



WARRINGAH
COUNCIL

ATTACHMENT BOOKLET

ORDINARY COUNCIL MEETING

TUESDAY 26 APRIL 2016



TABLE OF CONTENTS

Item No	Subject	
6.2	QUARTERLY BUDGET REVIEW STATEMENT MARCH 2016	
	Attachment : Quarterly Budget Review Statement March 2016	2



QUARTERLY BUDGET REVIEW STATEMENT

March 2016

▼
WARRINGAH.NSW.GOV.AU


WARRINGAH
COUNCIL

31 March 2016 Quarterly Report - General Manager's Message

Report by Responsible Accounting Officer

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005.

It is my opinion that the Quarterly Budget Review Statement for Warringah Council for the nine months ended 31 March 2016 indicates that Council's projected financial position at 30 June 2016 will be satisfactory, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

David Walsh
Responsible Accounting Officer, Warringah Council

Income Statement

	YTD					
	YTD Actuals	Approved Forecast	YTD Variance	Annual Budget	Approved Forecast	Current Forecast
	\$	\$	\$	\$	\$	\$
Income from Continuing Operations						
Rates and Annual Charges	101,132,283	100,914,813	217,470	100,817,062	100,917,062	101,037,062
User Charges & Fees	36,188,061	33,141,431	3,046,630	43,722,312	43,581,054	45,892,197
Investment Fees and Revenues	2,277,375	2,050,102	227,274	2,508,394	2,583,395	2,937,395
Other Revenues	9,156,922	8,767,259	389,662	11,299,563	11,368,767	11,929,709
Grants and Contributions - Operating Purposes	6,301,224	6,025,102	276,122	8,001,649	7,645,007	7,969,811
Grants and Contributions - Capital Purposes	7,693,281	5,543,120	2,150,161	4,037,869	7,144,120	9,736,307
Gains on disposal of Assets	7,417,240	7,377,993	39,247	9,293,225	7,442,993	7,452,993
Total Income from Continuing Operations	170,166,386	163,819,820	6,346,566	179,680,074	180,682,399	186,955,474
Expenses from Continuing Operations						
Employee Benefits & Oncosts	(47,954,037)	(47,947,130)	(6,907)	(64,150,403)	(64,238,345)	(63,623,370)
Borrowing Costs	(726,049)	(944,081)	218,032	(1,362,127)	(1,207,098)	(968,028)
Materials and Contracts	(44,548,599)	(44,584,896)	36,297	(59,323,694)	(59,660,488)	(62,478,068)
Depreciation and Amortisation	(11,196,320)	(11,475,633)	279,313	(16,034,300)	(16,034,300)	(15,947,973)
Other Expenses	(16,891,259)	(16,454,355)	(436,903)	(21,134,407)	(20,906,337)	(18,455,231)
Internal Charges	-	-	-	(0)	(0)	(0)
Overhead Allocation	-	-	-	-	-	-
Total Expenses from Continuing Operations	(121,316,263)	(121,406,095)	89,831	(162,004,931)	(162,046,568)	(161,472,670)
Total Surplus (Deficit) from Continuing Operations	48,850,123	42,413,725	6,436,398	17,675,143	18,635,831	25,482,804
Surplus / (Deficit) Before Capital Grants & Contribution	41,156,841	36,870,604	4,286,237	13,637,274	11,491,711	15,746,497
Total Surplus (Deficit) from Continuing Operations	48,850,123	42,413,725	6,436,398	17,675,143	18,635,831	25,482,804
Rates and Charges yet to be allocated to Services	(17,630,804)	(17,630,804)	-			
Surplus/ (Deficit) from Continuing Operations	31,219,319	24,782,921	6,436,398			
Surplus/ (Deficit) before Capital Grants and Contributions	23,526,037	19,239,800	4,286,237			

The above Income Statement shows Council's consolidated financial result for the nine months ended 31 March 2016.

The result for the nine months ended 31 March 2016 shows some variations between budgeted and actual results. Comments have been provided by responsible budget managers and the forecasts have been amended where necessary. The reports for the 17 services included in the Delivery Program 2015-2019 are each provided separately.

Forecast Changes

These overall movements are detailed in the table below:

	Annual Budget \$	Approved Forecast \$	Variance \$	Current Forecast \$	Variance \$
Total Income from Continuing Operations	179,680,074	180,682,399	(1,002,325)	186,955,474	6,273,076
Total Expenses from Continuing Operations	(162,004,931)	(162,046,568)	41,637	(161,472,670)	573,897
Total Surplus (Deficit) from Continuing Operations	17,675,143	18,635,831	(960,688)	25,482,804	6,846,973
Surplus/ (Deficit) before Capital Grants and Contributions	13,637,274	11,491,711	2,145,564	15,746,497	4,254,786

The Surplus from Continuing Operations which includes Capital Grants and Contributions is forecast to increase by \$6,846,973 to \$25,482,804.

The significant changes which result in an increase of \$6,273,076 in the forecast Income from Continuing Operations are as follows:

- Rates and Annual Charges are forecast to increase by \$120,000 due to additional rates from supplementary valuations
- User Charges & Fees are forecast to increase by \$2,311,143. This principally relates to an increase in Kimbriki Environmental Enterprises of \$2,690,851 as a result of greater than expected volumes particularly in the demolition and green waste categories, an increase in Compliance of \$229,349 as a result of increased pay and display parking revenue, an increase in Development Assessments of \$83,285 from an increase in development related fees, an increase in Information and Library Services of \$47,113 relating to printing and scanning fees and an increase in Roads & Traffic of \$40,000 due to higher than anticipated road user permit applications. These have been partially offset by decreases in a number of services. Glen Street Theatre has been forecast to decrease by \$258,000 due to lower than anticipated ticket sales, the Warringah Aquatic Centre has been forecast to decrease by \$218,935 primarily due to lower than anticipated fees for Learn to Swim pre-school classes and Certification has been forecast to decrease by \$166,000 as a result of fewer food premises failing inspections because of improved risk profiling of premises. Other decreases are within Children's Services of \$57,000, Strategic Planning of \$41,440, Corporate Support of \$32,580 and Good Governance of \$5,500.
- Investment Fees and Revenues are forecast to increase by \$354,000 due to additional investment income of \$266,688 within Corporate Support and \$87,312 within Kimbriki.
- Other Revenues are forecast to increase by \$560,942. This is principally due to an increase within Corporate Support of \$701,000 due to an anticipated receipt from the State Government of \$300,000 for Emergency Cleanup costs in relation to the April 2015 storm events and higher leasing income, an increase of \$559,704 within Waste Services due to anticipated carbon tax refund, an increase of \$66,849 within Roads & Traffic for increased bus shelter advertising income and a minor increase of \$2,209 within Information and Library Services. These have been partially offset by a decrease in Compliance of \$605,000 due to lower than expected parking penalty infringements and decreases in Glen Street Theatre of \$75,000, Kimbriki Environmental Enterprises of \$73,820 and Certification of \$15,000.
- Grants & Contributions – Operating Purposes have been forecast to increase by \$324,804. This principally relates to an increase in Natural Environment of \$347,804 relating to contributions for the Narrabeen Lagoon State Park and the bush regeneration program offset by decreases in Corporate Support of \$10,000 due to lower Pensioner Rebates Subsidies, Children's Services of \$7,000 due to fewer numbers of children accessing additional needs support funding and Good Governance of \$6,000 in relation to the Financial Assistance Grant .
- Grants & Contributions – Capital Purposes have been forecast to increase by \$2,592,187. Corporate Support

has been forecast to increase by \$2,264,005 due to additional s94A developer contributions of \$1,800,000, grant funding of \$18,182 from the Department of Infrastructure and Regional Development for the Library Buildings Works, a contribution of \$204,914 relating to two parcels of land transferred to Council from the State Government and a contribution of \$240,909 for contributions received from the PCYC for the Dee Why Town Centre Parking and Community Facility project. Community Services has been forecast to increase by \$240,000 for grants received from the NSW Department of Trade and Investment for the Dee Why Town Centre Parking and Community Facility project. Natural Environment has been forecast to increase by \$50,000 for a capital contribution toward drainage works and Parks, Reserves and Foreshores has been forecast to increase by \$38,182 for a contribution from the Stony Range Community Committee for shelter renewal.

- Gains on the Disposal of Assets have been forecast to increase by \$10,000 within Corporate Support principally due to additional income from the sale of Council's fleet.

The significant changes which result in an increase of \$573,897 in the forecast Expenses from Continuing Operations are as follows:

- Employee Benefits & Oncosts are forecast to decrease by \$614,974. This principally relates to a decrease within Corporate Support of \$500,473 due to lower Workers Compensation costs and vacancies in a number of areas. Certification has been forecast to decrease by \$240,000, Good Governance has been forecast to decrease by \$149,000 and Children's Services has been forecast to decrease by \$53,893 principally due to vacancies. These have been partially offset by an increase in Roads & Traffic of \$193,294 due to backfilling as a result of staff vacancies and additional work associated with increased road users permits, Kimbriki Environmental Enterprises has been forecast to increase by \$134,271 due to overtime and additional costs in administration to cover for a prolonged illness, Information & Library Services has been forecast to increase by \$713 and Waste Services by \$114.

- Borrowing Costs are forecast to decrease by \$239,070 due to the deferral of the drawdown of the loan for the construction of the Kimbriki road.

- Materials and Contracts have been forecast to increase by \$2,817,580. Kimbriki Environmental Enterprises has been forecast to increase by \$3,696,389 due to increased volumes of high processing cost items (in particular, vegetation) and the expense of additional cover materials. Certification has been forecast to increase by \$45,000 due to agency personnel. Natural Environment has been forecast to increase by \$37,391 due to higher than anticipated expenditure on Coasts, Creek Biodiversity and Bush Regeneration works and Information and Library Services has been forecast to increase by \$29,425. These increases have been partially offset by decreases in a number of services. Corporate Support has been forecast to decrease by \$340,926 due to lower than anticipated expenditure in a number of areas including legal fees, insurance and maintenance and servicing. Compliance has been forecast to decrease by \$164,352 due to lower contract payments related to lower penalty infringements. Roads and Traffic has been forecast to decrease by \$138,594 due to lower expenditure in waste tipping fees from the public place cleansing program. Community Services has been forecast to decrease by \$112,551 due to lower cleaning costs and for capital works on Community Centres. Waste has been forecast to decrease by \$86,410 due to lower waste disposal volumes. Other decreases been forecast within Glen Street Theatre of \$63,175, Good Governance of \$41,000, Children's Services of \$19,549, Warringah Aquatic Centre of \$15,000, Parks, Reserves & Foreshores of \$8,818 and Strategic Planning of \$250.

- Depreciation and Amortisation has been forecast to decrease by \$86,327 due to lower due to lower levels of Capital Expenditure within Kimbriki Environmental Enterprises.

- Other Expenses are forecast to decrease by \$2,451,106. Kimbriki Environmental Enterprises has been forecast to decrease by \$1,976,189. Corporate Support has been forecast to decrease by \$381,926 due to lower than anticipated electricity charges and lower insurance as a result of changes in the discount rate applied to future liabilities. Good Governance has been forecast to decrease by \$75,651 due to lower expenditure in Advertising, Grants and Subsidies and Councillor Reportable Expenses. Roads and Traffic has been forecast to decrease by \$20,000 due to a reduction in street lighting electricity costs and. Natural Environment has been forecast to decrease by \$7,500 and Glen Street Theatre has been forecast to decrease by \$2,825. These decreases have been partially offset by an increase in Certification of \$8,000, an increase in Strategic Planning of \$3,300 and an increase in Information and Library Services of \$1,685.

The Surplus from Continuing Operations before Capital Grants and Contributions for the full financial year is forecast to increase by \$4,254,786 to \$15,746,497. The available surplus for allocation to projects is as follows:

	\$
Surplus / (Deficit) from Continuing Operations before Capital Grants & Contributions	15,746,497
Less: Restricted	
Minority Interests - Kimbriki Environmental Enterprises Pty Ltd	(2,102,579)
Domestic Waste Management Surplus	(1,199,727)
Interest on Developer Contributions (s94 & s94A) to be utilised for new works	(590,000)
Gain on Sale of Kiah Site to fund Dee Why Town Centre Kingsway Parking and Community Facility	(7,192,993)
	4,661,198
Less: Working Capital Allocated	
Utilised for unforeseen items - storm event costs	(1,811,709)
Original Budget Contribution	(1,620,988)
Kimbriki Environmental Enterprises outer year capital expenditure requirement	(479,027)
Available Unrestricted Surplus	749,474

Currently the following projects are unfunded and it is proposed that the available unrestricted surplus be utilised to complete these works:

	\$
Funding Required to Complete Tramshed Community Centre	367,000
Killarney Heights Oval Masterplan Works	370,000
	737,000

Council is currently negotiating the sale of land to Oxford Falls Grammar School, a portion of road reserve adjacent to Howard Avenue Dee Why and the compulsory acquisition by Transport for NSW for the widening of Warringah Road. As those matters are not at point of completion to enable accurate forecasting no change has been made to Council's full year forecast.

Transport for NSW indicated that it will be putting forward proposals to establish commuter car parks for the proposed B-Line (Rapid Bus Transport) on Council's land at Dee Why and Narrabeen. As those proposals have not yet been finalised no forecast changes have been made at this time.

Capital Works

Expenditure on Capital Works for the nine months ended 31 March 2016 totalled \$24,858,864.

	YTD Actuals \$	YTD Approved Forecast \$	Variance \$
Total Capital Expenditure	24,858,864	28,922,556	4,063,692

Changes to the forecast details which are included in the individual reports of each of the Services are shown below.

	Annual Budget \$	Approved Forecast \$	Variance \$	Current Forecast \$	Variance \$
Total Capital Expenditure	58,436,395	57,554,653	881,742	43,957,904	13,596,748

Description	\$
Changes by Council Resolution	
Changes by Council Resolution during the first quarter:	(2,004,670)
Changes by Council Resolution in the September QBRS:	(4,454,356)
Changes by Council Resolution in the December QBRS:	7,485,769
Changes by Council Resolution during the third quarter:	0
Seawall at South Curl Curl beach - Item 13.3 - 29 Mar 2016	(145,000)
Total Changes	881,743
Changes identified in the Proposed Forecast	
Rolled overs to 2016/17 capital works program:	0
Building Code of Australia Upgrades	94,259
Children's Centres Amenities and Playgrounds	3,043
Dee Why Town Centre - Kingsway parking & community facility	1,533,875
Disability Discrimination Act Upgrades	49,259
Glen Street Theatre Revitalisation - Stage 2	844,374
IT Software - New Works	100,000
Kimbriki Environmental Site Projects	6,512,002
Manly Warringah Womens Resource Centre Renewal	45,533
Nolans Reserve Amenities renewals	7,096
Oaks Avenue Stormwater Drainage	1,677,440
Public Amenity Renewal - Tramshed	698,227
Renewal works-Beach&SurfClub Buildings	50,000
South Curl Curl Beach Sea wall Works	50,000
Storm Damage - Oxford Falls Road, Oxford Falls	229,046
Tramshed - Toilet, Kitchen, BCA and DDA renewals	1,060,177
Walter Gors Reserve & Shared Walkway Dee Why Pde	456,573
Works funded by additional Grants & Contributions:	0

Description	\$
Drainage Works: Lot 383 Wyong Road Duffys Forest	(50,000)
Parks Major Works Program	(53,224)
Other:	0
IT Infrastructure - New Works	(50,400)
IT Infrastructure - Renewals	10,805
IT Software - Renewals	92,000
Library Buildings Works Program	(18,182)
Plant Replacement Program	268,467
Recreational Trails Works Program	15,042
Renewal works-Community Buildings	(39,664)
Replacement of Beach Services Equipment	11,000
Other Forecast Changes Total	13,596,748
Total Net Changes identified in the Proposed Forecast	13,596,748
Total Net Changes	14,478,491

