

December 2019

Quarterly Report on Service

Performance -

Implementing the

Operational Plan 2019/20

Introduction

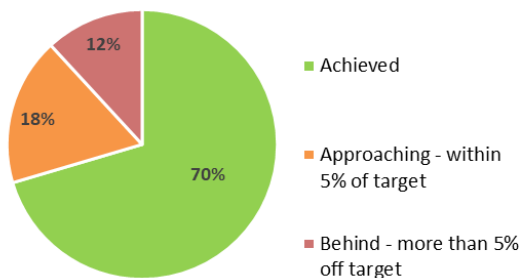
This is a report on progress in implementing the Operational Plan 2019/20 for the quarter ending 31 December 2019. It is structured by 16 key services, with detail on service highlights, progress of projects, and the performance of services and finances. An overview of performance is below with further detail on the accompanying service pages.

Of the 239 projects, 87% were either progressing or completed (90% operational and 85% capital). In total, 24 projects are completed. Council's target is for 80% of all projects to be completed or progressing on schedule by 30 June 2020.

Of the 34 quarterly performance measures, 70% have been met and 18% are approaching their target. One indicator is unable to be measured at this time as a mechanism for feedback is yet to be developed.

Performance at a glance

34 Performance indicators



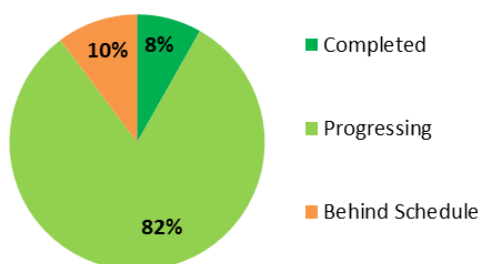
3 Awards and Recognition

N = National

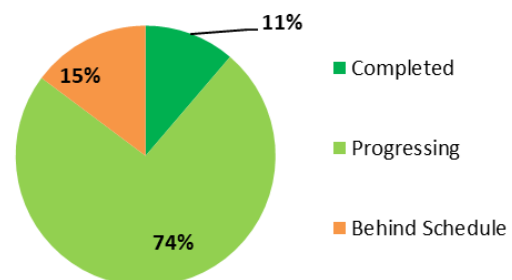
- **Winner - Australian Childcare Alliance NSW – Excellence in Early Childhood Education Awards - Educational Program Excellence** - Narrabeen Children's Centre
- **Winner - Australian Street Art Awards - Best Utility Art (N)** – for Sunset Dreaming mural in Manly Corso
- **Highly Commended - National Local Government Customer Service Network (N)** - Innovation in Customer Experience in Service Delivery

Project status: overall 87% completed or progressing on schedule



97 Operational projects



142 Capital projects



Each service summary includes a short update on projects for the quarter:

Key:  Complete  Progressing  Behind Schedule

Contents

Environment and Sustainability	4
Waste and Cleansing	15
Kimbriki Resource Recovery Centre	21
Strategic Land Use Planning.....	26
Development Assessment	30
Environmental Compliance	32
Parks and Recreation	35
Children's Services	45
Community Arts and Culture	49
Library Services	57
Transport Traffic and Active Travel	62
Economic Development, Events and Engagement	71
Property and Facilities	78
Governance and Assurance Services	86
Customer Service	92
Corporate Support Services.....	95

Environment and Sustainability

HIGHLIGHTS

Coast, catchment and estuary management

We completed bank stabilisation works at Manly Lagoon. The works involved the placement of geo-fabric bags filled with sand and sand scraping to stabilise the bank at Lagoon Park. These actions will significantly improve public access and use of this popular area.

We obtained two grants from the NSW Coast and Estuary Program. The grants are to prepare a Coastal Management Program Scoping Study and a Coastal Emergency Action Plan for the Northern Beaches. Both of these projects will assist in strategic management and emergency response for public and private land on the Northern Beaches.

Construction work to protect the Collaroy beachfront car park was completed, protecting 250 metres of this important public asset. A number of private development applications have been finalised and financial assistance for up to 20% of the cost of construction works is available for eligible properties (split 50/50 between Council and New South Wales Government). Applications for these funds are still open.

Managing our bushland and biodiversity

We are protecting and improving native habitat at 350 bushland reserves with over 40 bush regeneration contracts operating in 2019/20. We undertook on-the-ground bush regeneration works in over 50 reserves.

We continued our working partnership with Royal Botanic Gardens (RGB) Mt Annan, to conserve the critically endangered species Scrub Turpentine (*Rhodamnia rubescens*).

We completed the \$83,000 Swift Parrot and Swamp Forests threatened species conservation project. The project was jointly funded by the Local Land Service and Council.

More than 290 rabbits and 11 foxes were culled.

58 weed inspections and 113 weed and pest customer requests were completed.

We leased five traps for the control of vertebrate pest species on private property during the quarter.

We undertook community engagement on our draft Bushland and Biodiversity Policy, receiving 38 submissions. The submissions will be reported to Council and considered in adopting the Policy.

Preparing for the bushfire season

The Bushfire Team continued to proactively work with fire authorities to ensure asset protection zones (APZs) are maintained and prescribed burns on Council estate are ready. The team has completed a comprehensive audit and risk assessment of the more than 80 APZs across the northern beaches. The audit resulted in extra precautionary on-ground works undertaken due to the state of unprecedented fire conditions in NSW.

We facilitated two community meetings with the Bushfire Management Committee at Terrey Hills and Frenchs Forest. More than 100 residents attended at each meeting. The Wurrungulla and Sturdee fire trail works were completed on the western foreshores of Pittwater and they now meet Rural Fire Service (RFS) fire trail standards. Booralie in Duffys Forest will be completed by end of January.

On the 11 and 12 of November, a state-wide total fire ban was declared along with a prediction of catastrophic fire conditions. In response to this declaration, we closed our bushland tracks and

trails, including Manly Dam, Manly to North Harbour walk and Stony Range Regional Botanic Gardens. Council staff also assisted the RFS and the Incident Management Team over this period.

We opened Frenchs Forest Showground and North Narrabeen Reserve (Rat Park) for local residents to temporarily relocate large animals such as horses and extended the opening hours at our libraries to provide a safe and comfortable place for the community to take refuge from the conditions.

Milder weather on Wednesday 13 November allowed us to reopen the bushland trails and get back to business. We will remain on high alert for the remainder of the fire season to continue to care for our community.

Owing to strong winds and severe fire danger in the lead up to New Year, Council's fireworks displays at Bayview and Dee Why were cancelled. In these instances, community safety is always the priority.

Reducing the risk of flooding

During the quarter, we continued with holistic efforts to reduce flood risk. This included the preparation of Flood Studies and Floodplain Risk Management Plans across the Northern Beaches to better understand and manage flood risk.

We removed of over 100 tonnes of sediment and debris from the stormwater system between Barrenjoey Road and 2 Polo Avenue, Mona Vale, in order to improve flows and reduce the potential for flooding in Seabeach Avenue.

A program of pipe patching remediation works was completed at 31 locations across the Northern Beaches as well as 405 metres of pipe relining.

The South Steyne stormwater outlet project was nominated for the Stormwater NSW Excellence Award. This project involved repairing the stormwater pipe at South Steyne Beach, which was damaged in the 2016 storms. As well as relining the pipe, we encased it with permanent beach seating which can now be enjoyed by beach users. We are proud of this project and happy for the nomination.

Delivering community environmental education

The Coastal Environment Centre was a hive of activity with a bee workshop which involved splitting native bee hives to share amongst schools. Two weeks of the successful Kids on the Coast program occurred in the October school holidays with over 145 children attending. The team assisted with the Ocean Festival and screened the "2040" movie along with stormwater pollution education demonstrations at the Centre. Numerous community rock platform tours and night walks were held along with assisting Elanora Heights and Bilgola Public Schools with their 'Green Days'.

Volunteers at Manly Environment Centre contributed 1,061 hours this quarter with a huge effort towards the Ocean Festival culminating in this year's Ocean Care Day. Over 34 events were held during the Ocean Festival which was heralded a success by all participating.

Development of the Sustainability Business Plan is now complete with planning underway for implementation. A big highlight was the Solar Workshop in December with 167 local residents in attendance showing the community commitment to installing solar.


We have also focused on building and refining the Water Savings Partnership program with Sydney Water. Highlights of this program include the installation of data loggers on six water meter locations, the engagement of four high water usage buildings for water efficiency assessments and the creation of web content for water efficiency on the Council website.

Focus on sustainability

This quarter, Council adopted the *Protect. Create. Live – Environment and Climate Change Strategy 2040*, to guide the protection of our environment and action on climate change for the next 20 years. The Strategy includes ambitious aspirations and commitments for both the community and Council.

Council continued to deliver programs to enhance environmental sustainability and increase resilience to climate change. This included the continued rollout of the accelerated program of replacing residential road lights with more energy efficient LED lights. Council continued to generate and claim Energy Saving Certificates for energy efficiency upgrades under the NSW Energy Saving Scheme with over \$68,000 in net returns received to date. These funds are being reinvested in Council's Energy Savings Initiatives Works Program to drive further reduction in corporate carbon emissions.

Performance measures – Environment and Sustainability	Target	September quarter	December quarter
Bush regeneration by contractors (hectares)	>45 ha	85.5 ha	322 ha

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

Workload measures – Environment and Sustainability	September quarter	December quarter
No. sustainability education events	78	106
No. people attending sustainability education events	7,521	* 16,000
Gross pollutants removed from stormwater networks (tonnes)	183	151
No. DA referrals for assessment of environmental controls	315	710

Notes on results:

* This figure is approximate as it includes an estimate of people who visited Ocean Care Day

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Deliver programs to protect and restore our catchments, waterways and coast

Council is collaborating with a number of adjoining Councils to develop coastal management programs for the Hawkesbury-Nepean Estuary and Sydney Harbour. During the last quarter, we commenced planning for a scoping study for a Northern Beaches coastal management program, as well as a coastal zone emergency action sub-plan for the open coast.



Deliver environmental sustainability programs and enhance resilience to climate change

During this quarter Council continued to deliver programs to enhance environmental sustainability and increase resilience to climate change. Council continued to generate and claim Energy Saving Certificates for energy efficiency upgrades under the NSW Energy Saving Scheme with over \$68,000 in net returns this financial year. These funds are being reinvested in Council's Energy Savings Initiatives Works Program to further reduce our corporate carbon emissions.

Council continues to implement the Local Government NSW grant project to develop a Climate Resilience Design Guide. This guide is being developed in partnership with the Institute for Public Works Engineers Australia and Dubbo Regional Council. The quotation documents were finalised for release in January 2020.

Work with other foundation partners on the XDI Cross Dependency Initiative is also ongoing. This project aims to bring together asset level data sets with extensive climate models to provide deep analysis of an organisation's exposure to climate change and extreme weather risk. During this quarter further work was undertaken on the case studies.



Deliver effective and engaging sustainability education and volunteering programs

The Greener Communities Program includes activities of the Coastal Environment Centre (CEC) in Narrabeen, the Manly Environment Centre (MEC), environmental volunteers and a wide range of Community Sustainability initiatives.

At the MEC, cataloguing project is progressing well with more than 10,711 resources catalogued to date. MEC volunteers dedicated 388 hours this quarter.

The CEC conducted a native bee workshop, a roadshow at Warriewood Square and hosted the AUSMAP micro-plastics program. The CEC was also visited by students from Cromer High and Pittwater High Schools' additional needs units.

Other events held this quarter included community rock platform tours, community night walks, all school green days at Elanora Heights and Bilgola Public Schools, a beeswax wrap workshop with TAFE staff, family fishing clinic with Department of Primary Industries, the community sugar gliders club and community wildlings club programs.

A solar workshop was held on 17 December with 167 attendees. As a result of attending, 99% of feedback forms stated that they had a better understanding of solar and batteries. The draft solar program including the marketing campaign has been developed and solar webpages drafted.

The 26th Annual Ocean Care Day was expanded to a week-long festival with 34 events from Manly to Palm Beach. The festival celebrated our ocean and marine waters, which contribute so much to our lifestyle, our health and happiness on the Northern Beaches. Ocean Care Day for schools included an invitation to local primary school students to drop by the Manly Environment Centre to meet Tula the penguin and collect an Ocean Care Day pack with stickers, a marine creature mask and more.

We continue to engage with external partners to explore opportunities for water savings. We engaged with the Catholic Schools' Sustainability Department and installed three water loggers on various sites. A snap-shot report was produced for Manly Andrew Boy Charlton Swim Centre and with a water assessment being run at Glen Street Theatre. The 'Water Efficiency' webpage on our website has also gone live.

Over 120 volunteers attended the Greener Communities volunteer Christmas party. The team also held a volunteer workshop with 31 people in attendance. Bushcare volunteers

contributed 910 hours of work and corporate bushcare volunteers contributed over 346 hours of work.



Deliver programs to protect our community from the effects of flooding

The Manly to Seaforth Floodplain Risk Management Study and Plan Stage 1 report was delivered. The report includes a model review, updated preliminary options assessment and sensitivity analysis. The collection of flood prone property floor levels is underway to determine the economic impact of flooding.

Preliminary flood mitigation assessments for the Clontarf area are being finalised by an engineering consultant, and will be assessed by Council to inform any required drainage works as part of the Clontarf Reserve Masterplan.

Stage 1 of 5 of the McCarrs Creek, Mona Vale and Bayview Floodplain Risk Management Study and Plan has been completed. This included engaging with the community on their experience of flooding and preferred choice of floodplain management options in the catchment. A site inspection was undertaken with the engineering consultants and a shortlist of floodplain management options have been selected for further investigation.

The initial community consultation and flood modelling to establish flood behaviour, the impacts of climate change and the capacity of the existing stormwater system in the Greendale Creek catchment is nearing completion.

A major review of floodplain management data, processes and planning controls has commenced. This will help improve the clarity of the planning controls and provide a better customer experience through the development process for flood prone lots. An update to Council's internal flood data has been completed. A draft set of planning controls has been prepared to manage the existing flood risk on the Northern Beaches.



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

The Wakehurst Parkway investigations focus on identifying and, if feasible, implementing options to reduce very frequent flooding of the Wakehurst Parkway roadway.

This quarter, we consulted with Roads and Maritime Services on the report and discussed the feasibility, permissibility and potential funding sources should the recommendations be implemented.



Investigate Scotland Island Wastewater feasibility

Council received funding from the New South Wales 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.

The consultants have finalised the options report and discussed preferred options with the community working group. They are currently completing the final step in the project by assessing the shortlisted options for commercial feasibility. Professional peer review of the project is continuing.

The project is on budget and is expected to conclude early in 2020.



Deliver programs to protect and restore bushland including threatened species, pest species and bushfire risk

Revegetation work at the Balgowlah Grey Headed Flying Fox colony was completed with the planting of 67 canopy trees. Staff also completed surveys of Flying Fox colonies as part national Flying Fox census.

Substantial community engagement was undertaken in Avalon to address unauthorised construction of bike tracks at Palmgrove Park. This included a community event at Avalon youth hub which was well attended with over 200 local children participating. Bushland staff participated in the Avalon Market day providing local environmental education and giving away 1,500 native plants.

We completed expert bushland and biodiversity advice for 154 development assessment referrals and provided advice for 35 pre-lodgement meetings.

The public exhibition of the draft Bushland and Biodiversity Policy concluded on 8 December 2019. Review of the 38 public submissions has commenced.

Council's Pest Animal Control Program operated in major reserves with 291 rabbits and 13 foxes culled.

The Invasive Species Team undertook 58 weed inspections and completed 113 weed and pest customer requests. Council's trap hire program leased five traps for the control of vertebrate pest species on private property during the quarter.

We have completed a comprehensive audit and risk assessment of over 80 asset protection zones (APZ) from the Northern Beaches Bushfire Risk Management Plan. The audit resulted in extra on-ground works due to unprecedented bushfires in NSW. Hazard complaints from the community have increased, and we are pleased the NSW Rural Fire Service (RFS) has assessed our APZ management as appropriate.

We attended community bushfire meetings at Terrey Hills and Frenchs Forest with the Bush Fire Management Committee, with over 100 residents attending each meeting.

Works on the Wurrungulla and Sturdee fire trails of the western foreshore of Pittwater to meet RFS fire trail standards was finalised. Booralie fire trail works in Duffys Forest will be completed end of February, weather permitting.



Develop and implement the Environment and Climate Change Strategy

The Environment and Climate Change Strategy 2040 (Protect. Create. Live) was adopted unanimously at the Council meeting on 17 December 2019. The community engagement and stakeholder report showed that there was significant community support for the strategy in both protecting our environment and taking action on climate change. The strategy is on Council's website and emails sent to people who made submissions.



Environment Study

The Environment Study is being developed to support the development of the Local Strategic Planning Statement, the Local Environment Plan and the Development Control Plan for the Northern Beaches. The Local Strategic Planning Statement was on public exhibition throughout October and November as well as the background paper 'Planning for our Environment'. The Environment Study is currently being developed following on from the background paper.



Narrabeen Lagoon Entrance Management Strategy

The Narrabeen Lagoon Entrance Management Strategy is investigating a long term sustainable plan for the management of Narrabeen Lagoon entrance. Data collection and input studies have been completed as well as a workshop with technical experts to determine the scope of the project.



Provide a range of inclusive and accessible environmental education programs

We are working to develop a program of inclusive and accessible educational events across the community. Venues, activities and workshops are developed to include accessible and inclusive locations and content for all abilities, in accordance with the Disability Inclusion Action Plan. Accessible toilet facilities have been installed at the Coastal Environment Centre.

Staff also attended accessible events training, hosted by an industry expert, to help improve the inclusivity of events offered.

We continue to offer inclusive opportunities for residents to work on their passion or assist with career and skills development.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Coastal Protection Works



Collaroy-Narrabeen Coastal Protection

This project involves works to protect public and private property on Collaroy-Narrabeen Beach including road ends, public parks, South Narrabeen Surf Life Saving Club, and Collaroy carpark. The public works need to align with works undertaken by residents to protect private property.

All actions associated with the Collaroy Carpark works have been completed. The works have been covered in sand and revegetated with the public able to access this area through the Christmas period.

Stormwater program



Planned stormwater new

Community consultation was held in October on the construction of a new water quality treatment device and stormwater inlet screen at Crown of Newport Reserve. Feedback received from the community was positive and incorporated in the final design. Request for Quotation documentation for construction is currently being finalised. Council will seek quotations from qualified contractors during February 2020. It is anticipated that the construction works will commence in March 2020.

The detailed design for a gross pollutant trap in South Steyne Manly was finalised and Request for Quotation documentation for the construction is currently being prepared.



Warriewood Valley creekline works

This project will deliver creekline works to mitigate flooding and improve the ecosystem in Warriewood Valley, including reconstruction of creek bed and banks, and revegetation of the riparian corridor. Planning for the next section of works in upper Fern Creek, including detailed design and preparation of construction tender documents is continuing, with construction planned for 2020.



Planned stormwater renewals

This program renews existing stormwater infrastructure. Stormwater pipe relining of several deteriorated pipe assets was completed October to November. Tenders were also awarded for two new packages of pipe remediation.

Design updates are being finalised for water quality treatment devices at North Steyne, Manly following stakeholder feedback. A draft technical brief for construction of the gross pollutant trap in North Steyne was also prepared.

Detailed designs to renew the existing stormwater outlet at Fairy Bower pool, Manly, and Snapperman Beach, Palm Beach, have been developed and are currently being reviewed.

An onsite meeting with residents affected by the proposed works at Snapperman Beach, Palm Beach, was held during November. Construction drawings are currently being updated incorporating community feedback.



Reactive stormwater renewals

This program provides for minor renewal works on the existing stormwater network. This ensures that the assets are in good condition and local flooding issues are addressed.

Contract for multiple pipe patching repairs across the local government area is eighty percent completed. Polo Avenue, Mona Vale culvert was cleaned and designs for Malvern Avenue, Manly stormwater soak wells was completed in December.



Gross pollutant trap renewal works

Council is currently finalising the detailed design for the gross pollutant trap renewal works at North Harbour Reserve.

Water and Energy Saving initiatives



Andrew Boy Charlton Aquatic Centre installation of solar

Development consent was granted for installation of solar panels at Manly Andrew Boy Charlton Aquatic Centre in November. Tenders for the work have been called and close January 2020.



Energy Saving Initiatives works program - special rate variation

This project funds energy saving initiatives in the former Pittwater area including energy efficiency upgrades and solar panel installations.

During this quarter, quotes for additional solar panels at Council's Boondah Depot were obtained. These will be installed before the end of the financial year.

We are investigating works required to recognise Palm Beach Headland as a potential Urban Night Sky Place, which promotes authentic night time experience in the midst of significant

artificial light. The first meeting for the Urban Night Sky Place working group was held in early November.



Energy Saving Initiatives works program - revolving energy fund

This project funds energy saving initiatives and works including energy efficiency upgrades and solar panel installations. Quotes for solar panels were received for Glen Street Library, Manly Senior Citizen Centre, Belrose Childcare Centre and Harbourview Childcare Centre to be installed before the end of the financial year. Solar panel installation also commenced at Kangaroo Street Youth and Childcare Centre.



