allocation of resources, with the Walking Plan being the first plan under development.

This year an audit was conducted to identify missing linkages in the network. The community was invited to identify potential locations for new footpaths which will inform and finalise the Northern Beaches Walking Plan in the next financial year.

Active Travel Infrastructure

Over 50 km was added to our active travel network. New and repaired footpaths, shared paths and cycleways were built from Avalon to Manly and Frenchs Forest.

Much of this work was delivered through the Connected Communities Program, creating the Northern Beaches Coast Walk and connections north-south and east-west, with links to B-Line transport hubs. The Connected Communities footpaths are now 33% complete, and the cycleways and shared paths are 86% complete.

Over 32 kms of new and upgraded sections of on-road cycleways and shared paths have been completed. These works improve safety and connections for people walking or cycling between:

- Belrose to Northern Beaches Hospital
- Dee Why to Northern Beaches Hospital
- Manly Beach to Warringah Mall
- Curl Curl to Warringah Mall
- Cromer to Pittwater Road
- Dee Why Lagoon to Collaroy
- Narrabeen to Mona Vale
- Mona Vale to Newport
- Newport Oval to Newport SLSC
- Avalon to Palm Beach
- Warriewood Road to Pittwater Road Warriewood

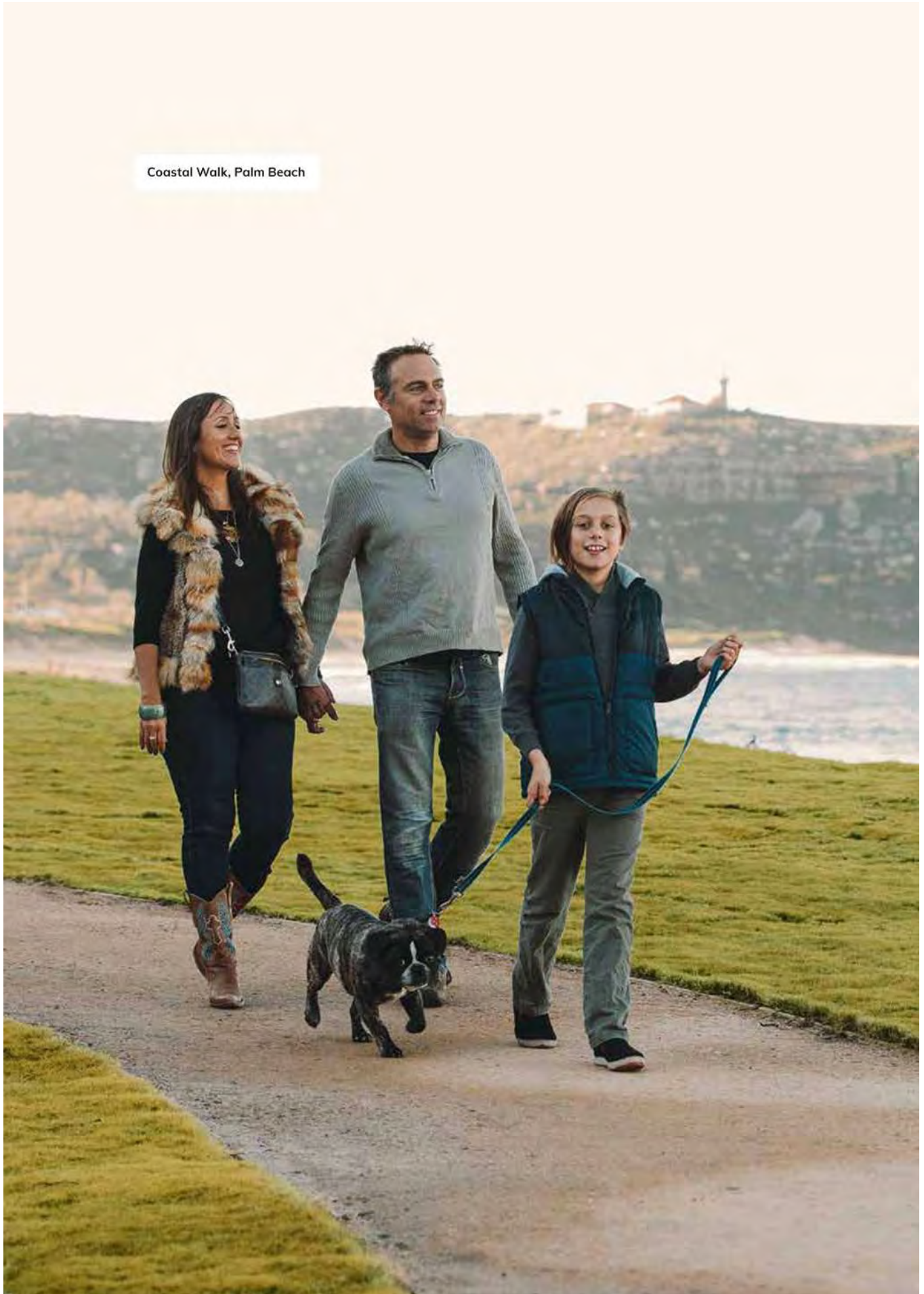
Other infrastructure was also provided to support cyclists including a way-finder plan at Northern Beaches Hospital precinct, a bike repair station Middle Creek Reserve, bike parking facilities at Manly and Dee Why and a trial of dockless bike sharing at Manly.

NSW Bike Week was also supported in September. Events were held at Avalon, Manly, Bilarong Reserve and Middle Creek raising the profile of cycling as a healthy, easy, lowcost and environmentally friendly transport option for short trips.

Shared Path, Mona Vale



Coastal Walk, Palm Beach



Northern Beaches Coast Walk

Work continued on delivering the 36 km continuous Coast Walk from Manly to Palm Beach, with over 3km of pathway completed at:

- Watkins Road, North Avalon
- The Boulevarde and Ross Street, Newport
- Surf Road, Curl Curl
- Mona Vale SLSC to Robert Dunn Reserve, Mona Vale
- Works commenced for shared path at Beach Road, Collaroy, and a pathway from Palm Beach Wharf to Governor Phillip Park, Palm Beach

New Carparking Station at Church Point

A new two-level 133 space car park was opened at Church Point in May 2018 to support the parking needs of residents and visitors, especially for our offshore communities. These works also included a new section of road, boardwalk and commuter pontoon improvements. The top level accommodates 68 spaces for residents in the Church Point Car Park Reserved Parking Space Scheme. The car park's lower level operates on a 'pay-and-display' basis.

Parking

Upgrades were completed at Council's four car parks in Manly, improving parking access, amenity and safety.

The PCYC car park at Dee Why, opened mid-August 2017 with over 62,500 customers to date. This also doubles as the B-line carpark for Dee Why.

Car park renewals occurred at:

- Manly Dam, Manly Vale
- Surf Road and Abbott Road, North Curl Curl
- Clontarf Reserve
- Truman Reserve and Cromer Community Centre, Cromer

Macpherson Street, Warriewood

Major works completed at MacPherson Street Warriewood have improved the access to Warriewood Valley. A road bridge was constructed over Narrabeen Creek and box culverts between Boondah Road and Warriewood Road, ensuring access during floods. Works also included a roundabout at Warriewood Road and Macpherson Street intersection, kerbs, gutters, footpaths and drainage works.

Hop, Skip and Jump Bus Service


The popular Hop, Skip and Jump Bus Service (HSJ) provided free travel to over 379,000 passengers with over 19,000 trips during the year. This free service encourages sustainable travel, and reduces traffic congestion and parking. It also aims to reduce social isolation particularly for seniors and other vulnerable community members.

Four bus routes operated in and around Manly, Balgowlah, Seaforth, Balgowlah Heights, and Clontarf seven days per week. The routes are designed around 26 points of interest including beaches, sporting and social clubs, attractions, shopping centres and transport interchanges. Additional runs operate for the Christmas Carols, summer holiday period, public holidays and for major events.


Hop, Skip and Jump Bus






Performance Results

Performance Measures	Target	Result 2018
% of road pavement in good or better condition	-	93%
% of capital works delivered	80%	71% 
Growth in active travel network (footpath / shared / cycleway)	-	51km

 Target Met  Target Not Met

Satisfaction Measures *	Target	Result 2018
Condition of local roads	3.04	2.92 
Footpaths	3.16	3.00 
Bike paths	3.03	2.88 
Bus shelters	3.45	3.55 
Parking	2.77	2.90 
Traffic management	2.87	2.75 
Wharves and boat ramps	3.38	3.37 

 Statistically on par with target  Statistically higher than target  Statistically lower than target

* Mean score out of 5.

750 resident random sample size.

A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed



Undertake a review of bus stop locations for the Hop Skip and Jump Bus Service

Commence the development of a Northern Beaches Pedestrian Access and Mobility Plan (PAMP)

Develop and deliver active travel projects in accordance with the Active Travel Strategy

Continue to work with State Government on the roll out of the B-line service

Commence a review of accessible parking provision

Commence the development of a Northern Beaches Bike Plan

Capital Projects

Capital works extended the network of footpaths and cycleways, and upgraded wharves, roads and related infrastructure:

Completed

Connecting Communities footpaths program

Connecting Communities cycleways program

Footpath renewal

Warriewood Valley - pedestrian and cycleway network

Little Manly Boardwalk

Warriewood Valley - traffic and transport infrastructure

Scotland Island roads and drainage improvements

New traffic facilities

Kerb and gutter renewal

Commercial car parks upgrade

Car park renewal

On Schedule

Rowland Reserve, Bayview - boating facilities renewal

Behind Schedule

Footpaths new - Work on the Footpath at Crescent Road and Beaconsfield Street Newport delayed to July (school holidays) to minimise impact on the community

Warriewood Valley - new bridge MacPherson Street - The Bridge is open. Final works on hold pending completion of Sydney Water works

Bike plan implementation - new works - Construction of Blackbutts Road, Frenchs Forest shared user path expected to be completed in July 2018.

Parking station and meters infrastructure - Works to replace parking meters will be completed in 2018/19

Church Point - new seawall, road realignment and carpark - Detailed design and approvals for roadworks including construction to occur in 2018/19

Church Point Wharf boardwalk extension - Design complete. Works to be complete in 2018/19

Retaining wall renewal - Works commenced on retaining wall at The Esplanade, Manly and will be completed in 2018/19

Road resheeting program - Delay in appointing contractor. Remainder of Program to be delivered in 2018/19

Behind Schedule



Bus stop renewal - The re-newal of the heritage bus shelter at Palm Beach has been delayed until September 2018

Bridge renewal - Ocean Street, Narrabeen bridge concept designs prepared. Works expected to be completed in 2018/19

Wharves works program - Works have been approved to the cargo wharf at Church Point. Works expected to be completed in 2018/19

Narrabeen Lagoon Trail - aquatic boardwalk - Community engagement finalised and construction to commence in 2018/19

Currawong Wharf - Works were contingent on matching funding from Roads and Maritime Services. Matching funding was not available

Mackerel Beach Wharf - Works were contingent on matching funding from Roads and Maritime Services. Matching funding was not available



Delivery Program Workshop

Good Governance

We are building an integrated and ethical organisation, with a strong culture of transparency and accountability. We also established the first elected body of representatives.

Local Democracy

The Local Government Elections were held on 9 September 2017, resulting in the first elected representatives for Council. The Councillors' term is three years through to August 2020.

On 26 September Michael Regan was elected Mayor for two years and Candy Bingham as Deputy Mayor for one year. A comprehensive Councillor Induction program commenced in September, followed by further training provided during the year.

Community Strategic Plan 2028

In April 2018, Council adopted its first Community Strategic Plan (CSP). This 10-year plan captures the community's vision and aspirations and helps set the direction for Council's planning and priorities. Over 2,000 people contributed to this plan through extensive engagement.

The CSP addresses community aspirations for our environment, economy, society and civic leadership. It also supports Council to collaborate and advocate with Government agencies and community groups, to address the long-term challenges and opportunities of the area.

The related Resourcing Strategy was also adopted, which outlines how Council will resource the implementation of the CSP. This includes a Long Term Financial Plan, Asset Management Plan and Workforce Plan.

Delivery Program 2018-2021

The Delivery Program was adopted in June 2018, and outlines how Council will deliver on the CSP goals and strategies in this term. The related Operational Plan, Budget and Fees and Charges for 2018-2019 were also adopted. Over 2,200 people were engaged to develop the program, through workshops, focus groups and submissions. Our progress will be reported quarterly and annually.

Office of Integrity and Complaints Resolution (OICR)

The OICR was established to equip Council with a strong focus on the public interest, accountability and responsiveness. A Code of Conduct and associated training is being rolled out to staff along with the Public Interest Disclosure Policy to prevent and detect possible corruption or misconduct.

In addition to dealing with complaints directly from the community, the OICR also assists staff to resolve complaints and identify any service improvements needed. It reports directly to the Chief Executive Officer.

Community Satisfaction

We conducted our second annual community satisfaction survey in June 2018. A total of 757 resident surveys were completed across the five wards in a randomly-recruited telephone survey.

Overall, 86 percent of residents were at least 'somewhat satisfied' with the performance of Council over the past 12 months, which is on par with other Sydney metropolitan councils. Satisfaction with Mayor and Councillors was also high at 85 percent, and 84 percent were satisfied with staff who dealt with their enquiries.

The survey also showed a moderate to high level of satisfaction with 37 of Council's 44 services. Residents rated their quality of life as 'good' to 'excellent', and hold a strong sense of pride and community connection in our area.

Integration Improves Services

Many initiatives have advanced the integration of our services. Specialist staff have helped prioritise, design and manage a program of change, whilst ensuring that quality services continue to be delivered.