Statement of Financial Position

Budget		Actual	Actual
30-June		31-Mar	30-June
2016		2016	2015
\$'000		\$'000	\$'000
ASSETS			
Current Assets			
6,411	Cash & Cash Equivalents	17,239	5,988
57,702	Investments	83,500	77,382
7,548	Receivables	30,271	9,351
78	Inventories	2,313	889
1,253	Other	717	979
7,429	Non Current Assets Classified as "held for sale"	7,468	8,149
80,421	Total Current Assets	141,509	102,738
Non-Current Assets			
1,800	Investments	1,075	1,158
519	Receivables	497	565
2,509,156	Infrastructure, Property, Plant & Equipment	2,825,811	2,814,488
0	Investments Accounted for using the equity method	0	0
1,800	Investment Property	1,825	1,825
2,595	Intangible Assets	3,728	3,403
2,515,870	Total Non-Current Assets	2,832,937	2,821,439
2,596,291	TOTAL ASSETS	2,974,446	2,924,177
LIABILITIES			
Current Liabilities			
17,704	Payables	21,405	19,791
1,543	Borrowings	1	3
13,135	Provisions	13,655	13,394
32,382	Total Current Liabilities	35,061	33,188
Non-Current Liabilities			
0	Payables	0	0
9,728	Borrowings	2	2
19,244	Provisions	20,812	20,040
28,972	Total Non-Current Liabilities	20,813	20,042
61,354	TOTAL LIABILITIES	55,874	53,230
2,534,937	Net Assets	2,918,571	2,870,947
EQUITY			
2,379,340	Retained Earnings	2,416,771	2,369,146
144,312	Revaluation Reserves	492,192	492,193
2,523,652	Total Council Equity Interest	2,908,963	2,861,339
11,285	Minority Equity Interest	9,608	9,608
2,534,937	TOTAL EQUITY	2,918,571	2,870,947

Cash Flow

Budget	Actual	Actual
30-June	31-Mar	30-June
2016	2016	2015
\$'000	\$'000	\$'000
Cash Flows from Operating Activities		
Receipts:		
100,817 Rates & Annual Charges	80,025	96,409
43,722 User Charges & Fees	36,375	40,666
2,508 Interest & Investment Revenue Received	2,277	3,490
12,040 Grants & Contributions	13,995	19,437
0 Deposits & Retentions Received	1,306	2,091
11,300 Other	9,157	10,961
Payments:		
(64,064) Employee Benefits & On-Costs	(47,954)	(61,451)
(59,324) Materials & Contracts	(29,694)	(57,255)
0 Borrowing Costs	(726)	(29)
0 Deposits & Retentions Received	0	(1,242)
(21,096) Other	(16,891)	(19,493)
25,903 Net Cash provided (or used in) Operating Activities	47,870	33,584
Cash Flows from Investing Activities		
Receipts:		
0 Sale of Investment Securities	74,000	127,495
1,870 Sale of Infrastructure, Property, Plant & Equipment	8,903	1,427
9,969 Sale of Non-current assets classified as "held for resale"	0	2,000
Payments:		
0 Purchase of Investment Securities	(94,500)	(129,924)
(58,436) Purchase of Infrastructure, Property, Plant & Equipment	(24,859)	(34,649)
0 Purchase of Intangibles	(325)	(808)
(46,597) Net Cash provided (or used in) Investing Activities	(36,782)	(34,459)
Cash Flows from Financing Activities		
Receipts:		
4,785 Proceeds from Borrowings & Advances	0	0
Payments:		
(1,248) Repayment of Borrowings & Advances	(2)	0
0 Repayment of Finance Lease Liabilities	0	(8)
(692) Dividends Paid to Minority Interests	0	(394)
2,845 Net Cash provided (or used in) Investing Activities	(2)	(402)
(17,849) Net Increase/(Decrease) in Cash & Cash Equipments	11,087	(1,277)
0 Net Increase/(Decrease) in Investing Activities	6,201	(7,445)
83,762 plus: Cash & Cash Investments at beginning of the year	84,528	93,250
65,913 Cash & Investment - end of the year	101,816	84,528

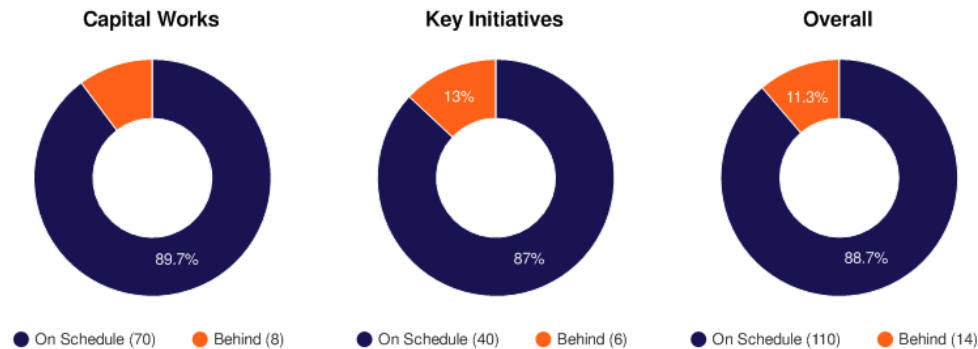
Capital Budget Statement

Budget 30-June 2016 \$'000	Actual 31-Mar 2016 \$'000	Actual 30-June 2015 \$'000
Capital Funding		
0 Rates & Other Untied Funding	0	0
26,976 Working Capital	6,317	2,696
17,350 Depreciation	8,456	15,941
1,838 Capital Grants & Contributions	2,714	3,829
0 External Restrictions	0	0
4,566 S94	4,408	5,589
3,014 S94A	1,259	3,647
0 Internal Restrictions	0	0
0 Loan	0	0
2,822 Other	0	1,020
0 Income From Sale Of Assets	0	0
0 Plant And Equipment	1,705	2,293
1,870 Land And Buildings	0	0
0 Other	0	0
58,436 Total Capital Funding	24,859	35,014
Capital Expenditure		
7,968 Plant & Equipment	4,266	4,192
612 Office Equipment	238	536
0 Furniture & Fittings	0	0
0 Operational Land	0	0
0 Community Land	0	2,000
1,410 Land Improvements	1,543	3,619
30,229 Buildings	9,699	7,727
4,413 Other Structures	1,706	7,230
8,964 Roads, Bridges & Footpaths	5,002	5,952
4,272 Stormwater Drainage	2,004	3,261
568 Library Books	401	497
0 Other Assets	0	0
58,436 Total Capital Expenditure	24,859	35,014







Cash & Investments Statement









Budget	Actual	Actual
30-June	31-Mar	30-June
2016	2016	2015
\$'000	\$'000	\$'000
65,913 Total Cash and Investment	101,816	84,528
Represented by:		
Externally restricted		
15,536 Developer Contributions	21,335	21,886
19 Specific Purpose Unexpended Grants	452	357
6,668 Domestic Waste Management	5,815	5,815
22,223 Total Externally restricted	27,602	28,058
Internally Restricted		
4,451 Deposits, Retentions & Bonds	5,299	5,299
2,578 Employee Leave Entitlement	2,644	2,644
630 Insurance Reserve	926	926
0 Compulsory Open Space Acquisition Reserve	0	0
266 Other	266	266
7,925 Total Internally Restricted	9,135	9,135
30,148 Total Restricted Cash	36,737	37,193
35,765 Total Unrestricted/ Available Cash	65,078	47,335

Overall Progress Capital Works and Key Initiatives



Projects Behind Schedule

Capital Works	
	Building Code of Australia (BCA) Compliance Works
	Funds from this project have been allocated to the Tramshed Community and Arts Centre project where the necessary Disability Access Compliance works are required. This project is tracking in line with the expenditure and timeline of the main project with the majority of funds to be rolled into the 2016/17 financial year.
	Disability Access (DDA) Compliance Works
	Funds from this project have been allocated to the Tramshed Community and Arts Centre project where the necessary Disability Access Compliance works are required. This project is tracking in line with the expenditure and timeline of the main project with the majority of funds to be rolled into the 2016/17 financial year
	Pittwater Road, Dee Why - Widening and Signal Adjustments
	Although draft detailed designs have been prepared, the commencement of work on this project is dependent on Roads and Maritime Services (RMS) approvals and the completion of the design works for streetscape upgrades. Discussions are currently underway regarding Transport for NSW undertaking these works as part of Northern Beaches Bus Rapid Transit program. These works have now been re-scheduled to be undertaken in 2018/19.
	South Curl Curl Beach Sea Wall Works
	Council has approved the selection of the preferred tenderer for the construction of the new seawall at South Curl Curl Beach. Council expects that the contract will be executed in mid April with work to commence in early May 2016. Based on the timeline submitted by the preferred tenderer and subsequently accepted by Council, it is likely that the project will not be completed until mid July 2016. This will require a rollover of \$50,000 to the next financial year. In addition, due to high risk associated with this project, the tender prices are higher than expected resulting in a 20% increase in budget. Council has accepted this increase in order to complete the works to a satisfactory standard.
	Storm Damage - Oxford Falls Road
	The project is running behind schedule and the construction of a permanent stabilisation structure will not be completed this financial year. Due to the estimated construction cost, alternate designs for a permanent stabilisation structure are being investigated that may be more cost-effective than the current proposed solution. In the meantime, investigations are also commencing into the potential costs associated with installing a temporary stabilisation structure that will allow the road to be re-opened in both directions.
	Tramshed Arts and Community Centre, Narrabeen - Building Works

	This project is behind schedule due to delays in securing a satisfactory tender. The initial request for tender during October 2015 was unsuccessful with no submissions received. A second request for tender was also unsuccessful and Council resolved in December 2015 for staff to negotiate with builders for this to proceed - this negotiation is ongoing and also involves revision of the scope of the project. Actual expenditure is therefore significantly below forecast.
	Waste Landfill - Access Roads
	Council has been in consultation with Kimbriki Environmental Enterprises and it has been resolved to put the design work on hold. Details on the models of delivery of this project are being reviewed by Council and Kimbriki Environmental Enterprises.
	Waste Landfill - Office and Amenities
	In order to allow for new waste processing infrastructure and associated road works and to replace the existing buildings which are reaching the end of their working life, Kimbriki Environmental Enterprises is constructing a new Administration building. This project has been delayed for a short period while all stakeholders review their requirements but it is expected that construction will commence in the third quarter of 2016.
Key Initiatives	
	Enable online bookings for Parks Reserves and Foreshore venues
	Enabling online bookings for Parks Reserves and Foreshores venues will not be delivered in 2015/16. At the 24 November 2015 Council meeting it was resolved to review business requirements and investigate a Facilities and Bookings system solution in the next 12 to 18 months. No further activities are planned for this project in 2015/16.
	Review Council's recreational space strategies including Sports in Warringah and Recreation Strategy
	Council's Open Space Strategy and the District Park and Sportsground Plan of Management were scheduled for review during 2015/16. The Open Space Strategy and the District Park Plan of Management review have been completed, however Council, at its meeting 16 February 2016, resolved not to proceed with the review of the Sportsground Plan of Management due to the NSW Government's Merger Proposal.
	Review Library opening hours
	This project has been deferred until further information regarding potential Council amalgamations becomes available and will not be reconsidered within this financial year.
	Review of Sportsground Plan of Management
	At its meeting on 16 February 2016, Council resolved not to proceed with the review of the Sportsground Plan of Management due to the NSW Government's Merger Proposal.
	Review the Community Strategic Plan 2023
	This project will not commence this financial year due to the NSW Government's Merger Proposals for Warringah Council.
	Support the Warringah Business Expo
	The Business Expo organised by the Chamber of Commerce is no longer being held. Council previously participated in the Career Expo held in May and run by Northern Beaches Business Education network to promote its Traineeship program. However, due to uncertainties around council amalgamations, it is not anticipated council will have a presence at this year's event to promote its traineeship program

Certification Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	1,005,754	1,005,754	0	1,355,513	1,355,513	1,355,513
User Charges & Fees	581,898	727,900	(146,002)	978,512	978,512	812,513
Other Revenues	59,270	71,596	(12,326)	95,500	95,500	80,500
Total Income from Continuing Operations	1,646,921	1,805,250	(158,328)	2,429,526	2,429,526	2,248,526
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(1,041,134)	(1,235,795)	194,661	(1,668,243)	(1,668,243)	(1,428,243)
Materials and Contracts	(83,922)	(47,088)	(36,835)	(63,100)	(63,100)	(108,100)
Other Expenses	(21,452)	(12,056)	(9,396)	(16,054)	(16,054)	(24,054)
Internal Charges	(93,157)	(102,821)	9,663	(138,808)	(138,808)	(138,808)
Overhead Allocation	(407,491)	(407,491)	0	(543,321)	(543,321)	(543,321)
Total Expenses from Continuing Operations	(1,647,156)	(1,805,250)	158,093	(2,429,526)	(2,429,526)	(2,242,526)
Total Surplus (Deficit) from Continuing Operations	(235)	0	(235)	0	0	6,000

Year to Date Actuals and Annual Forecast

The Total Deficit from Continuing Operations of \$235 is higher than forecast at the end of March.

Total Income from Continuing Operations of \$1,646,921 is lower than forecast by \$158,328 primarily as a result of fewer food premises failing inspections because of improved risk profiling of premises. This has resulted User Charges & Fees of \$581,898 being \$146,002 lower than forecast.

Total Expenses from Continuing Operations of \$1,647,156 are lower than forecast by \$158,093. This is principally the result of lower than anticipated Employee Benefits & Oncosts related to staff vacancies. Materials and Contracts are \$36,835 higher than forecast as a result of engaging contract staff to fill some of these vacancies.

For the full financial year the Total Surplus from Continuing Operations is forecast to increase by \$6,000 as a result of forecasting both lower income and expenses.

Key Highlights

Building Certification and Fire Safety

There has been a particular focus this quarter on swimming pool barriers as the deadline is 29 April 2016 by which time those selling or renting residential property containing a swimming pool are required to hold a swimming pool compliance certificate. Accordingly we have seen a 50% increase in applications for compliance certificates over the previous quarter.

The team also commenced its mandatory inspection program of pools in multi-occupancy premises, tourist and visitor accommodation. Three Penalty Infringement Notices were issued this quarter to pool owners who did not comply with directions to upgrade their pool barriers.

This quarter has also seen a 75% increase in the number of critical stage inspections carried out for private certification work, over the same period last year. The total number of anticipated inspections for the year 2015/16 had been exceeded by the end of this quarter.

Proactive Environmental Health

The team continues to deliver its food safety inspection program, achieving a 95% completion rate of mandatory inspections falling due in this period.

The *Scores on Doors* program is continuing. This program promotes transparent environmental health monitoring and rating of restaurants and cafes in Warringah. 526 food premises in Warringah have achieved positive scores on doors ratings.

Inspection of cooling towers also increased this quarter, as part of our program to reduce the risk of Legionnaires disease in the community.

The team also drafted a food safety newsletter which is due to be sent out to food businesses in early April, and have also been finalising preparations for a free food safety seminar planned for May.

Compliance Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	3,328,978	3,328,978	0	3,806,904	3,806,904	3,806,904
User Charges & Fees	1,387,393	1,099,635	287,757	1,371,029	1,371,029	1,600,378
Other Revenues	1,778,582	2,265,955	(487,373)	3,007,000	3,007,000	2,402,000
Total Income from Continuing Operations	6,494,953	6,694,568	(199,615)	8,184,933	8,184,933	7,809,282
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(2,113,292)	(2,109,491)	(3,800)	(2,846,782)	(2,846,782)	(2,846,783)
Materials and Contracts	(334,796)	(517,559)	182,762	(683,793)	(683,793)	(519,441)
Other Expenses	(2,294,609)	(2,316,107)	21,498	(2,426,472)	(2,326,283)	(2,326,283)
Internal Charges	(247,784)	(251,603)	3,819	(339,663)	(339,663)	(339,663)
Overhead Allocation	(1,416,166)	(1,416,166)	0	(1,888,222)	(1,888,222)	(1,888,222)
Total Expenses from Continuing Operations	(6,406,647)	(6,610,926)	204,278	(8,184,933)	(8,084,743)	(7,920,392)
Total Surplus (Deficit) from Continuing Operations	88,306	83,642	4,663	0	100,190	(111,110)

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$88,306 is \$4,663 higher than forecast at the end of March. This is the result of lower than expected income partly offset by lower than anticipated expenses.