Water Saving and re-use initiatives - special rate variation

This project funds water savings and re-use initiatives in the former Pittwater area. Work was undertaken to install lead guard gutter protection on the amenities block at Sydney Lakeside Holiday Park in preparation for the re-commissioning of rainwater tanks on the site. We are continuing to monitor the water usage at Rat Park and North Narrabeen Reserve.

Biodiversity Protection



Hillside Road land acquisition, Newport

The Office of Strategic Lands - Department of Planning, Industry and Environment and Council are currently administrating the land transfer process. We are working towards the transfer of the land to Council in the coming months.

FINANCIALS

ENVIRONMENT AND SUSTAINABILITY SERVICES

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	13,565,829	13,565,829	0	28,964,012	28,964,012	28,964,012
User Charges & Fees	915,228	1,013,437	(98,210)	1,975,835	1,975,836	1,975,836
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	0	0	0	0	0	0
Grants and Contributions - Operating Purposes	413,291	1,234,760	(821,469)	4,664,757	5,773,970	5,773,970
Grants and Contributions - Capital Purposes	1,652,172	2,100,666	(448,494)	2,058,000	2,100,666	2,100,666
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	16,546,519	17,914,692	(1,368,173)	37,662,605	38,814,484	38,814,484
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(3,885,590)	(3,853,384)	(32,206)	(7,706,768)	(7,706,768)	(7,817,134)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(2,843,569)	(3,778,057)	934,488	(10,575,007)	(11,161,041)	(11,211,041)
Depreciation and Amortisation	(3,414,614)	(3,414,614)	0	(6,831,961)	(6,831,961)	(6,831,961)
Other Expenses	(3,214,282)	(3,205,929)	(8,353)	(6,341,215)	(6,357,496)	(6,357,496)
Internal Charges	(1,437,906)	(1,432,864)	(5,041)	(2,886,203)	(2,865,728)	(2,865,728)
Overhead Allocation	(1,484,520)	(1,484,520)	0	(3,442,970)	(2,969,041)	(2,969,041)
Total Expenses From Continuing Operations	(16,280,481)	(17,169,369)	888,888	(37,784,125)	(37,892,035)	(38,052,401)
Surplus / (Deficit) from Continuing Operations	266,038	745,323	(479,285)	(121,520)	922,449	762,083

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$266,038 is lower than forecast at the end of December primarily as a result of lower than forecast income offset by lower than forecast expenditure during the first six months of the financial year.

Total Income from Continuing Operations of \$16,546,519 is lower than forecast by \$1,368,173 primarily due to the timing of receipt of Grants and Contributions for Capital and Operating Purposes. Income from engineering permits is lower than forecast due to a lower number of applications.

Total Expenses from Continuing Operations of \$16,280,481 are lower than forecast by \$888,888. This is principally the result of Materials and Contracts that are \$934,488 lower than forecast primarily due to phasing of works in the bushland and biodiversity and the floodplain management programs. The timing of bushfire protection works on Council's bushland were brought forward to ensure these areas received extra attention in light of the dangerous conditions that were experienced in November and December 2019. The finalisation of invoicing and works is being undertaken in January/February 2020.

For the full financial year, the surplus is forecast to decrease to \$762,083 primarily as a result of additional expenditure for bushfire protection works. Following reconciliation of the bushfire protection works further changes may be required at the March quarterly review. No changes are forecast for development engineering income at this stage, however if the decline in applications continues, we would expect to reforecast in the next quarter.

Waste and Cleansing

HIGHLIGHTS

Strengthening community knowledge on waste management

Our Waste Education team hosted interactive stalls at the Christmas by the Beach, Frenchs Forest Picnic in the Park, Avalon Market Day, Scotland Island Daze and Brookvale Picnic in the Park events to encourage residents to avoid single use plastics and choose alternatives. Children created their own design on a reusable bag, while their parents or carers made a bees wax wrap and a pledge to avoid single use plastics.

We have installed recycling stations at each of our four customer service offices to allow residents to responsibly dispose of unwanted X-ray films. Diverting them from landfill enables silver to be extracted and recovered from them.

Our school program involved 897 students in activities from Kimbriki tours, to school waste audits to Eco theatre performances.

We held 10 free community workshops to help residents reduce their waste to landfill.

Seventy five vendors participated in the Avalon Car Boot Sale with thousands of people attending to have a browse and purchase second hand items so they don't end up as landfill.

We screened the film '2040' for the community and at eight local schools.

Avoiding event waste

Council requires all event organisers to promote and practice waste avoidance principles and increase resource recovery at all public events held locally. This quarter we reviewed 60 event proposals to ensure they met the mandatory event waste management conditions, which include prohibiting the use of all single-use plastics, bottled water and balloons. We supported 11 events to be bottled water free, by lending portable refill water stations and bubblers.

Swap for Good Business Program

Council continued to deliver its Swap for Good Business Program. This program supports and empowers businesses in moving away from single-use plastics. It provides information, education, resources, supplier lists, events and collaboration opportunities – all with the aim of providing ideas, solutions and alternative to single-use plastics.


We hosted a free webinar on 19 November to help school and workplace canteens move forward without single-use plastics. One hundred and seventy people registered to view the webinar.

We took the opportunity of presenting the Swap for Good program at the "Doing Business with Council" and "5 points for 5 stars" workshops held by other teams in the organisation.

Additional Services

Additional vegetation clean-ups were implemented to the offshore communities during December in response to the potential bushfire threat in the adjacent national parks.

Performance measures – Waste and Cleansing	Target	September quarter	December quarter
Domestic waste and recycling services: Compliance with schedules	100%	* 99%	* 99%
Complaints on domestic waste collection service	<1%	** 1%	*** 1%

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

Notes on results:

- * All scheduled runs have been completed on the allocated days. However, the volume of missed services over the period impacted the achievement of the target.
- ** The implementation of the new service has caused some disruption for residents. This resulted in an increase in customers contacting Council about service issues. The volume of service calls has reduced by 70% between July and September and this trend is expected to continue.
- *** The implementation of the new service continues to cause some disruption for residents. The volume of service calls has remained at similar levels to the previous quarter, however this is at a time when customer contact usually increases over the holiday period. The down trend in customer service calls is expected to continue in the next quarter.

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Implement strategies for waste, event waste and single-use plastics

The Waste education team hosted interactive stalls to encourage residents to avoid single use plastics at Christmas By The Beach, Dee Why, Picnic in the Park, Frenchs Forest, Avalon Market Day, Scotland Island Daze and Picnic in the Park Brookvale.

We reviewed 60 event proposals to ensure they met the mandatory event waste management conditions prohibiting the use of all single-use plastics, bottled water and balloons. We then inspected 380 stallholders out of which 16 had minor non-compliances.

We loaned our portable refill water stations and bubblers to 11 events which enabled them to be bottled water free.

Delivery of the Swap for Good business program continued with Council, community groups and organisations working towards reducing single-use plastics on the Northern Beaches.

We provided the '2040' movie DVD to eight local schools and invited school canteens to sign up to our special webinar encouraging canteens to be single use plastic free.



Deliver waste education and change initiatives for community and business

Our schools education program reached 897 students across seven schools on the Northern Beaches. Activities such as Kimbriki tours, recycling talks, waste audits and Eco Theatre presentations were used to help the schools and their students reduce their waste by providing advice on waste avoidance and recycling.

Community education programs to drive behaviour change and support the domestic waste service were delivered to 470 people this quarter. Workshop topics included composting and worm farming, reusable nappies, electrical repairs, ethical decluttering, making beeswax wraps and how to buy and sell online.

The team also held waste education stalls at Avalon Market Day, Scotland Island Daze, Dee why Christmas by the Beach, and Picnic at the Park in both Brookvale and Frenchs Forest.

Presentations were given at Council staff new starter induction sessions, Belrose Country club retirements village, to the Tibetan students at Brookvale TAFE and to Seniors Australia.

We screened the film '2040' to 1501 people at a single use plastic free event.

Our Swap for Good business engagement team worked with local businesses and school canteens to support people in changing to alternatives to single use plastic.



Review waste service and infrastructure for offshore communities

This project commenced with a market stall and survey at Scotland Island "Island Daze" festival in November 2019, and feedback on the recent implementation of a scheduled vegetation clean-up service will be incorporated into the overall review of waste services to the offshore communities.

Feedback from vegetation collections has continued and further collections organised due to the extreme bush fire risk. Feedback is being consolidated for reporting. This has delayed the commencement of meetings with stakeholder groups, which will occur in early 2020.



Review the cleansing service

A report on the paver scrubbing contract is being prepared for Council approval and work has now started on reviewing the street sweeping service contract.

Behind schedule



Implement and manage new contracts for domestic waste collection and processing

This project is experiencing delays whilst Council seeks contract management solutions. Transfer of bin delivery obligations to URM and implementation of the radio frequency identification (RFID) technology are components of the contract that are yet to be completed. Better data collection will be possible for Council once these contract components are in place.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Completed



Waste and cleansing



Compactor bins trial

Bins are in place and operational for the trial at Shelly Beach. They are being monitored by Waste staff, and the success will be later evaluated. This is part of the Smart Cities project at Shelly Beach.

Plant and equipment



Bin replacements

The bin replacement project was completed in August.



Ride on sweepers

We completed the purchase of two ride-on sweepers and a transport trailer in November and this equipment is now in use.

FINANCIALS

WASTE MANAGEMENT & CLEANSING

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	47,161,141	47,318,097	(156,957)	56,643,652	53,758,115	53,758,115
User Charges & Fees	23,790	44,753	(20,963)	165,811	51,348	51,348
Investment Fees and Revenues	30,382	34,986	(4,604)	70,000	70,000	70,000
Other Revenues	0	5,600	(5,600)	11,200	867,764	867,764
Grants and Contributions - Operating Purposes	258,501	329,500	(70,999)	250,000	329,500	329,500
Grants and Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	242,457	300,000	(57,543)	400,000	400,000	305,000
Total Income From Continuing Operations	47,716,270	48,032,937	(316,666)	57,540,663	55,476,727	55,381,727
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(4,058,018)	(3,906,062)	(151,955)	(7,813,530)	(7,813,530)	(7,924,942)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(22,109,649)	(23,111,631)	1,001,982	(47,322,572)	(45,463,997)	(45,091,343)
Depreciation and Amortisation	(818,502)	(818,502)	0	(1,637,003)	(1,637,003)	(1,637,003)
Other Expenses	(44,292)	(80,178)	35,886	(183,212)	(133,212)	(133,212)
Internal Charges	(1,342,626)	(1,344,609)	1,983	(2,742,976)	(2,742,976)	(2,742,976)
Overhead Allocation	(849,015)	(849,015)	0	(1,698,030)	(1,698,030)	(1,698,030)
Total Expenses From Continuing Operations	(29,222,101)	(30,109,997)	887,896	(61,397,323)	(59,488,748)	(59,227,506)
Surplus / (Deficit) from Continuing Operations	18,494,169	17,922,940	571,229	(3,856,660)	(4,012,021)	(3,845,779)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$18,494,169 is higher than forecast by \$571,229 at the end of the December quarter primarily as a result of lower than forecast expenditure.

Income of \$47,716,270 is lower than forecast by \$316,666, due to both the lower than anticipated proceeds on the sale of the former Manly domestic waste compactors together with the lower than anticipated requests for additional domestic waste bins.

Expenses from Continuing Operations of \$29,222,101 are also lower than forecast by \$887,896. This is the result of lower expenditure in Materials and Contracts due to the phasing of waste disposal costs and lower than anticipated costs for the cleaning of carparks, ovals and sportsfields. The higher than forecast Employee Benefits and Oncosts are related to lower than anticipated vacancies throughout the year and an increase in additional casual staff to support residents through the implementation of the new waste collection contract.

For the full financial year, the result is forecast to remain in deficit at \$3,845,779. The budget has been reforecast to reflect the reduction in proceeds from the sale of waste compactors, lower public place cleansing contract costs and an increase in employee costs due to expenditure associated with the new domestic waste service and the provision of an additional cleansing officer for the Public Place Cleansing team.

Kimbriki Resource Recovery Centre

HIGHLIGHTS

The holiday period provided unique challenges and opportunities for waste management at Kimbriki. Additional staffing was implemented in the weeks leading up to Christmas to meet the needs of residents keen to tidy up and clean up their yards prior to the celebrations. Despite the high demand, no significant delays or outages were experienced ensuring the customer experience remained positive.

The free disposal of paper and cardboard was well received after Christmas as many new presents were unwrapped and unboxed and residents also took advantage of the ongoing resident subsidy for vegetation disposal to recycle their Christmas trees into composts and mulches.

A new contract to manage resident's household recycling commenced on 1 December 2019 resulting in more of these commodities being value added and reused locally including plastics and fibres. Glass derived from resident's yellow bins is now being put to use in road and building works as well as for filtering stormwater from South Steyne, Manly as part of an innovative arrangement between Kimbriki's new contractor IQRenew and Star Water.

Arrangements were put in place to allow for residents to bring used globes and fluorescent tubes to Kimbriki for recycling with a set of receptacles established in the reception area to cater for both fluorescent tubes and compact fluorescent globes at no charge.

Negotiations were complete to allow for the retrieval of resident's left over paints under a partnership with industry-funded provider Paintback. This service will accept both water and oil based paints up to 100 litres per visit at no charge. The containers are recycled and the waste paint is treated in a number of ways including energy recovery from oil based paints and liquid/solid separation for water-based paint, significantly minimising landfill over alternative practices. Paintback is also committed to researching new ways to repurpose unwanted paint materials.

Performance measures – Kimbriki	Target	September quarter	December quarter
Total waste diverted from landfill (onsite at Kimbriki Resource Recovery Centre)	82%	* 80.3%	*** 81.1%
Domestic dry waste diverted onsite from landfill	10%	** 3.5%	** 3.6%


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

Notes on results:

- * Downturn in demolition and construction has resulted in a significant drop in incoming tonnes of recyclable brick and concrete.
- ** Changes in the new Northern Beaches' collection arrangements have seen a reduction in recoverable metal from kerbside arriving at Kimbriki. Kimbriki's new landfill processing contract (commencing in February 2020) contains improved technologies to boost mechanical recovery from hard waste.
- *** A down-turn in construction waste and vegetation waste adversely impacted the total site recovery rate. Individual recycling rates at the different areas remained constant with the exception of comingled recycling where additional contamination is being removed at Kimbriki rather than being transported off-site for disposal elsewhere.

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule 



Develop long term Business Plan endorsed by shareholder Councils

The draft Business Plan has been completed and presented to the shareholder Councils.



Research and develop improved resource recovery consistent with the endorsed Business Plan


Kimbriki has finalised the procurement of all major contracts. The new landfill management contract provides for improved resource recovery and compaction. This will provide more airspace and should depending upon fill rate, extend landfill life.

The Paintback agreement has been completed. This will provide an opportunity for residents to drop off paint for recycling.

Kimbriki have proposed a Sustainability Hub providing improved resource recovery and community engagement.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule 

Kimbriki Improvements



Kimbriki high level drain

Work continued on preparation of the detailed design and environmental assessment for the clean water diversion system, which will support the application to the Consent Authority.



Kimbriki landfill cell development Area 4A

Excavation and cell lining preparation works have been completed.



Kimbriki gas capture system

Installation of additional pipework in contingency landfill area not required until January/February due to design revision.



Kimbriki landfill cell development Area 4B

Project suspended due to revision of site master plan.

**Kimbriki vehicles**

The replacement site truck was delivered in October. No other purchases were made this quarter.

**Kimbriki renewal program**

The purchase and installation of new boom gate for weighbridge D was undertaken this quarter.

**Kimbriki other**

An upgrade to the server and weighbridge PC was undertaken this quarter with purchase and installation of new equipment.

FINANCIALS

KIMBRIKI RESOURCE RECOVERY CENTRE

Income Statement – 1 July 2019 to 31 December 2019

	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	15,747,665	16,272,674	(525,009)	34,359,840	33,364,993	32,839,984
Investment Fees and Revenues	161,125	160,963	162	97,500	299,713	299,875
Other Revenues	2,231,454	2,020,827	210,627	3,228,226	4,281,739	5,272,829
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	(1,985)	(1,985)	0	0	(1,985)	(1,985)
Total Income From Continuing Operations	18,138,259	18,452,479	(314,220)	37,685,566	37,944,460	38,410,703
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,370,555)	(2,506,452)	135,897	(5,431,996)	(5,220,348)	(5,049,951)
Borrowing Costs	(1,067,061)	(1,067,061)	(0)	(1,917,604)	(2,134,095)	(2,134,095)
Materials and Contracts	(7,099,864)	(6,640,233)	(459,631)	(12,337,521)	(12,553,497)	(14,673,395)
Depreciation and Amortisation	(1,360,985)	(1,307,630)	(53,355)	(1,729,530)	(2,930,468)	(2,794,094)
Other Expenses	(5,499,598)	(5,792,975)	293,377	(12,743,747)	(11,993,385)	(11,733,714)
Internal Charges	0	0	0	0	0	0
Overhead Allocation	0	0	0	0	0	0
Total Expenses From Continuing Operations	(17,398,063)	(17,314,351)	(83,712)	(34,160,398)	(34,831,793)	(36,385,249)
Surplus / (Deficit) from Continuing Operations	740,196	1,138,128	(397,932)	3,525,168	3,112,667	2,025,454

Commentary – Year to Date Actuals and Annual Forecast

The performance from continuing operations was a surplus of \$740,196 which was \$397,932 lower than the forecast primarily as a result of lower incoming volumes of material to the site.

Total Income from Continuing Operations of \$18,138,259 was lower than forecast by \$314,220. Construction & Demolition tonnages are down as the market slows in line with the general economy and is \$280,736 below forecast. Landfill tonnes from Councils have stabilised after the adjustment to the new on-demand collection system. General landfill tonnes are relatively steady vs 2018 but have not had the expected increase after the introduction of the Queensland Levy which has not been enough to deter the lower cost option of transporting of waste to Queensland and, as a result revenue is \$283,780 below forecast. Vegetation revenue is \$66,789 over forecast after an influx of material in December due to heavy storm activity. Other revenues are \$210,627 over forecast due to increases in income from recycled materials.

Investment Fees and Revenues were as forecasted.

Total Expenses from Continuing Operations were \$17,398,063 which were higher than forecast by \$83,712. Materials and Contracts were \$459,631 higher than forecast mainly due to increased processing costs on Vegetation.

Depreciation & Amortisation YTD were \$53,355 higher than forecast due to the timing of capitalisation of work in progress.

Employee Benefits & Oncosts were \$135,897 lower than forecast due to the cost control of overtime and the program to reduce excess annual leave entitlements. Other expenses were \$293,377 lower than budget, mainly from the saving on EPA levy expense due to the reduced landfill volumes.

Forecast

User Charges and Fees are forecasted \$525,009 lower after consideration of the Year to date variance.

The Investment Fees and Revenues of \$299,875 is in line with the previous forecast. Other revenues have increased by \$991,089 due to increased tonnages of recyclables as a result of securing a new customer from December 2019 and higher metal recycling.

The Materials & Contracts cost is forecasted to increase by \$2,119,899. This includes the full costing of increases from the 4 new major processor contracts and increases in processing tonnages of recyclables from the new customer mentioned above.

The decrease in forecasted Depreciation and Amortisation of \$138,374 is due to anticipated minor delays in capitalisation of work in progress for cell 4a.

Employee Benefits and Oncosts are forecasted to reduce by \$170,397 due to control of overtime and the program to reduce excess leave entitlements.

Other Expenses are forecast to reduce by \$259,670 due to reductions in EPA levies from lower than expected landfill tonnages.

A reduction of \$1,087,215 in the full year Surplus from Operations is forecasted as a result of the changes above.

The major impact on the forecasted profit vs budget is the loss of the Ku-ring-gai vegetation processing contract. Management are exploring options to replace these profits but other than the new recyclables customer, no others are at an advanced enough stage to include in this forecast. It is hoped by the March forecasts other opportunities currently under negotiation will come to fruition and will improve the outlook for the full year.

Strategic Land Use Planning

HIGHLIGHTS

Towards 2040 – Northern Beaches draft Local Strategic Planning Statement

The six week public exhibition of *Towards 2040*, Northern Beaches Council's first local strategic planning statement concluded on 10 November 2019. Over 320 public submissions and 16 NSW Government agency responses were received.

A preliminary review of submissions confirms overall support for *Towards 2040*, either with or without changes (88%). The matters raised most frequently were related to population growth, infrastructure and concerns with the current backlog, natural environment and climate change, retention of tree canopy, and the importance of place and character in our future planning.

A report on the final adoption of *Towards 2040* will be presented to Council on 25 February 2020.

Northern Beaches Council Voluntary Planning Agreements (VPA) Policy

The Northern Beaches Council Voluntary Planning Agreements (VPA) policy was adopted by Council on 17 December. The Policy applies to all land in the Northern Beaches local government area. It provides a set of guiding principles for transparency and accountability in the negotiation of these agreements, along with a guideline that sets out all the requirements. The adopted policy and guidelines are in place to ensure that the use of voluntary planning agreements is lawful, reasonable and provides the best possible outcome for our community.