A program to review, rationalise and harmonise policies has seen 23 new policies adopted by Council. The program replaced 43 and revoked 52 former policies. Current policies are available on our website.

Sound governance arrangements were put in place to ensure appropriate delegations for the organisation, its finances and statutory responsibilities. A wide range of fees and charges were also harmonised across the area to provide more equity.

Financial systems and processes were integrated on 1 July 2017, as was the Property and Rating system in December 2017. Council also endorsed its Procurement Strategy and Policy to achieve value for money and address ethics, equity and sustainability.

Registration for child care has also been unified and streamlined, improving access to all centres and vacation care across the area.

Customer Service

In September 2017, an online customer portal was launched. Customers can now easily lodge and track their requests. Accessible '24/7' from any device, online requests have increased from seven percent to 15 percent.

Other initiatives included:

- A single call centre telephone number
- Aligned call centre and Customer Service Centre hours of operation
- Improved processes for email customer requests, applications and payments
- Improved our customer database, eliminating over 33,000 duplicates
- Improved customer privacy
- Substantial postage savings by the use of address barcodes

The high performance of our Customer Service was recognised through high community satisfaction, and three awards at the 2017 National Local Government Customer Service Network Awards.



Northern Beaches Council Customer Service

Assessment of Developments and Works

The development assessment process has been streamlined:

- A single service and database
- Consistent, equitable and efficient service policy
- Encouraging pre-lodgement consultation for early advice
- Consistent community engagement requirements
- Establishing the Northern Beaches Local Planning Panel in March 2018.

During the year we received 1,710 DAs, 649 modifications of consent and held 250 pre-lodgement meetings. We also assessed 2,550 works requiring certification such as driveways, hoardings and subdivisions.

More contentious applications are reviewed by the Northern Beaches Local Planning Panel which replaced the former Independent Assessment Panel in March 2018. Established by the State Government, it provides for independent determination of these applications. Its meetings can be viewed on Council's website.

Human Resources

Plans and policies of the former councils were reviewed to build a unified set of new plans for our workforce:









- People Plan 2017 - 2020 outlines how we will continue to build staff culture and capability.
- Workforce Plan 2018 - 2022 outlines how issues and challenges will be addressed, to ensure the workforce is capable of delivering on Council's objectives and long-term goals.
- Work Health and Safety Policy outlines our commitment to a safety-first culture for staff, volunteers, contractors, students and visitors.

These help ensure we continue to build a high-performing and safe workforce.

Performance Results




Performance Measures	Target	Result 2018
% customer requests transacted on line	>10%	15% 




Financial key performance indicators:

Operating performance	>0%	8.0% 
Unrestricted current ratio	>1.5	3.1 
Own source operating revenue	>60%	82.2% 
Debt service cover ratio	>2x	4.6 
Rates and annual charges outstanding	<5%	3.9% 
Buildings and infrastructure renewal ratio	>100%	99.8% 
Infrastructure backlog	<2%	0.5% 
Asset maintenance ratio	>100%	117.0% 

 Target Met  Target Not Met

Note - The Building and Infrastructure Renewal Ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. Council's ratio of 99.79% is slightly below the benchmark of 100% and reflects the timing of the completion of projects.

Satisfaction Measures *	Target	Result 2018
Overall performance of Council as an organisation over the past 12 months	3.56	3.38 
Performance of staff dealing with your inquiry	3.88	3.91 
Information on council services	3.43	3.41 

 Statistically on par with target  Statistically higher than target  Statistically lower than target

* Mean score out of 5.
750 resident random sample size.
A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed

Ensure elections are conducted as required in conjunction with the NSW Electoral Commission
Implement an induction program for elected representatives and committee members with ongoing training and development
Review the accessibility and inclusiveness of Council meetings
Develop an effective Internal Audit Plan, conduct audits, and ensure an effective Audit, Risk and Improvement Committee
Implement an Enterprise Risk Management Framework
Ensure effective business continuity processes are in place
Relevant Codes and Policies developed and reviewed to meet all requirements
Preparation of the Northern Beaches Community Strategic Plan (SHAPE2028)
Preparation of the Delivery Program 2018-2021
Preparation of the Operational Plan 2018/19
Preparation of the Long Term Financial Plan 2018-2028
Preparation of the Workforce Management Plan 2018-2028
Preparation of the Asset Management Strategy
Review Councils light fleet policy - reduction in vehicles, fuel and emissions
Review and implementation of templates for procurement
Review and update tendering documentation guidelines for robust procurement processes
Develop guidelines for inclusive recruitment and workplace practices

On Schedule

Develop disability awareness education and training for staff
Develop and implement a complaint management framework including training and awareness
Research the user experience of systems and processes

Behind Schedule

Preparation of Asset Management Plans for all asset classes - Asset management plans are expected to be completed by December 2018
--

Capital Projects

Completed



IT infrastructure - new works

IT infrastructure - replacements

IT software - new works

New IT systems

Disability Access (DDA) compliance works

Building Code of Australia (BCA) compliance works

Operational buildings works program

Council Chambers renewal program

Manly Soldiers building - purchase

Light Fleet replacement program

On Schedule



Major Plant replacement program



Participation and Partnerships

We are drawing on a wealth of local knowledge and diverse professional perspectives, working together for more holistic outcomes for the community. Our efforts focussed on engagement, communications, collaboration and partnerships.

Grants secured by Council

Over \$41 million in grants were secured from the NSW and Federal Governments.

This included securing a second year of Stronger Communities funding as a merged council, with \$21.1 million provided by the NSW Government. This will fund various high priority projects to be completed in coming years, such as upgrading or replacing surf clubs at Long Reef and Mona Vale, new performance spaces and netball courts, among others.

\$1 million was obtained from the Boating Now Program (Round 2) from Transport for NSW, to improve boating infrastructure at Bells Wharf and Carols Wharf (Scotland Island) and watercraft storage at Narrabeen Lagoon. The current 'Round 1' funding of \$1 million will progress an upgrade at Rowland Reserve and improvements at Church Point.

Roads and Maritime Services provided a range of funding:

- Active Transport Grant for shared paths and cycle training
- \$759,000 in Traffic Route Lighting Subsidy towards the \$3.88 million cost of lighting State Roads
- \$1.88 million to maintain and manage our road and transport network

Information on the range of grants received is included in the Annual Financial Statements (note 3e)

Grants Awarded to our Community

Almost \$1 million in grants was awarded by Council to a range of community projects:

- \$377,000 from the Stronger Communities Fund
- \$540,000 in community development grants
- \$47,000 for sporting groups assistance

These were awarded to various charities and non-government organisations, as well as surf clubs, community and sporting groups.

Twenty-six community projects were completed during the year focused on supporting the vulnerable and people with additional needs in our community. The larger projects included:

- The Shepherd Centre: professional development for teachers of deaf children
- Sunnyfield: Skills for Life program
- Fisher Road Public School: Sensory room
- The Link Community Care: vehicle for the Mobile Foodcare Project
- Manly Women's Shelter: vehicle to support victim recovery programs

- Be Centre: two new therapy rooms
- Fighting Chance Australia: facilities and computers for the disabled
- Disabled Surfers: beach matting and trailer

Details of all grants received and awarded are published in the Statutory Returns section from page 119.

Strategic Reference Groups

In July 2017, the Interim Strategic Reference Groups (SRGs) finalised strategic papers addressing the key issues of affordable housing, waste, the natural environment, transport, community, recreation, economic development and place-making across the area.

New SRGs were set up in 2018 and are aligned with the new Community Strategic Plan. Comprised of residents and Councillors, there are 76 members across the six SRGs advising Council on:

- Environment
- Places for People
- Community and Belonging
- Economic and Smart Communities
- Transport and Travel
- Participation and Partnerships

The SRGs first met in March 2018 and have a four-year term. Outcomes of each meeting are available on our website.

Northern Beaches Youth Advisory Group

The first Youth Advisory Group for the Northern Beaches was established and has provided invaluable advice to Council. The members, aged between 12 and 21, have taken an active role in identifying the needs and wants of young people in the community. The group has had a particular focus on addressing mental health for youth and also driving performing arts for young people in the area.





Community Engagement

Extensive consultation this year actively engaged the community in projects which affect them. Some 860 people attended 48 meetings or workshops throughout the year. Over 3,200 people also attended 101 community drop-in sessions.

We strive to keep the community informed throughout our engagement process. Over 22,000 contacts are now registered in our Community Engagement Database to receive regular updates on projects open for comment. Following each engagement, the project report to Council also outlines how the community's priorities and issues were addressed.

Major project engagement for the year included:

- Delivery Program
- Connecting Northern Beaches Program
- Move Northern Beaches (Transport)
- Alcohol Free Zones
- Event Management Strategy
- Public Art Trail
- Arts and Culture Strategy
- Cultural Art Space - North
- Mona Vale Performance Space
- Mona Vale Cemetery Conservation Management Plan
- Ingleside Sustainability Forum
- Brookvale Structure Plan
- Sportsground Lighting

Consultation on our open space and foreshore projects included:

- Masterplans for Palm Beach South, Glen Street Open Space (Belrose), Freshwater Coastal Open Space
- Surf Clubs at Newport, South Narrabeen, Mona Vale and Long Reef
- Careel Bay Dog Off Leash Park
- Rowland Reserve Boating facilities
- Amenities at North Narrabeen Reserve and Rockpool
- Narrabeen Lagoon Aquatic Boardwalk
- Manly Lagoon Landscape Plan and Floodplain Risk Management Study and Plan
- Manly to Seaforth Flood Study

Awards for Collaboration

Two awards recognised our extensive collaboration with the community on the Northern Beaches Hospital Structure Plan; as well as the Police Citizen's Youth Club facility (Dee Why) in collaboration with NSW Police.

Award-winning Design and Communications

Council won an international award REBRAND 100 for its new identity developed together with our community. Based on the symbol of a wave, it is comprised of collective symbols of local nature and culture, including our iconic plants, animals, heritage and lifestyle.

The identity is being rolled out extensively in Council's fleet, buildings, signage and other communications as well as staff uniforms.

Six other international awards were won for our creative website, communications initiatives and a social media video. The video uses humour and creativity to encourage considerate use of shared paths. on the video was viewed 39,000 times on Facebook.

Partnerships in Service Delivery

Good stakeholder engagement and partnerships are vital to delivering a wide range of our services.

To implement Council's Disability Inclusion Action Plan, we worked together with the Northern Sydney Disability Network, National Disability Insurance Agency, Family and Community Services, Transport for NSW and Local Government NSW. Key outcomes included:

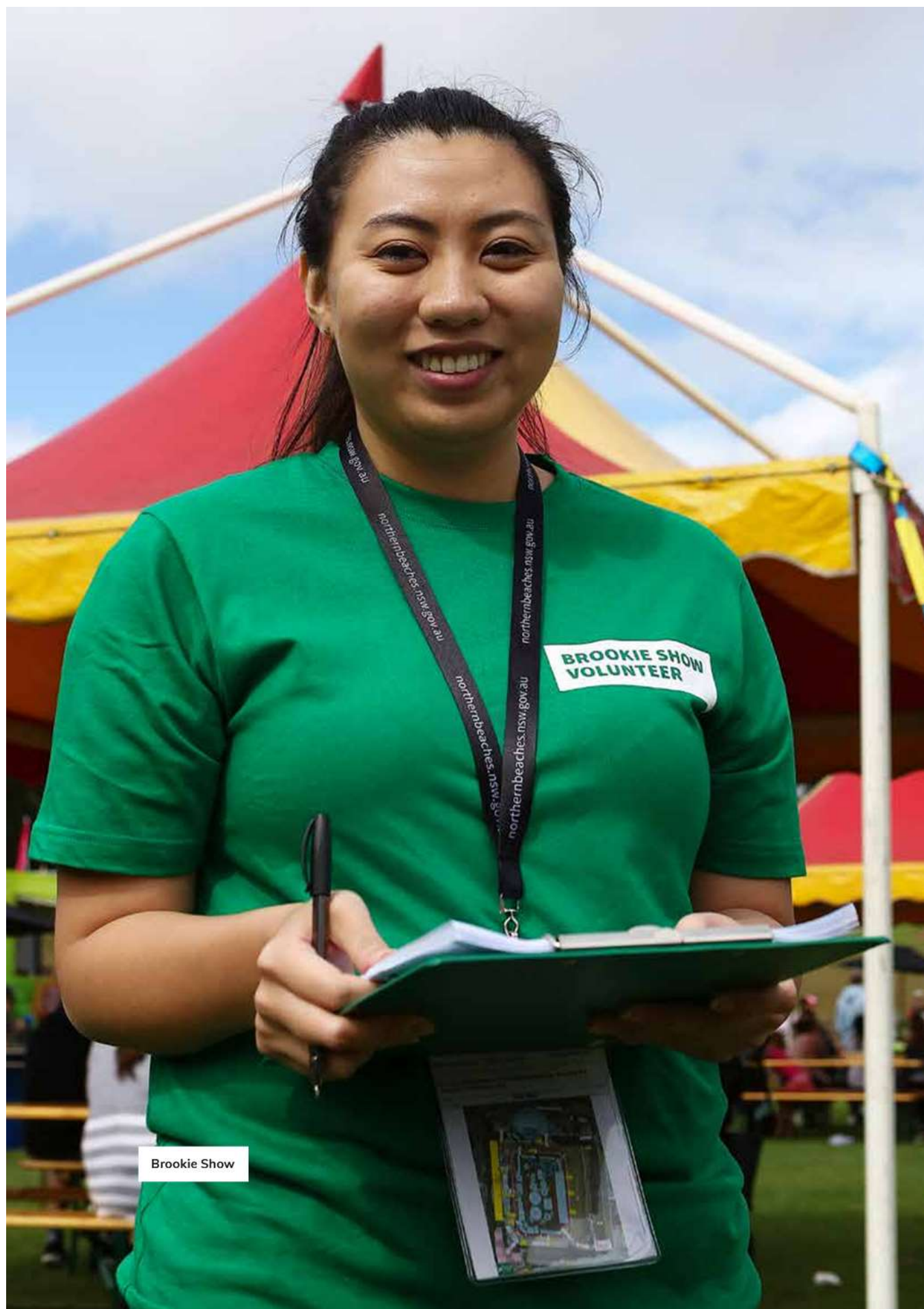
- Expo events on the National Disability Insurance Scheme
- Accessible infrastructure at all B-Line bus stops.
- Library Service increased disabled participation through its work with 'Ability Links' and 'One Door'.
- Children's Services addressed barriers to inclusion of high-needs children and advocated with 11 organisations for child and family support.