Total Income from Continuing Operations of \$6,494,953 is \$199,615 lower than forecast. User Fees and Charges are \$287,757 higher than forecast as a result of increased pay and display parking revenue. Other Revenues are \$487,373 lower than forecast due to lower than expected parking penalty infringements.

Total Expenses from Continuing Operations of \$6,406,647 are \$204,278 lower than forecast. This is principally due to Materials and Contracts being \$187,762 lower than forecast due to lower contract payments related to lower penalty infringements, as well as timing issues related to these payments.

For the full financial year the Total Surplus from Continuing Operations is forecast to decrease by \$211,300. This is due to reduced income of \$375,651 due to reduced parking infringement income as well as reduced expenses of \$164,351 due to lower contract costs associated with this income.

Key Highlights

Environmental Investigations

The Environmental Investigations team has responded to community requests relating to public health breaches, unhealthy conditions, pollution incidents, offensive odour, drainage matters, waste-water systems and animal management.

During the quarter, 229 community requests regarding pollution (air, noise, land and water) were completed. Additionally, 142 community requests regarding asbestos, septic systems, overgrown vegetation and unhealthy conditions were completed and 84 community requests regarding private drainage issues were completed. This is an overall increase of 13% in the total number of community requests that have been dealt with this quarter compared to the same period last year.

Regulatory Compliance

Regulatory Compliance Rangers continue to respond to community requests for assistance with parking enforcement, dumped rubbish, companion animals, unauthorised works, advertising structures (including on trailers), pollution incidents and various after-hours matters. In addition to customer requests, Rangers are continually conducting proactive dog patrols of our reserves, and patrolling Warringah, identifying issues that require Council's attention.

Building Investigations

The Building Investigations team has continued to respond to community requests relating to unauthorised building works and land uses. In this quarter 292 community requests regarding alleged unauthorised building works and/or land uses were received and enforcement action was commenced. This is an increase of 11% on the same period last year.

Children's Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	1,759,103	1,759,103	0	2,099,296	2,099,296	2,099,296
User Charges & Fees	5,487,984	5,612,941	(124,957)	7,441,038	7,704,050	7,647,050
Other Revenues	17,315	6,375	10,940	9,500	8,375	8,375
Grants and Contributions - Operating Purposes	269,418	276,977	(7,559)	471,731	434,366	427,366
Total Income from Continuing Operations	7,533,821	7,655,397	(121,576)	10,021,565	10,246,087	10,182,087
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(4,983,259)	(5,100,041)	116,782	(6,646,849)	(6,825,179)	(6,771,286)
Materials and Contracts	(1,140,240)	(1,198,572)	58,332	(1,603,942)	(1,611,036)	(1,591,487)
Other Expenses	(62,589)	(80,630)	18,041	(111,748)	(111,942)	(111,942)
Internal Charges	(108,912)	(106,480)	(2,432)	(144,463)	(138,367)	(137,810)
Overhead Allocation	(1,135,923)	(1,135,923)	0	(1,514,564)	(1,514,564)	(1,514,564)
Total Expenses from Continuing Operations	(7,430,923)	(7,621,647)	190,724	(10,021,565)	(10,201,087)	(10,127,088)
Total Surplus (Deficit) from Continuing Operations	102,898	33,750	69,148	(0)	45,000	55,000

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operation of \$102,898 is higher than forecast at the end of March. This is the result of lower than anticipated expenses.

Total Income from Continuing Operations of \$7,533,821 is lower than forecast by \$121,576. This is partly due to decreased utilisation of Children's Services during January while the services were closed which has resulted in lower than anticipated User Charges & Fees. Grants and Contributions of 269,418 are lower than expected due to fewer numbers of children accessing additional needs support funding.

Total Expenses from Continuing Operations of \$7,430,923 are \$190,724 lower than anticipated primarily due to variances in both Employee Benefits & Oncosts and Materials and Contracts. Employee Benefits & Oncosts are lower than forecast due to vacant positions. Materials and Contracts are lower than forecast by \$58,332 due to timing differences of planned shade structure works and lower cleaning and landscaping contract costs. The costs for additional IT equipment has resulted in lowering the Materials and Contracts forecast by \$10,000. These funds will be transferred to the IT Capex budget to cover the cost of the equipment.

For the full financial year the Total Surplus from Continuing Operations is forecast to increase by \$10,000 to \$55,000 due to the changes outlined above.

Key Highlights

Connecting with the local community

Council's Family Day Care Service celebrated 40 years of providing services to the community. A celebratory event was held at Freshwater Reserve with many children, families, educators and staff attending to mark the occasion with games, food and face painting

National Quality Framework

Children's Services has undergone a programming policy review with clear guidelines regarding expectations of educators about the quality of quantity of documentation for children. Educa, the online application for documenting and sharing children's learning, has been launched at each long day care centre with positive feedback and engagement from families.

Parents of children leaving in 2015 to attend school were invited to complete a survey on how well the preschool program at each centre prepared their child for school.

A conference *The Power of You* was held for Warringah educators. There were three inspiring speakers - Robyn Moore, Anthony Semann and William De Jean who spoke on a range of topics, with a focus on the power of documentation and the role of the educator. It was very well received by staff.

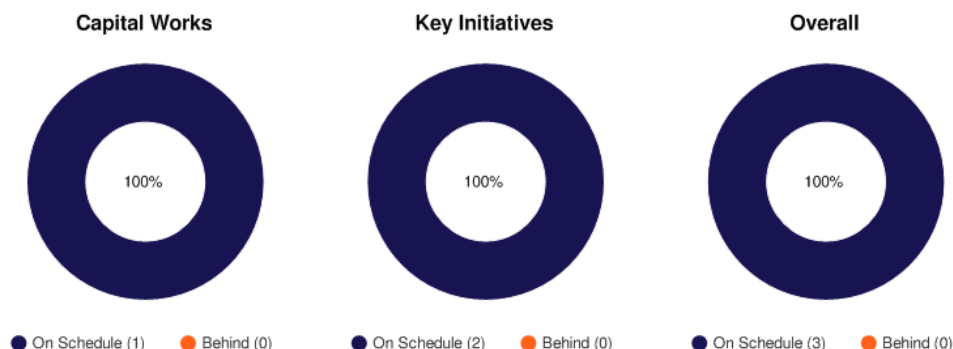
Service delivery

Minor renewal and facility upgrades have been undertaken at a number of the long day care services, including the installation of kitchenettes, service painting, new shade structures and sandpit makeovers.

A new Vacation Care program for children starting school in 2016 took place at the Cromer campus. This exciting program was a great success for the children, parents and educators enjoying a smaller Vacation Care group as part of the transition to school.

The expansion of the Belrose Children's Centre commenced with the running of the Preschool room. An additional 21 children attend daily to meet the demand from the community.

Overall Progress Capital Works and Key Initiatives



Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Quality Care

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
→ Children's Centres Works Program	\$30,909	\$27,500	\$45,000	\$45,000
The project delivers minor capital renewal works to Council's child care centres. The works that have been successfully completed to date relate to minor bathroom improvements at the Brookvale Children's Centre; improved shade structures at the Dee Why centre and at the Brookvale Occasional Care Centre; and rejuvenated outdoor timber work and sandpits at the Belrose Children's Centre.				
Total Capital Expenditure	\$30,909	\$27,500	\$45,000	\$45,000

Key Initiatives	
→ Children's Services - adhere to the National Quality Framework standards	<ul style="list-style-type: none"> Warringah Council Children's Services held its second conference for Educators on 5 March. The conference had three inspiring speakers to ignite the ongoing development of professional learning. It gave staff a unique networking opportunity as well as valuable knowledge around documentation and the influence they can have as an educator on a child's life Preschool staff commenced a series of five webinars focusing on children with autism to expand on strategies used in the Service The Family Day Care Play Session Coordinator undertook educator home visits focusing on the physical environment. A report containing ideas and suggestions to further improve practice was very well received
→ Children's Services - cater for children from diverse and socio-disadvantaged backgrounds	<p>Children's Services supported 10 children and families with additional needs across early childhood services. Six children with additional needs have been approved for Inclusion Support funding. Government funding supported five children from families at risk or facing difficult circumstances to receive early childhood education and care, while child care fees for five children are paid for by other organisations while parents work, study or attend training.</p> <p>A Dee Why Staff initiative was to collect clothing for donation to Fiji appeal. This was incorporated into the program with the children which was a great success</p>

Community Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	4,020,492	4,020,492	0	5,210,996	5,210,996	5,210,996
User Charges & Fees	919,569	827,544	92,024	1,117,913	1,113,406	1,113,406
Other Revenues	48,863	41,670	7,194	69,471	59,471	59,471
Grants and Contributions - Operating Purposes	116,242	115,600	642	132,950	147,950	147,950
Grants and Contributions - Capital Purposes	138,182	20,000	118,182	0	20,000	260,000
Total Income from Continuing Operations	5,243,347	5,025,306	218,042	6,531,329	6,551,823	6,791,823
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(2,600,766)	(2,459,500)	(141,265)	(3,195,576)	(3,195,576)	(3,195,576)
Materials and Contracts	(423,741)	(644,745)	221,004	(888,826)	(862,314)	(749,763)
Depreciation and Amortisation	(280,204)	(280,204)	0	(373,267)	(373,267)	(373,267)
Other Expenses	(278,728)	(270,623)	(8,106)	(289,572)	(289,572)	(289,572)
Internal Charges	(74,869)	(72,331)	(2,538)	(111,557)	(100,557)	(101,113)
Overhead Allocation	(1,254,398)	(1,254,398)	0	(1,672,531)	(1,672,531)	(1,672,531)
Total Expenses from Continuing Operations	(4,912,706)	(4,981,801)	69,095	(6,531,329)	(6,493,817)	(6,381,823)
Total Surplus (Deficit) from Continuing Operations	330,641	43,504	287,137	0	58,006	410,000

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$330,641 is higher than forecast at the end of March. This is the result of higher than expected income and lower than anticipated expenses.

Total Income from Continuing Operation of \$5,243,347 is higher than forecast by \$218,042. This is partly due to the increase in hire of Community Centres which has resulted in higher than anticipated User Charges & Fees.

Grants and Contributions - Capital Purposes, of \$138,182 is higher than forecast by \$118,182 due to the receipt of the second installment of \$120,000 of a grant Council was successful in obtaining from the NSW Department of Trade and Investment.

Total Expenses from Continuing Operations of \$4,912,706 are \$69,095 lower than anticipated. This largely relates to a timing difference in Annual Leave within the Beach Services Budget of \$41,300 related to the rolling roster for Lifeguards offset by Materials and Contracts which are lower than forecast by \$221,004 due to timing differences of planned works and lower cleaning contract costs.

For the full financial year the Surplus from Continuing Operations of \$58,006 is now anticipated reflecting a decrease in Materials and Contracts of \$23,444 as a result of lower cleaning costs of \$5,824 and \$17,620 for works on Community Centres.

Key Highlights

The Community Services team continued to deliver a strong and connected series of programs and activities to the community in line with our various Strategies.

Youth activities

Our youth activities included two popular school holiday workshops for our Club 567 youth: two creative Robotics Workshops and, in partnership with our libraries, a Creative Writing workshop. The successful Summer Skate Series was held with over 900 young people attending the three skate series event. The premier youth band competition *The Northern Composure Band Competition* is in its 15th year. Three Heats have been held throughout March featuring 14 local bands, with around 400 people attending. The Final is scheduled for early April.

Parent Education Nights continue to bring large and enthusiastic numbers. These events target parents of teenagers and seek to give them guidance and confidence throughout this often difficult family period. Topics included are *Transition to High School*, *Building Resilience* and *Dealing with Backchat*.

Other key community initiatives

The Creative Space held nine exhibitions and two well attended Artist Conversations.

Warringah Council hosted the inaugural meeting for the Northern Sydney First Australian Youth Social Emotional Well-being Plan round table meeting and we also provided three presentations at Northern Beaches TAFE: two were to groups of migrants from mixed backgrounds undertaking the Settlement Course on Australian government, and the third was to a class of Community Services students on the importance of networking and collaboration in the community sector.

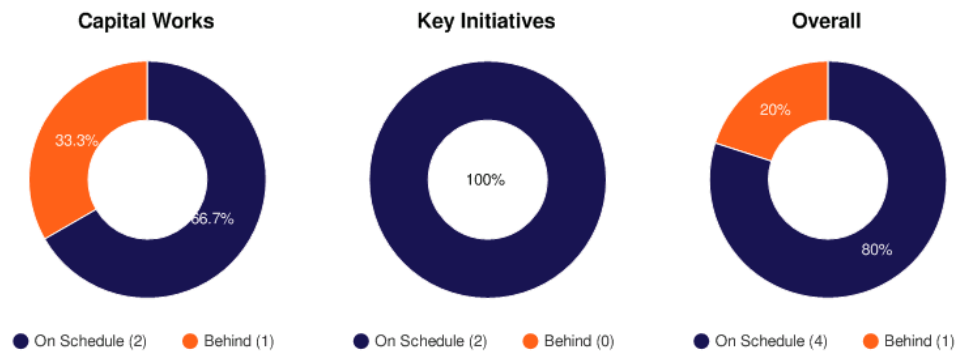
The online Disability Information Newsletter continues to be sent out regularly to over the 1200 people on the mailing list. This Newsletter always receives very positive feedback across the Northern Sydney Region.

The *Northern Beaches Seniors Directory* has been compiled, printed and distributed throughout the northern beaches in a joint project with our neighbouring Councils. This Directory is now also available on-line.

Beach services

The Beach Services team has had a busy three months with an estimated 1.7 million attendances at our beaches. In addition, our Lifeguards coordinated more than 100,000 preventative actions, 800 rescues, more than 3,500 first aid assistance incidents and more than 6,000 regulatory activities. Due to the hot weather, increased visitations, challenging surf conditions and an increase in community events, additional staff were provided at our most popular beaches (Dee Why, Freshwater, Nth Curl Curl, and Collaroy).

Overall Progress Capital Works and Key Initiatives



Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Beach Management and Safety

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
→ Beach Services Equipment - Replacements	\$37,378	\$47,000	\$87,000	\$87,000
<p>In March, no new Beach Services equipment was received or commissioned. Meanwhile, the selection process for the replacement of three jet skis was completed with orders placed for delivery in April.</p> <p>For the full year to date, the Beach Services Replacement Program has commissioned three quad bikes and one boat trailer.</p> <p>The Beach Services Replacement Program remains on target to the annual forecast for 2015-16.</p>				
Total Capital Expenditure	\$37,378	\$47,000	\$87,000	\$87,000


Key Initiatives

✓ Manage our beaches to maintain their amenity and safety
<p>This project was completed at the start of the season, establishing life guard teams and their operating standards. All Warringah's beaches are patrolled by Council Lifeguards seven days a week during the season.</p>


Program - Community Connections

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
⚠ Tramshed Arts and Community Centre, Narrabeen - Building Works	\$92,445	\$175,897	\$1,332,306	\$1,380,177
<p>This project is behind schedule due to delays in securing a satisfactory tender. The initial request for tender during October 2015 was unsuccessful with no submissions received. A second request for tender was also unsuccessful and Council resolved in December 2015 for staff to negotiate with builders for this to proceed - this negotiation is ongoing and also involves revision of the scope of the project. Actual expenditure is therefore significantly below forecast.</p>				
Total Capital Expenditure	\$92,445	\$175,897	\$1,332,306	\$1,380,177

Program - Cultural Vitality and Creativity

Key Initiatives	
	Deliver community activities and celebrations <p>Council's programs continue to support families and youth:</p> <ul style="list-style-type: none"> • Parent Education nights continue to bring large and enthusiastic numbers. These events target parents of teenagers and seek to give them guidance and confidence throughout this often difficult family period. This month's topics were <i>Transition to High School</i>, <i>Building Resilience</i> and two workshops <i>Dealing with Backchat</i>. • Simultaneous workshops were held by Family Planning NSW for parents and young people with a disability on the sensitive subject of <i>Relationships and Disability</i>. • 35 people attended the third <i>Club All In</i> event held at The Collaroy. These new dance parties are for people with disabilities who are moving on from Council's long standing <i>Discobility Dance</i> events targeting younger clients. <p>Council encourages youth leadership through several initiatives. Two members of the Warringah Youth Advisory Committee were sponsored to attend the United Nations Young Leaders NSW Conference. Community Services staff attended the annual Australian Youth Climate Coalition Conference at Taronga Zoo to promote our Youth App <i>KALOF</i> and other services. Approximately 90 young people attended. This event was supported through Council's Community Grants Program.</p> <p>Other youth activities included:</p> <ul style="list-style-type: none"> • <i>The Northern Composure Band Competition</i> - now in its 15th year. It is the premier youth band competition in the northern region, with over \$15,000 in sponsorship and prizes. Three heats were held in March featuring 14 local bands, with around 400 people attending. The Final is scheduled for early April. • A skate event was held at North Curl Curl Community Centre as part of the community consultation around the future use of this Centre. • Council hosted the inaugural meeting for the Northern Sydney First Australian Youth Social Emotional Well-being Plan round table meeting. <p>Other community-building activities included:</p> <ul style="list-style-type: none"> • The new <i>Northern Beaches Seniors Directory</i> has been compiled, printed and distributed throughout the region in a joint project with Manly, Warringah and Pittwater Community Services staff. The Directory is now also available on-line. • A free <i>Working Effectively with Volunteers</i> workshop, facilitated by Penny York from the Centre for Volunteering. This was attended by 32 people from a variety of organisations including community, sporting and charity groups. • The Warringah Creative Space held five exhibitions: <i>3 in 1</i> (Tomas Pokorny), <i>Opsimath</i> (Various artists), <i>Textile Group Show</i> (Soraya Abidin & Various artists), <i>Landscapes and Landmarks</i> (Nicola Gibb) and <i>Extraordinary Everyday</i> (Andrea Edwards). These all received very good feedback and attendance. • Two presentations at Northern Beaches TAFE to groups of migrants from mixed backgrounds undertaking the Settlement Course on Australian government. • A presentation at Northern Beaches TAFE to Community Services students on the importance of networking and collaboration in the community sector.