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Complete



Amend DCPs to provide for 10% adaptable housing in new medium and high-density developments

At the Council Meeting on 27 August 2019, Council adopted amendments to the Warringah Development Control Plan 2011 (DCP) to require that a minimum of 10% adaptable housing be provided for all new dwellings in medium and high density residential developments. These amendments came into effect on 14 September 2019.

All other Northern Beaches Council DCPs currently require a minimum of 10% adaptable housing.



Frenchs Forest Precinct Planning for a sustainable town centre and precinct with a Green Star Communities rating

Council staff continue to liaise with NSW Department of Planning, Industry & Environment staff on outstanding matters requiring resolution prior to public exhibition.



Develop Aquatic Reserve Masterplan with a state-of-the-art education and recreation precinct

The relevant technical studies to inform the masterplan have been completed. Potential sporting group re-locations continue to be discussed with affected stakeholders and a number of meetings have been convened with relevant State government departments to progress the masterplan to exhibition.



Complete Brookvale Structure Planning and Rezoning - to revitalise Brookvale town centre

We are awaiting finalisation of the Brookvale / Dee Why Traffic and Transport study and the Northern Beaches Employment study which will inform the preparation of the Brookvale Structure Plan. Once the technical studies have been completed the preparation of the Structure Plan will re-commence.



Prepare Local Strategic Planning Statement and associated technical studies

The public exhibition of the Local Strategic Planning Statement concluded on 10 November 2019 with over 320 public submissions and submissions 16 from NSW Government Agencies received.

A comprehensive review of all submissions commenced in December 2019 and a report on the LSPS exhibition process will be presented to Council on 25 February 2020.



Seek to establish a university presence on the Northern Beaches

The opportunity to provide appropriate floor space to accommodate a university at Frenchs Forest is being considered by the NSW Department of Planning, Industry & Environment. It will be considered as part of the Frenchs Forest Precinct Plan.

It is expected that the Frenchs Forest Precinct Plan will be exhibited later this year, however this process is being managed by the State Government.



Implement the Affordable Housing Policy

A Housing Discussion Paper was released in conjunction with Council's exhibition of the draft Local Strategic Planning Statement (LSPS) in October and November 2019. The Discussion Paper and LSPS address affordable housing issues on the Northern Beaches.

A workshop with Councillors held in November 2019 on housing issues and options was convened which highlighted general support for affordable housing and the need for diversity of housing. The feedback received during the public exhibition of the Discussion Paper (and Councillor workshop) is being considered prior to the finalisation of the Housing Strategy.

**Prepare Northern Beaches Local Environmental Plan and associated studies**

Work on the Northern Beaches Local Environmental Plan (LEP) has been delayed due to the finalisation of the draft Council's Local Strategic Planning Statement and progressing Council's Local Housing Strategy.

A LEP delivery program has been developed which anticipates an LEP Discussion Paper being prepared for public consultation by mid-2020 and a Planning Proposal being submitted to Council for consideration after the September 2020 local government elections.

**Develop Place Plans for Avalon, Mona Vale, Manly and other centres**

The draft Avalon Beach Place Plan has been prepared and an internal review of the draft document has been completed. Council's Design Studio have commenced final drafting of the document and once the design review is completed, copies will be distributed to the Avalon Community Reference Group in early 2020. It is expected that the draft Avalon Place Plan will be reported to Council in early 2020.

The preparation of the Mona Vale Place Plan was placed on hold whilst the draft LSPS was being finalised (including submissions review and finalisation of relevant studies such as employment, housing, and open space and infrastructure). An update report on the Mona Vale Place Plan is scheduled to be presented to Council in early 2020.

The project planning work has commenced culminating in the preparation of a draft Project Initiation Document (PID) for the Manly Place Plan project. The draft PID is currently being reviewed by internal stakeholders and the endorsement of a final work plan and program is expected in February 2020.

**Ingleside Precinct - work with Department of Planning, Industry and Environment on the potential land release**

The Department of Planning, Industry and Environment (the Department) have advised that the Bushfire Evacuation Modelling for the Ingleside Precinct is being finalised, with a view to releasing the findings in early 2020. The Department issued a project update to the Community on 19 December 2019.

**Prepare a Local Housing Strategy**

SGS Planning have been engaged to prepare Council's Local Housing Strategy. A Housing Discussion Paper was placed on public exhibition in late 2019 together with Council's draft Local Strategic Planning Statement. Responses to the Housing Discussion Paper were generally supportive of increased diversity of housing and affordable housing options, subject to the provision of sufficient infrastructure. It is anticipated that a draft Local Housing Strategy will be released for public comment in mid-2020.

FINANCIALS

STRATEGIC AND PLACE PLANNING

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	2,907,806	2,907,806	0	6,075,883	6,075,883	6,075,883
User Charges & Fees	460,124	486,865	(26,741)	974,103	974,103	974,103
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	350	0	350	0	0	0
Grants and Contributions - Operating Purposes	110,755	218,125	(107,370)	305,250	363,125	363,125
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	3,479,036	3,612,796	(133,760)	7,355,237	7,413,112	7,413,112
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,042,076)	(2,016,991)	(25,085)	(4,085,285)	(4,085,285)	(4,085,285)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(444,973)	(998,706)	553,733	(1,336,726)	(1,777,567)	(1,684,067)
Depreciation and Amortisation	(23,033)	(23,033)	0	(46,065)	(46,065)	(46,065)
Other Expenses	(572,829)	(450,738)	(122,091)	(880,669)	(894,652)	(894,652)
Internal Charges	(139,240)	(138,639)	(600)	(277,279)	(277,279)	(277,279)
Overhead Allocation	(179,893)	(179,893)	0	(729,213)	(359,787)	(359,787)
Total Expenses From Continuing Operations	(3,402,044)	(3,808,001)	405,957	(7,355,237)	(7,440,634)	(7,347,134)
Surplus / (Deficit) from Continuing Operations	76,991	(195,205)	272,197	0	(27,523)	65,977

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$76,991 is higher than forecast at the end of December primarily as a result of lower than forecast expenditure.

Total Income from Continuing Operations of \$3,479,036 is slightly lower than forecast by \$133,760 primarily as a result of lower User Charges & Fees associated with planning proposals along with lower Grants and Contributions – Operating Purposes.

Total Expenses from Continuing Operations of \$3,402,044 is lower than forecast by \$405,957. Materials and Contracts are \$553,733 lower than forecast principally due to the timing of budgeted expenditure on the Northern Beaches Local Environmental Plan project. The project will continue to progress this financial year within the allocated budget.

Other expenses were also impacted by the timing of the Department of Environment and Planning Levy payment.

For the full financial year, the Total Deficit from Continuing Operations is forecast to increase to \$65,977 primarily as a result of the re-phasing of the Brookvale Structure Plan implementation.

Development Assessment

HIGHLIGHTS

In the December quarter a total of 650 applications (development applications, modification applications and review applications) were received. In addition, 80 pre-lodgement meetings were held.

Significant improvements have been made to application processing times. During the quarter the average time taken to determine DAs was 79 days, with a median time of 54 days.

A focus over the quarter has been on improving customer experience of the DA service. This has included a facilitated workshop with frequent customers to better understand opportunities for improvement and what parts of the service are working well. A customer survey has also commenced, which seeks feedback from customers once an application is determined. All feedback received will be carefully considered with the objective of improving our DA service and enhancing customer experience. Staff have also been trained in customer journey mapping and customer experience.

Work was carried out to prepare for the implementation of paperless lodgement of applications. This initiative came into effect on 1 January 2020 and applicants are now only required to submit applications via a USB – no more paper copies of DAs and accompanying documents. This initiative reduces our impact on the environment.

We also now display all plans online, including internal floor plans. This has been implemented to provide greater transparency to our community and allow easy access to all relevant information lodged with a development application.

Performance measures – Development Assessment	Target	September quarter	December quarter
DAs determined under delegation within 60 days	60%	* 44%	** 55%

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

Notes on results:

- * Performance against the target has improved from 39% in the previous quarter. This has been achieved by introduction of a fast track system that identifies certain types of development applications that are able to be determined in less than 40 days. This new process has reduced overall DA determination times.
- ** The result has further improved in the December quarter, confirming internal process changes implemented in September are having a positive effect. During this quarter, 422 Development Applications were received and 376 were determined, 207 were determined in under 60days. Further process changes and improvement initiatives will be implemented in the March quarter.

FINANCIALS

DEVELOPMENT ASSESSMENT

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	1,405,570	1,405,570	0	2,809,817	2,809,817	2,809,817
User Charges & Fees	1,799,531	2,006,745	(207,214)	4,015,057	4,015,057	3,775,057
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	3,205,100	3,412,314	(207,214)	6,824,874	6,824,874	6,584,874
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,535,947)	(2,600,278)	64,330	(5,200,556)	(5,200,556)	(5,200,556)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(222,084)	(229,865)	7,781	(459,914)	(459,914)	(459,914)
Depreciation and Amortisation	(43,402)	(43,402)	0	(86,804)	(86,804)	(86,804)
Other Expenses	(100,533)	(92,280)	(8,253)	(184,621)	(184,621)	(184,621)
Internal Charges	(141,595)	(143,747)	2,152	(287,495)	(287,495)	(287,495)
Overhead Allocation	(302,742)	(302,742)	0	(605,485)	(605,485)	(605,485)
Total Expenses From Continuing Operations	(3,346,305)	(3,412,314)	66,010	(6,824,874)	(6,824,874)	(6,824,874)
Surplus / (Deficit) from Continuing Operations	(141,205)	0	(141,205)	0	0	(240,000)

Commentary – Year to Date Actuals and Annual Forecast

The Total Deficit from Continuing Operations of \$141,205 is higher than forecast at the end of December which relates to lower than anticipated income and lower than forecast expenditure in the second quarter of the financial year.

Total Income from Continuing Operations of \$3,205,100 is lower than forecast by \$207,214 primarily as a result of lower User Charges and Fees due to a lower number of applications submitted and pre-lodgement meetings.

Total Expenses from Continuing Operations of \$3,346,305 are lower than forecast by \$66,010. Employee Benefits & Oncosts are \$64,330 lower than forecast due to a number of vacancies. Other expenses are higher than forecast by \$7,781 as a result of additional Local Planning Panel Meetings offset against a lower than forecast expenditure on contract services.

A \$240,000 reduction in income has been forecast for the financial year. This is a result of a continued decline in applications and pre-lodgement meetings.

Environmental Compliance

HIGHLIGHTS

Exhibition of the Draft Keeping of Animals Policy

The draft Keeping of Animals Policy was exhibited for an extended period due to strong community interest. The draft policy seeks to replace the current animal management policies of the three former Councils. The policy seeks to ensure compliance with legal (statutory) requirements and the application of acceptable community and health standards in relation to the keeping of certain animals. Council's aim is to maintain public and private amenity across the Northern Beaches and to encourage responsible ownership of companion animals.

We received over 1,200 comprehensive and informative submissions from the community. Staff are meeting with representatives of the various animal groups to better understand their concerns and a revised policy will be reported to Council in 2020.

Beat the heat

As part of our role in safeguarding public health during the quarter we issued advice for everyone on how they can beat the summer heat. We are working to keep everyone safe during this hot and dry summer.

Christmas food safety

Our Environmental Health team were very active over the Christmas season, inspecting restaurants and food businesses to ensure compliance with strict food hygiene requirements. We issued a timely reminder to businesses and households alike that it's essential to maintain food standards, such as keeping benches and utensils clean and sanitised and avoiding cross contamination between cooked and raw foods.

Over the quarter, we undertook 336 food premise inspections (215 fixed food shops, 111 temporary food stalls and 10 mobile food vans/trucks) to keep everyone safe.

Dog attacks

Seventy eight dog attacks were reported in the quarter. Investigations remain ongoing for most matters, however four menacing dog and two nuisance dog declarations have been put in place.

The Animal Management Team also had two very successful outcomes in Court regarding dog attacks. A local court prosecution at Manly Court on 17 December 2019 convicted the owner of a dog. The magistrate imposed a penalty of \$5,000, ordered them to pay Council's costs and disqualified them from owning or being in charge of a dog in a public place for a period of three years.

In an earlier prosecution in October, the Magistrate convicted the owner of dog, imposed a penalty of \$6,000, ordered payment of Council's costs and disqualified the owner from owning or being in charge of a dog in a public place for a period of 12 months.

Manly alcohol free zones

Council Rangers continue with the night patrols of alcohol free zones in Manly seven days a week between 5.30pm and 10.30pm. The busy Christmas and New Year period was successful with no major incidents to report. Council and the Police are forming a strong working relationship in this line of work responding and addressing all community safety incidents. The night patrols recently have also attended to the overnight stay/camping offences at Mackillop Park, Freshwater and enforcing the 'no vehicles' restrictions at the overflow carpark, Dee Why Beach.

Get the site right

Environmental Health carried out over 50 proactive inspections of sediment and erosion controls at construction sites throughout the Northern Beaches between 15 and 18 October 2019.

'Get the Site Right' is an initiative put forward by Sydney Coastal Councils Group and the October program is an extension on the back of positive feedback from our involvement in their month long May 2019 program.

As a result of the inspections 19 non-compliant construction sites were identified which resulted in Council issuing five verbal warnings, 11 written warnings, one Prevention Notice under the *Protection of the Environment Operations Act*, one instance of illegal clearing/unauthorised works and one site requiring future monitoring.

Performance measures – Environmental Compliance	Target	September quarter	December quarter
Critical and high risk retail food premises inspections completed, in line with schedule	100%	100%	100%
Critical and high risk public health inspections completed, in line with schedule	100%	* 82%	** 83%

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

Notes on results:

- * This year's inspection program has been expanded to include wastewater systems. Additional resourcing to fulfil the inspection program is being sought and compliance with the inspection schedule is expected to improve during the year.
- ** Alternative inspection programs are being developed. The wastewater inspection program is continuing despite being unable to fill one vacancy or establish a trainee position.

FINANCIALS

ENVIRONMENTAL COMPLIANCE

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	928,318	928,318	0	1,839,224	1,839,224	1,839,224
User Charges & Fees	1,005,860	1,203,067	(197,207)	2,404,982	2,404,982	2,404,982
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	4,154,370	4,463,754	(309,384)	8,931,074	8,931,074	8,931,074
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	6,088,548	6,595,138	(506,591)	13,175,280	13,175,280	13,175,280
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(4,161,393)	(4,480,476)	319,083	(8,960,953)	(8,960,953)	(9,278,433)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(1,471,793)	(972,065)	(499,727)	(1,935,392)	(1,935,392)	(1,935,392)
Depreciation and Amortisation	(73,899)	(73,899)	0	(147,798)	(147,798)	(147,798)
Other Expenses	(53,500)	(59,389)	5,889	(112,520)	(112,520)	(112,520)
Internal Charges	(460,275)	(465,482)	5,207	(930,964)	(930,964)	(930,964)
Overhead Allocation	(543,826)	(543,826)	0	(1,087,653)	(1,087,653)	(1,087,653)
Total Expenses From Continuing Operations	(6,764,686)	(6,595,138)	(169,548)	(13,175,280)	(13,175,280)	(13,492,760)
Surplus / (Deficit) from Continuing Operations	(676,139)	(0)	(676,139)	0	0	(317,480)

Commentary – Year to Date Actuals and Annual Forecast

The Total Deficit from Continuing Operations is \$676,139 at the end of December. Materials and Contracts are higher by \$499,727 as a result of increased agency costs to manage a number of vacancies within the Building Control team as well as due to Council's animal management contract (with increased services in this area). This impact is somewhat offset by savings of \$319,083 from Employee Benefits and Oncosts as a result of existing vacancies.

Total Income from Continuing Operations is \$6,088,548, which is lower than forecast by \$506,591 as a result of a drop in User Charges & Fees and the phasing of income received from fines.

Total Expenses from Continuing Operations are higher than forecast by \$169,548. This is principally the result of higher than anticipated Materials and Contracts by \$499,727 partially offset by lower Employee Benefits & Oncosts. The lower Employee Benefits & Oncosts are largely resulting from vacant positions, with the higher Materials and Contracts resulting from the animal management contract and from the engagement of agency personnel to cover these vacancies.

Employee Benefits & Oncosts have been reforecast \$317,480 to provide additional staff within the Building Compliance team. No further changes have been made at this stage, however if animal management contract expenditure continues at the present level, we would expect to reforecast in the next quarter.

Parks and Recreation

HIGHLIGHTS

Beach safety

The beaches have been extremely busy as a result of the weather and surf conditions. During this quarter 8,620,583 people attended the patrolled beaches with lifeguards performing 172,628 preventative actions, 314 rescues and 2,249 first aid actions.

The lifeguard hours were extended at Dee Why, Freshwater and North Curl Curl beaches on the very warm days due to the high visitation numbers.

Council is working with Lake Macquarie Council and the University of Technology Sydney to develop technology that will provide real time data on wave conditions and swell movements. This will provide information on potential hazardous conditions. The technology will also provide more accurate visitation numbers, which will assist Council in the management and planning of the beaches. A trial will commence in January at Shelly and Manly Beaches.

Maintaining our sportsgrounds

Turf and drainage works were carried out at St Matthews Farm fields 3 and 4, Cromer. These works will improve the resilience of the surface especially in wet weather.

In November we undertook returfing of bare areas, such as goal mouths, on sportsgrounds that have smart irrigation systems. This encompassed an area of approximately 35,000m². Only those fields with smart irrigation systems are permitted to operate during the current water restrictions.

A full grass surface renovation was undertaken at James Morgan Reserve in October, including preparation of the ground, returfing, top dressing and fertilising.

New sand slit drainage was installed in Brookvale Oval in October to further improve the playability of the field throughout the season.

Sport and Recreation Infrastructure Grants Program

At the meeting 22 October 2019, Council approved the following 2019/2020 Sport and Recreation Infrastructure Grants Program projects:

- Narraweena Tennis Club; to replace the perimeter and interior court fencing at the Narraweena Tennis Centre - \$25,000.
- Mona Vale Golf Club; to improve drainage on the 3rd and 13th fairways at the Mona Vale Golf Course - \$20,000.
- Manly Warringah Touch Association; to upgrade the canteen at the northern clubhouse building at Nolan Reserve - \$16,680.
- Belrose Tennis Club; to resurface one synthetic grass tennis court at the Belrose Tennis Centre, \$14,950.
- Balgowlah Tennis Club; to upgrade lighting on two tennis courts with LED lights at the Balgowlah Tennis Centre - \$12,440.
- Wakehurst Golf Club; for a new path on the 10th hole and an upgrade of the stairs at the 13th tee at the Wakehurst Golf Course - \$10,930.

Town centres and villages

The upgrades to the southern section of Dee Why Square were completed. This area has been transformed with the installation of new seating, a paved pathway, a number of feature garden beds and a row of advanced palm trees.

Recreation planning, management and improvements

The new regional playground at Lionel Watts Reserve, Frenchs Forest was opened in December. The new facility provides a focal point for the community, facilitating a diverse play experience for children of all abilities. This follows the opening of the new skate park at Lionel Watts in October, which provides older children and teenagers additional recreational opportunities in the area.

Council adopted the Masterplan for Little Manly Beach and Point in November. This plan outlines future improvement works including the demolition of 40 Stuart Street in 2022/23 financial year which will enhance community use, access and enjoyment of these popular areas.

Upgrade works at Bilgola Beach were completed providing improved amenities, better safety and more accessibility. The Turrimetta Headland lookout has also been completed and was reopened to the public just prior to Christmas. These works included new fencing, sandstone paving and seating.

Council replaced the majority of the concrete promenade at Narrabeen Rockpool in October, making the area safer and more user friendly.

An on-leash dog area was approved and established at a specified section of Station Beach (south end) at specific days and times.

A six month trial was approved for Parkrun Australia at the October Council meeting to conduct weekly community running events at Mona Vale beach and South Mona Vale Headland Reserve.

A twelve month trial was approved in the December Council meeting for Castle Tribe Inc. to conduct 10 community drumming events at McCarrs Creek Reserve between January 2020 and December 2020.

An Off-Road Cycling Stakeholder Group was formed to provide input for off-road cycling matters including about mountain bike riding for the Open Space and Recreation Strategy project.

Council hosted an event for the plaque unveiling and naming of the reserve at Ocean Street, Narrabeen on 17 December. The iconic reserve in Narrabeen was officially named 'Surfrider Gardens' paying tribute to local identity Tom Kirsop and the Surfrider Foundation Australia.

Tree Management

Tree Services received and processed 403 requests to remove or prune trees on private land during this quarter.

There were 2,651 requests from the community involving trees on public land. Over 1,100 of these were related to the 26 November storm event. The storm was declared a natural disaster measuring 34.7 km² area which included Davidson, Frenches Forest, Forestville, Belrose, Terrey Hills and Killarney Heights.

There was however considerable damage to trees in surrounding suburbs which also required attention. There was 5,100 m³ of vegetation debris cleared up to 30 December 2019.