Children's Services partnerships include:

- National KidsMatter program: for child mental health and wellbeing at all our long daycare, family day care and pre-schools.
- Dalwood Spilstead Early Years Intervention and Support Service: to support children with high needs and their families.
- Family and Community Services: supporting children in the care of grandparents.
- Women's Resource Centre: for children and women recovering from domestic violence.

We have also been working with White Ribbon Australia with a view to enhancing our workplace to be one that is safe, values everyone equally and stands up against violence to women. Council is committed to achieving White Ribbon Accreditation as a workplace.





Community Volunteers

Volunteers play an invaluable role in building community connections and meeting local needs, beyond what Council can provide. This year, over 1,000 volunteers contributed to a range of Council events and programs, including 250 people committed to the Bushcare program.

Manly Meals on Wheels attracted over 90 dedicated volunteers, some with a significant length of service of 20 to 35 years.



Our Library Service has over 120 volunteers, supporting programs such as the Home Library, stock management and Justice of the Peace service. With each library venue being accessible, there are also currently three regular volunteers with disabilities, which we aim to grow through our relationship with Northside Enterprises Inc.




Over 100 people also volunteer their time on Council's Committees and Reference Groups.

Policy for Appointing Community and Stakeholder Representatives to Committees

This new policy outlines how community and stakeholder representatives are appointed to committees. Following community feedback, the final policy was adopted by Council in April 2018. It ensures appointment based on merit, relating to the charter of each committee. Current listings of committees and panels are available on the website.

Performance Results

Satisfaction Measures *	Target	Result 2018
Lobbying on behalf of the community	2.98	3.09 
Consultation with the community by council	3.04	3.12 

 Statistically on par with target
  Statistically higher than target
  Statistically lower than target

* Mean score out of 5.

750 resident random sample size.

A statistically higher or lower result is where the 2018 score is greater than the sampling error i.e. +/- 3.6%.

Operational Projects

Completed



Launch a new Northern Beaches Council website and content management system

Conduct a document and media accessibility audit

On Schedule



Continue to implement the Northern Beaches Council identity

Continue to develop the signage style guide and rollout across Council assets

Integrate accessibility and inclusion considerations into early stage project planning

Behind Schedule



Develop and integrate inclusion participation guidelines into the community engagement framework - *Draft guideline developed. This will be completed in 2018/19*

Build networks with key contacts regarding the best way to engage people with disability - *Initial research completed. Broader consultation with disability support groups to be undertaken in 2018/19*



Statutory Returns

Local Government Act 1993

Section 428 (3) Preparation of report

This annual report has been developed in accordance with the guidelines referred to in the Local Government Act 1993, Integrated Planning and Reporting Guidelines (s406), the Local Government (General) Regulation 2005 (s217),

s428 (4) (a) Financial statements

Audited financial statements for the year 2017/18 are in the following section of this Annual Report.

s428 (4) (b) Other information

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

s428 (5) Send to the Minister

A copy of this Annual Report has been placed on northernbeaches.nsw.gov.au and a link provided to the Minister.

s508(2) and 508A - Implementation of special rates and levies

The Northern Beaches Council is sustaining the approved rates path of its former councils for four years from its establishment until the end of 2019/20.

All the former Councils (Pittwater, Warringah and Manly) had variations applying to their rates. The overall outcomes of this funding are covered by this Annual Report in the 'Our Achievements' section. Where appropriate, movements in the receipt and expenditure of these funds are included in the Annual Financial Statements.

Manly Environment Levy

As part of reporting, the former Manly Council set aside part of an ordinary rate increase in 1997, to fund priority environmental projects that enhance Manly's environment. In 2017/18 an amount of \$803,009 was spent in the former Manly LGA on priority environmental projects.

Manly Business Special Rate - Manly Business Centre Improvement

This special rate applies to properties in the Manly CBD area, to provide for ongoing and proposed capital and maintenance works in the Manly Business Centre, Corso and Ocean Beachfront.

During 2017/18 the income raised was \$1,193,054. This amount, and funds carried over from previous years, were fully expended on capital and maintenance works in the Manly Business Centre, Corso and Ocean Beachfront. This included works such as landscaping and streetscaping in the CBD; remedial works in Whistler Street carpark; and a new amenities block and landscaping in Marine Parade following storm damage in 2016.

Manly Business Special Rate - Balgowlah Business Centre Improvement

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

During 2017/18 a total of \$543,688 was spent in 2017/18 to upgrade the Balgowlah Plaza with new paving, landscaping and lighting.

Former Warringah Council Special Rate Variation (SRV)

In June 2014 IPART approved the former Warringah Council's SRV of 6.4% above the anticipated rate peg of 3.0% for the year 2017/18. The funding has been fully allocated by Council to maintain financial sustainability, assets and service levels, in line with its approved purpose.

Former Pittwater Council Special Rate Variation

In June 2011 IPART approved the former Pittwater Council's application for a SRV. This resulted in an increase in rates over three years (2011-2014) to generate approximately \$39 million in funds. These funds were to be expended over a 10-year period on infrastructure works and environmental programs.

In 2017/18 an amount of \$2.935 million was spent in the former Pittwater LGA on the following capital projects:

	\$
Foreshores renewal	\$230,000
Rockpool renewals	\$45,000
Stormwater and flood mitigation	\$338,300
Scotland Island roads and drainage improvements	\$207,351
Road resheeting	\$1,000,000
Car park renewal	\$480,171
New footpaths	\$345,000
Bike Plan implementation	\$50,000
Sportsfield renewal	\$230,000
Energy savings initiatives	\$9,000

In addition, an amount of \$0.636 million supported the following environmental programs:

	\$
Bushland and waterways	\$332,718
Biodiversity protection	\$115,095
Community bushcare	\$50,781
Managing natural hazards	\$137,444

Local Government (General) Regulation 2005

Part 5	\$
Clause 132 Rates and charges written off for the period of 2017/18	
Rates abandoned (postponed)	34,666
Interest abandoned (postponed)	10,966
Interest abandoned (other)	25,540
Mandatory pension rebate	2,450,843
Voluntary pension rebate (rates)	275,011
Voluntary pension rebate (waste)	307,734
Total	3,104,761

Part 9 **Clause 217(1) (a) Overseas Visits**

Details of overseas visits undertaken during the year by the Administrator, council staff and other persons representing the Council (including visits sponsored by other organisations) are below:

- 1 Staff member - Executive Assistant and Protocol Officer accompanied students to Odawara, Japan on a cultural exchange visit in September - October 2017.

Clause 217 (1) (a1) Administrator Fees, Facilities and Expenses

Details of the payment of the expenses of, and the provision of facilities to the Administrator in relation to their civic functions is below.

	\$
Administrator Fee	74,789
Provision of Facilities and Expenses to the Administrator	11,999
Total overall	86,788
Mayoral Fee	63,248
Councillors Fee	325,688
Total overall	388,936

Facilities and Expenses Breakdown	\$
Dedicated office equipment to Councillor (including computers)	18,585
Communication charges (including phone calls, facsimile and internet)	22,310
Seminars and conferences attended by Councillor (incl interstate travel)	15,272
Councillor training and skills development	47,647
Interstate travel by Councillor while representing Council	1,070
Overseas visits by Councillor while representing Council	Nil
Expenses of spouse, partner, or person accompanying an Councillor	1,459
Provision of care for a child or family member of an Councillor	Nil
Other expenses	31,368
Total	137,812

Clause 217 (1) (a2) Major contracts

The following are the contracts awarded by the Council during the period 2017/18 (whether as a result of tender or otherwise), other than:

- (i) employment contracts (that is, contracts of service but not contracts for services)
- (ii) contracts for less than \$150,000 (including the name of the contractor and the nature of the goods or services supplied by the contractor and the total amount payable to the contractor under the contract).

Contractor's Name	Description	Total Value Ex GST(\$)
Advanced Catering Services	Lease for Long Reef Beach Kiosk	\$275,000
Proludic Pty Ltd	Passmore Reserve Playground Renewal Works	\$150,000
Advanced Fire Technology NSW Pty Ltd	Services of Fire Protection Systems and Equipment	\$193,815
TGB & SON PTY LTD	Scotland Island Stormwater Remediation Works	\$186,363
Green Options	Northern Beaches Council Turf Cricket Wicket and Outfield Main	\$1,500,000
Watermatic Irrigation	Northern beaches Council Irrigation Maintenance Services	\$500,000
Urban Maintenance Systems Pty Limited	Northern beaches Council Mowing Services	\$5,000,000
Watermatic Irrigation	Irrigation Upgrade for Seaforth Oval	\$170,822

Contractor's Name	Description	Total Value Ex GST(\$)
Phillips Marler	Connecting All Through Play - Design Services for Manly Dam	\$350,642
Lloyd Drilling Constructions Pty Ltd	Palm Beach Walkway	\$1,976,000
SUNSHINE LINEN SERVICES	Provision of Laundry Services to Narrabeen Holiday Park	\$600,000
Semco Equipment Sales	Purchase of Excavators	\$200,000
Warren & Mahoney Architects Australia	Design Consultancy for Mona Vale Surf Life Saving Club Redev	\$375,025
Sudiro Constructions	Narrabeen Beach - Lifeguard Hut	\$205,922
Lloyd Drilling Constructions Pty Ltd	Collaroy Beach Seawall and Promenade Repair	\$219,705
Adriano Pupilli Architects	Design Consultancy Services for Long Reef SLSC Redevelopment	\$464,845
The Parklife Partnership Pty Ltd	Licence for Operation of North Narrabeen Reserve Markets	\$429,000
Polyton Asia Pacific Pty Ltd	Design and Construction of Synthetic Sportsfield at Cromer 2	\$1,252,783
Manly Chamber of Commerce	Licence for Operation of Manly Arts and Craft Market	\$405,000
ELB Pty Ltd	Design, Supply and Installation of an Audio and Visual Syste	\$210,000
Fighting Chance Australia	Digitisation of Development Application Files - Phase 2	\$175,500
TCM Construction Group Pty Ltd	Collaroy Beach Amenities and Footpath	\$787,251
OZPAVE (AUST) PTY LTD	Road Resheeting Program 2017/2018	\$3,790,885
REES Electrical Pty Ltd	Sports Ground Lighting Upgrades	\$868,080
Civica Pty Limited	Supply and Implementation of Library Management System	\$424,750
Retaining Specialists Pty Ltd	Retaining Wall Construction Stage 2, 6-8 The Esplanade, Nar	\$891,656
Mansour Paving (Aust) Pty Ltd	Streetscape Upgrade Pittwater Road Dee Why Stage 1	\$1,200,000
GHD Pty Ltd	51 Winbourne Road Brookvale stormwater remediation	\$150,000

Contractor's Name	Description	Total Value Ex GST(\$)
Ice-Tech Air Pty Ltd	Manly Town Hall Air Conditioning 2017	\$199,500
Revolution Action Sport Concepts Pty Ltd	Terrey Hills Skate Park	\$180,000
Dezign Interiors	Major Works for Harbour View Children's Centre, Seaforth	\$967,000
Kelbon Project Services Pty Ltd	Footpath, Bus Stop Improvements and Associated Works	\$250,000
SAP Australia Pty Ltd	HR Systems - SAP SuccessFactors - Licencing, Hosting and Sup	\$740,555
MEGT (Australia) Ltd	Traineeship Program	\$750,000
Stabilised Pavement of Australia Pty Ltd	Pavement Rehabilitation Oxford Fall Road Oxford Falls	\$173,037
Calibre Professional Services Pty Ltd	Warriewood Valley Signal Design	\$260,750
Athassel Excavations Pty Ltd	Jacksons Road Warriewood Stormwater Culvert Replacement	\$819,335
Camporeale Holdings Pty Ltd	North Harbour Reserve Amenities Nolan Reserve Amenities Bea	\$3,237,887
Sam the Paving Man Pty Ltd	Marine Parade Upgrade	\$491,930
TGB & SON PTY LTD	Scotland Island Road & Drainage 2017-18	\$250,000
MacDonald Johnston Eng Co Pty Ltd	Purchase of a Compact Sweeper	\$182,560
Skidata Australasia Pty Ltd	Manly Car park Upgrade - Skidata	\$704,482
Kelbon Project Services Pty Ltd	Ilford Road Drainage Works	\$1,200,000
TCM Construction Group Pty Ltd	North Narrabeen Reserve Sports Amenities Building	\$827,530
TCM Construction Group Pty Ltd	Major Works for Collaroy Rock Pool Repair Works	\$568,785
Performance Civil & Landscapes	Drainage Improvement Works Kuyora Place North Narrabeen	\$153,300
GML Heritage Pty Ltd	Strategic Plan and Implementation Framework for the Coastal Art Trail	\$157,770
JG Anson Consulting	Performance Conservation Training	\$314,550