Program - Social Inclusion and Independence

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Bringa Women's Refuge Centre Renewal	\$559,378	\$604,911	\$80,000	\$604,911
Construction works that provide improved and additional refuge accommodation for the Manly Warringah Women's Resource Centre have been successfully completed.				
Total Capital Expenditure	\$559,378	\$604,911	\$80,000	\$604,911

Cultural Events

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	997,534	997,534	0	1,263,873	1,263,873	1,263,873
User Charges & Fees	9,783	2,045	7,738	2,045	2,045	2,045
Other Revenues	103,049	45,000	58,049	52,000	45,000	45,000
Total Income from Continuing Operations	1,110,366	1,044,579	65,786	1,317,918	1,310,918	1,310,918
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(386,327)	(390,509)	4,183	(515,431)	(515,431)	(515,431)
Materials and Contracts	(403,496)	(352,200)	(51,296)	(405,000)	(405,000)	(405,000)
Other Expenses	(52,976)	(74,561)	21,585	(84,841)	(84,841)	(84,841)
Internal Charges	(7,776)	(7,798)	22	(19,965)	(12,965)	(12,965)
Overhead Allocation	(219,511)	(219,511)	0	(292,681)	(292,681)	(292,681)
Total Expenses from Continuing Operations	(1,070,086)	(1,044,579)	(25,506)	(1,317,918)	(1,310,918)	(1,310,918)
Total Surplus (Deficit) from Continuing Operations	40,280	0	40,280	0	0	0

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations for March 2016 is \$40,280 higher than year to date forecast. This is principally due to higher than anticipated income, which is partially offset by higher than anticipated expenses.

User Charges & Fees are \$7,738 higher than forecast due to changes in the registration fee and the format of the Warringah Art Prize event. Other Revenues are \$58,049 higher than forecast principally due to the successful Australia Day event.

Materials and Contracts are \$51,296 above the forecast due to higher than anticipated costs in the Australia Day event. These additional expenses are partially offset by expenditure in Other Expenses being \$21,585 below forecast.

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

Key Highlights

The Events team has delivered a number of major community events this quarter and continues to receive positive feedback from community members.

Australia Day celebrations

This year marked the 29th anniversary of the BBQ breakfasts at Dee Why beach where more than 15,000 people came to celebrate Australia Day. For the first time Council hosted a citizenship ceremony as part of the official stage program. At Berry Reserve, Narrabeen over 5,000 people attended the Australia Day events and enjoyed the rides, games and hot breakfast. The Warringah Aquatic Centre hosted a Pool Party with a pool side kids DJ, giant inflatable ride and other games. A traditional ceremony and morning tea was held at the Governor Phillip Trust Reserve, Beacon Hill.

Australia Day Volunteer Thank You Reception

This reception was held in February to recognise the 477 volunteers who contributed their time to this event.

Citizenship ceremonies

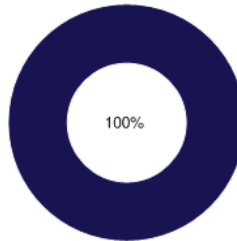
Citizenship ceremonies are always joyful and special occasions. This quarter two Citizenship ceremonies were held – one at the Civic Centre in Dee Why and the other at the Glen Street Theatre.

Overall Progress Capital Works and Key Initiatives

Capital Works

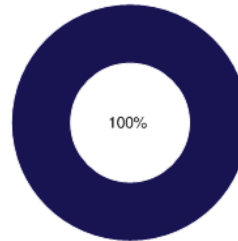
Nil

Key Initiatives



● On Schedule (1) ● Behind (0)

Overall



● On Schedule (1) ● Behind (0)

Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Community Festivals

Key Initiatives	
→	Deliver community activities and celebrations
	A number of events and cultural activities were delivered in March 2016. A Citizenship Ceremony held at Glen Street Theatre was well attended with over 300 people participating in the event. Other major events this month included the 40th Anniversary of Family Day Care in Warringah, and the production of the Guringai Festival program / brochure. Planning is also underway for the Warringah Art Prize, Brookvale Show and the Anzac Services in Warringah.

Development Assessment

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	2,211,758	2,211,758	0	3,119,714	3,119,714	3,119,714
User Charges & Fees	2,057,496	1,938,579	118,917	2,223,307	2,459,022	2,542,307
Other Revenues	0	0	0	0	0	0
Total Income from Continuing Operations	4,269,254	4,150,337	118,917	5,343,021	5,578,736	5,662,021
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(2,387,854)	(2,302,629)	(85,225)	(3,097,188)	(3,108,688)	(3,108,688)
Materials and Contracts	(123,864)	(133,381)	9,516	(182,330)	(180,830)	(180,830)
Other Expenses	(86,194)	(73,302)	(12,892)	(97,717)	(97,717)	(97,717)
Internal Charges	(207,557)	(208,042)	485	(280,857)	(280,857)	(280,857)
Overhead Allocation	(1,263,697)	(1,263,697)	0	(1,684,929)	(1,684,929)	(1,684,929)
Total Expenses from Continuing Operations	(4,069,166)	(3,981,051)	(88,115)	(5,343,021)	(5,353,021)	(5,353,021)
Total Surplus (Deficit) from Continuing Operations	200,088	169,286	30,802	(0)	225,715	309,000

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$200,088 is \$30,802 higher than forecast at the end of March. This is the result of higher than expected income offset in part by higher than expected expenditure.

Total Income from Continuing Operations of \$4,269,254 is \$118,917 higher than forecast.. This is due to higher than anticipated income in User Charges & Fees of \$118,917 from an increase in development related fees.

Total Expenses from Continuing Operations of \$4,069,166 are \$88,116 higher than forecast.. This is principally the result of higher Employee Benefits & Oncosts of \$85,225 related to additional resourcing associated with managing the increased volume of development related applications.

For the full financial year the Total Surplus from Continuing Operations is forecast to increase by \$83,285 to \$309,000 due to development related additional user fees and charges.

Key Highlights

Development Assessment

358 applications were determined this quarter, consisting of development applications (296), modifications (56) and reviews of determination (6). This is 76 more applications than were lodged over the same period last year. The number of applications lodged and determined remains above forecast and demonstrates the sustained strength of the property market, low interest rates and business confidence.

The majority of applications continue to be determined under delegation by staff. The Warringah Development Assessment Panel (WDAP), the Joint Regional Planning Panel (JRPP) and the Land and Environment Court determined less than 1% of applications during this quarter.

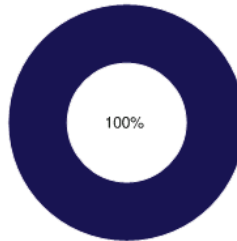
The value of submitted development applications this quarter was \$193 million, which is an increase on the previous quarter \$160 million. The value of approved/determined Development Applications this quarter was \$69 million, which is a decrease from the previous quarter (\$92 million).

Overall Progress Capital Works and Key Initiatives

Capital Works

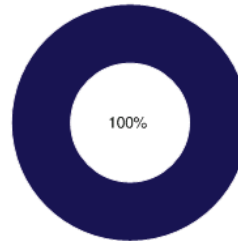
Nil

Key Initiatives



● On Schedule (1) ● Behind (0)

Overall



● On Schedule (1) ● Behind (0)

Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Development Assessment

Key Initiatives	
→	Deliver online functionality for lodgement of development applications
This project is on track with initial accessibility issues for DA applicants being resolved by a system consultant. The expected release for electronic lodgement of Tree DAs is by July 2016.	

Glen Street Theatre

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	996,165	996,165	0	1,365,087	1,365,087	1,365,087
User Charges & Fees	814,271	1,003,833	(189,562)	1,292,887	1,251,633	993,633
Investment Fees and Revenues	2,886	0	2,886	0	0	0
Other Revenues	271,705	298,101	(26,395)	434,280	404,008	329,008
Grants and Contributions - Operating Purposes	326	0	326	0	0	0
Total Income from Continuing Operations	2,085,354	2,298,099	(212,745)	3,092,254	3,020,728	2,687,728
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(855,107)	(764,116)	(90,991)	(1,031,532)	(1,031,532)	(1,031,532)
Materials and Contracts	(784,303)	(765,936)	(18,368)	(1,036,448)	(964,922)	(901,747)
Depreciation and Amortisation	(80,830)	(80,830)	0	(107,670)	(107,670)	(107,670)
Other Expenses	(84,978)	(100,965)	15,987	(134,623)	(134,623)	(131,798)
Internal Charges	(17,168)	(18,656)	1,488	(25,185)	(25,185)	(25,185)
Overhead Allocation	(567,597)	(567,597)	0	(756,796)	(756,796)	(756,796)
Total Expenses from Continuing Operations	(2,389,982)	(2,298,099)	(91,883)	(3,092,254)	(3,020,728)	(2,954,728)
Total Surplus (Deficit) from Continuing Operations	(304,629)	(0)	(304,628)	0	(0)	(267,000)

Year to Date Actuals and Annual Forecast

The total deficit from Continuing Operations at the end of the March quarter is higher than expected. This is due to lower than anticipated income from User Charges and Fees and higher than anticipated Expenses from Continuing Operations.

Total income from Continuing Operations is \$212,745 lower than anticipated primarily due to lower than anticipated income from User Charges and Fees. This is due to poor ticket sales on TaikOz, Thank You for Being a Friend, The Divine Miss Bette Christmas Special, The Good Doctor and All My Love.

Total Expenses from Continuing Operations is \$91,883.00 higher than anticipated. This is primarily due to Employee Benefits and On-costs. A Service Review was undertaken in response to recent building upgrades combined with the outsourcing of food and beverage operations. This has necessitated a change in the day to day roles of some staff in the Operations team with some short team employee cost increases. A slight increase in expense for Materials and Contracts if offset by a reduction in Other Expenses.

The budget has been reforecast at the end of the March quarter. The anticipated deficit from Continuing Operations at year end is anticipated to be \$267,000. There is an increased demand from commercial and community hirers which also has the potential to generate additional income.

Key Highlights

Main Stage

This quarter saw the presentation of *The Good Doctor*, *Australia Day* and *All My Love*. The productions achieved very responsive audiences and extremely positive feedback.

Music at the Glen

Three concerts were presented: *Aznavour ... From Today*, *A Tribute to the Great Shirley Bassey*, and *Sings*. Audiences were once again enthusiastic and appreciative.

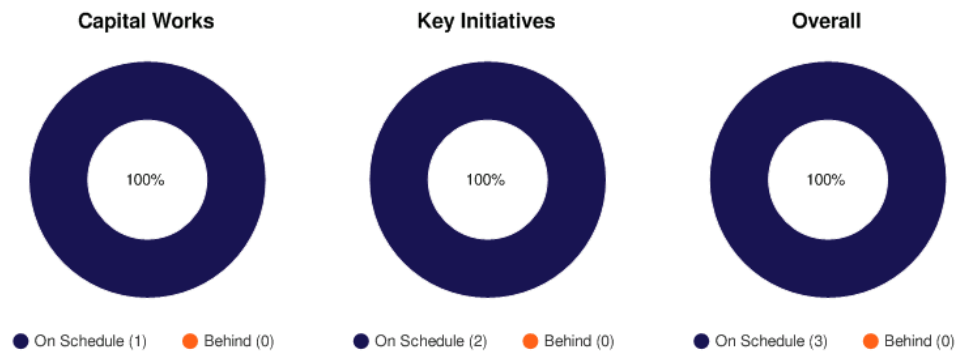
KidsPlay

Mr Stink by David Walliams was an excellent production with 100% sales achieved. We programmed an additional two 6pm performances to accommodate demand.

Commercial and Community Hirers

This quarter saw the presentation of two commercial hirers and one community hirer. All presentations were of excellent quality.

Overall Progress Capital Works and Key Initiatives



Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Cultural Hub

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
→ Glen Street Theatre Revitalisation Stage 2	\$728,670	\$713,613	\$2,898,831	\$2,942,339
This project, which incorporates a new library in to the Glen Street Theatre site, commenced construction on 7 March 2016. The project is slightly ahead of budget due to the acceleration of the clearing works adjacent to the existing Sorlies Bistro and remains on track for completion by early 2017.				
Total Capital Expenditure	\$728,670	\$713,613	\$2,898,831	\$2,942,339

Key Initiatives	
→ Develop day to day management plan for operation of Glen Street Cultural Hub	Stage 2 of the Glen Street Cultural Hub has commenced and Glen Street staff have relocated to the new office area (part of the Crown Room). The new storage facilities are working well.
→ Promote and engage new audiences with the Glen Street Cultural Hub	The implementation of the Marketing Plan is on target and all marketing activities for 2016 are on schedule. The theatre continues to receive a large number of requests from both commercial and community groups.

Information and Library Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	4,442,411	4,442,411	0	6,099,348	6,099,348	6,099,348
User Charges & Fees	90,426	65,699	24,727	181,935	76,451	123,564
Other Revenues	86,992	84,048	2,945	68,559	117,559	119,768
Grants and Contributions - Operating Purposes	93,415	93,380	35	93,380	93,380	93,380
Grants and Contributions - Capital Purposes	286,921	284,086	2,835	284,086	284,086	284,086
Total Income from Continuing Operations	5,000,166	4,969,624	30,542	6,727,307	6,670,823	6,720,146
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(2,664,285)	(2,685,694)	21,409	(3,705,104)	(3,648,620)	(3,649,332)
Materials and Contracts	(320,301)	(427,351)	107,050	(539,955)	(554,455)	(583,880)
Depreciation and Amortisation	(482,010)	(482,010)	0	(642,091)	(642,091)	(642,091)
Other Expenses	(109,336)	(127,489)	18,153	(162,187)	(162,187)	(163,872)
Internal Charges	(38,643)	(41,838)	3,195	(56,481)	(56,481)	(56,481)
Overhead Allocation	(1,216,117)	(1,216,117)	0	(1,621,489)	(1,621,489)	(1,621,489)
Total Expenses from Continuing Operations	(4,830,692)	(4,980,499)	149,807	(6,727,307)	(6,685,323)	(6,717,146)
Total Surplus (Deficit) from Continuing Operations	169,474	(10,875)	180,349	(0)	(14,500)	3,000

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations for March is 180,349 higher than anticipated principally due to higher than anticipated revenue with printing and scanning services as well as Capital and Operational Grant funding of \$2,870 and an under spend in Expenses due to timing differences.