Performance measures – Parks and Recreation	Target	September quarter	December quarter
Rockpools cleaned weekly during summer season and every two weeks outside of summer	95%	95%	99%
Sportsfields mowed weekly in summer playing season and monthly in winter	95%	100%	100%

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

Workload measures – Parks and Recreation	September quarter	December quarter
Number of preventative actions by professional lifeguards on patrolled beaches	* 8,045	** 172,628

* Preventative actions are highly seasonal and reflect the increase in beach visitors. These figures relate to patrols at Manly Beach for the entire quarter, Dee Why and Freshwater beaches for September and one weekend for all other patrolled locations.

** This figure covers all 21 patrolled beaches for the entire quarter.

OPERATIONAL PROJECTS

Key: ✓ Complete ⌚ Progressing ! Behind Schedule

Progressing on schedule



Develop a Mountain Bike Strategy

In December 2019, a site visit to Red Hill was held with members of the stakeholder group and a meeting was held with Trail Care about future upgrades of the Manly Dam mountain bike trail. An Off Road Cycling online survey was also developed and distributed to stakeholders.



Develop an Open Space Strategy, including playgrounds

In December 2019, an initiation meeting was held with the project consultant and community engagement commenced. The Open Space & Recreation Strategy online project page and social pinpoint engagement was launched and an Off Road Cycling online survey was distributed to stakeholders.



Review and consolidate the Pesticide Use Notification Plan

Work continued on the draft consolidated Pesticide Use Notification Plan. A report will be prepared for Council's consideration in the coming months to place the plan on public exhibition.



Develop replacement and compensatory principles for the removal of trees on public open space

This project aims to develop a set of the guidelines identifying the number of replacement trees required should any trees be removed due to an internal or external project. A draft set of guidelines has been developed for review.



Implement an online private tree application process

The online form to apply for removal or pruning of trees on private property has been completed and it is expected to be operational by the end of January 2020



Develop an 'Iconic Tree Register'

Following review and feedback on the project by consultants, the register will be developed utilising a community facing, interactive application containing a criteria for selection.



Review Plans of Management related to Crown Lands transfer

A report has been prepared for the Council for proposed categories for 35 Crown reserves. The report will be considered at the 25 February 2020 Council Meeting. The proposed categories for the Crown reserves will be submitted to the State Government following Council approval.



Implement recommendations from the review of beach life saving services

Work is continuing on the collection of data regarding the beach visitations. This data will assist planning for service improvements.



Implement Smart Cities at Manly and Shelly beaches to monitor beach conditions and visitations

The implementation of Smart Beaches is progressing well. We have completed engagement activities with key stakeholders and held a Smart Beaches Project Stall at Ocean Care Day Manly Beach in December 2019, to inform the public on how we plan to use smart technology to monitor waves, wind and people movements to improve beach safety and visitor experience.

Cameras and antennas have been installed at pre-selected locations including Manly Surf Life Saving Club. A series of data collection devices eg. smart watches and tablets are undergoing testing to enable better data collection. A Request for Quotation has also been prepared for a Digital Information Kiosk to be installed in Manly.



Undertake accessibility audit of open space and implement priority improvements

This project is scheduled to commence in January 2020.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Completed



Foreshore and Building Improvements



Rockpool renewal program

Work on the renewal of the North Narrabeen rockpool boardwalk is complete and the rockpool was reopened in September 2019.



Headland fencing and other measures

This project was completed in December 2019.

Recreational trails



Narrabeen Lagoon Trail aquatic boardwalk

The new boardwalk was opened in November 2019 and has met all project objectives. Planting has been deferred to autumn to ensure the best chance for successful establishment.

Parks and Recreation Improvements



Youth facilities

The skate park at Lionel Watts Reserve has been completed and has been very well received by the community.

Town Centre and Village Upgrades



Place making infrastructure

The works to upgrade the paving on the corner of Waratah Street and Pittwater Road, Mona Vale were completed on 29 November 2019.

Progressing on schedule



Foreshore and Building improvements



Foreshores new and upgrades

Work has commenced on the Winererremy Bay seawall with the first stage completed prior to Christmas. Work will recommence in early 2020. The wall will protect the park from coastal erosion and increase accessibility to the foreshore. The concept design for East Esplanade Stage 2 has been finalised with work scheduled to commence on site in February 2019.



Mona Vale Surf Life Saving Club – new and renewal works

Expressions of Interest are being evaluated to identify up to five contractors suitable to be invited to tender for the Surf Life Saving Club building works. Work is scheduled to

commence in May 2020. An architect has been appointed and initial concept of the Mona Vale Beach Amenities have been circulated for comment. Sydney Water approved contractor to commence design for new sewer to SLSC, Beach Amenities and Apex Park. The documentation for the Apex Park Amenities is being finalised for request for quotations to be released in mid-January.



Long Reef Surf Life Saving Club - new building works

This project is progressing to plan. Council officers are working through some design refinements with the Club and the appointed Architect, before proceeding to lodge the Development Application by February. Construction work is scheduled to commence mid 2020.



Surf Life Saving Club minor renewal works

Garage doors at Whale Beach have now been installed and work at South Narrabeen has been completed. All other projects are in the planning or early delivery stage. Due to phasing requests from clubs, not all projects will be completed this financial year.



Surf Life Saving Club major renewals fund

As per the August Council meeting, these funds were allocated to minor works across six surf clubs. The remaining funds will be allocated to projects as they arise.



Foreshores renewal program

Works in the foreshore renewal program are progressing well, the renewal of Aitken Reserve seawall is completed and the tender for the reconstruction of the seawall and new bleachers at Clontarf Beach has been approved with construction scheduled to commence in February 2020. Bilgola Beach carpark and landscaping upgrades are complete.



Dinghy storage renewal works

Dinghy rack works at Clontarf Beach and Sandy Bay Beach will be undertaken following consultation with users and the local community. The construction of the outrigger racks at Middle Creek, Narrabeen will commence shortly.



Tidal pools refurbishment

Tenders awarded at 17 December 2019 Council meeting for the works at Little Manly and Forty Baskets Tidal Pools. Work to commence in May 2020.

Playground improvements



Allambie Oval, Allambie - new playground, multi-use court, paths and landscaping

A contract has been awarded for the construction of the new playground and half court at Allambie Heights Oval. Work on the site will begin in early 2020.



Playgrounds new and upgrades

Community engagement has concluded for the proposed playground at Plateau Park, Collaroy Plateau. A Request for Quotation to construct the park will be issued in early 2020 with construction scheduled to be completed in winter 2020. The design and construction request for quotation for Dunbar Park, Avalon will be released in early 2020 for completion by winter 2020.



Playground renewal program

The contractors to install the replacement shade structure and playground at Manly Corso have been selected with work to commence in February 2020. The contract to design and install the renewed playground at Birdwood Park, Narrabeen has been awarded with work to commence on site in early 2020.

Recreational trails



Recreational trails renewal program

Work has been completed on planned renewal works on Manly Dam pedestrian trails. Work is complete on the renewal of the stairs from Allen Avenue to The Serpentine, Bilgola. Design of the next stage of the Manly to Spit Walk is progressing with work due to commence in March 2020.

Reserves and Parks improvements



North Curl Curl youth facility

Community engagement has concluded on the proposed skate park at North Curl Curl community centre. Expressions of interest to be a member of the design reference group were received in December and a Request For Quotation released in January 2020.



Reserves new and upgrades

Detailed design is continuing to be prepared for scheduled works at Ivanhoe Park. Once completed, a Request for Quotation will be issued with works due to commence in March 2020.



Warriewood Valley - public space and recreation

The tender for construction of the Boondah Road, Warriewood netball courts has been approved by Council at its meeting in December 2019. Work to commence on site in February 2020.



Glen Street masterplan implementation

The implementation of the Glen Street Open Space Masterplan is progressing well. The new regional all abilities playground has been completed. The tender for the construction of shared paths, the new car park and landscaping within Frenchs Forest playground has been approved by Council and work will commence on site in January. Work has commenced on the stairs and shared paths in Lionel Watts reserve and will be completed in January 2020.



Freshwater Beach masterplan implementation

The feasibility studies are complete for the two proposed boardwalks, with McKillop Park boardwalk progressing to detailed design. Council will appoint a design team to undertake the Freshwater Beach reserve documentation in 2020 with a view to completing the detailed design in mid-2021.



Off leash dog infrastructure

A contractor has been engaged to undertake drainage works on Frenchs Forest Showground and this will be undertaken in two stages through summer. The cost of the works was higher than budgeted for and a forecast change will be made at third quarterly review.



Reserves renewal program

The contract for the design and construction tender of the replacement bridge a Lidwina Reserve, Cromer has been awarded. It is expected a contractor will commence work on site in March 2020. The design for the Stirgess Park upgrade has been finalised and a contractor appointed. Work is scheduled to be completed in February 2020.

Sportsgrounds improvements



Sports Club Capital Assistance Program

Owners' consent to construct was provided to the Mona Vale Golf Club for their project to improve drainage on the 15th and 18th fairways at the Mona Vale Golf Course as per the variation approved in November 2019. There are no major issues currently affecting progress of this program.



Synthetic sportsground conversion

Design work is progressing well on the conversion of Miller Reserve to synthetic. The draft landscape and engineering plans are currently being reviewed, with community engagement expected to commence in early 2020.



Newport Beach Basketball Court

A draft concept plan has been developed and is currently out for community engagement over the summer with construction scheduled for Autumn 2020. A design reference group will be drawn together from key stakeholders to review the feedback and finalise the design.



Sportsfield renewal program

The Sportsfield Renewal program is progressing with the renewal of the irrigation system at Manly Oval completed, drainage and turfing at St Matthews Farm, Cromer, completed and lighting renewal at Porter Reserve, Newport, completed.

Other works including the renewal of Beacon Hill Oval lighting, the renewal of the BMX facility at Seaforth and the renewal of fencing at Manly Oval are all in the planning phase.

Town Centre and Village Upgrades



Commercial centre upgrade program

The concept design for Killarney Heights Shops was released for community engagement in mid-November and received significant positive feedback prior to the engagement period closing in mid-December. The feedback will be integrated into the final design to be documented for tender and construction. Construction is expected to commence in April 2020.



Public space protection program

Internal review of the detailed design is completed and is now being reviewed by a third party risk assessment. A tender for the works is expected to be released early in 2020.



Commercial centre renewal program

Design work is progressing on the renewal of the public areas for Killarney Heights shops, the next stage of Balgowlah Shops, North Narrabeen shops and Forestville shops. Work is

expected to commence in Killarney Heights in April 2020 following the conclusion of community engagement for the proposed design in December 2019.

Behind schedule



Sportsgrounds improvements



Brookvale Oval upgrade

Council resolved on 23 July 2019 to align the upgrade of Brookvale Oval with the club's timing to develop its Centre of Excellence. There will be no further action on this task this year.



Sportsgrounds new and upgrades

Council resolved at its September meeting to proceed with the amended concept plan for the netball courts at Avalon Beach. A request for quotation has been issued to construct the courts and work is expected to commence in February 2020, while the procurement of the lighting for the courts has concluded.

The development application and attached documents for Tania Park sportsfield lighting have been prepared and will be lodged following community engagement to be held in early 2020. Community engagement will result in a slight delay to the lodgement of the development application.



Connecting All Through Play - Active Play

South Narrabeen Surf Life Saving Club works are now complete. Lionel Watts Western clubhouse design has been finalised and construction is in progress.

The lighting designs at Frank Grey and Passmore Reserves have been delayed, however they are both now currently being finalised.

Playground improvements



Connecting All Through Play - Inclusive Play

The Lionel Watts inclusive playground was completed and opened to the public in November 2019.

The playground at Manly Dam is behind because the original procurement phase was unsuccessful and the project had to be re-tendered.

Foreshore and Building improvements



Manly Life Saving Club design works

This project focuses on the preparation of a design to lodge with the development application for the redevelopment of Manly Life Saving Club. The project is delayed whilst we seek additional funding.

FINANCIALS

PARKS & RECREATION

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	14,361,880	14,361,880	0	28,185,774	28,185,774	28,185,774
User Charges & Fees	1,382,197	1,301,356	80,841	2,331,884	2,331,884	2,348,276
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	148,995	86,483	62,512	182,016	182,016	211,450
Grants and Contributions - Operating Purposes	218,142	126,662	91,480	41,332	425,320	526,419
Grants and Contributions - Capital Purposes	1,915,759	1,482,634	433,125	4,646,592	4,677,032	2,441,592
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	18,026,973	17,359,015	667,958	35,387,598	35,802,026	33,713,511
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(6,234,292)	(5,913,036)	(321,257)	(11,722,189)	(11,722,189)	(12,140,355)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(6,583,406)	(6,568,146)	(15,259)	(12,955,951)	(13,340,939)	(13,427,939)
Depreciation and Amortisation	(2,495,343)	(2,495,343)	0	(4,990,686)	(4,990,686)	(4,990,686)
Other Expenses	(237,837)	(315,416)	77,579	(437,265)	(437,265)	(437,265)
Internal Charges	(807,062)	(808,107)	1,045	(1,619,373)	(1,619,373)	(1,619,373)
Overhead Allocation	(1,831,067)	(1,831,067)	0	(3,662,134)	(3,662,134)	(3,662,134)
Total Expenses From Continuing Operations	(18,189,007)	(17,931,115)	(257,892)	(35,387,598)	(35,772,586)	(36,277,752)
Surplus / (Deficit) from Continuing Operations	(162,034)	(572,100)	410,066	0	29,440	(2,564,241)

Commentary – Year to Date Actuals and Annual Forecast

The Total Deficit from Continuing Operations of \$162,034 is lower than forecast at the end of December primarily as a result of higher than anticipated income.

Total Income of \$18,026,973 is higher than forecast by \$667,958 primarily due to the receipt of grants for Long Reef Surf Life Saving Club (\$181,818) and the Sportsfield Renewal Program for lighting (\$194,000).

Total Expenses of \$18,189,007 is \$257,892 higher than forecast. Employee Benefits & Oncosts are \$321,257 higher than forecast primarily due additional costs associated with the lifeguard service. This includes the provision of a new lifeguard service for the Bold and Beautiful group to ensure the safety of this large early morning swim group.

The budget has been reforecast by \$2,593,681 primarily due to the rollover of the Stronger Communities Fund grants to the 2020/21 financial year for Mona Vale and Long Reef Surf Life Saving Clubs (\$2,235,440) and an increase in employee costs of \$418,166 for the lifeguard services noted above and additional field staff.

Children's Services

HIGHLIGHTS

The service continues to provide quality education and care that meets or exceeds the National Quality Standard. Our childcare and preschool centres ran a multitude of exciting, engaging and stimulating activities for children and their families, including picnics, discos and interactive music programs this quarter. We had visits from a range of interesting people including members of the Australian Federal and Local Police, who talked to the children about what it's like to be in the police service and taught them about being safe.

The end of the year saw our children's centres and pre-schools celebrate the graduation of the older children and assist them in their transition to school. Activities with local primary schools were held, along with graduation events ranging from discos to picnics.

Social responsibility featured across our service this quarter. Our families collected 'Lids for Kids' to help make prosthetic limbs for children in need. We also collected beautiful goodies to send to the 'Ladies of the Land' charity to cheer up people affected by drought over Christmas.

Our children participated in educational programs about healthy lifestyles, eating well and looking after our teeth. They also learnt about living sustainably with visitors presenting on organic growing in our garden beds and the joy of making music instruments from recycled materials.

Our education staff benefited from a 'Yarn Up' visit by Professor Jakelin Troy, who spoke about endangered Aboriginal languages. 2019 was the Year of Indigenous Languages, so the timing of the visit was important. We incorporated cultural awareness into our programs in many ways, and notably when the children from the Dee Why Children's Centre attended the 'Grand Connections' event at the Northern Beaches PCYC to present the Acknowledgement of Country in November.

Also in November, the staff and educators came together for our own Children's Service mini conference entitled 'Inspire, Connect, Belong, Share' where staff and educators were provided with a range of workshops and opportunities to build on and extend their knowledge and understanding of Aboriginal and Torres Strait Islander cultures. The Mayor launched the Children's Services Reconciliation Action Plan at this event.

Our team also benefited from members' attendance and sharing of knowledge from the Early Childhood Australia Conference and the Little Scientist Conference. Sharing staff learning enables everyone to come together and improve our service.

Results of our Annual Family Satisfaction Surveys were very pleasing with Brookvale Children's Centre and Preschool, Harbour View Children's Centre and Narrabeen Children's Centre achieving 4.7/5, 4.5/5 and 4.8/5, respectively. We always listen to parent feedback and do what we can to actively improve our service.

A large amount of effort across the service has resulted in the development of the draft Children's Services Strategy, which was exhibited from 29 November 2019. Submissions will be reported to Council in 2020.

Performance measures – Children's Services	Target	September quarter	December quarter
No. children attending Long Day Care programs	> 700	770	754
No. children attending Family Day Care programs	> 380	394	381
No. children attending Preschool programs	> 100	133	128
No. children attending Vacation Care programs	Q1 > 400 Q2 > 400	482	488

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

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



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

Our centres are in full compliant with the National Quality Standard.

Our annual parent satisfaction survey showed an overall satisfaction rating of 4.6 out of 5 which was an outstanding result across our early learning centres, family day care and vacation care services.

The community and families participated in providing feedback to inform the draft Children's Services Strategy. The Strategy was placed on exhibition in November 2019 and submissions will be reported to Council in 2020.

The National 2019 Excellence in Family Day Care Awards named an educator registered with our services as the Regional Winner for the North Shore and Northern Beaches Regions. The educator was also presented with the Perpetual Star Award, which recognises the contribution the educator has made to the family day care sector for over 30 years.



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

Children's Services supported 52 children and families with additional needs across early childhood services in December. There were 29 children with additional needs receiving Inclusion Development 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 23 children were managed by educators in the room.

The federal government's child well-being subsidy supported 11 children at risk to receive early childhood education and care. Child care fees for another child is 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:  Complete  Progressing  Behind Schedule

Progressing on schedule



Childcare buildings



Kangaroo Street Preschool new works

The upgrade is progressing well with completion of the building works expected early February 2020.



Kangaroo Street Preschool renewal works

The upgrade is progressing well with completion of the building works expected early February 2020.



Children's centres works program

Minor renewal works are underway at Roundhouse Children's Centre Fairlight, due for completion in January 2020. Additional funding has been provided for further renewal works at the centre to be carried out across April and May of 2020.

Behind schedule



Childcare buildings



Dee Why Children's Centre design works

The Dee Why Children's Centre is located in the grounds of Dee Why Public School. An 'in principle' agreement has been reached to extend the existing lease on the current site and the design work for a new building is on hold.

FINANCIALS

CHILDREN'S SERVICES

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	525,367	525,367	0	1,250,968	1,250,968	1,250,968
User Charges & Fees	6,427,158	6,592,710	(165,553)	13,310,361	13,185,490	13,082,488
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	204	6,818	(6,615)	9,091	9,091	9,091
Grants and Contributions - Operating Purposes	807,484	966,500	(159,016)	620,832	1,273,266	1,273,266
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	7,760,212	8,091,395	(331,183)	15,191,252	15,718,814	15,615,812
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(5,627,435)	(5,562,796)	(64,639)	(11,237,713)	(11,174,459)	(11,148,459)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(1,172,057)	(1,245,696)	73,640	(2,311,407)	(2,377,106)	(2,300,107)
Depreciation and Amortisation	(98,100)	(98,100)	0	(346,117)	(121,261)	(121,261)
Other Expenses	(84,406)	(168,392)	83,987	(311,543)	(311,543)	(311,543)
Internal Charges	(98,219)	(99,218)	999	(228,096)	(203,394)	(203,394)
Overhead Allocation	(378,188)	(378,188)	0	(756,376)	(756,376)	(756,376)
Total Expenses From Continuing Operations	(7,458,405)	(7,552,391)	93,987	(15,191,252)	(14,944,139)	(14,841,140)
Surplus / (Deficit) from Continuing Operations	301,807	539,004	(237,197)	0	774,675	774,672

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$301,807 is lower than forecast by \$237,197 at the end of December.

Total Income from Continuing Operations of \$7,760,212 is lower than forecast by \$331,183, primarily as a result of timing of anticipated grant revenue. User Charges & Fees are lower than forecast due to the closure of Beacon Hill Vacation Care while the building is being renovated, and lower than anticipated utilisation.

Other Revenues are lower than forecast due to a lower uptake of Vacation Care brochure advertising.

Grants and Contributions for Operating Purposes are lower than forecast by \$159,016 due to the timing of the Legacy funding grant for Long Day Care and Preschools.

Total Expenses from Continuing Operations of \$7,458,405 are lower than forecast by \$93,987.

This is principally the result of the timing of maintenance costs and other expenditure. Materials and Contracts are lower than forecast changes by \$73,640 as a result of phasing of expenditure.

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

Community Arts and Culture

HIGHLIGHTS

Managing our community centres

The Draft Community Centre Strategy was on public exhibition in November. The Community Centre Strategy will provide a framework for the current and future management and delivery of the community centres service. We received some valuable input from the community and will be reporting the results of community engagement to Council in March 2020.