Contractor's Name	Description	Total Value Ex GST(\$)
Vivid Installations Pty Ltd	Berry Reserve Inclusive Playground Construction Works	\$268,780
MacDonald Johnston Eng Co Pty Ltd	Purchase of Dozer	\$250,000
Statewide Civil Pty Ltd	Melwood Oval Netball Courts Resurfacing / Construction	\$414,323
Stateline Asphalt Civil Pty Ltd	Abbott Road Car Park Renewal, North Curl Curl	\$250,000
Green Options Pty	Reub Hudson and Denzel Joyce Field Rectification Works	\$286,222
OZPAVE (AUST) PTY LTD	Cromer Community Centre Car Park Renewal, Cromer	\$150,000
Stateline Asphalt Civil Pty Ltd	Road Base Preparation Works	\$150,000
All Grass Sports Surfaces P/L	Cricket Net Upgrades for Kilarney Heights and Weldon Ovals	\$419,945

Clause 217 (1) (a3) Legal proceedings

During period 2017/18 the following expenses were incurred in relation to legal proceedings:

	\$
Proceedings favourably finalised	944,261
Proceedings not favourably finalised	48,181
Proceedings discontinued	47,014
Proceedings not finalised	1,325,313
Total	2,364,769

Proceedings Discontinued

Northern Beaches Council ats Nutek
 Northern Beaches Council ats Stanwell
 Northern Beaches Council ats Redman NSW PL
 Northern Beaches Council ats Stefan
 Northern Beaches Council ats Fairless
 Northern Beaches Council ats Princi
 Northern Beaches Council ats Tolucy Pty Limited
 Northern Beaches Council ats Drylie
 Northern Beaches Council ats Stepa

Proceedings Favourably Finalised

Northern Beaches Council ats DL Newport
Northern Beaches Council ats Gartner Trovato
Northern Beaches Council ats Opera Properties
Northern Beaches Council ats Evolution Planning
Northern Beaches Council ats Avalon Beach Property Trust
Northern Beaches Council ats Woolwich
Northern Beaches Council ats Deane
Northern Beaches Council ats Benneyworth
Northern Beaches Council ats Catalina Island
Northern Beaches Council ats Wallace
Northern Beaches Council ats Tsivis
Northern Beaches Council ats YCW Family Trust
Northern Beaches Council ats MNT Investments
Northern Beaches Council ats Hatch & Larcombe
Northern Beaches Council ats Modog
Northern Beaches Council ats Vigor Master - Willandra Road
Northern Beaches Council ats Lotus Project Management
Northern Beaches Council ats Whittaker & Wilton
Northern Beaches Council ats Trend Living Pty Ltd
Northern Beaches Council ats BP Australia
Northern Beaches Council ats ALH Group
Northern Beaches Council ats Vigor Master 8 Lady Penrhyn
Northern Beaches Council ats Dargaville
Northern Beaches Council ats Olivera
Northern Beaches Council ats Maggs
Northern Beaches Council ats Dukor 24 Pty Ltd
Northern Beaches Council ats Made Property Group
Northern Beaches Council ats Tompkins MDA
Northern Beaches Council ats Hatch & Larcombe
Northern Beaches Council ats Boston Blythe Fleming
Northern Beaches Council ats Lockley
Northern Beaches Council ats Benson McCormack

Proceedings Favourably Finalised cont.

Northern Beaches Council ats Burmeister
Northern Beaches Council ats Oberman
Northern Beaches Council ats Salama & Hopkins
Northern Beaches Council ats Selllar
Northern Beaches Council ats Vassella
Northern Beaches Council ats Rostamians
Northern Beaches Council ats Built by Meric
Northern Beaches Council ats Bramley
Northern Beaches Council ats Gleeson
Northern Beaches Council ats McGurgan

Proceedings Not Favourably Finalised

Northern Beaches Council ats Lenton
Northern Beaches Council ats S D Company
Northern Beaches Council ats Opera Properties

Proceedings Not Finalised

Northern Beaches Council ats The Owners of Strata Plan 92976
Northern Beaches Council ats Feros Hotel Group
Northern Beaches Council ats Henroth Investments
Northern Beaches Council v Minister for Education
Northern Beaches Council ats Hussar Pty Ltd
Northern Beaches Council ats Japara Health Care Limited
Northern Beaches Council ats Built
Northern Beaches Council ats Brewster Murray Pty Limited
Northern Beaches Council ats Prinicipal Healthcare Finance Pty Ltd
Northern Beaches Council ats ACN 603 361 940 Pty Limited
Northern Beaches Council ats Taouk
Northern Beaches Council ats Evans
Northern Beaches Council ats Metropolitan Aboriginal Land Council
Northern Beaches Council ats Stepping Stone Pty Limited
Northern Beaches Council ats New South Wales Local Government, Clerical,
Administrative, Energy, Airlines and Utilities Union

Proceedings Not Finalised cont.

Northern Beaches Council ats Opera Properties
 Northern Beaches Council ats Nizeti-Panebianco
 Northern Beaches Council Backhouse ats Stefan
 Northern Beaches Council ats Vigor Master Lot 2506 Bundaleer
 Northern Beaches Council ats Ikus Pty Limited
 Northern Beaches Council ats Vujicic
 Northern Beaches Council ats ACN 603 347 824 Pty Ltd
 Northern Beaches Council v Ganellan
 Northern Beaches Council v Vigor Master
 Northern Beaches Council ats 2DPD Pty Limited
 Northern Beaches Council ats Whittaker
 Northern Beaches Council ats Sekulic
 Northern Beaches Council ats Mark Midlane

Clause 217 (1) (a4) Work on private land

No resolutions were made during the period 2017/18 under section 67 of the Act concerning work carried out by the Council on private land.

Clause 217 (1) (a5) Grants

The total amount contributed or otherwise granted by the Council in the period 2017/18 under section 356 of the Act is as follows:

Stronger Communities Fund - Round 2	Approved Grant Amount \$
Autism Spectrum Australia ASPECT	5,107
Avalon Beach Historical Society Incorporated	5,150
Change Creators Inc	10,000
Curl Curl Community Garden	11,000
Disabled Surfers Association of Australia (Sydney Branch)	17,997
Fighting Chance Australia	50,000
Lifeline Northern Beaches	20,531
Manly Warringah Women's Resource Centre	5,000
Manly Women's Shelter	10,360
Mona Vale Golf Club Limited	25,107

Stronger Communities Fund - Round 2	Approved Grant Amount \$
Northern Beaches Indoor Sports Centre	6,800
NSW Justices Association Incorporated	4,782
NSW State Emergency Service -Warringah Pittwater Unit	27,677
Peninsula Community Gardens Inc.	10,527
Permaculture Northern Beaches	12,400
Pioneer Clubhouse	14,568
Rainbow Club	5,000
Rotary club of Dee Why Warringah Inc.	5,000
Special Olympics Australia (Sydney Northern Beaches Region)	7,273
Sydney Metropolitan Wildlife Services Inc.	5,630
The Burdekin Association	48,050
The Cottage Counselling Centre	5,000
The Link Church Incorporated	8,700
Tibetan Friendship Group Australia Incorporated	5,285
Wheelchair Rugby league Australia Inc.	50,000
Total	376,943
Community Development Grants	\$
Avalon Beach Surf Life Saving Club	8,135
Avalon Beach Surf Life Saving Club	2,000
Avalon Community Library	65,000
Balgowlah Seaforth Community Library	22,000
Bayview Tennis Club	1,540
Bilgola Surf Life Saving Club	8,135
Bungan Beach Surf Life Saving Club	8,135
Collaroy Surf Life Saving Club	6,595
Community Northern Beaches Inc.	90,349
Dee Why Surf Life Saving Club	6,595
Elanora Park Tennis Club	423
Freshwater Surf Life Saving Club	6,595
Laura Davies	1,540

Community Development Grants	\$
Long Reef Surf Life Saving Club	6,595
Manly Community Centre	5,000
Manly District Band	2,000
Manly Surf Life Saving Club	28,486
Mona Vale Surf Life Saving Club	8,135
Narrabeen Beach Surf Life Saving Club	6,595
Newport Surf Life Saving Club	8,135
North Curl Curl Surf Life Saving Club	6,595
North Narrabeen Surf Life Saving Club	6,595
North Palm Beach Surf Life Saving Club	8,135
North Steyne Surf Life Saving Club	28,486
Northern Beaches Business Education Network	5,000
Northern Beaches Creative Leisure and Learning	3,000
Northern Beaches Women's Shelter Inc	61,102
Palm Beach Surf Life Saving Club	8,135
Parkrun Inc	1,000
Queenscliff Surf Life Saving Club	28,486
Rob Berry & Associates on behalf of Pittwater Surf Lifesaving Clubs	5,000
South Curl Curl Surf Life Saving Club	6,595
South Narrabeen Surf Life Saving Club	6,595
Surf Life Saving Sydney Northern Beaches Branch	24,656
Terrey Hills Community Library	23,000
The Booklovers' Club Northern Beaches Inc	1,300
The Federation of Music Clubs of Australia	1,000
The Kilns Strata Committee	3,000
The Trustee for Raise Foundation	5,000
Warriewood Beach Surf Life Saving Club	8,135
Whale Beach Surf Life Saving Club	8,135
Total	540,938

Sporting Groups Capital Assistance Grants	\$
Wakehurst Golf Club	40,000
Manly Warringah Football Association	7,500
Total	47,500
Total Community Development and Capital Grants	965,381

Clause 217 (1) (a6) External bodies

Northern Beaches Independent Assessment Panel (NBIAP) was established by Council on 27 June 2017. The NBIAP reviews Development Applications where the estimated cost is greater than \$2 million and where there are three or more unresolved objections.

Clause 217(1) (a7) Council Controlled Companies

Council holds a controlling interest in Kimbriki Environmental Enterprises Pty Ltd (KEE) as the major shareholder (96.16% of shares), with the remaining shares held by Mosman Council.

KEE operates a recycling and waste disposal centre at Kimbriki Road, Terrey Hills - the Kimbriki Resource Recovery Centre. KEE commenced operation on 1 July 2009 following the necessary authorisations pursuant to sections 358 and 625 of the Local Government Act.

Clause 217(1) (a8) Partnerships, Cooperatives and Joint Ventures

Council participated in the following corporations, partnerships, trusts, joint ventures, syndicates or other bodies:

Shore Regional Organisation of Councils (SHOROC)

Council is a member of SHOROC along with Mosman Council. The SHOROC group develops and delivers regional strategies and initiatives of benefit to the member councils. Council resolved to withdraw membership of the Shore Regional Organisation of Councils in November 2017.

Shorelink Co-operative Library Network

Council remained a member of the Shorelink Co-operative Library Network until 30 June 2018. The network comprises the Councils of Lane Cove, Mosman, North Sydney and Willoughby. Shorelink provides library computer services and community information services to the Libraries.

Northern Beaches Indoor Sports Centre

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

Aboriginal Heritage Office

Council supports this Office and works towards the conservation of over 1,000 indigenous cultural sites across Northern Sydney. It plays an important role in education and awareness of the area's significant Aboriginal cultural heritage.

Environmental management

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

- Sydney Coastal Councils Group (member)
- Grant projects funded by Local Land Services
- Northern Beaches Local Emergency Management Committee (member)
- Northern Beaches Bush Fire Management Committee (member)
- Narrabeen Lagoon State Park Advisory Committee (member)
- Manly Warringah War Memorial State Park Advisory Committee (member) - Manly Dam

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

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

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

Council fully embraces the principles of Equal Employment Opportunity (EEO) and is committed to building a diverse and inclusive workplace where the skill perspectives and experiences of our people are valued and respected. In developing our EEO Plan 2017 to 2019 we incorporated a number of existing initiatives and also developed a People Plan 2017-2020 which aims to enable our business through our people. Our main goals aim to build a culture of high performance and engagement and increase our leadership and workforce capability.

Through our Policy Harmonisation Project we have introduced new policies on Diversity and Inclusion, Grievance Resolution, Prevention of Discrimination, Bullying and Harassment and Working from Home. Our other key achievements in this reporting year include the delivery of

- Culture, Values and Behaviours Program
- Design of a Remuneration Framework
- Design of a Performance Management System and Approach
- Development of a Workforce Plan.
- Training Program

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

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

	\$
Salary	457,554.91
Termination payments	613,005.62
Council's contribution to superannuation	34,723.89
Other payments	-
Non cash benefits	27,156.25
Fringe benefits tax paid	14,080.90
Total package	1,146,521.57

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

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

	\$
Salary	1,077,494.90
Termination payments	-
Council's contribution to superannuation	84,816.13
Other payments	3,000.00
Non cash benefits	75,901.25
Fringe benefits tax paid	20,687.16
Total package	1,261,899.45

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

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

During the period 2017/18 this charge was levied on applicable lands in the former Pittwater and Manly Council LGAs. These lands include rateable urban land that is categorised as residential or business (excluding vacant land).