Total Income from Continuing Operations is \$30,542 higher than forecast, again primarily due to the higher than anticipated Capital and Operational Grants complemented by higher than anticipated income from principally printing and scanning fees.

Total Expenses from Continuing Operations is \$149,808 less than anticipated primarily due to timing differences in the payment of invoices for library materials and contracts such as cleaning services and the delay in receipt of new furnishings and fittings. Expenditure is expected to meet forecast by the end of the financial year.

Forecast changes were made to increase Income by \$49,322 in line with year to date trend in service and overdue fees. Changes were also made in Expenses by \$31,822 largely in Materials and Contracts to cover technology upgrades and additions to the eLibrary collections. The additional expenses were offset by savings in the Information and Technology budget and other expense lines throughout the library service.

Overall the forecast changes have a positive impact of \$17,500 on Council's bottom line resulting in a surplus of \$3,000 from Continuing Operations by the end of the financial year.

Key Highlights

Customer Satisfaction

There was a 2% increase in the overall customer satisfaction rating this quarter with 90% of customers either satisfied or very satisfied with the library service. Customer satisfaction levels with specific services also increased over the quarter with satisfaction levels for 'assistance provided by staff' increasing from 89% to 94% and with 'selection of items available for loan' from 75% to 80%.

Membership

Total memberships increased this quarter by 1,047 to 90,400. Campaigns to reconnect with lapsed members and attract new members through email and outreach promotions of new and existing library services continued. Overall through the quarter there were 1,800 new memberships. The continued effort to reach new members has resulted in exceeding the strategic objective to have 1000 new members by FY17/18. Another objective in the Library Strategy is to have 60% local area membership by July 2019. This objective is on track remaining steady from last quarter at 50.4% which equates to 70,978 local members.

Loans and Visits

The eBook and eAudio collections continue to be very popular among library members with 17,986 eLoans this quarter. Loans of physical items increased slightly by 2.7%.

The number of visits to our website was 62,346 which was a marked improvement from the previous quarter of 10.4%. This increase could be attributed to the continued work undertaken to improve the library website. The Library Facebook page also increased engagement by 8% during the quarter.

Total visits to the library service cannot be reported this quarter due to the loss of the door counter at Warringah Mall library however it is estimated to have remained steady. A new door counter is expected to be fitted in the coming quarter which will allow for library visits to be once again measured and compared accurately.

Service Developments

Work on revamping the customer service areas of the Dee Why Library continued through the quarter to improve the service experience for all customers. This will be further enhanced over the next 12 months with the successful grant application from the State Library of NSW for service development at Dee Why Library.

Progress on the relocation of the Belrose Library to the refurbished Glen Street Community Hub is on track with work commencing on the site in March along with the finalisation of design briefs. The new library will be called Glen Street Library.

Three new positions, Digital Coordinator, Home Library Service Officer and Volunteer Coordinator, have been created that will make it possible for Warringah libraries to continue to expand its service delivery to the community. The Digital Coordinator and Home Library Service Officer have been recruited and the Volunteer Coordinator recruitment is expected to be finalised in May. This has been made possible from savings gained from changes to our purchasing and supply practices.

To continue to improve our services to the community, the 10 second daily customer satisfaction Pulse Check introduced in September at all Self Check stations resulted in a 95% satisfaction rating with the quality of service and 88% with ease of use of services in branch.

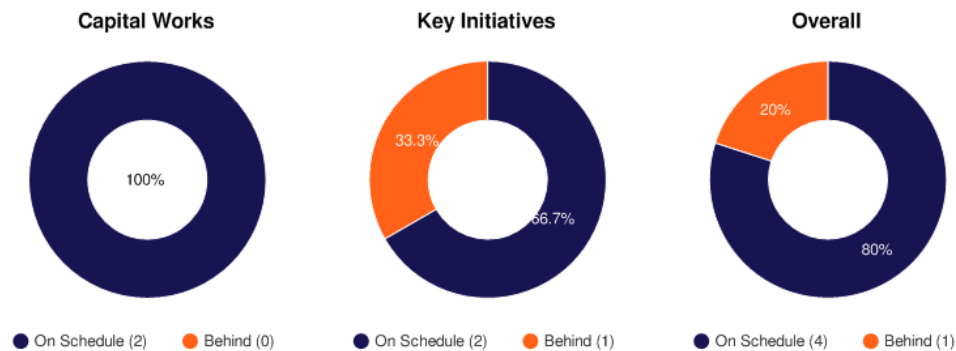
Programs and Events

This quarter the service delivered 16 different programs made up of 142 sessions including Kate Forsyth author talk, historical tour to Parramatta, *The Magic of Reading* and a creative writing workshop for teens.

4,992 members of the community participated in Warringah Council Library programs. There was a significant increase of 4% in the level of overall satisfaction and willingness to recommend library programs to family and friends from 95% to 99%. There was an increase of 8.71% total participation from the same quarter in 2015 as the service continues to plan for the growth of library program offerings.

There was a slight decrease in youth participation through the quarter which is reflective of the service planning major youth events in line with local schools and their preferred term availability. Children's participation is showing a slight downward trend of 2% as other target audience participation rates grow. Adult participation resulted in the strongest growth with a 12% increase from the previous quarter.

Overall Progress Capital Works and Key Initiatives



Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Community Space and Learning

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
→ Books - Replacements	\$401,494	\$426,129	\$568,172	\$568,172
<p>Adult Fiction and Adult Non Fiction accounts were the largest expenditure during the month at 16%; followed by eAudio and eBooks at 10%; DVDs and CDs at 10%; and HSC items at 9%. The remaining spend was spread across other genres such as Junior Fiction, Junior Non Fiction, Picture Books and Young Adult materials.</p> <p>For the annual book replacement program, there is a small variance in the Year to Date actuals. This is due to the supplier awaiting delivery of many of the items ordered in March.</p> <p>Improvements continue to be made to book processing workflows and reporting procedures to reduce errors and processing times.</p>				
→ New Library Technology	\$18,555	\$39,170	\$65,000	\$65,000
<p>The Library Technology budget is slightly behind schedule due to further work being required on a new initiative to enhance customer service through a new library application. The project is on track for completion by the end of the financial year.</p>				
Total Capital Expenditure	\$420,049	\$465,299	\$633,172	\$633,172
Key Initiatives				
→ Implement the Library Strategic Plan				

Achievements in the implementation of the Library Strategic Plan over the past month included:

- Reaching a new milestone of 90,400 members made up of 71,775 residents in the Warringah LGA which is on track to achieve the goal of 60% of the Warringah population as library members by July 2019
- Over 1,800 new members through the quarter
- Improvements to the library web page resulting in 1,200 more visits in March from the previous month. The Library website received over 20,000 visits each month for the last three months resulting in 62,346 visits for the quarter
- Increase in overall customer satisfaction three quarters in a row with this quarter's rating being 4.24 out of 5. Customer satisfaction rating of assistance provided by library staff and the selection of items available for loan also increased in the last quarter to 4.56 and 3.94. Further to this, the Pulse Check results reported 95% satisfaction with quality of service and 88% with ease of use of services in branch
- 324 new registrations to use the eCollections
- A continued demand for eLoans with 17,986 items borrowed through the quarter. This is an increase of 68% from the same period last year
- A new milestone for the Library Facebook page with 490 Likes, up from 470 in the previous month
- An increase in the use self-check facilities across all libraries to 30% of loans being self-checked with Dee Why library reporting the highest use at 51% in March
- Continuing to campaign to reconnect with lapsed members
- Progressing on the planning for the community Ideas Jam to be held on 29 May 2016
- Establishing first point resolution of customer issues, and
- Progressing the completion of a new platform to manage images for the Local Studies Unit.



Review Library opening hours

This project has been deferred until further information regarding potential Council amalgamations becomes available and will not be reconsidered within this financial year.



Set up of new Library at Glen Street Community Hub

The project is on track to be completion in early 2017. Construction commenced in March with required demolition work and design details being finalised. The new library will be named 'Glen Street Library'.

Kimbriki Environmental Enterprises

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
User Charges & Fees	23,938,352	22,290,959	1,647,393	29,500,223	29,500,223	32,191,074
Investment Fees and Revenues	299,333	222,000	77,333	276,000	276,001	363,313
Other Revenues	2,829,533	2,418,709	410,824	3,228,352	3,228,353	3,154,533
Total Income from Continuing Operations	27,067,218	24,931,668	2,135,550	33,004,575	33,004,577	35,708,920
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(3,169,416)	(3,130,716)	(38,700)	(4,080,066)	(4,080,065)	(4,214,336)
Borrowing Costs	(725,129)	(788,740)	63,611	(1,051,654)	(1,051,654)	(1,048,584)
Materials and Contracts	(10,495,101)	(9,497,986)	(997,115)	(12,418,733)	(12,418,734)	(16,115,123)
Depreciation and Amortisation	(179,060)	(458,345)	279,285	(640,292)	(640,292)	(553,965)
Other Expenses	(9,716,038)	(8,587,345)	(1,128,693)	(11,462,122)	(11,462,121)	(9,485,932)
Total Expenses from Continuing Operations	(24,284,744)	(22,463,132)	(1,821,612)	(29,652,867)	(29,652,866)	(31,417,940)
Total Surplus (Deficit) from Continuing Operations	2,782,474	2,468,536	313,938	3,351,708	3,351,711	4,290,980

Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations of \$2,782,474 at the end of the third quarter is ahead of forecast by \$313,938 due to higher income which is partially offset by higher expenditure.

Income from Continuing Operations is \$27,067,218, which is \$2,135,550 higher than forecast. User Charges & Fees are \$1,647,393 ahead of forecast reflecting greater than expected volumes particularly in the demolition and green waste categories. Investment Fees and Revenues are \$77,333 ahead of forecast reflecting the lower than planned levels of capital expenditure. Other Revenues are \$410,824 higher than forecast mainly due to higher than anticipated recovery of materials resulting in higher EPA Levy recovery.

Expenses from Continuing Operations are \$1,821,612 higher than forecast. Employee Benefits and Oncosts are \$38,700 higher than forecast due to overtime and additional costs in administration to cover for a prolonged illness. Materials and Contracts are \$997,115 higher than forecast principally due to increased volumes of high processing cost items (in particular, vegetation) and the expense of additional cover materials. Other Expenses are \$1,128,693 higher reflecting additional EPA Levies due to higher volumes of mixed waste. These differences are partially offset by lower Borrowing Costs of \$63,611 principally reflecting timing differences related to remediation costs and lower Depreciation due to the lower levels of Capital Expenditure.

The Surplus from Continuing Operations for the full financial year has been forecast to increase by \$939,269 to \$4,290,980. Income from Continuing Operations has been forecast to increase by \$2,704,343 and Expenses from Continuing Operations by \$1,765,074 for the reasons noted above.

Overall Progress Capital Works and Key Initiatives








Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ! Will not be delivered by 30 June

Program - Site Improvements

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
! Waste Landfill - Access Roads	\$33,408	\$17,500	\$2,821,959	\$33,408
Council has been in consultation with Kimbriki Environmental Enterprises and it has been resolved to put the design work on hold. Details on the models of delivery of this project are being reviewed by Council and Kimbriki Environmental Enterprises.				
→ Waste Landfill - Cell Development Works Area 3B	\$957,858	\$957,858	\$3,141,831	\$3,963,949
A site master plan has been developed which shows the size, shape and location of all future landfilling operations for the life of the site. The development of engineered landfill cells is intended to ensure that the site can be used to its fullest capacity whilst minimising the potential for pollution. Construction of cell 3B, the next cell to be landfilled is continuing and the works are on track to be completed and the cell operational by July 2016.				
→ Waste Landfill - Cell Development Works Area 4A	\$6,598	\$1,582	\$150,000	\$190,300
A site master plan has been developed which shows the size, shape and location of all future landfilling operations for the life of the site. The development of engineered landfill cells is intended to ensure that the site can be used to its fullest capacity whilst minimising the potential for pollution. Planning and design works, including a boundary survey, have commenced for the development of the engineered landfill cell in Area 4A.				
→ Waste Landfill - Fixtures and Equipment	\$8,255	\$79,167	\$50,000	\$170,000
Replacement of minor office equipment is on track with the purchase of some additional office furniture. Minor office equipment includes furniture, specialised software to support the integrated Business Management System, video cameras for site surveillance and licence plate recognition at the site weighbridges.				
→ Waste Landfill - Gas Capture System	\$113,760	\$113,760	\$75,000	\$75,000

<p>The landfill gas capture system, designed to reduce greenhouse gas emissions and odours, commenced operation in January 2014. The system is being progressively expanded as part of landfilling operations. In February 2016, 2394 tonnes of CO₂e were destroyed. This system will continue to be expanded progressively for the life of the site to ensure effective management of emissions. Investigations into generating power from this landfill gas are being assessed.</p>					
	Waste Landfill - Leachate Treatment Plant	\$11,679	\$11,679	\$1,100,000	\$1,269,176
<p>Work has begun on the next stage of the project to allow for the further treatment of leachate followed by discharge to sewer. It is expected that this phase will be completed by January 2017.</p>					
	Waste Landfill - Office and Amenities	\$452,552	\$452,552	\$2,050,000	\$2,759,894
<p>In order to allow for new waste processing infrastructure and associated road works and to replace the existing buildings which are reaching the end of their working life, Kimbriki Environmental Enterprises is constructing a new Administration building. This project has been delayed for a short period while all stakeholders review their requirements but it is expected that construction will commence in the third quarter of 2016.</p>					
	Waste Landfill - Other	\$172,560	\$101,300	\$170,000	\$702,348
<p>The purchase of other assets has been accelerated in response to a changing regulatory regime. These include improvements to the site's weighbridge facilities and surface water management system.</p>					
	Waste Landfill - Resource Recovery Facility	\$225,510	\$255,510	\$2,659,500	\$2,643,000
<p>The Landfill Resource Recovery Facility is an exciting new development at Kimbriki which includes separate covered drop off stations for residents and small vehicles with recycling or mixed waste as well as a processing facility that will recover steel, timber, cardboard, bricks, tiles and vegetation that is currently being landfilled as mixed waste. Supported by grants from the NSW Environment Protection Authority, concept design works are underway.</p>					
	Waste Landfill - Vehicles	\$39,312	\$37,917	\$65,000	\$65,000
<p>The vehicle replacement program is on track with the purchase of one new vehicle in March. Vehicles are bought and sold in a timely manner and in accordance with appropriate policies and guidelines.</p>					
Total Capital Expenditure		\$2,021,491	\$2,028,824	\$12,283,290	\$11,872,075

Natural Environment Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	8,599,688	8,599,688	0	11,952,765	11,952,765	11,952,765
User Charges & Fees	27,508	27,584	(76)	45,148	39,289	39,289
Other Revenues	0	0	0	0	0	0
Grants and Contributions - Operating Purposes	609,485	257,779	351,706	968,083	613,796	961,600
Grants and Contributions - Capital Purposes	0	0	0	0	0	50,000
Total Income from Continuing Operations	9,236,680	8,885,051	351,630	12,965,996	12,605,850	13,003,654
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(2,003,317)	(1,920,410)	(82,907)	(2,675,062)	(2,688,802)	(2,688,802)
Materials and Contracts	(1,733,704)	(1,766,252)	32,548	(3,175,240)	(3,183,952)	(3,221,343)
Depreciation and Amortisation	(2,830,262)	(2,830,262)	0	(3,770,239)	(3,770,239)	(3,770,239)
Other Expenses	(652,907)	(646,328)	(6,579)	(651,044)	(667,412)	(659,913)
Internal Charges	(1,085,749)	(1,087,304)	1,555	(1,126,004)	(1,449,452)	(1,449,452)
Overhead Allocation	(1,176,305)	(1,176,305)	0	(1,568,406)	(1,568,406)	(1,568,406)
Total Expenses from Continuing Operations	(9,482,243)	(9,426,860)	(55,383)	(12,965,995)	(13,328,263)	(13,358,154)
Total Surplus (Deficit) from Continuing Operations	(245,563)	(541,810)	296,246	1	(722,413)	(354,500)

Year to Date Actuals and Annual Forecast

The Deficit from Continuing Operations of \$245,563 at March 2016 is \$296,246 lower than forecast principally due to higher than anticipated income.