Renovations commenced at Bilarong Scout Hall, North Narrabeen. When completed in the first half of 2020 the Elanora Scouts will return to the hall as their base, and the community will be able to hire the hall for meetings and other activities outside of the Scouts' usage.

Caring for young people and families

Over 600 people attended the Northern Composure Unplugged Competition in 2019. Heats were held at Manly and Mona Vale Libraries and YOYO's Youth Centre at Frenchs Forest. The final, held at the Council Chambers in Dee Why, where performer Jordyn Richards was announced as first place winner.

The Youth Services team partnered with local business, Skater HQ, to facilitate the opening of Council's newest skate park located at Lionel Watts Oval, Frenchs Forest.

An Under 18 band night was held at the Northern Beaches PCYC in December with local band Lime Cordiale headlining, supported by two local high school aged bands. The event sold out four weeks before the event date.

Twenty students took part in the annual Sister City Student Exchange with Odawara in Japan.

The Adolescent and Family Counselling Service provided 235 free client counselling sessions to young people and their families. The service also hosted a specialised workshop "Connecting as Dads" to increase parenting knowledge and skills for men.

Supporting our seniors

Meals on Wheels Service delivered 4,489 meals to older people in the community to enable them to live at home for longer and prevent social isolation. This included 475 community lunch and social outing meals to increase social connections for older people.

Community development

Council continues to address relevant social issues and provide support to vulnerable members in our community with 18 activities involving 2,645 participants, including the recent Big Ideas Forum on The Ageing Revolution with Susan Ryan AO and Wendy Harmer.

The second Religious and Cultural Leaders Forum on mental health was held at the Northern Beaches PCYC. The forum brought over 100 people from over 60 different religious and cultural communities together, with over 20 stalls of local service providers.

The Discussion Paper developed out of the first Housing and Homelessness Forum for the Northern Beaches in August was submitted to James Griffin MP in advance of his meeting with the Minister for Housing.

Valuing our volunteers

Volunteers have been active across the Northern Beaches, assisting Council teams including bushcare, community gardens, cemeteries, libraries, events, Meals on Wheels, Manly Art Gallery & Museum, Manly Environment Centre, Manly Visitor Information Centre and the Aboriginal Heritage Office.

Volunteers worked in operational and customer service roles to help Council present the Manly Jazz Festival in October.

Volunteers at the Manly Environment Centre contributed a wonderful 1,061 hours of community work including helping to deliver the 34 events as part of the Ocean Festival and Ocean Care Day.

Our bushcare volunteers recorded an incredible 913 hours in the quarter with our corporate volunteers also recording over 346 hours of bush regeneration in the same reporting period.

End of year team functions were held throughout November and December to thank volunteers for their contribution to Council and the community.

Achievements in arts and culture

The Arts and Creativity Strategy, *Connected through Creativity 2029*, was adopted by Council on the 27 October 2019. The strategy sets out Council's commitment to supporting and growing a vibrant creative culture, authentic to the Northern Beaches over the next 10 years.

Sculpture exhibition *3D Poolside* launched at the Warringah Aquatic Centre in October, encouraging audiences to engage with artworks in surprising places. The exhibition will be open at the Centre throughout the summer.

Creative Made Makers Market, now in its fifth year, was held in November and supported 40 makers with professional development and a platform to connect local artisans and the over 1000 community members.

Our Creative Space at North Curl Curl hosted 1,850 visitors across six exhibitions including *Replay - Celebrating five years of the Creative Space*, *Collage and Performance* by the Kimbriki Artists in Residence and *The act of making* by the resident artists of the Northern Beaches Artist Studios program.

Glen Street Theatre held another successful dance season from October to December with 43 concerts presented by 23 local dance schools that attracted over 6,500 patrons. The Glen Street Theatre Education program was also launched to teachers in October and tickets to the *91 Storey Treehouse* and *Edward the Emu* in 2020 have already sold out. November saw the successful launch of the 2020 Theatre and Morning music programs with Glen Street subscribers accessing their priority pre-sale booking period, and tickets on sale to the general public from 6 January 2020. *Spiegelesque Too* concluded the 2019 season with final shows selling out.

Manly Art Gallery and Museum welcomed 14,000 visitors during the quarter to see exhibitions including Wendy Sharpe's *Wanderlust* paintings and drawings, Mick Glasheen's drawings, Stu Spence's photographs, Brookvale TAFE ceramics; local artists' *Home affairs*; and the SMH photographic collection of Northern Beaches scenes.

The new exhibition *The Manly Dam Project*, opened as the third in the *Art / Science* series and features the works of eight artists who collaborated with engineers from the University of NSW Water Research Laboratory, with public programs continuing until February 2020. Forty-seven public programs during the quarter catered to 2,438 participants, including two Sound Lounge concerts, four Sydney Chamber Music Festival concerts and the annual Poetry Slam, as part of the Manly Arts Festival. Permanent works added to the collection include two Wendy Sharpe paintings

of Manly from her *Wanderlust* exhibition, a Joshua Smith painting of the artist Dora Toovey painting at Manly (1943) and the donation of a Nick Hollo pastel work from the artist.

The new Public Art Working Group was convened, meeting in October and December to progress the implementation of the Coast Walk Public Art Strategy. The working group undertook two tours of key sites along the Coast Walk in November and will recommend the first five priority sites for artworks to Council for endorsement in February 2020.

Performance measures – Community Arts and Culture	Target	September quarter	December quarter
Community centres bookings	Q1 > 9,270 Q2 > 8,450	9,417	* 8,367
Volunteers who actively participate in ongoing programs across Council	> 650 per quarter	659	777
Direct services: Meals services	> 4,500 per quarter	4,846	** 4,489

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

Notes on results:

- * Community centre bookings are down this quarter owing to renovations taking place at Beacon Hill, Manly Youth and Lionel Watts. Proposed works at Nelson Heather Centre have also resulted in fewer hirers.
- ** There was a minor reduction in the number of meals this quarter owing to people having respite or visiting family of the Christmas period.

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Completed

Funding support for construction of Barrenjoey Community Performance Space

Council provided \$1.05m in grant funding via the NSW Government's Stronger Community Fund to the Department of Education to design and build a 200 seat community performance space. This project is now complete and in use by the school and community.

Progressing on schedule

Conduct youth activities at PCYC

Over 300 people attended the performance by well-known Pacific Island performer Tofiga Fepulea'i in his "Sorry Bout It" show at the PCYC on 2 November. Supporting Tofiga was Lapi Mariner and three local high school aged performers. Connected with this performance were two mentoring sessions at the PCYC. The first was targeted towards high school students while the second session targeted the wider community.

An under 18 band night was held on 14 December and featured headline Australian act Lime Cordiale supported by three bands, including two local high school bands. Tickets sold out for the event, which was attended by 800 people. The event coincided with Lime Cordiale's 100th show of the year and last on their national tour. Lime Cordiale are a local act who came up through Council's Northern Composure Band Competition.



Support the youth and wellbeing hub at Avalon

The Avalon Youth Hub held 69 counselling sessions from October to December with referrals and assessments made to local youth service providers when they were needed.

Over an eight week period, we ran the Waves of Wellness Surf Therapy Program and an average of 12 young people attended each session.

Workshops held during the period included meditation, managing your mood and safe skateboarding.

Youth Hub staff attended the music festival 'A Day For The Beaches' and hosted Council's consultation with young people on possible sites for dirt bike jumps in Avalon.

The calendar year finished with a barbeque that was attended by 80 young people.



Conduct a feasibility study into the potential use of former restaurant site at Glen Street Theatre

The first draft of the feasibility study has been received and is undergoing internal review.



Implement the Coast Walk Public Art Strategic Plan

The Public Art Working Group met on 31 October and 5 December and conducted site tours to select the first five priority sites for public art on the Coast Walk. Minutes of the working group meetings will be reported to Council in February 2020.



Funding support for design of Mona Vale Performing Arts Centre

This project is being managed by the Department of Education, with the feasibility study provided for consideration by the Department.



Review the Manly Arts festival and Northern Beaches Art Prize

The review of the Manly Arts Festival and the Northern Beaches Art Prize was completed in November. The report is under consideration by relevant internal business units.



Develop and promote an online disability inclusion and access information hub

The online disability inclusion and access information hub content has been completed. It will be necessary to make a few changes to the site to ensure that it complies with accessibility standards. We are currently assessing our capacity to meet the recommendations.

Behind schedule



Develop a Social Plan and supporting plans for target demographics

Consultation with key stakeholders has been taking place, and additional community engagement identified to be undertaken. This has extended the timeline to complete the Social Plan by the end of 2020.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Art Works



Manly Art Gallery - art works

We purchased a Joshua Smith painting from Lawson's Auctions for \$1,875.



Theo Batten Bequest - art works

No purchases to date.

Community Centre Improvements



Community buildings works program

The Mona Vale Memorial Hall project is on hold while Project Steering Group considers plans for precinct.

A design layout for the Manly Seniors Kitchen has been received that will be the basis for requesting quotations.



Community centres minor works program

Re-roofing works at Collaroy Plateau Community Centre are now complete.

The Kitchen door has been replaced and an awning added to the Tramshed at Narrabeen, along with works to the traffic island (relating to power upgrade works).



Warriewood Valley Community Centre new and renewal works

Work to design and build the new multi-use community centre on the existing site of the Nelson Heather Centre in Warriewood is ongoing. This project will be delivered over the next 2-3 years. An Architect has been appointed to progress with design works from early 2020.



Beacon Hill Community Centre and Youth Club

Construction is ongoing and completion is expected in February 2020.

Cultural Improvements



Manly Art Gallery renewal works

Air Conditioning system to be replaced following design works.

Minor roofing works scheduled.

Minor alterations will be done to the external area, including possible removal of the columns.



Glen Street Theatre renewal works

Planning is in progress for a major upgrade to the air conditioning system at Glen Street

We have completed roof restoration works to sections of the building to eliminate leaks. Further work may be required.

A full Building Condition Audit will be ordered early in 2020.



Coast walk – art trail

The Public Art Working Group met on 31 October and 5 December 2019 and undertook two site tours of the Coast Walk in November/December to select sites for the first four artworks to be commissioned for the Coast Walk in 2020. These sites will be reported to Council in February 2020 for endorsement.

Behind schedule



Cultural Improvements



Creative arts space - Mona Vale

Work is on hold pending direction on Mona Vale Village Park, administration building, Library and Memorial Hall precinct options.



Creative arts space - Avalon Golf Course

This project was awaiting heritage planning approval to be able to progress. Heritage exemption was received in October. Following extensive consultation, the final design for the building alterations has been agreed and the tender documents will be produced to allow the project to be tendered.

FINANCIALS

COMMUNITY ARTS & CULTURE

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	4,119,178	4,119,178	0	7,871,567	7,871,567	7,871,567
User Charges & Fees	1,985,902	2,036,610	(50,708)	3,984,760	3,987,909	3,921,552
Investment Fees and Revenues	0	0	0	5,000	0	0
Other Revenues	434,977	399,739	35,238	743,535	743,535	743,535
Grants and Contributions - Operating Purposes	908,429	1,810,152	(901,723)	3,368,980	3,697,068	3,805,769
Grants and Contributions - Capital Purposes	0	9,407	(9,407)	0	9,407	180,000
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	7,448,486	8,375,086	(926,600)	15,973,841	16,309,486	16,522,423
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(3,585,389)	(3,350,303)	(235,086)	(6,697,606)	(6,697,606)	(6,899,804)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(1,561,775)	(1,557,832)	(3,943)	(2,949,276)	(3,049,764)	(3,133,165)
Depreciation and Amortisation	(495,728)	(513,828)	18,100	(991,456)	(1,046,181)	(1,046,181)
Other Expenses	(880,704)	(2,227,375)	1,346,671	(3,713,294)	(4,092,605)	(4,089,605)
Internal Charges	(187,316)	(189,911)	2,594	(368,006)	(375,117)	(375,117)
Overhead Allocation	(507,389)	(507,389)	0	(1,384,204)	(1,014,778)	(1,014,778)
Total Expenses From Continuing Operations	(7,218,302)	(8,346,637)	1,128,335	(16,103,841)	(16,276,050)	(16,558,649)
Surplus / (Deficit) from Continuing Operations	230,185	28,449	201,736	(130,000)	33,436	(36,227)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$230,185 is higher than forecast at the end of December primarily as a result of the delay in a number of projects that will be all be completed by 30 June 2020.

Total Income from Continuing Operations of \$7,448,486 is lower than forecast by \$926,600. This is largely due to the timing of expenditure for the Stronger Communities grant funded projects for Mona Vale Public School Performance Space and the Barrenjoey High Performance Space. Income is also down for a number of community centres due to centre closures for renovations, the impact of the increased percentage of not-for-profit hirers of a number of centres (lower fees) and decreased demand for casual children's party bookings. This is countered by an increase in income at Glen Street Theatre of \$227,324 due to higher ticket and associated beverage sales.

Income has also increased by an unexpected grant for \$49,800 for community safety youth initiatives and the first installment of \$58,901 from the \$339,596 grant for suicide prevention gatekeeper training over three years. These grants have resulted in corresponding increases in Materials and Contracts and Other Expenses.

Total Expenses from Continuing Operations are \$7,218,302 which is lower than forecast by \$1,128,335. This is largely due to the timing of the Stronger Communities Funded Mona Vale Public School Performance Space and the Barrenjoey High School Performance Space. Employee benefits and costs are \$235,086 higher than forecast due to the employment of the additional Arts & Culture staff. Other expenses are also lower than forecast by \$234,266 due to delays in the community engagement component of the Social Plan (\$25,500), expenditure for the PCYC Youth Events (\$87,020), and a grant payment to the Avalon Youth Hub (\$90,000). These will all be expended by 30 June 2020.

Changes are proposed to the annual forecast to address the variances noted above. These include:

- Reduce both income and expenditure for community centres by \$28,000.
- Increase Employee Benefits & Oncosts by \$202,198 for Arts and Culture staff
- Increase in grant funding by \$108,701 for the community safety and suicide prevention initiatives, with a corresponding increase in Materials and Contracts
- Increase in capital grants for the Coast Walk \$170,593

Library Services

HIGHLIGHTS

Connecting and building our community

Our residents' use of the service continued to grow this quarter. Library membership grew by 1,951 to a total 188,343 people and our Home Library service expanded its reach by a further 12 customers and now has a reach of 445 clients. We received 80,400 visits to the library website and our eLoans remained steady, reaching 63,839 for the quarter.

Efforts continued to identify volunteering opportunities and the service now has 227 volunteers supporting areas such as Home Library deliveries, Family History and Justice of the Peace services.

The service also delivered 475 programs in the quarter attended by 14,230 people. Events included school holiday and Christmas activities, 134 adult programs including nine author talks and 599 attendees at the Northern Composure Unplugged band competition.

Improving the service

Improvements are underway in managing how items are loaned, returned and secured, with a new system installed at Manly Library following successful implementation at four branches in the previous quarter. We are also improving access to our local history archives, by capturing Local Studies items onto a digital platform expected to be launched in the coming quarter.

Manly Library relocated their Local Studies section and repurposed the former location to a quiet space. Manly and Mona Vale libraries have upcoming refurbishments. Meeting room technology is also being improved across the service.

A priority for the service is to develop a new library strategy for the amalgamated service which will outline the key priorities over the next 5 years. The strategy will be drafted for review by the end of the financial year.

Library working groups have been exploring ways to increase partnership opportunities for the service, implement a digital literacy framework, implement a long term funding plan and increase customer use of the collection.

All six branches hosted workshops as part of the Be Connected program in October, showcasing new technology that customers may not have experienced previously and to introduce the concept of 'smart homes'.

We have applied for grant funding from the State Library with a view to making our service available 24/7. If we are successful, we will test the concept with the community in the latter part of the year.

The work on enhancing the Glen Street Library amphitheatre space continued with vendors attending the site to quote and develop a concept drawing for the construction of an all-weather structure inclusive of outdoor lighting and sound. The agreed concept drawing will be used to engage with the community to ensure the space will meet the expectations of the community.

Performance measures – Library Services	Target	September quarter	December quarter
No. library memberships	> 180,000	186,392	188,343
No. youth memberships	> 32,000	34,102	34,475

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

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Review and improve eServices in line with customer needs and demands

The library eResource collection has been expanded to include an applied visual arts database for adults and a new resource for children based on the popular Animalia picture book by Graeme Base.



Digitise the Local Studies collection

The Local Studies team continued to work on the digitisation of the collection throughout December. The team focused predominantly on the Pittwater collection which includes 11,749 images, 8,785 newspaper articles, 104 audio files and one ephemera - Green Frog Visitor Book.



Improve and expand library programs in line with customer needs and demands

In December, the Library Service expanded the popular Christmas Pantomime from three shows in 2018 to four shows in 2019. A total of 231 children and 171 adults attended across four locations.



Review opportunity to provide 24/7 access to the physical library space

The project team continued research and will present various models of 24/7 service delivery at the next meeting on 14 January. The group will analyse findings and progress towards making recommendations.



Increase the reach of the Home Library service

The team welcomed four new clients to the service in December.

One client received an in home e-resource tutorial and the service was promoted through the Benevolent Society.



Increase youth engagement with library programs and activities

Several youth focused programs have been held throughout the quarter. Northern Composure Youth band competition Final was held at Dee Why Council Chambers with 250 attendees.

New youth programs have been added to the calendar of events, starting with a youth photography competition and workshops, six sessions of role playing club and a showcase tournament day launching in January as part of Youth Week.



Optimise volunteering opportunities across the service

At the end of December, the library engaged 192 adult volunteers across the service and a new Lego Club facilitator was inducted to Mona Vale Library.

New volunteer opportunities will continue to be identified in 2020.



Review library opening hours to improve consistency and access

Approval sought from Director, Community & Belonging to launch improved opening hours before the end of the financial year. This project has resulted in the delivery of four additional hours of service.

CAPITAL PROJECTS

Key: Complete Progressing Behind Schedule

Completed



Community Space and Learning



Library books new

This project has been completed ahead of schedule.

Progressing on schedule



Community Space and Learning



New library technology

Loan, returns and security equipment has been installed and is operational in Manly Library. Installation in Mona Vale Library is scheduled for February 2020.



New library furniture

Consultation with a library furniture representative has resulted in the modification of furniture and shelving requirements. New quotes are being sought as a result.



New library technology community spaces

Upgraded display signage technologies and workflow software has been purchased for all six library branches.

Meeting room equipment including an interactive whiteboard has been purchased for Warringah Mall Library.

A laptop has been purchased for Dee Why Home Library Service to improve the efficiency of loans to clients.



Library books – replacement

Purchases this quarter comprised of 28% Adult Fiction, 16% Adult Non Fiction, 15% Junior items, 13% DVDs and 19% Young Adult and Audio Visual items. We also spent 9% of the budget on eLibrary content.

Library Upgrades



Library buildings works program

Funds will be used towards the costs of blinds at Belrose Library.



Forestville Library renewal works

This project is in the planning stage and is awaiting the outcome of a grant application. The result of that application will determine the extent of the work that can be achieved.



Manly Library renewal works

New returns room completed. Planning commenced for remaining ground floor works in April.

Behind schedule



Library Upgrades



Mona Vale Library upgrades and new works

This project is on hold pending the outcome of a review of Mona Vale Village Park, administration building, Library and Memorial Hall precinct options.

FINANCIALS

LIBRARY SERVICES

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	5,278,464	5,278,464	0	10,229,935	10,229,935	10,229,935
User Charges & Fees	101,491	87,340	14,151	174,984	174,984	174,984
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	61,633	89,538	(27,905)	179,096	179,096	179,096
Grants and Contributions - Operating Purposes	229,222	150,919	78,303	144,441	339,109	254,668
Grants and Contributions - Capital Purposes	500,000	0	500,000	500,000	500,000	705,222
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	6,170,809	5,606,261	564,549	11,228,456	11,423,124	11,543,905
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(3,544,756)	(3,585,638)	40,882	(7,153,123)	(7,153,123)	(7,153,123)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(274,736)	(300,772)	26,035	(772,447)	(943,752)	(859,311)
Depreciation and Amortisation	(867,188)	(867,188)	0	(1,734,376)	(1,734,376)	(1,734,376)
Other Expenses	(304,284)	(313,710)	9,425	(460,643)	(454,006)	(454,006)
Internal Charges	(77,526)	(79,635)	2,110	(159,270)	(159,270)	(159,270)
Overhead Allocation	(474,299)	(474,299)	0	(948,597)	(948,597)	(948,597)
Total Expenses From Continuing Operations	(5,542,788)	(5,621,241)	78,452	(11,228,456)	(11,393,124)	(11,308,683)
Surplus / (Deficit) from Continuing Operations	628,021	(14,980)	643,001	0	30,000	235,222

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations is \$628,021 higher than forecast at the end of December as a result of timing differences in the receipt of grant funding earlier than forecast and lower than forecast expenditure.

Total Income from Continuing Operations of \$6,170,809 is higher than forecast by \$564,549 due to the earlier than anticipated receipt of grant funding.