Detailed below is the income and expenditure of the Stormwater Management Service Charge for the period 2017/18, which was spent in the respective former LGAs:

Former Manly LGA

	\$
Income	346,862
Expenditure	347,154

Former Pittwater LGA

	\$
Income	530,178
Expenditure	645,593

The funds were used of the following activities:

- CCTV investigations into the piped stormwater system and undertake repairs
- Lining of poor condition stormwater pipes
- Stormwater drainage improvement, including pipe replacements and pit upgrades
- Designs for stormwater quality improvement devices
- Design and development of flood mitigation works for severely affected areas
- Stormwater pit repair, replacement and upgrades to help reduce flooding issues

Clause 217 (1) (e1) Annual Charge for Coastal Protection Services

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

Companion Animals Act 1998

Companion Animal Guidelines - chapter 16

The Council has a role in enforcing, and ensuring compliance with, the provisions of the Companion Animals Act 1998 and Regulation. Council investigates complaints in relation to noise nuisance by a dog or cat within a residential property, dogs roaming outside of property, and dogs un-leashed whilst in public open space or reserve. The walking of dogs and roaming cats are prohibited in designated areas especially beaches, playgrounds and Wildlife Protection Areas. Council also investigates complaints regarding the aggressive behaviour of companion animals towards a person or another animal.

An audit during the year found that over 2,000 dogs were not registered in the area. Correspondence with the first 500 owners has shown that many people are not aware they are required to:

- Register their pet
- Notify Council if their pets die, are sold or given away
- Notify council when they move

Most have shown a positive response to registering their pet.

16.2 (a) Impounded animals

Council's responsibility with impounded animals is to reunite the animal with the owner. If this is not possible, the animal will be rehomed. Council has commercial arrangements with local veterinary practices to act as our pound, and reports on the numbers of impounded animals are provided to the Office of Local Government annually. This year Council seized 33 cats and 64 dogs, with most being returned to their owners and some re-homed.

16.2 (b) Reporting dog attacks to the Department

Council is required to report attacks to the Office of Local Government, via the Companion Animals register, within 72 hours of being notified of an attack. Last financial year 81 incidents were reported within the Council area.

16.2 (c) Expenditure on companion animal management and activities

Some \$242,142 was spent on the management of companion animals and related activities last year.

The funds were expended as follows:

	\$
Pound Fees	241,846
Events	296
Total	242,142

Note: Excluding salary costs

16.2 (d) Community education programs

Council held a Canine Connect day in April 2018 which was well attended by the public. This event delivered educational information and awareness across a wide range of issues, including tick awareness, de-sexing, and animal behaviour and welfare. Council staff assisted with advice on responsible pet ownership issues including registration and change of address. Council Reserves staff answered questions and received community feedback on off leash areas and provisions for improved services. Rangers attended to provide compliance information and a number of free leashes were provided to dog owners to improve awareness of responsible pet ownership.

Council is planning further educational events in the period 2018/19.

16.2 (d) Strategies to promote and assist in de-sexing

Council promotes the de-sexing of dogs and cats through its educational activities including the promotion of de-sexing in publications. A number of animals that have been rehomed have been de-sexed at Council's cost.

16.2 (e) Strategies to seek alternatives to euthanasia for unclaimed animals

Council has arrangements with the Animal Welfare League, Cat Protection Society and RSPCA to take unclaimed dogs and cats that are suitable for rehoming (i.e. not dangerous). Euthanasia is limited to where a veterinarian recommends such action on medical grounds or legislation prevents rehoming (e.g. dangerous dogs).

16.2 (f) Off-Leash areas provided in the Council Area

Council has 28 off-leash dog exercise areas including areas with water access. Council's aim is to provide accessible options for people to take their dogs for a walk and let them off the leash safely, while also protecting the natural environment and considering the needs of the wider community. Council will continue to review these area as required.

Environmental Planning and Assessment Act 1979

Section 7.5 (5) Voluntary Planning Agreement

Council has entered into several planning agreements. Details are provided on the effect of, and compliance with, the following planning agreements that were in force during 2017/18:

Status 'executed' refers to planning agreements that remained in force at some time during 2017/18.

Status 'finalised' is for agreements where the obligation(s) ended at some time during the year.

Application No.	Description of works	Other party to VPA	Primary street address	Date executed	Status
DA 2007/1249	Provision of Town Square Works; pedestrian connection and works; dedication of land in stratum for road widening on Pittwater Road (bus setback area).	Karimbla Properties (No. 41) Pty Ltd (Developer) and Meriton Properties Pty Ltd (Guarantor)	884-896 Pittwater Road, Dee Why	12/12/2008	Executed. Monetary contribution for civic improvements is consistent with Council's Capital Works Program and the construction of Church Lane bordering St Kevin's Church
Various	Provision of public walkways through the estate, bush regeneration works and work and support for protection of the endangered species - being the Long Nosed Bandicoot.	Lend Lease	St Patrick's Estate at Darley Road, North Head	December 2006	Executed
Various	The planning agreement contained development controls and site plans, to give Council a high degree of certainty about the location and scale of key building elements on the site.	Peninsular 1 Pty Ltd	184 Wyndora Avenue, Freshwater	9/5/2016	Finalised

Status 'executed' refers to planning agreements that remained in force at some time during 2017/18.

Status 'finalised' is for agreements where the obligation(s) ended at some time during the year.

Government Information (Public Access) Act 2009

Act Part 7 Section 125 (1) and Regulation 2018 Clause 8

This report is the Council's Government Information (Public Access) Act (GIPA) Annual Report for the period 2017/18. It includes qualitative information on the Council's proactive disclosure program, and statistical information on formal access applications.

Review of proactive release program

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

Number of access applications received

During the reporting period, Council received a total of 56 formal access applications (including withdrawn applications but not invalid applications).

Number of refused applications for Schedule 1 information

During the reporting period, Council refused to deal with two formal access applications in whole or in part because the information requested was information referred to in Schedule 1 to the GIPA.

Statistical information about GIPA access applications is outlined in the tables below:

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	7	3	0	3	0	0	0	0
Members of the public (other)	14	21	6	4	0	1	0	1

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

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	19	24	5	6	0	0	0	1
Access applications that are partly personal information applications and partly other	2	0	1	1	0	1	0	0

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

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

**Table D: Conclusive presumption of overriding public interest against disclosure:
matters listed in Schedule 1 of the Act**

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	5
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

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

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

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number applications
Decided within the statutory timeframe (20 days plus any extensions)	56
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	56

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

	Decision varied	Decision upheld	Total
Internal review	0	2	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0
Total	0	2	0

* The Information Commissioner does not have the authority to vary decisions, but can make recommendation to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

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

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

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

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Privacy and Personal Information Protection Act 1998

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

There were no Privacy review applications received by Council during the period 2017/18.

Public Interest Disclosures Act 1994

Act Section 31 and Regulation 2011 Clause 4 - Reports by Public Authorities

Report for NSW Ombudsman for the period 2017/18, from Council's Office of Integrity and Complaints Resolution (OICR):

No. of public officials who made public interest disclosures to your public authority.	0
No. of public interest disclosure received by your public authority.	0
No. disclosures on Corrupt Conduct	0
No. disclosures on Maladministration	0
No. disclosures on Serious and Substantial waste	0
No. disclosures on Government information contravention	0
No. disclosures on pecuniary interest contravention	0
No of public interest disclosures that have been finalised in this reporting period	0
Have you established an internal reporting policy?	Yes
Has the head of your public authority taken action to meet their staff awareness obligations	Yes
Staff undertaking that they have read and understood your organisation's internal reporting policy. Training provided by your organisation	This process is ongoing as part of the internal OICR business strategy.

Capital Expenditure Guidelines 2010

- Division of Local Government Department of Premier and Cabinet

Section 12

The following major projects underwent a formal comprehensive capital expenditure review prior to their commencement, as required by the guidelines:

- McPherson St Bridge, Warriewood
- Infrastructure at Church Point

Best practice was used in the planning and management of all capital projects, each of which is listed in the Achievements section of this Annual Report.

Fisheries Management Act 1994

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

No recovery and threat abatement plans have been developed by Council in the reporting period.

Swimming Pools Act 1992

Section 22F (2) Swimming Pool Inspections

A total number of 689 inspections were undertaken of swimming pool barrier fences for the reporting period. Of this, there were:

- No inspections required of tourist and visitor accommodation, due every 3 years
- No inspections required of premises with more than 2 dwellings, due every 3 years
- 162 inspections resulted in issuance of a certificate of compliance
- 56 inspections resulted in issuance of a certificate of non-compliance
- Other inspections resulted in a Penalty Notice, Exemption, or Notice of Proposed Direction. Some are awaiting issue of a building certificate or occupation certificate.

Carer (Recognition) Act 2010

Section 8 (3) Report on Compliance

Educational Services:

Council held a series of Expos to inform the community, businesses and local services about the National Disability Inclusion Service.

Consultation and liaison with Carers:

During 2016/17 Council developed a Disability Inclusion Action Plan (DIAP) in line with the requirements of the NSW Disability Inclusion Act 2014. The actions in the DIAP have been designed following extensive consultation with internal and external stakeholders.

Council operates a range of programs and projects supporting disability awareness, including a regular Disability Newsletter, International Day of People with Disability and Mental Health Awareness Week. Council coordinates a calendars of events for National Carers Week, funding a premier event and working with other key local services for the program. Council also ran several successful Expos including two expos on the NDIS and a Wellbeing Expo for Seniors Festival in March 2018 with activities and stalls for carers of frail and dementing seniors. Council also coordinated four sessions on the My Aged Care Gateway process.

Council also produced a comprehensive directory for seniors and carers on the Northern Beaches, identifying local services, activities and facilities, which is also available on the website.

Staff who are carers

Council has recently embarked on a program of harmonisation of its human resources policies.

Council has developed a Culture, Values and Behaviours Program, as well as a Diversity and Inclusion Policy to ensure that our employees are valued and respected for their diverse backgrounds, experiences and perspectives.

Council introduced a Working from Home policy to enable employees flexibility to balance their work and personal responsibilities. There are also a number of flexible working options available to employees, including employees with carer responsibilities. These include part-time work, job sharing, working from home and flexible working hours.



Disability Inclusion Act 2014

S13 (1) Report on Implementation

Disability Inclusion Action Plan - Progress Report 2017/18

This section reports on Council's first year of implementing its Disability Inclusion Action Plan, and will be provided to the Minister for Disability Services and the NSW Disability Council. The Action Plan is reviewed and updated every four years. During 2017/18 Council undertook 39 actions.

The Plan can be found at northernbeaches.nsw.gov.au

Focus Area 1: Support and develop positive community attitudes and behaviours

Action	Highlighted Progress
FA1-01 Council will develop and support disability education and awareness initiatives	A range of community programs and projects support disability awareness, including a regular newsletter, International Day of People with Disability, Mental Health Awareness Week, and National Carers Week events. Several Expos were also run, focussing on the new National Disability Insurance Scheme (NDIS). The Library service also continues to work in partnership with organisations such as 'Ability Links' and 'One Door' to build awareness and programs for participation by people of all abilities. Council events and initiatives for people with disability are promoted across print and digital media
FA1-03 External education and training programs	Council designed and facilitated inclusion education and training programs, including: <ul style="list-style-type: none"> • A series of Expos for the community, businesses and local services about the NDIS. • Library Service employed two part-time staff from 'One Door', to re-train and coach them into meaningful future work opportunities. We also we supported and promoted the work of artists from Unisson Disability, Arranoubai School, The Beach School and Artability. • Toolkit and education program being developed to ensure all events are accessible and inclusive.
FA1-04 Inclusive events and activities	Selecting accessible venues is a priority in planning our events and community engagement. Disability access and online access is also provided for all formal Council meetings, to enable full participation in meetings by the public and Councillors. Our major events and activities have accessible venues and bathrooms. Council also promotes alternative transport options, with locations on or near public transport for those without a car. Highlighted events this year at fully accessible venues included: <ul style="list-style-type: none"> • DiscoBility (for under 18's) and Club All In (over 18's) held four times each year • Community engagement to develop the Community Strategic Plan and Delivery Program. • Library Service programs and events. • Sustainability events: film screenings at the Dee Why PCYC; the Whale talk at Manly Spirits Brookvale; Science and Summerama talks at Manly Library; storytime sessions at 3 libraries; and the Cool and Comfy Homes workshop at a community centre.
FA1-08 Report on Council initiatives	This progress report is included in Council's annual report and will be available on the website

Focus Area 1: Support and develop positive community attitudes and behaviours

Action	Highlighted Progress
FA1-09 Diverse imagery and representation	Council uses positive images of people with disability in its media and publications, to ensure diversity and inclusivity are represented. By using fonts that are bold or are a larger size on signage and in publications, Council's messages are more visually accessible.