Income from Continuing Operations is higher than forecast by \$351,630 principally due to unanticipated income for the Narrabeen Lagoon State Park and the bush regeneration program, as well as a number of minor phasing issues with a number of operational grants.

Expenses from Continuing Operations are higher than forecast by \$55,383. Employee Benefits and Oncosts are \$82,907 higher than forecast because of lower than expected staff vacancies. Materials and Contracts expenditure is \$32,548 lower than forecast principally due to delays in engaging the Water Quality Device audit contract.

For the full financial year, the total deficit is forecast to reduce to \$354,500. A number of changes are anticipated including a total increase in income of \$397,804 principally related to the Narrabeen Lagoon State Park, and a total increase in expenditure of \$29,891 in Materials and Contracts.

Key Highlights

Bushland

Bushland management involves a wide range of projects, including contractor and volunteer bush regeneration, reactive operational management and other strategic environmental projects. Both our bush regeneration and Friends of the Bush programs are continuing as scheduled, with all contracts underway in major bushland reserves. Council was successful in applying for a grant through the Greater Sydney Local Land Services for bushland management and community engagement works along South Creek at Wheeler Heights.

Biodiversity

Biodiversity management involves a wide range of projects, including pest plant and animal control programs, operational management and other strategic biodiversity projects. Staff from Council's bushland and biodiversity team led a nocturnal spotlighting survey with community members at Stony Range Botanic Garden and held a bird survey training workshop with assistance from experts at Birdlife Australia. Both events proved extremely successful with positive feedback received from community participants.

On-ground rabbit control has continued with numerous rabbits removed from Council reserves. Fox baiting commenced late in the quarter at various locations with evidence of fox activity and baits taken at Manly Dam.

Grant funded project works are ongoing, including bushland management and community engagement in the Dee Why Lagoon Wildlife Refuge, as well as bush regeneration works to improve wildlife corridors through linking important vegetation communities along Fishermans Walk.

Staff attended meetings and workshops with the State government in preparation for the new *Biosecurity Act 2015*. This Act is intended to better manage biosecurity risks including weeds and pest species that impact on our economy, environment and community.

The report on the threatened fauna of the Narrabeen Lagoon catchment has been finalised.

Coast and Waterways

Waterways management involves a wide range of projects that assist in the management and protection of Warringah's creeks, lagoons and coastline.

The Creek Monitoring, Evaluating and Reporting (MER) project is continuing at 23 locations in Warringah in partnership with the NSW Office of Environment and Heritage (OEH). This program assesses the health of Warringah's waterways by collecting data on macroinvertebrate richness and abundance, water quality assessment as well as the condition of creek banks and riparian vegetation. The second round of sampling commenced this quarter with the final report due in July.

A significant number of customer requests were received in January following a severe storm, mostly relating to fallen vegetation in and around creek lines. The inspection and reassessment program of other creek bank erosion hotspots is also continuing.

In partnership with University of Western Sydney and the Office of Environment and Heritage, a pilot study is underway at Manly Lagoon to investigate the effectiveness of Sydney Rock Oysters to remove nutrients from a heavily urbanised lagoon environment. Unfortunately there was high mortality among the oysters at the most recent milestone which is consistent with results obtained at other sites along the NSW coast. On a positive note, those that did survive were in great condition. Low salinity from heavy rain over the December/January period and stormwater related silts are likely reasons for the mortality.

Stabilisation work started in March on the eroded part of the bank at Hinkler Reserve at Manly Lagoon.

Council has continued engagement with the Manly Lagoon Catchment Coordinating Committee, the Dee Why and Curl Curl Lagoons Community Committee, and the Narrabeen Lagoon State Park Advisory Committee. A staff presentation to the Curl Curl Lagoon Friends group was particularly well received. The Monitoring, Evaluation and Reporting (MER) program, where lagoon water is monitored fortnightly from October to April, has continued and is progressing well.

Warringah Council has continued to liaise with the NSW Government on its coastal reform program, and during this period provided comment on the mapping included within the new proposed State Environmental Planning

Policy. This included providing a formal submission on the reforms in February.

Council was successful in applying for a grant to Local Land Services to undertake the Narrabeen Lagoon and Beach Restoration Project. The funding will enable bush regeneration and community engagement activities at both Narrabeen Lagoon and Beach throughout 2016.

Bush regeneration activities continued throughout the quarter at a number of coastal and waterway locations in Warringah including within sand dunes at Narrabeen, Freshwater and Curl Curl, Long Reef and Dee Why Escarpments, Brookvale, Dee Why and Greendale Creeks and Dee Why, Manly and Curl Curl Lagoons.

Sustainability

Council's first ever citizen science initiative, Nature Watch Week, was launched this quarter as part of our long standing Hilltop to Headland program. The survey week ran from 27 February to 4 March, during which time the community was invited to learn about our native fauna through several events and contribute to future decision making by adding their own backyard survey findings to a customised online database. The week included a live native animal show at Dee Why Town Centre, a bird survey training and identification workshop at Long Reef, a thank you celebration at Dee Why for Friends of the Bush Big Day Out volunteers and a nocturnal night tour of Stony Range Botanical Gardens. All participant feedback showed increased understanding of the importance of protecting biodiversity in Warringah - exceeding our key performance indicator for education events - and a diverse range of survey findings were added to the Nature Watch Week database.

In partnership with the Office of Environment and Heritage and following on from the highly successful *Power to Save* Hilltop to Headland event, Council ran a subsidised Energy Management Basics course for local businesses. This course provided practical guidance for participants to learn how to improve energy efficiency and reduce their energy consumption and financial outlay through effectively auditing their own energy bills and business practices.

Procurement for the Water Quality Device Audit is underway with the Request for Quote being released this quarter. This project will identify condition, maintenance and operation considerations for Council's key water quality improvement devices, with the aim of determining the most effective future investment.

Floodplain Management

Stormwater and Floodplain Management operations involve flood risk planning and direct flood risk mitigation as well as management of Warringah's stormwater asset network.

The development of Floodplain Risk Management Plans for Narrabeen Lagoon and Manly Lagoon catchments are continuing. The Narrabeen study is well progressed with the Stage 3 and 4 report complete and draft details for the proposed flood mitigation works almost ready for public exhibition. The Manly study is progressing well with the completion of the draft Stage 1 report and the finalisation of the Stage 2 report including the preparation of initial community consultation material. Committee meetings have been held for both projects this quarter.

Lagoon water levels are managed through the mechanical opening of lagoon entrances during significant rain events. This limits the risk of flooding of low lying properties close to the lagoons. This quarter has seen two openings of Narrabeen Lagoon and one for Dee Why Lagoon. The frequency of Narrabeen Lagoon closure is increasing and this is one of the triggers for the main entrance clearance works to be undertaken. Works to remove significant build-up of sediment will be undertaken during winter 2016 and preparations, including the Review of Environmental Factors and licensing, have been completed in this quarter.

Stormwater asset management practices are on a continual improvement program. Systems are being standardised across all of Council's asset classes and this work has continued during this quarter. The management of critical assets has been formalised and inspections are on schedule. Depreciation schedules have been updated to incorporate long life and short life components for all assets in line with new industry standards.

Stormwater infrastructure is maintained in an operational state through the use of flushing of pipes, pit cleaning and the repair of infrastructure. Two significant rain events in January resulted in a surge in the number of issues to be managed this quarter. The backlog of works from these events has now been cleared and some of the more serious issues will require works from Council's capital renewal program. The outstanding cleaning operations for Council's Gross Pollutant Traps have been completed this quarter.

Overall Progress Capital Works and Key Initiatives



Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Biodiversity and Bushland Management

Key Initiatives	
→	Biodiversity Management Biodiversity management involves a wide range of projects, including pest plant and animal control programs, operational management and other strategic biodiversity projects. Staff from Council's bushland and biodiversity team led a nocturnal spotlighting survey with community members at Stony Range Botanic Garden. Nocturnal animals including possums, frogs and spiders were observed during the survey, which was very well received by the 20 parents and children that attended. Council commenced the ongoing seasonal fox baiting program in March. Evidence of fox activity was recorded at Manly Dam where bait has been taken. On 17 March, NSW Local Land Services hosted a regional weeds committee workshop to discuss the new Biosecurity Act which will guide the future management of pest species. The meeting was attended by staff from Council's bushland and biodiversity team who provided input on how the new legislation will affect local government. A new rabbit management contract commenced in March to assist in the control of rabbits across Warringah's major reserves.
→	Bushland Management Bushland management involves a wide range of projects, including contractor and volunteer bush regeneration, reactive operational management and other strategic environmental projects. Both our bush regeneration and Friends of the Bush programs are continuing as scheduled, with all contracts underway in major bushland reserves. Approximately 19 reactive customer requests for maintenance of bushland areas were received in this month which continue to be resolved on a priority basis. Twenty four requests were actioned and closed.

Program - Coast and Waterways

Key Initiatives	
→	Coastal Management

This program includes a range of actions that assist in the management and protection of Warringah's beaches and headlands.

Staff have been assisting on matters related to environmental impacts and coastal processes for the South Curl Curl Seawall and Fishermans Beach Bank Restoration projects.

Warringah Council is continuing to liaise with the NSW Government on the NSW Coastal Reforms. In particular providing comment on the mapping included within the State Environmental Planning Policy. Staff also provided feedback to the Hawkesbury Shelf marine bioregion assessment.

Bush regeneration activities are continuing to be delivered at a number of coastal locations in Warringah including both Narrabeen Lagoon and Beach, within sand dunes at Curl Curl and on the Dee Why Escarpment.



Waterway Management

This program contains actions to manage and protect Warringah's creeks and lagoons.

Regular inspection and maintenance of creek bank erosion areas has continued, and all allocated customer requests and development application referrals have been completed. The detailed design contract for bank stabilisation works in Oxford Creek, adjacent to Oxford Falls Road, is progressing. Council has engaged a contractor to undertake temporary stabilisation works at South Creek due to continued erosion. Bank stabilisation works have commenced at Hinkler Park, Manly Lagoon.

Bush regeneration is continuing at Brookvale, Dee Why and Greendale Creeks as well as Dee Why, Curl Curl and Manly Lagoon foreshores.

Staff gave a presentation on coastal lagoon processes to a meeting of the Friends of Curl Curl Lagoon, which was well received.

Survey runs 9 & 10 for the Lagoon Water Quality monitoring program have been completed with the addition of urea sampling of Manly Lagoon being analysed to support investigations into nutrient sources.

Program - Education for Sustainability

Key Initiatives




Community Sustainability Activities

Council's first ever citizen science initiative, Nature Watch Week, was launched this quarter as part of our long standing Hilltop to Headland program. The survey week ran from 27 February to 4 March, during which time the community was invited to learn about our native fauna through several events and contribute to future decision making by adding their own backyard survey findings to a customised online database. The week included a live native animal show at Dee Why Town Centre, a bird survey training and identification workshop at Long Reef, a *Friends of the Bush Big Day Out* thank you celebration for volunteers at Dee Why and a nocturnal night tour of Stony Range Botanical Gardens. All participant feedback showed increased understanding of the importance of protecting biodiversity in Warringah which exceeded our key performance indicators for education events, and also resulted in a diverse range of survey findings being added to the Nature Watch Week database.


In partnership with the NSW Office of Environment and Heritage and following on from the highly successful *Power to Save* Hilltop to Headland event, Council ran a subsidised Energy Management Basics course for local businesses. This course was designed for participants to learn how to improve energy efficiency and reduce their energy financial outlay through effectively auditing their own energy bills and business practices.


Procurement for the Water Quality Device Audit is underway with the Request for Quote being called this quarter. The project will identify condition, maintenance and operation considerations for Council's key water quality improvement devices, with a view to then determining the most effective future investment.

Program - Natural Area Recreation


Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Narrabeen Lagoon Trail	\$391,192	\$461,895	\$279,000	\$461,895
<p>The Narrabeen Lagoon Trail was completed and opened to the public in February 2015. The next stage of the project involves the creation of a new public reserve on the Narrabeen Lagoon foreshore. In order to accommodate the new reserve, the Sydney Academy of Sport and Recreation's school boating activities have been relocated to the nearby peninsula.</p> <p>Works to create a new public reserve at this site have commenced. The construction of a new path has now been completed along with the separation fencing completed. The final design and subsequent procurement process for the landscaping of the reserve has taken longer than anticipated, and the works are now expected to be fully completed in May 2016.</p>				
Total Capital Expenditure	\$391,192	\$461,895	\$279,000	\$461,895





Program - Natural Hazard Management

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Beacon Hill and Davidson Rural Fire Service - Building Works	\$90,038	\$100,000	\$100,000	\$100,000
<p>This project, which sees the re-roofing of the Davidson and Beacon Hill RFS Brigade buildings, has been successfully completed.</p>				
Total Capital Expenditure	\$90,038	\$100,000	\$100,000	\$100,000

Key Initiatives	
	Natural hazard management planning, mitigation works, warning systems and awareness campaigns
	<p>Council manages risks to the community from coastal, flooding and bush fire hazards.</p> <p>High risk bushland areas behind private properties are having access improved and bush fire fuel removed through our fire management access zone maintenance contracts. Fire and Rescue NSW carried out a one hectare hazard reduction burn on Council land at Government Road Reserve, Cromer.</p> <p>An inspection of Warringah Council's headlands following heavy rainfall in January identified that all headlands remain stable and had not been impacted by the heavy rainfall.</p> <p>The draft Narrabeen Lagoon Floodplain Risk Management Study has been delivered and review comments by Council staff have been provided to the consultant. The final Stage 1 report for the Manly Lagoon Floodplain Risk Management Study has been delivered. The preparation of construction tender documentation for the Narrabeen Lagoon Entrance Clearance operation is underway. All flood projects are being managed by Warringah Council in conjunction with neighbouring Councils, and with the support of the NSW Office of Environment and Heritage.</p>

Program - Stormwater Assets

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Oaks Avenue, Dee Why - Stormwater Drainage	\$414,405	\$738,482	\$0	\$3,787,440

The contractor's progress is on target with their revised schedule. Works to mitigate the impact of the stormwater works on a threatened species of microbat have been completed. Site establishment has been completed including relocating the pedestrian crossing on Oaks Avenue. Replacement of the stormwater box culvert that crosses Oaks Avenue is underway. Completion of the culvert replacement is expected in April 2016 with the remaining pipe works to be completed by September 2016.					
	Planned Stormwater Works Program	\$1,158,762	\$1,127,997	\$3,393,139	\$1,296,049
Hydraulic modelling and concept design development has been completed at Clarke and Ramsey Streets in Collaroy and for several locations in Allambie Heights. This is the first stage in developing augmentation options that will address a number of flooding issues in these areas. Design has been completed in Carrington Parade, Curl Curl for the replacement and upgrade of an existing pipe.					
	Reactive Stormwater Works Program	\$385,157	\$457,426	\$600,000	\$719,352
Works proceeded in March at various sites. Pits were constructed at Kapunda Place, Belrose and Brooker Avenue, Beacon Hill. A retaining wall was constructed at Elm Avenue, Belrose, and a barrier fence is to be constructed next month at this location. Pipe relining contracts were awarded for Villiers Place, Cromer and Ryan Place, Brookvale. A contract for a new headwall at Forestville Avenue, Forestville was also awarded this month. Cromer Road, Cromer and Tristram Road, Beacon Hill flood investigations are progressing.					
Minor procurement delays have resulted in slightly lower than anticipated expenditure to date.					
	Storm Damage - Oxford Falls Road	\$45,357	\$57,570	\$0	\$323,570
The project is running behind schedule and the construction of a permanent stabilisation structure will not be completed this financial year. Due to the estimated construction cost, alternate designs for a permanent stabilisation structure are being investigated that may be more cost-effective than the current proposed solution. In the meantime, investigations are also commencing into the potential costs associated with installing a temporary stabilisation structure that will allow the road to be re-opened in both directions.					
Total Capital Expenditure		\$2,003,681	\$2,381,476	\$3,993,139	\$6,126,411
Key Initiatives					
	Stormwater Asset Management				
The stormwater asset 'Critical & high risk assets GIS model' work is ongoing. A review of asset depreciation is also ongoing with short and long life asset components now finalised. These will be updated in the asset register.					