Total Expenses from Continuing Operations of \$5,542,788 is lower than forecast by \$78,452. This is primarily due to lower Employee Benefits & Oncosts of \$40,882 and a reduction in Materials and Contracts costs equating to \$26,035. The lower Employee Benefits & Oncosts are due to existing vacancies as a result of natural staff turnover and the underspend in Materials and Contracts is due to a reduction in cleaning and waste service costs.

Part of the Local Priority Grant income (\$205,222) has been re-allocated from the operating budget to capital expenditure for library equipment and spaces, resulting in a forecast reduction in operating expenditure and an increase in capital grant income.

No further changes in budget forecasts are required or anticipated at this time.

Transport, Traffic and Active Travel

HIGHLIGHTS

Tidal pools

We completed our pool designs and awarded tenders for work to reconstruct Little Manly and Forty Baskets Tidal Pools in December 2019. Work is scheduled to take place between May and September 2020, weather permitting.

Maintaining and improving roads and footpaths

Our road resurfacing program has commenced with 20 roads completed, including a number of regional roads part funded by the Roads and Maritime Services (RMS).

Car parking improvements have been completed in Middleton Road, Cromer, at Aitken Reserve, North Manly, and at Mona Vale Beach.

The reconstruction of the Palm Beach heritage bus shelter at Surf Road was completed in December.

Making travel on our roads and paths safer

Road safety education is a critical accompaniment to transport infrastructure. Education is provided through a series of campaigns and free workshops to raise community awareness of road rules and to promote and encourage positive and safe behaviour on our roads and paths. We undertook direct engagement activities with over 11,000 people across the Northern Beaches in the December quarter.

At Manly Beach we presented a campaign to kerb speeding on the Northern Beaches – the highest contributing factor to car crashes in this region. We presented a car that had been in a collision at 100km per hour and another that had been in a 60km per hour collision. Over 1,000 people, including parents and new drivers, attended the display to hear about how to improve road safety in our area.

We are also continuing the 'Slow down' sign campaign, with signs and garbage bin stickers in strategic locations.

Nearly 10,000 road safety calendars were distributed at 87 locations across the Northern Beaches, including schools, medical centres, libraries, sports centres and seniors' venues. Each month a messages reminds us of how to use our roads safely, including responsible mobile phone use, responding to yellow traffic lights and watching out for school children.

Our child restraint checking service checked 76 restraints and found that 69 needed correcting. We encourage families to use RMS-approved fitters to check restraints for your own peace of mind and for protection of your family.

Our road safety around schools campaign delivered road safety education at seven schools in conjunction with kindergarten orientation, reaching 280 people. Forty six additional road safety signs have been installed at local schools as part of the campaign and 200 brochures outlining the road rules around schools were also distributed.

Northern Beaches Council has a vision for 'Safe Movement Always'. The draft Road Safety Plan sets out the directions and actions required to help the Northern Beaches local area to be a place that provides a safe travel environment for all users. An opportunity for the community to provide feedback starts on 28 January 2020.

In the last quarter 66 people from three local seniors groups were updated with rules and safety tips on using our roads and paths. Roundabouts continue to be one of the most questioned topics.

Enhancing active transport

Bicycle parking has been increased in Narrabeen, at Berry Reserve and at Waterloo Street, and also in Warriewood to support the B-line and local area bus services.

Bicycle maintenance stands that include tools and air pumps have been installed in Seaforth, Terrey Hills, Narrabeen, Church Point and Brookvale.

Further work is underway to develop an active to schools project that will explore walking improvements and behavioural change.

A strategic approach to transport

Council released an Expression of Interest (EOI) to the market to support an increase in electric vehicle charging infrastructure. Six responses to the EOI were received and a report will be prepared outlining the proposed way forward.

Council is currently developing an integrated transport approach across the Northern Beaches local government area which considers all transport modes and future innovation. Further strategies and plans to be developed this financial year are Bike Plan; Road Safety Plan; Electric Vehicle Plan and Car Share Plan.

Parking

The Manly Resident Parking Permit Scheme was approved by Council at the meeting held 17 December 2019.

Public Place Officer Team

The Public Place Officer team conducted regular inspections of Council public places including beaches and commercial centres prior to Christmas events. The Team assisted Waste Services with the bin roll out and Council's Community Engagement & Communications section with the delivery of items for the Avalon Surf Club Bush Fire Appeal and with taking donated clothing to the Red Cross.

Performance measures – Transport and Active Travel	Target	September quarter	December quarter
Works on schedule for active travel assets	100%	100%	100%
Road renewals program on schedule	100%	100%	100%

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

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Expand the Active to Schools initiative to encourage walking and cycling to school, in partnership with NSW Department of Transport

Mapping of student information completed and Active to School Program on track. Second Inter-agency working group meeting attended at Transport for NSW on 18 November 2019. A detailed assessment of schools is underway with road safety officers and traffic engineers.



Develop Transport Plans to support the Transport Strategy - Parking, Road Safety, Public Transport

The Draft Bike Plan has been completed and is going to the February Council meeting for endorsement to commence community exhibition. The Draft Road Safety Plan is on Public Exhibition to the end of January. A Draft Parking Plan is underway and a Public Transport Plan is expected to be presented at the April Council meeting.



Implement Transport Plans which support the Transport Strategy - Parking, Bike, Road Safety, Public Transport

The Draft Bike Plan is going to the February Council meeting for endorsement to commence community exhibition.



Implement Walking Plan and Pedestrian Access and Mobility Plans

Tender process for large package of works has closed. Footpath program has commenced with designs and works underway for 2019/20.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Completed



Active travel – cycleways and footpaths



Soldier's Memorial Walk Freshwater

Completed in July 2019. This completes a missing link in the 'Avenue of Honour'.

Road and related infrastructure upgrades



Parking station and meters infrastructure

Completed in August 2019.



Bus stop renewal

Palm Beach Heritage Shelter construction is completed.

Progressing on schedule



Active travel – cycleways and footpaths



Footpath new

The new footpath program on track, with work completed on the southern side of Park Street, Mona Vale.



Footpath renewal works

The footpath renewal works program is on track, with the following sites completed:

- Powderworks Road, North Narrabeen
- Eustace Street, Manly
- Oakway Parade, North Manly



Narrabeen Lagoon pedestrian and cycle bridge

This project is on track with construction expected to commence in mid 2020.

Car parks and parking stations



Whistler Street Car Park renewal works

The Whistler Street Car Park remediation project is almost complete, with final work to upgrade lighting and paintwork on level 1 to happen early in the new year.



Multi storey car parks renewal works

Air handling fans will be replaced at Pacific Waves Car Park in May 2020. New sprinklers, fire doors and frames will be added to the three plant rooms. Carbon dioxide monitoring has been installed.



Car park renewal works

Projects at Mona Vale Beach, Middleton Road, Cromer, and Aitken Avenue, Queenscliff, completed.

Lake Park Road car park is scheduled to commence in March 2020.

Plant and fleet



Major plant renewal

Program on track.



Light fleet renewal

Program on track.

Road and related infrastructure upgrades



New traffic facilities

The new traffic facilities program is on track. The installation of traffic islands was complete on Warraba Road, North Narrabeen.



Church Point - new infrastructure

The detailed design and environmental approvals process is currently being undertaken.



Scotland Island roads and drainage improvements

Construction scheduled for fourth quarter of the financial year.



Kerb and gutter new

Design of the new kerb and gutter projects has been complete. Program to commence in March 2020.



Kerb and gutter renewal works

This program is on track. Kerb and gutter renewals at high priority streets have been taking place as part of the road re-sheeting program. About 65% of the kerb and gutter renewal works have been completed, as at the end of December.



Retaining wall renewal works

This program is on track. Palomar Parade Stage 1, Freshwater, has been completed. McCarrs Creek Road to commence in February 2020. Moore Street to commence in March 2020.



Road resheeting program

This program is on track. We have completed road 40 resheeting projects at various sites across the Northern Beaches.



Warriewood Valley - traffic and transport infrastructure

Designs are ongoing for the various projects in Warriewood Valley. Construction for all delivery projects is due to commence in February 2020.

Wharf upgrades



Wharves works program

Program on track. Preparation of documents and studies being undertaken.



Sea wall renewal works

This program has been integrated into Foreshore Renewal Program. The renewal of Aitken Reserve seawall is completed and the tender for the reconstruction of the seawall and new bleachers at Clontarf Beach has been approved with construction scheduled to commence in February 2020. Bilgola Beach carpark and landscaping upgrades are complete

Behind schedule



Road and related infrastructure upgrades



Bridge renewal works

Ocean Street project design complete. Delivery delayed and will coincide with the next lagoon clearance to reduce the impact to the lagoon during construction.

Wharf upgrades



Church Point Masterplan Wharf extension

Contractor appointed and design complete. Construction is on hold until land ownership is finalised.



Carol's Wharf renewal works

This project has been delayed to ensure that the outcomes of community engagement are appropriately reflected in the final works and to plan the construction period around Ausgrid's Energy Reliability Project on Scotland Island.



Bells Wharf renewal works

This project has been delayed to ensure that the outcomes of community engagement are appropriately reflected in the final works and to plan the construction period around Ausgrid's Energy Reliability Project on Scotland Island.

Active travel – cycleways and footpaths



Dee Why to Long Reef Walkway

Investigations and preliminary environmental studies are ongoing to identify possible routes to connect Dee Why and Long Reef.



Bike Plan implementation - new works

This project is behind schedule whilst we collect further geotechnical information for the Allambie Road project and consult with the Roads and Maritime Services on the Gladstone Street project design.



Warriewood Valley - pedestrian and cycleway network

Council is preparing a brief for the design and construction of the proposed pedestrian bridge across Fern Creek. Geotechnical investigations have been undertaken and a survey has been prepared as has a concept plan for the bridge. The extent of works is significantly greater than what is envisaged in the Warriewood Valley Development Contributions Plan and additional funding will be required. The bridge works will be undertaken in conjunction with the Fern Creek rehabilitation works.



Connecting Communities - cycleways program

Design and community consultation is ongoing for the Newport to Avalon section of the cycleway. Additional time has now been allowed in the program for consultation activities and construction commencement will be delayed until consultation is complete.



Connecting Communities - footpaths program

The Ocean Road, Palm Beach, from Black Rock to Governor Phillip Park path concept has been completed and consultation to commence in early 2020.

Design work and consultation is ongoing for the Whale Beach Road, from Norma Road to Florida Road section of the Coast Walk.

This project has been delayed by the need to manage the outcomes of community engagement on the Avalon to Newport project.

FINANCIALS

TRANSPORT, TRAFFIC AND ACTIVE TRAVEL

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	4,586,722	4,586,722	0	6,135,545	6,135,545	6,135,545
User Charges & Fees	6,964,606	7,504,195	(539,589)	14,600,498	14,600,498	14,600,498
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	695,721	707,113	(11,392)	760,000	917,000	917,000
Grants and Contributions - Operating Purposes	716,095	1,918,008	(1,201,913)	4,745,864	4,786,864	4,786,864
Grants and Contributions - Capital Purposes	2,236,700	4,032,927	(1,796,227)	9,672,177	12,140,235	7,769,133
Gains on disposal of Assets	616,876	311,534	305,342	673,373	673,373	673,373
Total Income From Continuing Operations	15,816,720	19,060,499	(3,243,779)	36,587,458	39,253,516	34,882,413
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(5,820,251)	(5,610,451)	(209,801)	(11,187,176)	(11,187,176)	(11,481,322)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(7,832,393)	(6,623,741)	(1,208,652)	(12,938,654)	(13,015,407)	(13,015,406)
Depreciation and Amortisation	(5,622,117)	(5,620,617)	(1,499)	(11,244,233)	(11,244,233)	(11,244,233)
Other Expenses	(2,104,993)	(2,935,288)	830,295	(5,790,212)	(5,801,157)	(5,801,157)
Internal Charges	4,606,537	4,609,211	(2,673)	9,299,207	9,328,464	9,328,464
Overhead Allocation	(1,917,379)	(1,917,379)	(0)	(4,308,688)	(3,834,759)	(3,834,759)
Total Expenses From Continuing Operations	(18,690,595)	(18,098,265)	(592,330)	(36,169,756)	(35,754,266)	(36,048,411)
Surplus / (Deficit) from Continuing Operations	(2,873,875)	962,234	(3,836,109)	417,701	3,499,249	(1,165,998)

Commentary – Year to Date Actuals and Annual Forecast

The Deficit from Continuing Operations of \$2,873,875 is lower than forecast at the end of December largely as a result of lower than forecast Income.

Total Income from Continuing Operations of \$15,816,720 is lower than forecast by \$3,243,779. This principally relates to lower Grants and Contributions for Capital Purposes of \$1,796,227 due to phasing of receipt of this income. Grants and Contributions for Operating Purposes are lower than forecast by \$1,201,913, which relates to the timing of receipt of the Traffic Route Lighting Subsidy and RMS Block Grant. The lower Other Revenues of \$11,392 primarily relates to phasing of receipt of Revenue for Advertising on Council's Structures. The lower User Charges & Fees of \$539,589 mainly relates to lower than predicted parking trend activity at Whistler Street and Pay and Display Reserve Parking, and lower than predicted Road Restoration works. There is also a higher gain on the disposal of assets by \$305,342 from the sale of plant and equipment scheduled for replacement.

Total Expenses from Continuing Operations of \$18,690,595 are higher than forecast by \$592,330. This is principally the result of higher than anticipated Materials and Contracts of \$1,208,652 due to Accelerated Lighting program of works completing ahead of schedule of \$919,125, and higher than anticipated contract works for Traffic Facilities of \$330,889. Other Expenses is higher than forecast by \$830,295 mainly due to Street Lighting variance of \$726,296 due to the timing the receipt of invoices. The increase of \$209,801 in Employee Benefits & Oncost is due primarily to lower than anticipated vacancy rates to date.

For the full financial year, the result is forecast to decrease by \$4,665,247 to a deficit of \$1,165,998 primarily due to the carry forward of capital grants for the Connecting Communities – Footpaths and Cycleways Programs (\$2,726,786) and Narrabeen Lagoon Pedestrian and Cycle Bridge (\$657,496). Employee costs have also been reforecast due to additional resources for maintenance, construction and transport services.

Economic Development, Events and Engagement

HIGHLIGHTS

Supporting Small Business

Council participated in the NSW Small Business Month which encourages councils and business support organisations across NSW to deliver a range of events and activities to support small businesses during October. Building on from a series of Doing Business with Council events last year, the Place and Economic Development and Procurement teams partnered to run a 'Doing Business with Council' workshop, to update local suppliers on changes to procurement thresholds and also to NSW Government guide for 'Doing Business with your local Council'.

Working with Council's Environmental Health team we held a workshop on 'Food Safety: 5 Tips for 5 Stars', which explained the regulatory processes to start or grow a food business and how to increase your "scores on doors" rating. We also partnered with Council's Corporate Strategy team to run a 'Grant Writing for Business' workshop to provide businesses with tips on how to write a successful grant submission and demonstrate Council's Grant Guru hub. These events showcased the diverse ways that different parts of Council support local businesses to grow and prosper.

Australia Cyber Security Council also ran a workshop on "Cyber Security for Small Business", identifying the increasing threat of cyberattacks for small businesses and tips and tools to protect them from these. In November, Council partnered with Federal Government's Innovative Manufacturing Cooperative Research Centre (IMCRC) to run a hands-on workshop "Future Proofing Manufacturing" to assist local manufacturers to use digital technology to remain competitive in the fourth industrial revolution of digital manufacturing.

We had over 200 businesses registered to attend these business events, with post event surveys showing high levels of satisfaction (96%) overall with the events.

Council has continued to partner with Service NSW to deliver the "Easy to do Business" program to streamline red tape for local businesses that want to start or grow. This quarter there were 117 customers on the program, 62 of which were starting a business and 27 growing a business.

Sustaining tourism

The Manly Visitor Information Centre has seen nearly 45,000 people through its doors this quarter, with an early onset of visitors in October with the arrival of many cruise ships into the Harbour. The VIC Manly Map has also been reproduced, showcasing a great range of local visitor experiences, including for the first time a number of attractions beyond Manly.

The Northern Beaches Destination Management Plan (DMP) is also progressing. The DMP will set directions for growing a sustainable visitor economy over the next five years. The draft plan is proposed to go on public exhibition in early 2020.

Activating local places

Placemaking is all about collaboration and creating vibrancy in an area that helps a place become a location where people want to visit and spend time. Some of the key outcomes this quarter across the Wards include:

Pittwater Ward

- *Newport Shopfest* event coordination and business liaison
- Assisted events team with business liaison for Spring into Mona Vale event.
- Newport Activation working group meetings and actions
- Liaison and collaboration with Chambers of Commerce
- Fairy lights installed, Robertson Road, Newport

Narrabeen Ward

- Narrabeen Snapshot research document
- Liaison with local businesses regarding the potential for Narrabeen Active at Berry Reserve
- Dedicated staff and CEO site visits to Collaroy

Frenchs Forest Ward

- *Christmas in the Forest* event and business liaison
- Forestville Business Working Group – monthly meetings on local needs

Curl Curl Ward

- Small Business Month events, including cyber security, grant writing, food safety and how to do business with Council
- *Future-proofing local manufacturing* session
- Pop-up fresh produce market trial continued in Freshwater
- Christmas activity, including *Freshwater Fair* street festival and supporting *Carols in the Square* in Dee Why town square
- Music programming Dee Why town square

Manly Ward

- Small business Month events,
- *Spooky Seaforth* event
- *Manly Street Sale* event
- Monthly tax essentials sessions for small business
- Regular liaison with Manly Business Chamber
- Shop local signage, Sydney Road, Manly
- *Manly Mainstreet Newsletter* aimed at the business owners of Manly.

Whole of Northern Beaches

- Christmas decoration campaign across town and village centres expanding on previous years.
- Commencement of engagement for new street performance policy development – internal and external engagement

Events for everyone

Manly Jazz Festival was held over the October long weekend in Manly CBD. Over 100,000 visitors enjoyed a diverse range of live music across multiple outdoor music stages. Highlight artists included internationally renowned bassist Rodney Whitaker (USA), soul vocalist Jade MacRae and the Latin inspired Cumbiamuffin. This year free Swing Dancing lessons were held for the public in the lead up to the event, culminating in a celebration of swing music and dancing on the Saturday afternoon. Local businesses also participated in the Official Venue program, offering live music and dining specials as part of the festival period.

We celebrated the 40th Birthday of Warringah Aquatic Centre on 3 November with a family fun day of activities. Plus the 3D Poolside Exhibition was officially opened in the outdoor garden, showcasing contemporary sculpture works of 17 emerging and established artists.

Memorial services for Remembrance Day were held at Manly War Memorial and Manly Dam in November. Manly local school children were involved with the services as wreath layers and speakers, as we acknowledged the service and dedication of those who paid the ultimate sacrifice in times of armed conflict.

The Picnic in the Park children's community event was held on 1 December at Frenchs Forest to celebrate the opening of Lionel Watts Reserve. In addition to a circus stage show, roving entertainment and circus themed activities, there were also skateboarding activities to make use of the new skate park.

We kicked off Christmas celebrations with the Christmas Choral Concert at Manly Oval on 5 December. Over 9,000 people enjoyed a concert featuring the Northern Beaches Orchestra, Community Choir plus local emerging vocalists as well as talented singers such as Jack Vidgen, Prinnie Stevens and Jay Laga'aia. At Dee Why, the Christmas By the Beach event was held on 13 December and saw 3,000 local families come down to James Meehan Reserve to enjoy a children's Christmas stage show as well as free Santa photos and carols.

Due to the challenging weather conditions around the state this year, New Year's Eve events at Bayview and Dee Why were cancelled. However good crowds of over 10,000 people still turned out at Manly Cove to watch the annual 9pm fireworks display presented by local businesses with support from Council.

Three citizenship ceremonies were held during the quarter, with more than 340 people becoming Australian citizens in a celebratory atmosphere hosted by Council.

Engaging our community

In total, 49 projects were actively engaged on during the quarter.

Key projects included:

- Planning Our Sustainable Future - Towards 2040 (draft)
- Environment and Climate Change Strategy (draft)
- Northern Beaches Parking Permit Scheme Framework (draft)
- Community Gardens Policy (draft)
- Castle Tribe Inc. Proposed Trial (McCarrs Creek Reserve)

Council received over 30,000 unique visitors to the Your Say website with project pages visited over 43,000 times.

We received 3,130 unique pieces of online feedback through project pages including 2,879 online completed submissions/comment forms. In addition, 2,034 survey were completed across 6 surveys.

Twenty four face to face sessions were held with 580 people during the quarter.

Performance measures – Economic Development, Events, Engagement	Target	September quarter	December quarter
High impact projects with a Community Engagement Plan	100%	100%	100%
Satisfaction with Council's key community events	80%	87%	86%
Satisfaction with Council's business events	80%	* N/A	96%

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

Notes on results:

* No business events were scheduled in Quarter 1.

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Develop Place Activation Strategies for key centres

A Christmas activation program was delivered across the LGA including programs run at Forestville Shopping Centre and Freshwater Village.

Activation planning has been completed for town and village centres including centre assessments.



Prepare an Economic Development Plan

The Employment Study findings are complete and are being reviewed by internal stakeholders.