Focus Area 2: Support the creation of liveable communities

Action	Highlighted Progress
FA2-04 Inclusive, accessible and universal design of Council projects	Inclusive, accessible and universal design principles are included in all new and renewal infrastructure projects. Compliance with AS 1428 is at the core of their design. The planning processes for our projects refer to sound stakeholder analysis and particular provision for DIAP actions in our capital projects. Other aspects include signage with braille to be more visually accessible.
FA2-05 Accessible coastal walkway	Council commenced consultation and construction on sections of this coastal walkway under our Connected Communities Program. The works are linking up with existing walkways to create a continuous 36km walkway from Palm Beach to Manly. For progress see the map and updates at yoursay.northernbeaches.nsw.gov.au/ConnectingNorthernBeaches
FA2-06 Implementation of the recreational trails renewal program	Recreational trail renewals are aimed at improving pathway connections and improve accessibility. Works completed at the Dee Why Headland walkway have made it accessible for users of all abilities. Design work has also commence for walkways at Harbord Headland and Narrabeen Lagoon.
FA2-09 Narrabeen Lagoon Trail Aquatic Boardwalk	Design work and community engagement were completed for this section of walkway which will improve access to the northern shore of the lagoon. The existing 8.4km trail is accessible and circumnavigates the lagoon, one of Sydney's premier multi-use trails.
FA2-10 Program of upgrades to footpaths, kerb ramps and bus stops	Works on our footpaths and kerb ramps are made accessible where possible. Kerb ramps are also installed at all crossing areas on renewed footpaths. The design of all town centre upgrades, pathways and shared paths consider providing accessible routes where the topography allows. The accessibility highlights this year are new works and upgrades at: <ul style="list-style-type: none"> • Constructed the 500m Blackbutts Road shared path, Frenchs Forest • Constructed the 600m Fitzpatrick Avenue East shared path, Frenchs Forest • Renewed 7 priority bus stops to meet Disability Standards for Accessible Public Transport (DSAPT) • Tactile indicators installed at all bus stop upgrades • Visual cues provided at all accessible ramps on footpaths • Currently constructing pathway on Beach Road between Collaroy Surf Club and the Sargood Centre to link with accessible change rooms / bathrooms and rock pool

Focus Area 2: Support the creation of liveable communities

Action	Highlighted Progress
FA2-11 Develop and implement Pedestrian Access and Mobility Plans (PAMP)	The review of PAMPs has commenced with an assessment for accessible parking. This information will assist in the preparation of a Parking Plan to be developed during 2018/19.
FA2-14 Develop and implement an Affordable Housing Policy and action plan	<p>Council's policy and action plan were approved in June 2017. Actions implemented during the year enhance our town planning instruments to cater for affordable housing:</p> <ul style="list-style-type: none"> • Addition of the Northern Beaches to the related State Environmental Planning Policy (no. 70); • Preparation of affordable housing contribution schemes in our Structure Plans for Frenchs Forest and Brookvale • Working with the Government on a local housing strategy and affordable rental housing targets. <p>Council also sought expressions of interest from Community Housing Providers to operate in the Northern Beaches area.</p>
FA2-16 & FA2-17 Maintain improve access to Council's aquatic centres, rock pools and beaches	<p>A Rockpool Wheelchair was purchased to provide accessibility to Collaroy Rockpool. A beach FreeWheeler was replaced at Manly Beach. Others are available at Collaroy, Newport and Bilgola beaches.</p> <p>A new mobile disability change table was installed at Manly Andrew Boy Charlton Aquatic Centre.</p>
FA2-18 Implementation of the Rock Pool Renewal Program	The program focuses on improving the safety, access and useability of Council's rock pools, for people of all abilities. Upgrades to Collaroy rock pool progressed. Opportunities to improve access to the Freshwater rock pool are continuing through the Freshwater Masterplan.
FA2-19 Process to book use of the beach FreeWheeler	A process for booking the FreeWheelers at four beaches was implemented and available on the website, including an application form plus email and telephone contacts. This is available for beaches at Manly, Collaroy, Newport and Bilgola.
FA2-23 Implementation of the playground renewal program	Through our Connecting All Through Play program, more playgrounds were upgraded for accessibility. Now 28% of Council's playgrounds are accessible, an increase of 9% from last year. A pilot project was also completed on accessibility for five local playgrounds in Belrose, focusing on sensory play.
FA2-29 Integrated accessible amenities & FA2-38 Public amenities works program	Accessible amenities are being integrated into all new and improved Council buildings and facilities. Works this year included amenities at Marine Parade coast walk in Manly; Harbourview Childcare Centre; Collaroy Rock Pool; Manly Soldiers Building and Cromer Park sports building. At Narrabeen they included Warriewood Rugby Park, Tramshed Community Centre and Berry Reserve amenities. The new PCYC building in Dee Why is also fully accessible with lifts, ramps, tactile indicators and braille signage.

Focus Area 2: Support the creation of liveable communities

Action	Highlighted Progress
FA2-41 Council's library programs, resources and services are inclusive and accessible	Our libraries provide a range of accessible and inclusive programs such as home library services and children's programs, as well as appropriate resources and catalogue formats. This year over 400 items were added to our inclusive collection, such as large print, dyslexic-friendly font, audio and braille books and low vocabulary materials. Non-fiction items purchased cover subjects such as hearing impairment, developmental issues, Autism, Asperger's, ADHD, anxiety/ depression and sexual health.
FA2-42 Council's child care services are inclusive and accessible	Council's Children's Services are inclusive and accessible for children with high needs. This includes long day care, pre-school, vacation and family day care services and centres. Additional funding enabled 67 high needs children to receive education and care, with the additional staffing required. Brookvale Children's Centre updated its playground with an inclusive space providing for sensory, physical and exploration experiences.
FA2-43 Maintain and review as necessary the Children's Services policies relating to access and inclusion	Our Children's Services have an Inclusion Policy which is being reviewed in 2018.
FA2-44 Council's community focused programs are inclusive and accessible	Council's community-focused programs for youth, seniors and family are inclusive and accessible. Details are provided under Action FA1-04.
FA2-45 Provide disability liaison staff	Council continues to employ a Disability Information Officer to liaise with the community and provide up-to-date information. Council libraries also provide a Disability Liaison service.
FA2-46 Produce and distribute a disability newsletter	Council continues to produce and distribute a disability newsletter on a regular basis, every 3 weeks to 1,400 recipients. Work is progressing on a Disability Information Hub to complement the newsletter.
FA2-48 Accessible and inclusive Council meetings	Disability access and online access is also provided for all formal Council meetings, to enable full participation in meetings by the public and Councillors. Meetings are held in the Dee Why Council Chambers, with disability access for parking, the gallery, speaker's microphone and amenities. The meetings are webcast live and can also be viewed later. Minutes of the meetings are available online within several business days.
FA2-49 Establishment of an expert Access Panel	Council is developing terms of reference for an expert Access Panel to support future planning and decision making.
FA2-50 Ongoing community engagement throughout the implementation of the DIAP	A project page on Council's website under Disability Information and Publications provides the community with updates on DIAP implementation, opportunity for further engagement and regular emails. A draft Inclusive Participation guideline has been drafted and will undergo community engagement.

Focus Area 2: Support the creation of liveable communities

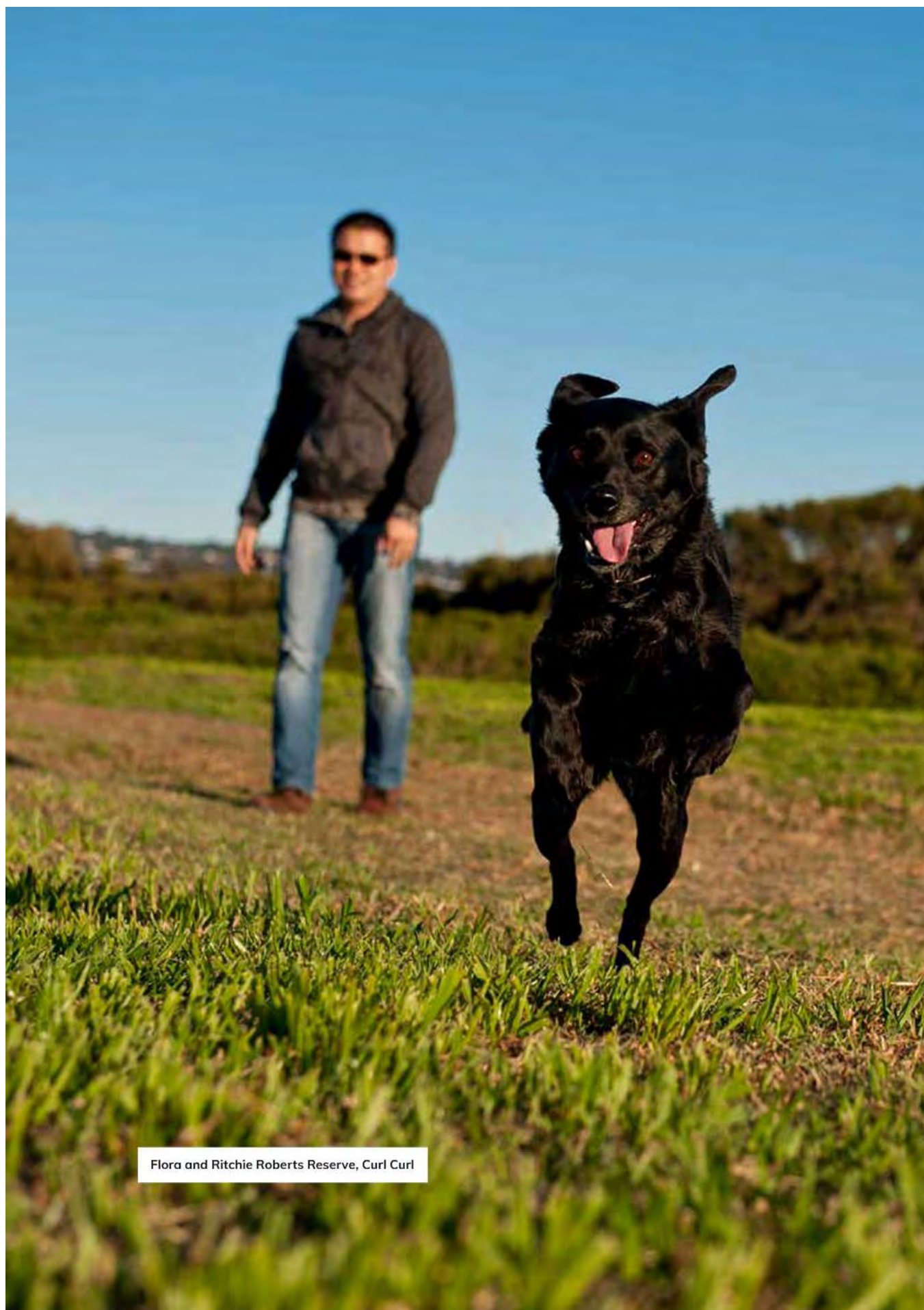
Action	Highlighted Progress
FA2-51 Inclusion participation guidelines in Community Engagement Framework	A draft guideline was prepared, which will undergo community engagement next year.
FA2-52 Online disability inclusion and access information hub	As an interim measure, Council's webpage was updated: northernbeaches.nsw.gov.au/services/disability-services For the information hub, the software needs have been identified for its development next year.
FA2-53 Advocacy and partnership	<p>Council continues to liaise with all levels of government to build good outcomes for our community. Key liaison includes the Northern Sydney Disability Network, National Disability Insurance Agency (NDIA), Family and Community Services (FaCS) and Local Government NSW. Highlights of the year include:</p> <ul style="list-style-type: none"> • Coordinated several NDIS Expo events in partnership with key services in the region. • Worked with Transport for NSW for accessible infrastructure at all B-Line bus stops. • Library Service partnership with 'Ability Links' and 'One Door' to build awareness and develop programs to enable participation by people of all abilities. • Our Children's Services work in partnership with and Inclusion Development Fund Manager (KU), to address any barriers to inclusion of high needs children. Our Family Day Care has a Service Inclusion Plan developed through the Federal Inclusion Support Program <p>Our Children's Services advocate for high needs children, to support the family unit and consult with various organisations:</p> <ul style="list-style-type: none"> • Cerebral Palsy Alliance • Catholic Care • Ability Links • Northern Beaches Interchange • Sony School Holiday Program • Australian Unity • Hire Up • Home Care Heroes • Community Health • Care About • St Lucy's Wahroonga

Focus Area 3: Support access to meaningful employment

Action	Highlighted Progress
FA3-01 Advertise Council job opportunities within relevant networks	Our Equal Opportunity Employment Policy ensures the equitable employment of staff with disability.
FA3-02 Continue to offer equitable employment and volunteering opportunities across Council	Our Library Service welcomes volunteers of all abilities, and provides suitable measures and supervision to ensure their health and safety. There are currently three regular volunteers with disabilities, and Council provides for more through our relationship with Northside Enterprises Inc. and Cromer High School.
FA3-03 Establish best practice inclusion and access practices in Council workplaces	Council focusses on building a high performance, diverse and inclusive workforce through its Culture, Values and Behaviours Program. Flexible working options are available to staff e.g. part-time work, job sharing, working from home and flexible working hours. Specific policies developed during the year will aid staff that are disabled or are carers: the Diversity and Inclusion Operational Policy and the Working from Home Policy.
FA3-06 Manage growth and change in strategic and district centres and, as relevant, local centres	Access and inclusion is considered when managing growth and change in employment and urban services land. This includes transport access to and between centres, and affordable housing through Council's LEPs, development plans and related policies. Council also considers this in developing Place Plans - work has commenced in the Avalon Place Plan which will encompass inclusive and accessible objectives.

Focus Area 4: Improving access to council services through better systems and processes

Action	Highlighted Progress
FA4-01 Research the user experience of systems and processes	Preliminary research was undertaken for the development of our Customer Experience Strategy, which was adopted in July 2017. This includes actions on responsiveness, to provide a range of inclusive and accessible communication channels including face to face, telephone, digital and print.
FA4-05 Digital Transformation Strategy	The Digital Transformation Strategy was adopted in July 2017. Various other supporting implementation plans are being developed, which will also provide for inclusion actions on our core systems, culture and collaboration, customer experience and partnerships.
FA4-06 Ensure Council's website complies with Web Content Accessibility Guidelines	An audit was completed in October 2017 and found that the website's Accessibility Compliance score increased from 78% to 88%. These results indicate that the website is accessible or near-accessible, and highlighted some minor issues which are being addressed.
FA4-08 Accessibility and inclusion in project planning	Using sound stakeholder analysis, Council considers accessibility and inclusion in early stage project planning. For our capital projects the templates for business cases and project briefs also refer to the DIAP.