Parks, Reserves and Foreshores

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	9,125,489	9,125,489	(0)	11,876,126	11,876,126	11,876,126
User Charges & Fees	602,261	523,035	79,225	744,804	744,803	744,803
Other Revenues	47,400	34,900	12,500	22,400	44,900	44,900
Grants and Contributions - Operating Purposes	23,773	31,071	(7,298)	25,415	37,425	37,425
Grants and Contributions - Capital Purposes	120,995	120,995	0	90,000	235,995	274,177
Total Income from Continuing Operations	9,919,918	9,835,491	84,427	12,758,744	12,939,249	12,977,431
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(3,160,529)	(3,080,818)	(79,711)	(4,062,041)	(4,084,788)	(4,084,788)
Materials and Contracts	(4,203,846)	(4,354,591)	150,746	(5,822,210)	(5,649,968)	(5,641,150)
Other Expenses	(91,823)	(84,991)	(6,833)	(112,645)	(112,645)	(112,645)
Internal Charges	(395,848)	(396,683)	835	(533,972)	(533,972)	(533,972)
Overhead Allocation	(1,670,907)	(1,670,907)	0	(2,227,876)	(2,227,876)	(2,227,876)
Total Expenses from Continuing Operations	(9,522,954)	(9,587,990)	65,037	(12,758,743)	(12,609,249)	(12,600,431)
Total Surplus (Deficit) from Continuing Operations	396,965	247,500	149,464	0	330,000	377,000

Year to Date Actuals and Annual Forecast

Total Surplus from Continuing Operations at the end of March 2016 of \$396,965 is \$149,464 higher than anticipated. This is due to higher than expected income and lower than anticipated expenses.

Total Income from Continuing Operations is \$84,427 higher than forecast. This is mostly due to higher than anticipated User Charges and Fees generated from hiring parks, open spaces and picnic tables at Manly Dam and sports field fees for the summer season.

Total Expenses from Continuing Operations are \$65,037 lower than anticipated. Material and Contracts are \$150,746 lower than anticipated principally due to fewer requests for works on public trees saving approximately \$71,000. There has also been a seasonal variation in the volume of reactive vegetation maintenance, approximately \$39,000, with the remainder made up of delays in contractor work at Manly Dam and other contract works. This lower expenditure has been offset by higher than anticipated Employee Benefits and On Costs, \$79,711 which is due to fewer staff vacancies as a result of having to ensure the workforce is available to continue to deliver front line services.

Other Expenses are \$6,833 higher than anticipated principally due to the impact of an insurance claim early this financial year.

For the full financial year the Total Surplus from Continuing Operations is forecast to increase by \$47,000 to \$377,000 principally due to additional Grants and Contributions - Capital Purposes.

Key Highlights

Warringah's sportsground allocations and ground change over activities were completed in preparation for the 2016 winter sports season which began on Saturday 2 April.

Promotion of Warringah's 2016/17 Sporting Groups Capital Assistance Program began in March and applications are open from Friday 1 April. This program aims to improve our sport and recreation facilities and to enhance the opportunities for sport, recreation and physical activity.

The Pesticide Use Notification Plan 2016 was updated and adopted by Council 22 March 2016. This document outlines how council informs the public about the application of pesticides in Warringah.

Brookvale Oval renovations were undertaken over summer and the field was ready for prior to the start of the NRL competition on 4 March. The field is in excellent condition for the winter season.

The revised Animal Management Policy was reviewed and adopted by Council in February 2016. This policy enables the development of a new off-leash dog area and clarifies the use of the other off leash areas in Warringah.

Dee Why Town Centre

The procurement phase is nearing conclusion for the Walter Gors project which will deliver an iconic park that forms the centrepiece of the Dee Why Town Centre. It is expected that works will commence by June and be completed by December 2016. Council also conducted a popular *What's Going On?* community information session in the Dee Why Town Square. This event was attended by over 400 people who found the session very informative.

Fishermans Beach Bank Stabilisation

Council has concluded the design and procurement stages for this project. Once completed the bank stabilisation works will provide both wave impact and erosion protection for several key Council assets including: the Surf Rescue Headquarters building, the Fishermans beach car parks, Fishermans walk and the regionally significant stand of Norfolk Island pines.

South Curl Curl Seawall Protection Works

Council also finalised the design and procurement stages for this project. Once completed the bank stabilisation works will provide both wave impact protection and protection against erosion for several key Council assets including the South Curl Curl SLSC building, associated car parks and most importantly the retaining wall that supports Carrington Rd. These projects were added to the program mid-year and demonstrate resourcefulness and excellence in being able to deliver significant projects this financial year.

Overall Progress Capital Works and Key Initiatives



Service Area Programs




Key: → On track ✓ Completed ✗ Not proceeding ! Will not be delivered by 30 June

Program - Foreshores


Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
✓ Birdwood Park, Narrabeen - New Works	\$9,740	\$11,340	\$100,000	\$11,340
The construction of the car park and foreshore upgrade will be undertaken in July 2016 after the rescheduled entrance clearance works for Narrabeen Lagoon are completed. The budget was adjusted at first quarterly review. No further work will take place this financial year.				
→ Collaroy Rockpool Works	\$3,916	\$0	\$50,000	\$50,000
This project is progressing on schedule, with community engagement soon to be completed and several technical reports completed or are on course to be completed by the end of June 2016.				
→ Fishermans Beach Seawall	\$44,393	\$50,000	\$0	\$520,000
Council has approved the selection of the preferred tenderer for the construction of the bank stabilisation works. Council will execute this contract in early April with works to commence on site at the end of April 2016. This project is on schedule to be delivered by mid June 2016.				
✓ Foreshore Works Program	\$70,000	\$70,000	\$70,000	\$70,000
All work on this program was complete in September 2015.				
✓ Parking Meter Renewals	\$20,010	\$20,660	\$20,660	\$20,660
The contactless Credit Card payment system in Council's ticket meters has been installed. The system is switched on and the project was complete in August 2015.				
! South Curl Curl Beach Sea Wall Works	\$36,930	\$50,000	\$0	\$755,000
Council has approved the selection of the preferred tenderer for the construction of the new seawall at South Curl Curl Beach. Council expects that the contract will be executed in mid April with work to commence in early May 2016. Based on the timeline submitted by the preferred tenderer and subsequently accepted by Council, it is likely that the project will not be completed until mid July 2016. This will require a rollover of \$50,000 to the next financial year. In addition, due to high risk associated with this project, the tender prices are higher than expected resulting in a 20% increase in budget. Council has accepted this increase in order to complete the works to a satisfactory standard.				
Total Capital Expenditure	\$184,989	\$202,000	\$240,660	\$1,427,000

Program - Parks and Reserves






Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Berry Reserve and Jamieson Park, Narrabeen - New Works	\$51,718	\$60,000	\$120,000	\$120,000
This project is currently behind schedule but is still on target to be completed this financial year. Installation of the picnic tables, bike hoops and water refill station were deferred to allow for sealing of the concrete furniture bases and are now scheduled for early April 2016. All other minor civil works around Jamieson Park car park have been completed with works to be completed over the next two months.				
 Collaroy Beach - Reserve Works	\$414,477	\$600,000	\$700,000	\$700,000
This Collaroy Beach Reserve renewal project is behind schedule financially due to the forecast not matching the contractor's work flow. It is anticipated that all works will be completed on schedule in time for ANZAC Day 2016.				
 Manly Dam and Stony Range Works Program	\$123,317	\$112,637	\$100,000	\$115,995
The Masterplan for the Manly Dam picnic areas was completed in November 2015. This plan was the final component of this project for 2015/2016, it outlines the direction and scale of future capital works at Manly Dam. Five key elements have been identified: the entry area, a regional playground, pathway connections between picnic areas and landscape embellishment.				
 Parks Major Works Program	\$157,651	\$155,000	\$185,000	\$292,500
This project is on schedule to be completed by the end of June 2016. Council has engaged a contractor to undertake the renewal of the stairs leading from Pittwater Rd to Long Reef Beach and to also build a new accessible path linking the bus stop to the existing boardwalk. Contractors have also been engaged to repaint Nolan Reserve bridge, and strengthen the abutments and renew the deck and rails. These works are essential to maintain the bridge, listed as a critical asset, in satisfactory condition.				
 Parks Minor Works Program	\$174,954	\$132,103	\$251,721	\$172,545
This project has been completed. Some of the minor renewals completed through this project this year include: the renewal of Aitken Reserve stairs, the renewal of Cottage Point Wharf, the renewal of Kambora Reserve and the replacement of Dee Why Rockpool pump and piping.				
 Recreational Trails Works Program	\$95,800	\$93,859	\$81,750	\$114,296
Programmed work under this project was completed in February 2016. Some initial work was carried out on the Forestville Park to Ararat Reserve mountain bike connection but escalation in scope means there is not enough budget to undertake the works this financial year. Remaining funds in this project will be transferred to the Parks Major Works Program to help fund accessibility works on trails at Griffith Park.				
 Walter Gors Reserve New Works and Dee Why Parade Shared Walkway	\$391,703	\$568,248	\$1,582,252	\$1,592,643
This project is on schedule to be delivered by the summer of 2016/2017, however it is currently behind on forecast expenditure. This is due to expenditure on contamination remediation in the third quarter not being required. The remediation action plan for the site has been completed. Council is currently negotiating with the preferred tenderer for the principal construction contract, with work expected to commence in May 2016.				
Total Capital Expenditure	\$1,409,619	\$1,721,846	\$3,020,723	\$3,107,979







Key Initiatives	
	Develop an integrated open space strategy
	The Open Space Strategy Project Steering Committee held its final meeting in December 2015 and adopted the End Project Report which stated that the strategy was delivered according to the project plan.
	Enable online bookings for Parks Reserves and Foreshore venues
	Enabling online bookings for Parks Reserves and Foreshores venues will not be delivered in 2015/16. At the 24 November 2015 Council meeting it was resolved to review business requirements and investigate a Facilities and Bookings system solution in the next 12 to 18 months. No further activities are planned for this project in 2015/16.
	Review District Park Plan of Management
	The District Park Plan of Management 2015 is now available on Council's website. This project is complete.

Program - Playgrounds


Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Playground Works Program	\$84,305	\$344,507	\$400,000	\$425,000
This project is currently behind schedule but should be completed this financial year. All community engagement is complete and playground works have been tendered.				
Total Capital Expenditure	\$84,305	\$344,507	\$400,000	\$425,000

Program - Sports and Recreation

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Floodlighting Works Program	\$29,850	\$31,000	\$68,500	\$31,000
This project designed sportsfield lighting at Lionel Watts Reserve, including a required land survey. Additional design elements were funded by the Sportsfields Major Works Program. As a result the remaining budget for this project was transferred to fund additional expenditure in the Recreational Trails Works Program and the Parks Major Works Program.				
 Forestville Sportsfields - Synthetic Surface and Ancillary Works	\$697,542	\$654,831	\$736,428	\$748,758
Works are underway to create the dog park as per the masterplan and the Animal Management Policy. All works are scheduled to be completed by the end of May 2016.				
 Forestville Sportsfields - Synthetic Surface and Ancillary Works - New	\$0	\$0	\$1,010,500	\$0
Practical completion of Forestville synthetic playing fields was achieved 24 July 2015.				
 Griffith Park, Collaroy - New Irrigation Works	\$46,184	\$50,000	\$50,000	\$50,000
The installation of new irrigation at Griffith Park is complete. Surplus funding in this project will be used to improve water services within Griffith Park.				
 John Fisher Park Netball Lighting Upgrade	\$210,990	\$210,100	\$0	\$210,100


Works substantially completed with lighting installation fully installed, commissioned and operational as of 30 October 2015. Site demobilisation, provision of manuals and final cleanup to be completed by mid December 2015.					
	Sporting Club Buildings Works Program	\$35,774	\$40,000	\$105,000	\$120,000
This program delivers renewal of Council's Sporting Club Buildings.					
Works completed to date include minor security improvement to the St Matthews Farm Sports Amenities building as well as the completion of the Northern Beaches' first purpose-built Hot Shots tennis courts for youth tennis at the Warringah Recreation Centre. This project is slightly behind year to date forecast, but this is not expected to impact the full year forecast position.					
	Sports Club Capital Assistance Program	\$80,646	\$80,547	\$233,000	\$80,547
All works funded by the 2015/2016 Sporting Clubs Capital Assistance Grant Program are now successfully completed. Works included:					
<ul style="list-style-type: none">• New tennis court fencing at Collaroy Tennis Centre, Griffith Park.• Four new cricket nets at Harbord Park.• Upgrade of netball court lighting at John Fisher Park.					
	Sportsfields Major Works Program	\$2,462	\$50,000	\$50,000	\$50,000
All scheduled construction works for this financial year are due to be completed by mid April 2016, in time for the ANZAC Day commemorations. Work had been delayed due to no acceptable quotation being received for preparing construction documentation. A structural engineer has been engaged to provide the engineering detail for the proposed public toilets located adjacent to Collaroy Rockpool.					
	Sportsfields Minor Works Program	\$204,665	\$183,000	\$320,676	\$320,676
This project is on schedule with aeration of sportfields conducted as planned in March. Work will commence on resurfacing the corners of the JJ Melbourne BMX track in April 2016.					
	St Matthews Farm Reserve, Cromer - Skate Park Design	\$2,314	\$47,000	\$47,000	\$47,000
This design project is behind schedule but is still on target to be completed before the end of financial year. Council has prepared a concept design in preparation for community engagement commencing on 15 April 2016. Community engagement will continue until early May after which final construction documentation will be completed. It is anticipated that construction will commence in October 2016.					
	Swim Club Buildings Works Program	\$40,515	\$61,000	\$100,000	\$100,000
This project, which sees the renewal of the Queenscliff Swim Club roofing and exterior areas, is progressing well with the contractor for the roofing renewal component having completed the works ahead of schedule. While the remainder of the works including the decking has now commenced and should be completed by April 2016, it is running slightly behind schedule due to a number of rain delays, to which this project is particularly sensitive, being surrounded by the beach.					
Total Capital Expenditure		\$1,350,942	\$1,407,478	\$2,721,104	\$1,758,081

Key Initiatives

	Review Council's recreational space strategies including Sports in Warringah and Recreation Strategy
Council's Open Space Strategy and the District Park and Sportsground Plan of Management were scheduled for review during 2015/16. The Open Space Strategy and the District Park Plan of Management review have been completed, however Council, at its meeting 16 February 2016, resolved not to proceed with the review of the Sportsground Plan of Management due to the NSW Government's Merger Proposal.	

	Review of Sportsground Plan of Management
	At its meeting on 16 February 2016, Council resolved not to proceed with the review of the Sportsground Plan of Management due to the NSW Government's Merger Proposal.

Program - Street Trees

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
 Condamine Street Planting	\$-210	\$30,000	\$30,000	\$30,000
<p>This project is behind schedule. A contractor has been engaged to undertake the work and Council is currently seeking approval from Ausgrid for the attachment of the pots to their poles.</p> <p>The project will be completed by end of June 2016.</p>				
Total Capital Expenditure	\$-210	\$30,000	\$30,000	\$30,000

Key Initiatives	
 Develop Urban Forest Strategy	
Council adopted the Urban Forest Policy in December 2015. Work will commence on the Urban Forest Strategy in July 2016.	