Implement the Events Strategy

Council continues to implement the Events Strategy. We are aligning the events we deliver to these goals as well as working with the community to complement the current portfolio with other event on the Northern Beaches.



Revise the Community Engagement Framework to address inclusion and new planning requirements

The Community Participation Plan (CPP), adopted by Council in November, has been provided to the Department of Planning, Industry and Environment.



Develop guidelines to ensure Council's media platforms, forms, documents and web content are accessible

Work has continued to investigate appropriately qualified external agencies who can support the delivery of this initiative.

Behind schedule



Develop accessibility maps for all major town and village centres

This project is behind schedule due to conflicting priorities however is expected to be completed by the end of financial year.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Town and Village Centre Activations



Dee Why Town Centre – design

Design for St Davids Park has been ongoing this quarter and is nearing completion. Construction work at St Davids Park are scheduled for mid 2020.



Dee Why Town Centre - construction phase 1

Overall works on Dee Why Town Centre are on target. The paving on the east side of Pittwater Road is complete. Minor upgrade works are in progress on Triangle Park South.



Manly laneways new works

The Market Lane redevelopment which includes the removal of the fire stairs from Manly Library and all associated works has been deferred waiting for the Manly Place Plan to be finalised so Council can align future works with the new place plan.

FINANCIALS

ECONOMIC DEVELOPMENT, EVENTS AND ENGAGEMENT SERVICES

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	4,778,135	4,778,135	0	9,572,974	9,572,974	9,572,974
User Charges & Fees	11,671	11,445	227	22,893	22,893	22,893
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	366,222	394,012	(27,789)	1,081,136	1,081,136	1,186,136
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	5,156,029	5,183,591	(27,563)	10,677,003	10,677,003	10,782,003
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(2,684,812)	(2,617,209)	(67,603)	(5,089,318)	(5,214,317)	(5,214,317)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(1,551,585)	(1,659,391)	107,805	(3,533,163)	(3,466,102)	(3,777,176)
Depreciation and Amortisation	(35,923)	(35,923)	0	(71,846)	(71,846)	(71,846)
Other Expenses	(300,889)	(419,724)	118,835	(872,197)	(872,197)	(872,197)
Internal Charges	(137,292)	(134,881)	(2,411)	(339,493)	(339,493)	(339,493)
Overhead Allocation	(594,344)	(594,344)	0	(1,188,688)	(1,188,688)	(1,188,688)
Total Expenses From Continuing Operations	(5,304,845)	(5,461,471)	156,626	(11,094,705)	(11,152,643)	(11,463,717)
Surplus / (Deficit) from Continuing Operations	(148,816)	(277,879)	129,063	(417,701)	(475,640)	(681,714)

Commentary – Year to Date Actuals and Annual Forecast

The Total Deficit from Continuing Operations of \$148,816 is \$129,063 lower than forecast at the end of December primarily as a result of lower than forecast expenditure during the quarter relating to lower than expected expenses with regards to the Visitor Information Centre, Christmas events and town centre decorations, and a delay in the commencement of two key tourism projects.

Total Income from Continuing Operations of \$5,156,029 is lower than forecast by \$27,563. The variance relates in part to lower than anticipated income from sales at the Visitor Information Centre (VIC) with retail sales being down throughout the entire industry.

Total Expenses from Continuing Operations of \$5,304,845 is lower than forecast by \$156,626. Employee costs were higher than forecast primarily as vacancy rates are low. Materials and Contracts were \$107,805 lower than forecast due in part to lower than anticipated costs for Christmas decorations, timing of the commencement of two tourism projects and lower than anticipated expenses at the Visitor Information Centre (as a number of services are now provided in-house as the service is back under Council management). Other Expenses are also lower than forecast by \$118,835, in part due to lower than anticipated Event Grants and Sponsorship program funds awarded.

For the full financial year, the Deficit from Continuing Operations is forecast to increase to \$681,714, with forecast changes for expenditure offset by income raised for the Sun Run event and a transfer of New Council Implementation funding from the Corporate Support Service for the new intranet project.

Property and Facilities

HIGHLIGHTS

Manly Andrew Boy Charlton Aquatic Centre (MABC)

MABC had 171,302 attendances for the quarter, the highest number of visits for the second quarter since its opening in August 2016. The swim school and the fitness centre continue to receive strong community support with 1,480 children enrolled in the weekly swim program, 945 enrolled within the squads program and over 1,460 active fitness members.

Warringah Aquatic Centre

The Centre finished the quarter with 73,152 attendances, 10% higher than the same period last year. The facility celebrated its 40th birthday and the commencement of “Sculptures by the Pool” with a free family fun day which was well supported by the community. The ‘Splash pad’ and pool inflatable continued to attract families particularly on the weekends.

The swim school is maintaining a steady 800 enrolments this quarter. Council commenced direct management of the kiosk from late September, and this is producing a steady income stream.

Celebrating completion at South Narrabeen Surf Life Saving Club

In November South Narrabeen SLSC celebrated the finalisation of a number of refurbishments to the club, including increasing and improving the layout of the car park, replacement of fences, installation of an lift for accessibility and repainting and signing of the entire building. These changes have had a major impact to the visibility and usability of the club for members and the public.

Storm response and fire preparedness

Significant resources were applied to the response to the storm that hit the Northern Beaches on 25 November 2019. We were involved in repairing damage and handling disruption caused to buildings, parks, and infrastructure. Restoring services safely to the community was of primary concern through this period and Council staff worked with other agencies to ensure the best response possible for our affected community.

Additionally, in preparation for Catastrophic Risk Rating fire conditions forecast for 13 November, Council staff worked with other State Agencies to prepare for potential fire impacts, including the creation and activation of two large animal evacuation centres and keeping our libraries open for extended hours.

Performance measures – Property and Facilities	Target	September quarter	December quarter
Availability of Council buildings for use by the community	100%	* 99.4%	* 99.4%
Total visitation to swim centres (Manly and Warringah Aquatic Centres)	Q1 > 167,000 Q2 > 215,000	194,506	244,454

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

Notes on results:

* Three buildings out of 536 are currently unavailable due to planned revitalisation.

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Progressing on schedule



Beach building works program - including the Narrabeen Swimming Club and SLSCs at Mona Vale, Long Reef and Manly

Work at North Narrabeen Rockpool is now complete. A development application modification for the Mona Vale Surf club project was approved in November. Designs for Long Reef Surf Club are being finalised prior to being submitted and additional funding is being sought for Manly Surf club.



Community building works program

Warriewood Valley Community Centre planning is progressing with construction scheduled for next financial year.

Plans are underway for upgrades to the kitchen at Manly Seniors Centre.

The complete refurbishment and renewal of the Bilarong Scout Hall, North Narrabeen, is proceeding to plan and should be completed by April 2020.



Review and implement the Buildings Asset Management Plan, which advises Council's Capital Expenditure program

The draft Asset Management Plan has been prepared with the intent to have a final complete version by April 2020.



Implement priority accessibility improvements to Property assets

A range of accessibility improvements are underway to key Council facilities, including:

- accessibility improvements including the provision of a lift at Queenscliff SLSC
- the new public amenities planned for East Esplanade, Manly, will include accessible and ambulant facilities
- the new public amenities planned for Jacka Park, Freshwater, will include accessible and ambulant facilities

The new public amenities installed at Lionel Watts Oval in the new playground include a facility that meets "Changing Places" standards and an additional accessible facility.

A new lift was recently installed at South Narrabeen SLSC.



Work with Department of Education on future recreation needs for Warringah Aquatic Centre and associated reserves

Sporting group re-locations continue to be discussed with affected stakeholders and State government departments. This work remains ongoing. It is anticipated that the Aquatic Reserve Masterplan will be exhibited concurrently with the Government's Frenchs Forest Precinct Plan.

Behind schedule



Deliver a new Creative Arts Space

Work on the Mona Vale Creative Arts Space is behind schedule to ensure that the project takes place in conjunction with other projects planned for the building and surrounding precinct. The development application for the Avalon Creative Space Project has been lodged.



Crown Land Transfer Program - Review, consolidate and transfer suitable lands to Council

This project is on hold whilst Crown Lands conducts an independent external review which is scheduled for completion in the first quarter of 2020.



Currawong Cottages and surrounds - refurbishment and modernisation

Tenders have been awarded for building and restoration works to the games room, three holiday cottages, pathway and retaining wall. Development consent has been received for proposed refurbishments to the remaining six cabins.

Landscaping and building works will commence in February 2020 and carry on until November 2020.

Commencement of the building works has been delayed until after the summer holiday period. The site will be closed to bookings for the duration of the works which will carry on throughout the quieter winter months.

CAPITAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Completed



Public amenities improvements



North Narrabeen rockpool amenities works

Building work has been completed for the upgrades to be rockpool amenities comprising male, female, accessible and family change facilities, along with improved swim club areas.

Aquatic centre improvements



Manly Aquatic Centre renewal works

Works completed on capital upgrades to plant and equipment at pool.

Civic building and compliance works



Sydney Lakeside Holiday Park renewal works

Cabin refurbishment and the southern amenities external refurbishment works have been completed.

Rural Fire Service program



Rural fire service building works program

Upgrades to the access road and car park at Coal and Candle have been completed.

Progressing on schedule



Aquatic centre improvements



Warringah Aquatic Centre renewal works

Ongoing replacement of plant and equipment for the building has continued.

The design has been completed for construction of an on-deck office and planning is in progress for alterations to the entrance foyer.

Cemetery works



Cemetery works program

The new garden has been completed and new memorial stones installed. Some minor work is to be completed and there will be a maintenance program to ensure that the new garden becomes well established.

Civic building and compliance works



Elanora Heights Scouts Group Hall renewals

Works are progressing well with the remediation works to the building to address the termite damage.



Operational buildings works program

Progress with office accommodation works, air conditioning upgrades at various locations and roof repairs at Dee Why Civic Centre is progressing to plan.



Sport buildings works program

Additional works at Melwood Oval Amenities are underway.

The quote for Rheub Hudson Oval Amenities has been accepted and work commenced in December 2019.

The tender for the work at LM Graham Reserve Sports Amenities extension has been approved by Council and work will commence in February 2020.



Wyatt Avenue, Belrose futsal centre new works

Planning and stakeholder engagement has begun on the development of the proposed Recreation Centre at Wyatt Avenue, Belrose. It is anticipated that broader community engagement will commence in mid 2020.



Beach buildings works program

Internal and external works to the Dee Why swim club sections of the building have been completed.

Minor rectification works will proceed to public toilets near the pool following the summer holiday period.



Disability access compliance works (DDA)

Work will be undertaken at Queenscliff SLSC building to improve the accessible amenities to bring them in line with the latest version of the access standards.



Building Code of Australia compliance works (BCA)

Funds will be used initially at Glen Street Theatre to address some upgrades to meet the latest version of the Building Code.



Pittwater Golf Driving Range renewal works

Replacement of the Pirates party deck is completed, orders have been placed for replacement of three nets on the driving range and onsite stormwater works have been completed.

Planning is underway for improvements to the "Caves" Putt Putt Course.



Raglan Street, Manly building upgrade

The Development Application has been approved for the proposed use and fit out of the lower ground floor of the Soldiers Memorial Hall, Manly as a Community Facility.

The tender has been released for the building upgrade and fit out works package and additional funding is being sought from external sources.

Public Amenities improvements



Public amenities works program

The works to the Coastal Environment Centre are now complete.

Designs for Dee Why Beach amenities are finalised with tenders to be advertised in early 2020.

The request for quotations for Jacka Park amenities has closed and submissions are being assessed with works to commence in early 2020.

The tender for East Esplanade Reserve has closed and works will commence in March/ April 2020.

Draft designs for Dee Why Beach Amenities and Bilarong Reserve Amenities upgrades have been prepared



Palm Beach Pavilion renewal works

The majority of the work on this project has been completed with the most evident work being the reinstatement of the awning to the ocean side.



Balgowlah Oval amenities

The project is on track with expected completion in February / March 2020.



Nolan Reserve sports amenities works

Site works are ongoing for this project and works are expected to be completed early 2020, weather permitting.

Rural Fire Service program



Duffys Forest Rural Fire Station new works

Council is currently working with the Duffy's Forest Brigade and the appointed architect to finalise the design for DA lodgement in early 2020.

Behind schedule



Rural Fire Service program



Terrey Hills Emergency Services Headquarters - design works

The project is currently on hold until Council receives funding commitments from the relevant organisations.

Civic building and compliance works



Currawong Cottages - new cottages, games room and amenities

Tender awarded by Council for building and restoration works to the games room, three holiday cottages, pathway and retaining wall. Development consent received for proposed refurbishments to the remaining six cabins.

Landscaping and building works will commence in February 2020.

Commencement of the building works has been delayed until after the summer holiday period. The site will be closed to bookings for the duration of the works which will carry on throughout the quieter winter months.

FINANCIALS

PROPERTY AND FACILITIES SERVICES

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	8,210,181	8,210,181	0	11,554,131	11,554,131	11,554,131
User Charges & Fees	8,711,196	8,050,300	660,895	15,686,500	16,221,419	16,627,919
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	6,688,214	5,943,314	744,900	12,412,144	12,279,824	12,541,495
Grants and Contributions - Operating Purposes	0	0	0	0	0	0
Grants and Contributions - Capital Purposes	905,154	373,048	532,106	4,069,330	4,132,910	2,560,780
Gains on disposal of Assets	(124,360)	0	(124,360)	0	0	0
Total Income From Continuing Operations	24,390,384	22,576,842	1,813,542	43,722,105	44,188,285	43,284,325
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(5,719,202)	(5,559,403)	(159,798)	(10,906,004)	(11,078,139)	(11,153,139)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(7,284,423)	(6,987,341)	(297,082)	(13,094,147)	(13,182,722)	(13,179,722)
Depreciation and Amortisation	(3,393,455)	(3,286,009)	(107,446)	(6,460,381)	(6,630,512)	(6,630,512)
Other Expenses	(3,324,827)	(3,878,822)	553,995	(7,675,121)	(7,723,246)	(7,758,745)
Internal Charges	(524,227)	(531,995)	7,767	(920,250)	(1,050,250)	(1,050,250)
Overhead Allocation	(2,333,102)	(2,333,102)	0	(4,666,203)	(4,666,203)	(4,666,203)
Total Expenses From Continuing Operations	(22,579,236)	(22,576,672)	2,564	(43,722,105)	(44,331,071)	(44,438,571)
Surplus / (Deficit) from Continuing Operations	1,811,148	170	1,810,978	0	(142,786)	(1,154,246)

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$1,811,148 is higher than forecast at the end of December primarily due to phasing of capital grants, greater than forecast lease income and outgoings recoveries received, greater than anticipated revenues from Learn to Swim and Fitness Centre patronage at the Manly Andrew Boy Charlton Aquatic Centre (MABC) as well as the delayed timing of management fees from third party managed Council businesses.

Total Income from Continuing Operations of \$24,390,384 is greater than forecast by \$1,813,542. This result is due to a number of factors including the positive position against phasing of incomes relating to capital grants. The forecast for Grants and Contributions - Capital Purposes for the full year, however, has been forecast to reduce \$1,572,130 due to the timing of the renewing of the Currawong Cottages and the proposed new Duffy's Forest RFS building. The greater than forecast User Charges & Fees are the result of greater than anticipated incomes relating to the Mona Vale Cemetery, higher than anticipated Learn to Swim and Fitness Centre patronage at the Manly Andrew Boy Charlton Aquatic Centre (MABC). The greater than forecast Other Revenue are due to increased outgoings received for Council leases as well as increased forecast lease revenue for the Kimbriki site. There has also been a one-off accounting loss accounted for in the second quarter relating to the demolition of an administration building in Cromer depot. The year-end position has been reforecast to reflect these changes.

Total Expenses from Continuing Operations of \$22,579,236 are trending to forecast position. Employee Benefits & Oncosts are \$159,798 higher than forecast primarily due to the Aquatic Centres higher than budgeted casual staff costs in response to the increase in customers noted above, with the budget reforecast to reflect this increase. Materials and Contracts are currently trending near to budget being only slightly greater than forecast by \$297,082 due to the timing of maintenance works. Other Expenses are \$553,995 lower than forecast due to the timing of receipt of utilities invoices as well as the delayed timing of receipt of management fees from third party managed Council businesses.

For the full financial year, the Deficit from Continuing Operations is forecast to increase to \$1,154,246 as a result of the changes noted above.

Governance and Assurance Services

HIGHLIGHTS

A strong community voice

Over 70 people are members of our six Strategic Reference Groups (SRGs), either as interested residents, a business, a non-government organisation or as a Government representative. They meet regularly to contribute to Council's functions at a strategic level, with feedback on the community's needs, as well as Council initiatives and plans.

Each SRG has several Councillors as members, to ensure they hear this community voice first hand. During the quarter, the SRGs engaged on:

Improving our planning and transport frameworks

- Draft Local Strategic Planning Statement - Towards 2040
- Shared Mobility Policy
- Parking Plan development
- Transport Strategy
- Northern Beaches Bike Plan
- Northern Beaches Walking Plan

Sustaining our environment and open space

- Draft Environment and Climate Change Strategy 2040
- Waste management
- Draft Protection of Waterways and Riparian Land Policy

Supporting our community and culture

- Australia Day Awards
- Community Arts and Culture Grants Program
- Draft Arts and Creativity Strategy and draft Cultural Policy
- Draft Community Centre Strategy and draft Community Centre Policy
- Community Safety Plan
- Community engagement
- Northern Beaches Open Space Strategy

Stimulating our economy

- Destination Management Plan
- Smart Beaches
- Leases and licences register

Strengthened governance and assurance measures

In December, a new Fraud and Corruption Control Policy and Plan were enacted to strengthen Council's fraud and corruption control environment. The reviewed policy and plan enhance council's fraud and corruption risk management practices, and outline how Council prevents, detects and responds to concerns about fraud and corruption.

Sound risk management

Following Council's adoption of a risk appetite statement in September 2019, and the review of Council's related risk assessment tables, our Enterprise Risk and Opportunity Framework and Assessment Guidelines have been updated. An improved system for risk assessment has been implemented over the quarter with training rolled out to relevant staff managing risk registers. A review of Council's strategic, operational and functional risk registers is now underway to coincide with the roll-out and improved functionality of the risk management system and to ensure its ongoing currency and relevance.

Professional development of Councillors

Our Councillors receive ongoing opportunities for professional development, to build their capacity for performing their role. Councillors have engaged in the following professional development initiatives over the quarter:

- Professional development and skills training courses:
 - Doing Business with Council – Dee Why - 17 October 2019
 - Get The Night Right – Night Time Economies Masterclass – Sydney – 18 November 2019
 - Cyber Security Awareness Training – Dee Why – 10 December 2019
- Three council meetings and six councillor briefings on significant community issues, operational and governance matters
- Conferences and forums, with a strong focus on social issues:
 - Women Leading Change – Networking Event – Sydney – 2 October 2019
 - Australasian Society of Association Executives – Not-for-Profit Governance Forum – Sydney – 11 October 2019
 - Local Government NSW Annual Conference – Sydney – 14-16 October 2019
 - International Cities, Town Centres & Communities Conference (ICTC) Townsville – 23-25 October 2019
 - Community Care Northern Beaches – Community Project Screening on Terminal Illness – Frenchs Forest – 20 October 2019
 - Religious and Cultural Leaders – Mental Health Forum – Dee Why – 22 October 2019
 - LG Professionals - Communities In Action – Sydney - 31 October 2019
 - International Day for the Elimination of Violence Against Women – Parliament House – 21 November 2019
 - Northern Beaches Says No To Domestic Violence Walk – Manly – 22 November 2019
 - Big Ideas Forum: The Ageing Revolution – Belrose – 22 November 2019
- Committee meetings and workshops with:
 - Community Safety Committee
 - Flood Committee
 - Little Penguin Program Meeting
 - Northern Beaches Youth Advisory Group
 - Newport Combined Community and Business Workshop
 - Manly Warringah War Memorial State Park Advisory Committee
 - Avalon Community Reference Group

- Computer Pals
- Rotary Clubs
- Community Northern Beaches
- Zonta Club of Northern Beaches
- Link Community Care
- Public Art Working Group
- Community SLSC, RSL, Leagues and other sporting clubs
- Northern Beaches Community Housing Advocates
- Currawong State Park Advisory Committee
- Remembrance Day Events throughout Northern Beaches on 11 November 2019
- Attended various school end of year events throughout the community
- Royal Far West's Centre For Country Kids
- Northern Beaches Country Music Club
- Links to Learning
- Avalon Preservation Association
- Palm Beach & Whale Beach Association
- Northern Beaches Domestic Violence Network
- Manly Art Gallery & Museum and The Creative Space, Curl Curl
- Aboriginal Support Group
- Meals on Wheels
- Manly Ward Residents Group

Councillors also attended community-driven events, with opportunities to learn and share information with the community, businesses, and other organisations

- Practical Steps for Dealing with Disruption – Manly – 1 October 2019
- Community Meetup – Digital Marketing – Seaforth – 2 October 2019
- Future Map & Business Entrepreneurs Program – Dee Why – 21 November 2019
- Tax Essentials For Small Business (ATO) – Manly – 3 December 2019

Councillors receive newsletters, updates and information from Council and other peak industry or oversight bodies in relation to community matters, latest sector developments, industry changes and new initiatives. Councillors also engage in peer-to-peer learning to share information, outcomes and understanding gained from the conferences and seminars they have attended.