Flora and Ritchie Roberts Reserve, Curl Curl

General Purpose and Special Purpose Financial Reports

1 July 2017 to 30 June 2018

**To be added follow Council
Meeting on 26/11/18**



Office of
Local Government

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MODEL CODE OF CONDUCT FOR LOCAL COUNCILS IN NSW

November 2015

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PART 1

INTRODUCTION

This Model Code of Conduct for Local Councils in NSW ("the Model Code of Conduct") is made for the purposes of section 440 of the *Local Government Act 1993* ("the Act"). Section 440 of the Act requires every council to adopt a code of conduct that incorporates the provisions of the Model Code. For the purposes of section 440 of the Act, the Model Code of Conduct comprises all parts of this document.

Councillors, administrators, members of staff of council, independent conduct reviewers, members of council committees including a conduct review committee and delegates of the council must comply with the applicable provisions of council's code of conduct in carrying out their functions as council officials. It is the personal responsibility of council officials to comply with the standards in the code and regularly review their personal circumstances with this in mind.

Failure by a councillor to comply with the standards of conduct prescribed under this code constitutes misconduct for the purposes of the Act. The Act provides for a range of penalties that may be imposed on councillors for misconduct, including suspension or disqualification from civic office. A councillor who has been suspended on three or more occasions for misconduct is automatically disqualified from holding civic office for five years.

Failure by a member of staff to comply with council's code of conduct may give rise to disciplinary action.

PART 2

PURPOSE OF THE CODE OF CONDUCT

The Model Code of Conduct sets the minimum requirements of conduct for council officials in carrying out their functions. The Model Code is prescribed by regulation.

The Model Code of Conduct has been developed to assist council officials to:

- understand the standards of conduct that are expected of them
- enable them to fulfil their statutory duty to act honestly and exercise a reasonable degree of care and diligence (section 439)
- act in a way that enhances public confidence in the integrity of local government.

PART 3

GENERAL CONDUCT OBLIGATIONS

General conduct

- 3.1** You must not conduct yourself in carrying out your functions in a manner that is likely to bring the council or holders of civic office into disrepute. Specifically, you must not act in a way that:
- a) contravenes the Act, associated regulations, council's relevant administrative requirements and policies
 - b) is detrimental to the pursuit of the charter of a council
 - c) is improper or unethical
 - d) is an abuse of power or otherwise amounts to misconduct
 - e) causes, comprises or involves intimidation, harassment or verbal abuse
 - f) causes, comprises or involves discrimination, disadvantage or adverse treatment in relation to employment
 - g) causes, comprises or involves prejudice in the provision of a service to the community. (*Schedule 6A*)
- 3.2** You must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out your functions under the Act or any other Act. (*section 439*)
- 3.3** You must treat others with respect at all times.

Fairness and equity

- 3.4** You must consider issues consistently, promptly and fairly. You must deal with matters in accordance with established procedures, in a non-discriminatory manner.
- 3.5** You must take all relevant facts known to you, or that you should be reasonably aware of, into consideration and have regard to the particular merits of each case. You must not take irrelevant matters or circumstances into consideration when making decisions.

Harassment and discrimination

- 3.6** You must not harass, discriminate against, or support others who harass and discriminate against colleagues or members of the public. This includes, but is not limited to harassment and discrimination on the grounds of sex, pregnancy, age, race, responsibilities as a carer, marital status, disability, homosexuality, transgender grounds or if a person has an infectious disease.

Development decisions

- 3.7** You must ensure that development decisions are properly made and that parties involved in the development process are dealt with fairly. You must avoid any occasion for suspicion of improper conduct in the development assessment process.
- 3.8** In determining development applications, you must ensure that no action, statement or communication between yourself and applicants or objectors conveys any suggestion of willingness to provide improper concessions or preferential treatment.

Binding caucus votes

- 3.9** You must not participate in binding caucus votes in relation to matters to be considered at a council or committee meeting.
- 3.10** For the purposes of clause 3.9, a binding caucus vote is a process whereby a group of councillors are compelled by a threat of disciplinary or other adverse action to comply with a predetermined position on a matter before the council or committee irrespective of the personal views of individual members of the group on the merits of the matter before the council or committee.
- 3.11** Clause 3.9 does not prohibit councillors from discussing a matter before the council or committee prior to considering the matter in question at a council or committee meeting or from voluntarily holding a shared view with other councillors on the merits of a matter.
- 3.12** Clause 3.9 does not apply to a decision to elect the Mayor or Deputy Mayor or to nominate a person to be a member of a council committee.

PART 4

CONFLICT OF INTERESTS

- 4.1 A conflict of interests exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your public duty.
- 4.2 You must avoid or appropriately manage any conflict of interests. The onus is on you to identify a conflict of interests and take the appropriate action to manage the conflict in favour of your public duty.
- 4.3 Any conflict of interests must be managed to uphold the probity of council decision-making. When considering whether or not you have a conflict of interests, it is always important to think about how others would view your situation.
- 4.4 Private interests can be of two types: pecuniary or non-pecuniary.

What is a pecuniary interest?

- 4.5 A pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person. (*section 442*)
- 4.6 A person will also be taken to have a pecuniary interest in a matter if that person's spouse or de facto partner or a relative of the person or a partner or employer of the person, or a company or other body of which the person, or a nominee, partner or employer of the person is a member, has a pecuniary interest in the matter. (*section 443*)
- 4.7 Pecuniary interests are regulated by Chapter 14, Part 2 of the Act. The Act requires that:
 - a) councillors and designated persons lodge an initial and an annual written disclosure of interests that could potentially be in conflict with their public or professional duties (*section 449*)
 - b) councillors and members of council committees disclose an interest and the nature of that interest at a meeting, leave the meeting and be out of sight of the meeting and not participate in discussions or voting on the matter (*section 451*)
 - c) designated persons immediately declare, in writing, any pecuniary interest. (*section 459*)
- 4.8 Designated persons are defined at section 441 of the Act, and include, but are not limited to, the general manager and other senior staff of the council.
- 4.9 Where you are a member of staff of council, other than a designated person (as defined by section 441), you must disclose in writing to your supervisor or the general manager, the nature of any pecuniary interest you have in a matter you are dealing with as soon as practicable.

What are non-pecuniary interests?

- 4.10** Non-pecuniary interests are private or personal interests the council official has that do not amount to a pecuniary interest as defined in the Act. These commonly arise out of family, or personal relationships, or involvement in sporting, social or other cultural groups and associations and may include an interest of a financial nature.
- 4.11** The political views of a councillor do not constitute a private interest.

Managing non-pecuniary conflict of interests

- 4.12** Where you have a non-pecuniary interest that conflicts with your public duty, you must disclose the interest fully and in writing, even if the conflict is not significant. You must do this as soon as practicable.
- 4.13** If a disclosure is made at a council or committee meeting, both the disclosure and the nature of the interest must be recorded in the minutes. This disclosure constitutes disclosure in writing for the purposes of clause 4.12.
- 4.14** How you manage a non-pecuniary conflict of interests will depend on whether or not it is significant.
- 4.15** As a general rule, a non-pecuniary conflict of interests will be significant where a matter does not raise a pecuniary interest but it involves:
- a) a relationship between a council official and another person that is particularly close, for example, parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child of the person or of the person's spouse, current or former spouse or partner, de facto or other person living in the same household
 - b) other relationships that are particularly close, such as friendships and business relationships. Closeness is defined by the nature of the friendship or business relationship, the frequency of contact and the duration of the friendship or relationship
 - c) an affiliation between the council official and an organisation, sporting body, club, corporation or association that is particularly strong.

- 4.16** If you are a council official, other than a member of staff of council, and you have disclosed that a significant non-pecuniary conflict of interests exists, you must manage it in one of two ways:
- a) remove the source of the conflict, by relinquishing or divesting the interest that creates the conflict, or reallocating the conflicting duties to another council official
 - b) have no involvement in the matter, by absenting yourself from and not taking part in any debate or voting on the issue as if the provisions in section 451(2) of the Act apply.
- 4.17** If you determine that a non-pecuniary conflict of interests is less than significant and does not require further action, you must provide an explanation of why you consider that the conflict does not require further action in the circumstances.
- 4.18** If you are a member of staff of council, the decision on which option should be taken to manage a non-pecuniary conflict of interests must be made in consultation with your manager.
- 4.19** Despite clause 4.16(b), a councillor who has disclosed that a significant non-pecuniary conflict of interests exists may participate in a decision to delegate council's decision-making role to council staff through the general manager, or appoint another person or body to make the decision in accordance with the law. This applies whether or not council would be deprived of a quorum if one or more councillors were to manage their conflict of interests by not voting on a matter in accordance with clause 4.16(b) above.

Reportable political donations

- 4.20** Councillors should note that matters before council involving political or campaign donors may give rise to a non-pecuniary conflict of interests.
- 4.21** Where a councillor has received or knowingly benefitted from a reportable political donation:
- a) made by a major political donor in the previous four years, and
 - b) where the major political donor has a matter before council,
- then the councillor must declare a non-pecuniary conflict of interests, disclose the nature of the interest, and manage the conflict of interests in accordance with clause 4.16(b).

4.22 For the purposes of this Part:

- a) a “reportable political donation” is a “reportable political donation” for the purposes of section 86 of the *Election Funding, Expenditure and Disclosures Act 1981*,
- b) a “major political donor” is a “major political donor” for the purposes of section 84 of the *Election Funding, Expenditure and Disclosures Act 1981*.

4.23 Councillors should note that political donations below \$1,000, or political donations to a registered political party or group by which a councillor is endorsed, may still give rise to a non-pecuniary conflict of interests. Councillors should determine whether or not such conflicts are significant and take the appropriate action to manage them.

4.24 If a councillor has received or knowingly benefitted from a reportable political donation of the kind referred to in clause 4.21, that councillor is not prevented from participating in a decision to delegate council's decision-making role to council staff through the general manager or appointing another person or body to make the decision in accordance with the law (see clause 4.19 above).

Loss of quorum as a result of compliance with this Part

4.25 Where a majority of councillors are precluded under this Part from consideration of a matter the council or committee must resolve to delegate consideration of the matter in question to another person.

4.26 Where a majority of councillors are precluded under this Part from consideration of a matter and the matter in question concerns the exercise of a function that may not be delegated under section 377 of the Act, the councillors may apply in writing to the Chief Executive to be exempted from complying with a requirement under this Part relating to the management of a non-pecuniary conflict of interests.

4.27 The Chief Executive will only exempt a councillor from complying with a requirement under this Part where:

- a) compliance by councillors with a requirement under the Part in relation to a matter will result in the loss of a quorum, and
- b) the matter relates to the exercise of a function of the council that may not be delegated under section 377 of the Act.

4.28 Where the Chief Executive exempts a councillor from complying with a requirement under this Part, the councillor must still disclose any interests they have in the matter the exemption applies to in accordance with the requirements of this Part.

4.29 A councillor, who would otherwise be precluded from participating in the consideration of a matter under this Part because they have a non-pecuniary conflict of interests in the matter, is permitted to participate in consideration of the matter, if:

- a) the matter is a proposal relating to
 - i) the making of a principal environmental planning instrument applying to the whole or a significant part of the council's area, or
 - ii) the amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant part of the council's area, and
- b) the non-pecuniary conflict of interests arises only because of an interest that a person has in that person's principal place of residence, and
- c) the councillor declares the interest they have in the matter that would otherwise have precluded their participation in consideration of the matter under this Part.

Other business or employment

4.30 If you are a member of staff of council considering outside employment or contract work that relates to the business of the council or that might conflict with your council duties, you must notify and seek the approval of the general manager in writing. (*section 353*)

4.31 As a member of staff, you must ensure that any outside employment or business you engage in will not:

- a) conflict with your official duties
- b) involve using confidential information or council resources obtained through your work with the council
- c) require you to work while on council duty
- d) discredit or disadvantage the council.

Personal dealings with council

4.32 You may have reason to deal with your council in your personal capacity (for example, as a ratepayer, recipient of a council service or applicant for a consent granted by council). You must not expect or request preferential treatment in relation to any matter in which you have a private interest because of your position. You must avoid any action that could lead members of the public to believe that you are seeking preferential treatment.

PART 5

PERSONAL BENEFIT

For the purposes of this section, a reference to a gift or benefit does not include a political donation or contribution to an election fund that is subject to the provisions of the relevant election funding legislation.

Gifts and benefits

- 5.1** You must avoid situations giving rise to the appearance that a person or body, through the provision of gifts, benefits or hospitality of any kind, is attempting to secure favourable treatment from you or from the council.
- 5.2** You must take all reasonable steps to ensure that your immediate family members do not receive gifts or benefits that give rise to the appearance of being an attempt to secure favourable treatment. Immediate family members ordinarily include parents, spouses, children and siblings.

Token gifts and benefits

- 5.3** Generally speaking, token gifts and benefits include:
- a) free or subsidised meals, beverages or refreshments provided in conjunction with:
 - i) the discussion of official business
 - ii) council work related events such as training, education sessions, workshops
 - iii) conferences
 - iv) council functions or events
 - v) social functions organised by groups, such as council committees and community organisations
 - b) invitations to and attendance at local social, cultural or sporting events
 - c) gifts of single bottles of reasonably priced alcohol to individual council officials at end of year functions, public occasions or in recognition of work done (such as providing a lecture/training session/address)
 - d) ties, scarves, coasters, tie pins, diaries, chocolates or flowers
 - e) prizes of token value.

Gifts and benefits of value

- 5.4** Notwithstanding clause 5.3, gifts and benefits that have more than a token value include, but are not limited to, tickets to major sporting events (such as state or international cricket matches or matches in other national sporting codes (including the NRL, AFL, FFA, NBL)), corporate hospitality at a corporate facility at major sporting events, discounted products for personal use, the frequent use of facilities such as gyms, use of holiday homes, free or discounted travel.