Performance measures – Governance and Assurance	Target	September quarter	December quarter
Council meeting minutes finalised and published within 3 working days of meetings	95%	100%	100%
Council's compliance with Governance Framework to meet Governance statutory requirements	100%	100%	100%

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

OPERATIONAL PROJECTS

Key: ✓ Complete ⚙️ Progressing ! Behind Schedule

Progressing on schedule



Deliver the Internal Audit program in line with the Internal Audit Strategic Plan

Internal audits undertaken in accordance with the Internal Audit Annual Plan 2019-20.

We undertake ongoing monitoring and reporting on the implementation of internal audit recommendations.

Progress on our internal audit program and implementation of internal audit recommendations was reported and assessed at the Audit Risk and Improvement Committee (ARIC) meeting held on 10 December 2019.



Conduct training and testing for business continuity management

A business continuity workshop was conducted on 28 June 2019. The next training and testing exercise will be conducted in 2020.



Support the professional development of Councillors

Councillor professional development continues with councillors attending conferences, various training courses, sharing knowledge through peer to peer interactions, and attending councillor briefings and special interest briefings.



Support the Local Government election

Work has commenced on preparing for the next Council election with an initial meeting held between staff and the induction program advisor.



Facilitate Code of Conduct training and awareness for Councillors and staff

Our new starter induction program has a Code of Conduct module.

The ongoing reporting on Code of Conduct training compliance for all staff is facilitated through Learning and Development reporting, with monitoring and compliance driven at the Business Unit level.



Deliver initiatives identified in the Integrity and Complaints three-year strategic plan

Following recent organisational changes, the Strategy is under review.



Establish a complaints reporting framework for feedback to Council and the Audit, Risk and Improvement Committee

The complaints reporting framework was presented to the Audit Risk and Improvement Committee (ARIC) at the 10 December 2019 meeting and endorsed for ongoing reporting.

Code of Conduct complaint statistics were reported to Council on 17 December 2019 and to the Office of Local Government on 19 December 2019.



Establish online customer information including FAQs relating to complaints handling

Phase 2 of system development scheduled for January to June 2020.

FINANCIALS

GOVERNANCE & RISK SERVICES

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	6,007,946	6,007,946	0	12,062,585	12,062,585	12,062,585
User Charges & Fees	0	0	0	0	0	0
Investment Fees and Revenues	0	0	0	0	0	0
Other Revenues	90,702	0	90,702	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	6,098,648	6,007,946	90,702	12,062,585	12,062,585	12,062,585
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,608,184)	(1,728,516)	120,332	(3,457,032)	(3,457,032)	(3,457,032)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(2,410,236)	(1,961,219)	(449,017)	(4,017,430)	(4,018,180)	(4,081,180)
Depreciation and Amortisation	(23,543)	(23,543)	0	(47,085)	(47,085)	(47,085)
Other Expenses	(1,352,686)	(1,654,449)	301,763	(3,320,383)	(3,319,633)	(3,319,633)
Internal Charges	(10,372)	(13,057)	2,685	(101,114)	(26,114)	(26,114)
Overhead Allocation	(559,770)	(559,770)	0	(1,119,541)	(1,119,541)	(1,119,541)
Total Expenses From Continuing Operations	(5,964,791)	(5,940,554)	(24,237)	(12,062,585)	(11,987,585)	(12,050,585)
Surplus / (Deficit) from Continuing Operations	133,857	67,392	66,465	0	75,000	12,000

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$133,857 is higher than forecast at the end of December primarily as a result of higher than forecast income offsetting higher than forecast expenditure.

Total Income from Continuing Operations of \$6,098,648 is higher than forecast by \$90,702. This is due to the recovery of legal costs incurred in the course of operations.

Total Expenses from Continuing Operations of \$5,964,791 is higher than forecast by \$24,237. This is principally the result of higher than anticipated Materials and Contracts of \$449,017 due to legal services expenditure offset by lower Employee Benefits and Oncosts and lower Other Expenses principally related to insurance premiums and anticipated claims on Council as well as the timing of Councillor expenditure claims.

The Surplus from Continuing Operations for the full financial year is forecast to reduce by \$63,000 to \$12,000 due to increased Contract Services expenditure associated with the Internal Audit and Complaints Resolution business unit.

Customer Service

HIGHLIGHTS

Easier applications to speak at Council meetings

We've made improvements to our online application form to make it easier for people to come and address Council. Improvements in the back end of the online interface have reduced administration time to process applications.

Moving to a customer experience mindset

We've started work on a thorough assessment and refresh of our current 2017-2023 Customer Experience Strategy. To ensure the 2020-2023 refreshed customer experience approach is aligned to the high and ever-evolving expectations of our community, the assessment will include community consultation before it is adopted by Council in 2020.

Unified Communications Systems becomes operational

The new phone system has commenced operating in our Call Centre. Our Customer Service team now has greater functionality and the ability to more efficiently manage customer interactions due to greater integration with Council's core systems.

Paperless development application lodgement

We have trialled new procedures for DA lodgement where documentation is received electronically, which eliminates the need for scanning and transporting documents between locations. This is a more streamlined process and means that documents are with the Planning Team instantaneously, regardless of where the DA has been lodged.

Performance measures – Customer Service	Target	September quarter	December quarter
Calls answered within 30 seconds	80%	* 77%	*** 68%
Customer satisfaction with service calls	80%	93%	91%
Customer satisfaction with online requests	80%	**	**
Customer requests conducted online	> 18%	25%	37%

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

Notes on results:

- * We have not met the target due to increased numbers of calls this quarter, as well as complex calls on significant projects such as the new waste contract.
- ** This indicator is unable to be measured at this time as an easy to use mechanism for feedback is yet to be developed.
- *** Target not met, due to continuing higher than average call volumes, due to the new waste contract. The dedicated waste enquiries number was de-activated in September so all waste calls are now answered by Customer Service.

Workload measures – Customer Service	September quarter	December quarter
No. calls to Customer Service 1300 434 434	53,598	51,491

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Completed

Investigate provision of a concierge and customer queuing system at front counters

Council undertook this investigation with a view to implementing these systems at all four customer service branches. The project found that introducing this type of system is not currently feasible.

Progressing on schedule

Build a customer-centric culture with a focus on customer experience and the Measures of Success program

Work on data collection for the review of our Customer Experience Strategy has continued this quarter.

Improve and review the customer portal to enhance customer experience and accessibility

The call centre PureCloud integration has been successfully implemented.

Further enhancements to existing forms to be scheduled.

Integrate the telephony system within the customer relationship management system

This project, which will result in integration of our telephone and customer relationship management systems, is on target for implementation in early 2020.

Develop and implement a consistent feedback approach across all customer contact channels

We have completed a survey audit to inform our customer experience strategy review. We are using the results of our research to develop an action plan that will be reported to Council in March 2020.

FINANCIALS

CUSTOMER SERVICE

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	1,151,973	1,151,973	0	2,307,515	2,307,515	2,307,515
User Charges & Fees	788,594	618,757	169,837	1,238,007	1,238,007	1,238,007
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	1,940,567	1,770,730	169,837	3,545,523	3,545,523	3,545,523
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(1,725,751)	(1,685,298)	(40,453)	(3,370,595)	(3,370,595)	(3,370,595)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(83,859)	(74,689)	(9,170)	(152,917)	(152,917)	(152,917)
Depreciation and Amortisation	(32,593)	(32,593)	0	(65,186)	(65,186)	(65,186)
Other Expenses	(29,556)	(41,017)	11,461	(82,557)	(82,557)	(82,557)
Internal Charges	332,375	331,802	573	663,604	663,604	663,604
Overhead Allocation	(268,935)	(268,935)	0	(537,871)	(537,871)	(537,871)
Total Expenses From Continuing Operations	(1,808,319)	(1,770,730)	(37,589)	(3,545,523)	(3,545,523)	(3,545,523)
Surplus / (Deficit) from Continuing Operations	132,248	0	132,248	0	0	0

Commentary – Year to Date Actuals and Annual Forecast

Total Income from Continuing Operations of \$1,940,567 is higher than forecast by \$169,837 primarily due to an increase in the sale of parking permits in advance of planned changes in precinct parking schemes.

Total Expenses from Continuing Operations of \$1,808,319 is higher than forecast by \$37,589. Employee Benefits & Oncosts are higher than forecast by \$40,453 due to increased use of casual staff in line with work volumes. Materials and Contracts are \$9,170 higher than forecast because of the increased cost associated with agency staff.

As a result, the total deficit from Continuing Operations in December 2019 is \$132,248 with no changes in budget forecast sought at this time.

Corporate Support Services

HIGHLIGHTS

Vigorous accounting standards recognised

The Audit Office of NSW audits the annual financial statements of councils in NSW. Feedback on the 2018/19 Financial Statements was positive with the Audit Office stating that Council's reporting for the year was of exceptional quality. The report by the Audit Office was also presented to Council's Audit, Risk and Improvement Committee which comprises Councillors, an Independent Chair and two other independent members. The Chair further commended Council on preparedness for the new accounting standards noting that it was ahead of most Councils.

Over \$1 million in grants

Each year Council prioritises the delivery of projects and infrastructure to meet the needs of the Northern Beaches community. Grants are an important source of additional income for bringing forward and completing important community projects. Ten applications were successful this quarter with over a \$1 million in funding. This will see works to improve Shelly Beach change rooms, Elanora Scout Hall, amenities at Clontarf Reserve as well as weed management at Curl Curl Lagoon and Middle Creek.

Delivering our annual report

Our 2018/19 Annual Report was tabled at the Council meeting in November. It shows progress against the Operational Plan 2018/19 with \$102.5 million of capital projects delivered, 85% of operational projects completed or on schedule and 85% of performance measures achieved. The report highlights achievements across the year and areas we are working on to improve into 2019/20. The Report was lodged with the Office of Local Government by 30 November.

Embracing Business Excellence

We are committed to striving for continuous improvement and we are using the Australian Business Excellence Framework (ABEF) to build a culture of continuous improvement across Council.

We are looking holistically across the organisation and implementing improvement actions that enhance outcomes for our community. Our Business Excellence Strategy and four associated Business Excellence Programs are collectively referred to as the IGNITE Program – Inspiring Great New Ideas Towards Excellence.

The IGNITE Programs include the Leading and Learning Program to raise awareness and understanding of continuous improvement across all levels of the organisation. The Facilitation Program to encourage and enable all staff to become actively involved in continuous improvement. The Measure Program to formally assess the Council under the Australian Business Excellence Framework and identify gaps and opportunities to focus the Leadership Teams on strategic improvements. The Shaping Program to continue to support the organisations with its Business Process Management and the delivery of ongoing significant improvement projects.

We have consulted with a number of other Councils and formed a network of participants who are at various stages of their Business Excellence journeys. This important network has provided valuable insights and learnings that we have used to develop our Business Excellence approach.

Engaging our employees

In October 2019, a full Employee Engagement Survey was undertaken across the organisation. The survey was conducted by Voice Project over a three week period with 85% of employees participating.

Results have shown that the majority of people working at Council feel positive and satisfied about our work. Our areas for improvement across the organisation focus on Leadership, Career Opportunities, Processes and Vision.

Keeping everyone safe

A Work, Health Safety and Injury Management System has been developed and went live in December 2019. The comprehensive system ensures that hazards are identified, and risks are effectively controlled, monitored and reported.

A roll out of training on the new system and its implementation will help keep everyone safe.

Protecting employee health and welfare

We have introduced a comprehensive set of operational guidelines and procedures to guide implementation of Council's policy on alcohol and other drugs. The policy has been developed in consultation with staff and replaces guidelines of the three former Councils.

The purpose of the policy is to provide and maintain a supportive workplace environment that protects the health, safety and welfare of all workers and others in the workplace.

A third party organisation has been engaged to undertake the alcohol and drug testing, which will include post incident, random or on the basis of reasonable concern. In addition, they will manage the random selection process, provide a testing van for small and remote testing locations and they will assist us with face-to-face training.

A thorough staff education campaign will be carried out prior to the policy becoming fully operational. Training will be via both face-to-face and online mechanisms. The Policy will be live from early March with testing to commence post-March.

Making a Difference – service and recognition program

We value our staff teams and the way in which everyone contributes to making a difference for the Northern Beaches community. The Making a Difference service and recognition program was finalised in preparation for roll out in January 2020. The recognition part of the program has four tiers, designed to capture the good, great and exceptional, from the everyday 'thank you' up to the prestigious annual 'Shaping Our Future' award. The service part of the program recognises 10, 20, 30, and 40 year service milestones as well as acknowledging people's service upon retirement.

Cutting the red tape on staff recruitment

We've streamlined our procedures for hiring talent into our organisation to increase efficiencies and create a better experience for both our internal and external customers. The new online modules will provide managers with a visible way of meeting their recruitment and on-boarding needs and will give them the opportunity to track progress at every stage. The new modules will result in the elimination of hard copy forms. The issue of contracts of employment and the collation of new employee information will be managed online.

Performance measures – Corporate Support	Target	September quarter	December quarter
Correspondence replied to within 10 working days	90%	92%	92%
Operational projects on schedule or completed	80%	95%	90%
Capital projects on schedule or completed	80%	91%	85%
Quarterly, annual reports submitted to Council on time	100%	100%	100%

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

OPERATIONAL PROJECTS

Key:  Complete  Progressing  Behind Schedule

Completed

Develop disability awareness education and training for all staff

The awareness e-learning modules have been communicated and launched to all staff.

Progressing on schedule

Develop a harmonised rates structure

We have undertaken initial modelling to develop a Rates Harmonisation Discussion Paper for internal use. Further development of the model will be carried out following the uploading and analysis of new land valuation data from the Valuer General.

Develop the Delivery Program, annual Operational Plan and Long Term Financial Plan

The development of Business Plans and Budgets for 2020/21 is underway.

Present Council's quarterly budget review statement, annual report and financial statements

The audited Financial Statements including the Auditor's Reports for 2018/19 were presented to the Council meeting in October.

The Annual Report 2018/19 and Quarterly Report for September 2019 were reported to the Council meeting on 26 November 2019.

The Annual Report was lodged with the Office of Local Government by 30 November 2019.



Deliver a program of service reviews

Northern Beaches Council has developed a Service Review Framework under which Council's Services can be systematically reviewed to ensure they are efficient and effective in delivering the required community outcomes.

During this quarter, a comprehensive service review of the Manly Visitors Information Service was completed and resulted in over 24 service improvement recommendations.



Develop strategic directions and plans based on Integrated Planning and Reporting framework

The Local Environmental Planning Statement and the Environment and Climate Change Strategy were exhibited during the quarter.



Implement the Workforce Plan

The Northern Beaches Workforce Plan was formally adopted by Council in June 2018 and initiatives in the plan are aligned to our People Plan 2017 - 2020.

We undertook an Employee Engagement Survey which received a response rate of 85% (excluding casuals).

Organisational results have been reviewed and action areas have been identified.



Implement the Digital Transformation Strategy

This is comprised of component projects which are in progress: developing an online booking system, and developing staff management systems.

CAPITAL PROJECTS

Key: Complete Progressing Behind Schedule

Progressing on schedule



IT improvements



IT Infrastructure new works

Wifi was installed for the Rangers at the Warriewood office in October.



IT Software new works

Development has commenced on staff management systems, as well as continuing toward a new organisational booking system.



IT Infrastructure replacements

This project includes the replacements of CCTV, data centre related equipment, public and internal wifi and switches and routers.

During October the installation of storage for the production server environment in the Dee Why data centre was completed.

During December the replacement storage for the CCTV and smartbeaches project was delivered for installation in January 2020.



Computers, laptops and mobile devices – replacement

Project on track to purchase and deploy laptops and desktop in line with Council's replacement plan.

FINANCIALS

CORPORATE SUPPORT SERVICES

Income Statement – 1 July 2019 to 31 December 2019

	YTD Actual \$	YTD Forecast \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
Income From Continuing Operations						
Rates and Annual Charges	94,406,109	93,698,907	707,202	26,226,328	26,226,328	26,896,328
User Charges & Fees	290,706	269,953	20,753	539,933	539,933	509,933
Investment Fees and Revenues	2,344,286	2,501,068	(156,783)	5,514,295	4,281,295	4,281,295
Other Revenues	757,066	763,243	(6,177)	325,642	1,159,069	1,108,621
Grants and Contributions - Operating Purposes	2,051,660	1,659,079	392,581	6,170,379	6,183,634	6,565,393
Grants and Contributions - Capital Purposes	3,263,351	3,689,833	(426,482)	8,300,000	6,919,500	7,200,066
Gains on disposal of Assets	0	0	0	0	0	0
Total Income From Continuing Operations	103,113,178	102,582,083	531,095	47,076,576	45,309,758	46,561,635
Expenses From Continuing Operations						
Employee Benefits & Oncosts	(12,600,748)	(12,264,139)	(336,609)	(24,428,001)	(24,584,994)	(24,584,996)
Borrowing Costs	(728,154)	(734,782)	6,628	(1,523,276)	(1,443,276)	(1,443,276)
Materials and Contracts	(1,077,150)	(1,376,948)	299,797	(2,982,866)	(3,703,835)	(3,205,556)
Depreciation and Amortisation	(1,448,673)	(1,182,117)	(266,556)	(2,364,865)	(2,364,865)	(2,364,865)
Other Expenses	(3,820,061)	(4,184,840)	364,780	(8,322,032)	(8,236,126)	(7,775,724)
Internal Charges	424,742	441,132	(16,389)	897,708	885,384	885,384
Overhead Allocation	12,224,471	12,224,471	0	26,135,653	24,448,941	24,448,941
Total Expenses From Continuing Operations	(7,025,574)	(7,077,224)	51,651	(12,587,679)	(14,998,771)	(14,040,092)
Surplus / (Deficit) from Continuing Operations	96,087,604	95,504,859	582,746	34,488,897	30,310,987	32,521,543

Commentary – Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$96,087,604 is higher than forecast by \$582,746 at the end of December as a result of both higher than anticipated income and lower than forecast expenditure.

Total Income from Continuing Operations of \$103,113,178 is higher than forecast by \$531,095 for the following reasons:

- Rates are higher than forecast by \$707,202 as a result of additional rates assessments following the issue of supplementary valuations by the Valuer-General. The additional assessments principally related to the completion of residential development; and
- Grants and Contributions for Operating Purposes are higher than forecast by \$392,581 primarily as a result of the receipt of a Natural Disaster Payment relating to the June 2016 storm from NSW Public Works Advisory.

These items of higher income have been partially offset by lower than forecast income in the following areas:

- Investment Fees and Revenues are lower than forecast by \$156,783 at the end of the second quarter as a result of the continued impact on investment returns of lower interest rates coupled with a decline in margins reflecting a lower demand for funds from the banks; and

- Grants and Contributions for Capital Purposes are lower than forecast \$426,482 principally as a result of the timing of s7.11 Developer Contributions from the Warriewood Valley Plan.

Total Expenses from Continuing Operations of \$7,025,574 are lower than forecast by \$51,651 for the following reasons:

- Materials and Contracts were \$299,797 lower than forecast primarily due to the timing of contract expenditure for Human Resources and Strategy and Performance; and
- Other Expenses were \$364,780 lower than forecast principally relates to lower bank fees, property valuation fees and software licence renewals and the timing of the Local Government NSW membership fees.

These items of lower expenses have been partially offset by higher than forecast expenses in the following areas:

- Employee Benefits & Oncosts were higher than forecast by \$336,609, primarily as a result of redundancies following restructuring; and
- Depreciation and Amortisation is higher than forecast by \$266,556 principally due to the timing of the capitalisation of projects.

For the full financial year the Surplus from Continuing Operations is forecast to increase by \$2,210,556 to \$32,521,543.

Total Income from Continuing Operations is forecast to increase by \$1,251,877 primarily for the following reasons:

- Rates and Annual Charges are forecast to increase by \$670,000 as a result of additional rates assessments following the issue of supplementary valuations by the Valuer-General as noted above.
- Grants and Contributions for Operating Purposes are forecast to increase by \$381,759 primarily as a result of the receipt of a Natural Disaster Payment noted above.
- Grants and Contributions for Capital Purposes are forecast to increase by \$280,566 due to recent contributions to the former Manly s7.11 development contribution plan.

Total Expenses from Continuing Operations are forecast to decrease by \$958,679 for the following reasons:

- Materials and Contracts are forecast to decrease \$498,279 due the reallocation of budgeted New Council Implementation Fund operational expenditure to Capital Projects for the Local Government Area entry markers and works in relation to Council's Intranet and reduced costs related to debt recovery.
- Other Expenses are forecast to decrease by \$460,402, primarily due to lower bank fees, property valuation fees noted above, the transfer of the budget for Local Government NSW membership fees to Governance & Risk and the reallocation of budgeted operational expenditure to Capital Projects for Council's Unified Communications System.