How are offers of gifts and benefits to be dealt with?

- 5.5** You must not:
- a) seek or accept a bribe or other improper inducement
 - b) seek gifts or benefits of any kind
 - c) accept any gift or benefit that may create a sense of obligation on your part or may be perceived to be intended or likely to influence you in carrying out your public duty
 - d) accept any gift or benefit of more than token value
 - e) accept an offer of cash or a cash-like gift, regardless of the amount.
- 5.6** For the purposes of clause 5.5(e), a “cash-like gift” includes but is not limited to gift vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internal credit, memberships or entitlements to discounts.
- 5.7** Where you receive a gift or benefit of more than token value that cannot reasonably be refused or returned, this must be disclosed promptly to your supervisor, the Mayor or the general manager. The recipient, supervisor, Mayor or general manager must ensure that any gifts or benefits of more than token value that are received are recorded in a Gifts Register. The gift or benefit must be surrendered to council, unless the nature of the gift or benefit makes this impractical.

Improper and undue influence

- 5.8** You must not use your position to influence other council officials in the performance of their public or professional duties to obtain a private benefit for yourself or for somebody else. A councillor will not be in breach of this clause where they seek to influence other council officials through the appropriate exercise of their representative functions.
- 5.9** You must not take advantage (or seek to take advantage) of your status or position with or of functions you perform for council in order to obtain a private benefit for yourself or for any other person or body.

PART 6

RELATIONSHIP BETWEEN COUNCIL OFFICIALS

Obligations of councillors and administrators

- 6.1** Each council is a body politic. The councillors or administrator/s are the governing body of the council. The governing body has the responsibility of directing and controlling the affairs of the council in accordance with the Act and is responsible for policy determinations, for example, those relating to workforce policy.
- 6.2** Councillors or administrators must not:
- a) direct council staff other than by giving appropriate direction to the general manager in the performance of council's functions by way of council or committee resolution, or by the Mayor or administrator exercising their power under section 226 of the Act (*section 352*)
 - b) in any public or private forum, direct or influence or attempt to direct or influence, any other member of the staff of the council or a delegate of the council in the exercise of the functions of the member or delegate (*Schedule 6A of the Act*)
 - c) contact a member of the staff of the council on council related business unless in accordance with the policy and procedures governing the interaction of councillors and council staff that have been authorised by the council and the general manager
 - d) contact or issue instructions to any of council's contractors or tenderers, including council's legal advisers, unless by the Mayor or administrator exercising their power under section 226 of the Act. This does not apply to council's external auditors or the Chair of council's audit committee who may be provided with any information by individual councillors reasonably necessary for the external auditor or audit committee to effectively perform their functions.

Obligations of staff

- 6.3** The general manager is responsible for the efficient and effective operation of the council's organisation and for ensuring the implementation of the decisions of the council without delay.
- 6.4** Members of staff of council must:
- a) give their attention to the business of council while on duty
 - b) ensure that their work is carried out efficiently, economically and effectively
 - c) carry out lawful directions given by any person having authority to give such directions
 - d) give effect to the lawful decisions, policies, and procedures of the council, whether or not the staff member agrees with or approves of them
 - e) ensure that any participation in political activities outside the service of the council does not conflict with the performance of their official duties.

Obligations during meetings

- 6.5** You must act in accordance with council's Code of Meeting Practice, if council has adopted one, and the *Local Government (General) Regulation 2005* during council and committee meetings.
- 6.6** You must show respect to the chair, other council officials and any members of the public present during council and committee meetings or other formal proceedings of the council.

Inappropriate interactions

- 6.7** You must not engage in any of the following inappropriate interactions:
- a) Councillors and administrators approaching staff and staff organisations to discuss individual or operational staff matters other than broader workforce policy issues.
 - b) Council staff approaching councillors and administrators to discuss individual or operational staff matters other than broader workforce policy issues.
 - c) Council staff refusing to give information that is available to other councillors to a particular councillor.
 - d) Councillors and administrators who have lodged a development application with council, discussing the matter with council staff in staff-only areas of the council.
 - e) Councillors and administrators being overbearing or threatening to council staff.
 - f) Councillors and administrators making personal attacks on council staff in a public forum.
 - g) Councillors and administrators directing or pressuring council staff in the performance of their work, or recommendations they should make.
 - h) Council staff providing ad hoc advice to councillors and administrators without recording or documenting the interaction as they would if the advice was provided to a member of the community.
 - i) Council staff meeting with applicants or objectors alone AND outside office hours to discuss applications or proposals.
 - j) Councillors attending on-site inspection meetings with lawyers and/or consultants engaged by council associated with current or proposed legal proceedings unless permitted to do so by council's general manager or, in the case of the Mayor or administrator, exercising their power under section 226 of the Act.

PART 7

ACCESS TO INFORMATION AND COUNCIL RESOURCES

Councillor and administrator access to information

- 7.1 The general manager and public officer are responsible for ensuring that members of the public, councillors and administrators can gain access to the documents available under the *Government Information (Public Access) Act 2009*.
- 7.2 The general manager must provide councillors and administrators with information sufficient to enable them to carry out their civic office functions.
- 7.3 Members of staff of council must provide full and timely information to councillors and administrators sufficient to enable them to carry out their civic office functions and in accordance with council procedures.
- 7.4 Members of staff of council who provide any information to a particular councillor in the performance of their civic duties must also make it available to any other councillor who requests it and in accordance with council procedures.
- 7.5 Councillors and administrators who have a private (as distinct from civic) interest in a document of council have the same rights of access as any member of the public.

Councillors and administrators to properly examine and consider information

- 7.6 Councillors and administrators must properly examine and consider all the information provided to them relating to matters that they are dealing with to enable them to make a decision on the matter in accordance with council's charter.

Refusal of access to documents

- 7.7 Where the general manager and public officer determine to refuse access to a document sought by a councillor or administrator they must act reasonably. In reaching this decision they must take into account whether or not the document sought is required for the councillor or administrator to perform their civic duty (see clause 7.2). The general manager or public officer must state the reasons for the decision if access is refused.

Use of certain council information

- 7.8** In regard to information obtained in your capacity as a council official, you must:
- a) only access council information needed for council business
 - b) not use that council information for private purposes
 - c) not seek or obtain, either directly or indirectly, any financial benefit or other improper advantage for yourself, or any other person or body, from any information to which you have by virtue of your office or position with council
 - d) only release council information in accordance with established council policies and procedures and in compliance with relevant legislation.

Use and security of confidential information

- 7.9** You must maintain the integrity and security of confidential documents or information in your possession, or for which you are responsible.
- 7.10** In addition to your general obligations relating to the use of council information, you must:
- a) protect confidential information
 - b) only release confidential information if you have authority to do so
 - c) only use confidential information for the purpose it is intended to be used
 - d) not use confidential information gained through your official position for the purpose of securing a private benefit for yourself or for any other person
 - e) not use confidential information with the intention to cause harm or detriment to your council or any other person or body
 - f) not disclose any information discussed during a confidential session of a council meeting.

Personal information

- 7.11** When dealing with personal information you must comply with:
- a) the *Privacy and Personal Information Protection Act 1998*
 - b) the *Health Records and Information Privacy Act 2002*
 - c) the Information Protection Principles and Health Privacy Principles
 - d) council's privacy management plan
 - e) the Privacy Code of Practice for Local Government

Use of council resources

- 7.12** You must use council resources ethically, effectively, efficiently and carefully in the course of your official duties, and must not use them for private purposes (except when supplied as part of a contract of employment) unless this use is lawfully authorised and proper payment is made where appropriate.
- 7.13** Union delegates and consultative committee members may have reasonable access to council resources for the purposes of carrying out their industrial responsibilities, including but not limited to:
- a) the representation of members with respect to disciplinary matters
 - b) the representation of employees with respect to grievances and disputes
 - c) functions associated with the role of the local consultative committee.
- 7.14** You must be scrupulous in your use of council property, including intellectual property, official services and facilities, and must not permit their misuse by any other person or body.
- 7.15** You must avoid any action or situation that could create the appearance that council property, official services or public facilities are being improperly used for your benefit or the benefit of any other person or body.
- 7.16** You must not use council resources, property or facilities for the purpose of assisting your election campaign or the election campaign of others unless the resources, property or facilities are otherwise available for use or hire by the public and any publicly advertised fee is paid for use of the resources, property or facility.
- 7.17** You must not use council letterhead, council crests and other information that could give the appearance it is official council material for:
- a) the purpose of assisting your election campaign or the election campaign of others, or
 - b) for other non-official purposes.
- 7.18** You must not convert any property of the council to your own use unless properly authorised.
- 7.19** You must not use council's computer resources to search for, access, download or communicate any material of an offensive, obscene, pornographic, threatening, abusive or defamatory nature.

Councillor access to council buildings

- 7.20** Councillors and administrators are entitled to have access to the council chamber, committee room, Mayor's office (subject to availability), councillors' rooms, and public areas of council's buildings during normal business hours and for meetings. Councillors and administrators needing access to these facilities at other times must obtain authority from the general manager.
- 7.21** Councillors and administrators must not enter staff-only areas of council buildings without the approval of the general manager (or delegate) or as provided in the procedures governing the interaction of councillors and council staff.
- 7.22** Councillors and administrators must ensure that when they are within a staff area they avoid giving rise to the appearance that they may improperly influence council staff decisions.

PART 8

MAINTAINING THE INTEGRITY OF THIS CODE

- 8.1** You must not conduct yourself in a manner that is likely to undermine confidence in the integrity of this code or its administration.

Complaints made for an improper purpose

- 8.2** You must not make a complaint or cause a complaint to be made under this code for an improper purpose.
- 8.3** For the purposes of clause 8.2, a complaint is made for an improper purpose where it is trivial, frivolous, vexatious or not made in good faith, or where it otherwise lacks merit and has been made substantially for one or more of the following purposes:
- a) to intimidate or harass another council official
 - b) to damage another council official's reputation
 - c) to obtain a political advantage
 - d) to influence a council official in the exercise of their official functions or to prevent or disrupt the exercise of those functions
 - e) to influence the council in the exercise of its functions or to prevent or disrupt the exercise of those functions
 - f) to avoid disciplinary action under this code
 - g) to take reprisal action against a person for making a complaint under this code except as may be otherwise specifically permitted under this code
 - h) to take reprisal action against a person for exercising a function prescribed under the procedures for the administration of this code except as may be otherwise specifically permitted under this code
 - i) to prevent or disrupt the effective administration of this code.

Detrimental action

- 8.4** You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for a complaint they have made under this code except as may be otherwise specifically permitted under this code.
- 8.5** You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for any function they have exercised under this code except as may be otherwise specifically permitted under this code.

- 8.6** For the purposes of clauses 8.4 and 8.5 detrimental action is an action causing, comprising or involving any of the following:
- a) injury, damage or loss
 - b) intimidation or harassment
 - c) discrimination, disadvantage or adverse treatment in relation to employment
 - d) dismissal from, or prejudice in, employment
 - e) disciplinary proceedings.

Compliance with requirements under this code

- 8.7** You must not engage in conduct that is calculated to impede or disrupt the consideration of a matter under this code.
- 8.8** You must comply with a reasonable and lawful request made by a person exercising a function under this code.
- 8.9** You must comply with a practice ruling made by the Office of Local Government.
- 8.10** Where you are a councillor or the general manager, you must comply with any council resolution requiring you to take action as a result of a breach of this code.

Disclosure of information about the consideration of a matter under this code

- 8.11** You must report breaches of this code in accordance with the reporting requirements under this code.
- 8.12** You must not make allegations of suspected breaches of this code at council meetings or in other public forums.
- 8.13** You must not disclose information about the consideration of a matter under this code except for the purposes of seeking legal advice unless the disclosure is otherwise permitted under this code.

Complaints alleging a breach of this part

- 8.14** Complaints alleging a breach of this Part (Part 8) by a councillor, the general manager or an administrator are to be made to the Office of Local Government.
- 8.15** Complaints alleging a breach of this Part by other council officials are to be made to the general manager.

PART 9 DEFINITIONS

In the Model Code of Conduct the following definitions apply:

the Act	the <i>Local Government Act 1993</i>
act of disorder	see the definition in clause 256 of the Local Government (General) Regulation 2005
administrator	an administrator of a council appointed under the Act other than an administrator appointed under section 66
Chief Executive	Chief Executive of the Office of Local Government
committee	a council committee
conflict of interests	a conflict of interests exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your public duty
council committee	a committee established by resolution of council
“council committee member”	a person other than a councillor or member of staff of a council who is a member of a council committee
council official	includes councillors, members of staff of council, administrators, council committee members, conduct reviewers and delegates of council
councillor	a person elected or appointed to civic office and includes a Mayor
delegate of council	a person (other than a councillor or member of staff of a council) or body, and the individual members of that body, to whom a function of the council is delegated
designated person	see the definition in section 441 of the Act
election campaign	includes council, State and Federal election campaigns
personal information	information or an opinion about a person whose identity is apparent, or can be ascertained from the information or opinion
the Regulation	the Local Government (General) Regulation 2005

The term “you” used in the Model Code of Conduct refers to council officials.

The phrase “this code” used in the Model Code of Conduct refers also to the procedures for the administration of the Model Code of Conduct prescribed under the Local Government (General) Regulation 2005.

For more information on the Office of Local
Government Code of Conduct visit our website

www.olg.nsw.gov.au



Office of
Local Government