Roads and Traffic

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	10,012,433	10,012,433	0	13,535,690	13,535,690	13,535,690
User Charges & Fees	529,175	505,982	23,193	990,492	630,087	670,087
Other Revenues	603,906	537,057	66,849	537,057	537,057	603,906
Grants and Contributions - Operating Purposes	1,396,645	1,395,819	827	2,061,825	2,061,825	2,061,825
Grants and Contributions - Capital Purposes	1,993,779	2,303,039	(309,260)	1,463,783	2,869,039	2,869,039
Gains on disposal of Assets	(20,000)	0	(20,000)	0	0	(20,000)
Total Income from Continuing Operations	14,515,939	14,754,330	(238,392)	18,588,847	19,633,698	19,720,547
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(3,430,784)	(3,327,663)	(103,121)	(4,476,184)	(4,459,184)	(4,652,478)
Materials and Contracts	(3,010,340)	(3,571,997)	561,657	(4,543,485)	(4,658,933)	(4,520,339)
Depreciation and Amortisation	(3,134,206)	(3,134,206)	0	(4,175,129)	(4,175,129)	(4,175,129)
Other Expenses	(1,659,095)	(1,747,120)	88,024	(2,622,714)	(2,369,714)	(2,349,714)
Internal Charges	41,413	40,006	1,407	(276,385)	47,063	47,063
Overhead Allocation	(1,871,212)	(1,871,212)	0	(2,494,950)	(2,494,950)	(2,494,950)
Total Expenses from Continuing Operations	(13,064,224)	(13,612,192)	547,968	(18,588,846)	(18,110,846)	(18,145,547)
Total Surplus (Deficit) from Continuing Operations	1,451,715	1,142,139	309,576	0	1,522,852	1,575,000

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$1,451,715 at the end of the March quarter is \$309,576 higher than forecast. This is due to lower than forecast expenditure offset by lower than anticipated income.

Total Income from Continuing Operations of \$14,515,939 is lower than forecast by \$238,392. User Charges and Fees are \$23,193 higher than anticipated principally due to increased numbers of road user permit applications. Other Revenues is higher by \$66,849 due to increased bus shelter advertising income as a result of the installation of electronic advertising panels. Grants and Contributions - Capital Purposes are \$309,260 lower than forecast due to timing of receipt of Transport for NSW and Road and Maritime Services grants. Gains on disposal of Assets has a \$20,000 variance due to cost incurred in the design works associated with Kimbriki Road in preparation for a resource recovery facility at Kimbriki.

Total Expenses from Continuing Operations of \$13,064,224 are \$547,968 lower than forecast. Employee Benefits and Oncosts are \$103,121 higher than expected due to backfilling as a result of staff vacancies and additional work associated with increased road users permits. Materials and Contract are \$561,657 lower than anticipated due to timing of commencement of road grading program and lower expenditure in waste tipping fees from the public place cleansing program. Other Expenses are lower than anticipated by \$88,024 principally due to savings in electricity costs from street lighting.

For the full financial year, the Total Surplus from Continuing Operations is forecast to increase by \$52,148 to

\$1,575,000. User Charges and Fees are anticipated to increase by \$40,000 to reflect the above-mentioned upward trend in road user permit applications. Other Revenues are forecast to increase by \$66,849 due to increased bus shelter advertising income. Employee Benefits & Oncosts are anticipated to increase by \$193,294 and Materials and Contracts are anticipated to decrease by \$138,594 for the reasons outline above. Other Expenses have been forecast down by \$20,000 to reflect the above-mentioned savings in electricity associated with street lighting.

Key Highlights

Footpath and Cycleway

As part of the Warringah Bike Plan, a shared pedestrian and bike path was constructed in Manly Vale along Campbell Avenue (between Condamine Street and Quirk Street) and in Frenchs Forest along Prince Charles Road. An on-road cycleway was also completed in Frenchs Forest on Grace and Fitzpatrick Avenues.

New footpath works, funded by grants from Transport for NSW, were completed in Narrabeen and Collaroy. The following streets were completed:

- Ocean Street, Narrabeen
- Wellington Street, Narrabeen
- Albemarle Street, Narrabeen
- Lagoon Street, Narrabeen
- Homestead Avenue, Collaroy

Bus stop improvement works were completed at four sites in North Manly: opposite numbers 478, 480, 504 and 518 Pittwater Road.

Roads, Traffic and Streetscaping

Repair, resurfacing and line marking works were completed at:

- Graylind Close, Collaroy from Jenkins Street to Cul-De-Sac
- Michele Road, Cromer from Campbell Avenue to Cul-De-Sac
- Carter Road, Brookvale from Winbourne Road to Pittwater Road
- Clarke Street, Narrabeen from Walker Avenue to Cul-De-Sac (East)
- Clarke Street, Narrabeen from Park Street to Pittwater Road
- Melwood Avenue, Killarney Heights from Warringah Road to Cannons Parade
- Mortain Avenue, Allambie Heights from Lena Avenue to Allambie Road
- Prescott Avenue, Cromer from Palya Place to Victor Road
- Mitchell Road, Brookvale from Sydenham Road to Winbourne Road
- Mitchell Road, Brookvale from Wattle Road to Orchard Road

Works were completed for rock cutting improvement at Oliver Street, Queenscliff and embankment stabilisation at Myoora Road, Terrey Hills. Various other works commenced and are due for completion in April 2016:

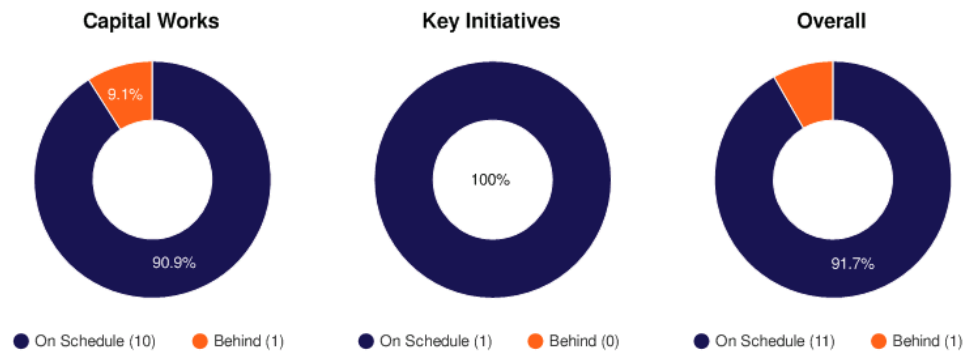
- Reconstruction of Challenger Drive, Belrose
- Rehabilitation of Creer Place, Narrabeen
- Rejuvenation of carparks at Dee Why Surf Life Saving Club, Long Reef Surf Life Saving Club and McKillop Park at Freshwater.

The Dee Why Town Centre project has progressed from a concept stage to detailed concept designs that have been developed from the Masterplan, Traffic Modelling and Place Making/Public Art designs. Consultants have commenced the detailed design of Redman Road Plaza and Walter Gors Park. Detailed modelling of the traffic scheme is nearing completion, which will be followed by detailed design of the wider town centre.

Road Safety

- A reminder was sent to all local schools about compliance with No Parking and No Stopping restrictions. Schools were requested to include this *Safety Around Schools* material with their newsletters.
- A successful child restraint checking day took place on 11 February 2016 with over 54 restraints checked by the authorised restraint fitter.
- A Pedestrian Safety campaign *Distracted* aimed at reducing pedestrian crashes was promoted in conjunction with the Dee Why Town Centre Community Consultation event. This campaign will continue until end of April and includes bus-back, phone-booth and shopping centre advertising.
- A Learner Driver workshop was held on 9 March 2016 with 23 participants and received positive feedback.

Overall Progress Capital Works and Key Initiatives



Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Footpaths and Cycleways

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
→ Bike Plan Implementation Program	\$98,972	\$68,532	\$100,000	\$261,700
Shared path construction work in Campbell Avenue, Manly Vale is has been completed. Shared path along Prince Charles Street as well as line marking and signposting of cycle ways on Grace Avenue and Fitzpatrick Ave in Belrose have also been completed.				
→ Footpath Program - New Works	\$382,684	\$468,982	\$450,000	\$933,560

Two thirds (65%) of new footpath construction projects under Council's Capital Works Program have been completed. These projects will improve pedestrian access in key locations. All works are expected to be completed this financial year, however there has been some minor delays in engaging contractors for some projects.

Footpath works under the Capital Works Program have been completed in:

- Plateau Road, Collaroy Plateau
- Edgecliffe Boulevard, Collaroy Plateau (Stage 2)
- Kenneth Road, Manly Vale
- Ilikai Place, Dee Why
- Grevillea Street, Collaroy Plateau
- Berith Street, Wheeler Heights
- Carter Road, Brookvale
- Tango Avenue, Dee Why
- Abbott Road, North Curl Curl and
- Roger Street, Brookvale


Footpath and stair construction at Queenscliff Road, Queenscliff are 60% complete.

Council has been successful in obtaining a grant of \$373,560 from Transport for New South Wales (TfNSW) for new footpaths under the Northern Beaches Bus Rapid Transit Active Transport Program. New footpath construction projects under this program have been 30% completed, in:


- Ocean Street, Narrabeen
- Wellington Street, Narrabeen
- Albemarle Street, Narrabeen
- Lagoon Street, Narrabeen
- Homestead Avenue, Collaroy






Detailed design work on signalised pedestrian crossing and car park entry at Collaroy Beach has commenced.

All works are expected to be completed this financial year, however there has been some minor delays in engaging contractors for some projects

	Footpath Replacement Program	\$82,509	\$170,927	\$300,000	\$300,000
<p>The footpath renewal program is progressing well, however it is slightly behind schedule due to delays in obtaining approvals from public utility providers as well as availability of contractors. The design for the renewal of the stairs in Crown Road, Freshwater was completed in February and quotations for the works are now being reviewed.</p> <p>Renewal of the pathway between Crown Road and Queenscliff Road, including bicycle wheeling ramps, commenced in February and is nearing completion.</p> <p>Footpath renewal in Tralee Avenue, Killarney Heights have been completed.</p>					
Total Capital Expenditure		\$564,165	\$708,441	\$850,000	\$1,495,260

Program - Roads, Traffic and Streetscaping

	Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
	Bus Stop Works Program	\$11,309	\$54,273	\$52,000	\$54,273

Bus stop improvement works at the following four bus stops have been completed : <ul style="list-style-type: none">• Pittwater Rd opposite 478 Pittwater Road, North Manly• Pittwater Road opposite 504 Pittwater Road, North Manly• Pittwater Road outside 518 Pittwater Road, North Manly• Pittwater Road outside 480 Pittwater Road, North Manly					
Additional works at nine bus stop locations have been slightly delayed due to contractor availability, however the program of works has commenced and will be completed in May 2016.					
	Car Park Works Program	\$59,979	\$135,000	\$140,000	\$140,000
Wet weather has delayed the completion of works at Dee Why Surf Life Saving Club car park, Long Reef Surf Life Saving Club car park and McKillop Park car park, Freshwater. Works commenced in March and will be completed in early April 2016.					
	Dee Why Town Centre - Design of New Traffic Facilities and Streetscape	\$258,157	\$382,698	\$739,678	\$835,480
The Dee Why project has progressed from a concept stage to detailed concept designs that have been developed from the Masterplan, Traffic Modelling and Place Making / Public Art designs. Public exhibition for the new Walter Gors Park and Redman Road Plaza was reported to Council in August 2015 and approval was obtained to proceed to detailed design for the construction of Redman Road Plaza and Walter Gors Park.					
The project is slightly behind schedule due to detailed traffic modelling processes and consultation with the Roads and Maritime Services (RMS) regarding traffic impacts and Bus Rapid Transit implications. However the proposed traffic changes are now being reviewed by RMS and the project is on track. Consultants have commenced the detailed design of Redman Road Plaza.					
	Kerb and Gutter Works Program	\$116,282	\$115,000	\$115,000	\$115,000
Kerb and gutter renewal program is complete. It was completed ahead of schedule due to early contractor availability.					
Kerb and gutter renewal was completed in <ul style="list-style-type: none">• Neridah Avenue, Belrose• Hakea Avenue, Davidson• Pringle Avenue, Belrose• Prahran Avenue, Frenchs Forest• Tepko Road, Terrey Hills• Melwood Avenue, Forestville• Starkey Road, Killarney Heights• Badcoe Road, Cromer• Richmond Avenue, Dee Why• Creer Place, Narrabeena• Mortain Avenue, Allambie Heights• Albert Street, Freshwater• Graylind Close, Collaroy• Carter Road, Brookvale• Clarke Street, Narrabeen					
	Pittwater Road, Dee Why - Widening and Signal Adjustments	\$0	\$0	\$447,975	\$0
Although draft detailed designs have been prepared, the commencement of work on this project is dependent on Roads and Maritime Services (RMS) approvals and the completion of the design works for streetscape upgrades. Discussions are currently underway regarding Transport for NSW undertaking these works as part of Northern Beaches Bus Rapid Transit program. These works have now been re-scheduled to be undertaken in 2018/19.					
	Retaining Wall Works Program	\$29,316	\$106,000	\$106,000	\$106,000

Rock cutting improvement work at Oliver Street, Queenscliff has been completed and embankment stabilisation work at Myoora Road, Terrey Hills is 95% complete.					
	Road Resheeting Program	\$3,865,815	\$4,009,006	\$3,649,818	\$4,387,541
<p>Repair and resurfacing of the following roads has been completed:</p> <ul style="list-style-type: none"> • Oxford Falls Road, Beacon Hill from Ellis Road to Iris Street. • Thuddungra Road, Duffys Forest from Booralie Road to Joalah Road • Neridah Avenue, Belrose from Ralston Avenue to Curragundi Avenue. • Cornish Road, Beacon Hill from Warringah Road to Willandra Road • Haigh Avenue, Belrose from Elm Av to House No.34 • Victor Road, Dee Why from May Road Roundabout to house No.58 • Hakea Avenue Including Roundabout, Davidson from Kambora Avenue to Blackbutts Road • Prahran Avenue & Sorlie Rd, Frenchs Forest from John Oxley Drive (East) to Sorlie Road • Sorlie Road, Frenchs Forest from Prahran Avenue to Kens Road • Laitoki Road, Terrey Hills from Cooyong Road to No. 26 • Rose Avenue, Wheeler Heights from Berith Street to Veterans Parade • Pringle Avenue, Belrose from Creek to Haigh Avenue • Pringle Avenue, Belrose from Knightsbridge Avenue to Lynette Place • Fletcher Place, Davidson from Stone Parade to Cul-De-Sac • Stone Parade, Davidson from house No. 38 to house No. 46 • Sir Thomas Mitchell Drive, Davidson from Stone Parade to house No. 109 • Pavilion Street, Queenscliff from Queenscliff Road(W) to Bridge Street • Starkey Street, Killarney Heights from house No.130 to the end (Westmeath Avenue) • Allambie Road, Allambie Heights from Kirra Road(N) to Monserra Road • Allambie Road, Allambie Heights from Rodborough Road to Aquatic Drive • Willandra Road, Beacon Hill from McIntosh Road to Alkira Circuit • Badcoe Road, Cromer from Truman Avenue to house No. 24 • Graylind Close, Collaroy from Jenkins Street to Cul-De-Sac • Michele Road, Cromer from Campbell Avenue to Cul-De-Sac • Carter Road, Brookvale from Winbourne Road to Pittwater Road • Clarke Street, Narrabeen from Walker Avenue to Cul-De-Sac (East) • Clarke Street, Narrabeen from Park Street to Pittwater Road • Melwood Avenue, Killarney Heights from Warringah Road to Cannons Parade • Mortain Avenue, Allambie Heights from Lena Avenue to Allambie Road • Prescott Avenue, Cromer from Palya Place to Victor Road • Mitchell Road, Brookvale from Sydenham Road to Winbourne Road • Mitchell Road, Brookvale from Wattle Road to Orchard Road <p>Linemarking has been completed on all newly resurfaced roads.</p> <p>Reconstruction of Challenger Drive, Belrose is in progress. Due to wet weather, application of spray seal and asphaltic concrete wearing course were delayed. This work will be completed in early April 2016.</p> <p>Rehabilitation of Creer Place, Narraweena is in progress and will be completed in early April 2016.</p>					
	Traffic Works Program	\$103,830	\$105,000	\$200,000	\$200,000
<p>Richmond Avenue traffic calming devices and kerb and gutter work at the intersection of Lybia Crescent and Kirra Road have been completed. Construction of the roundabout at the intersection of Waterloo Street and Lagoon Street has been scheduled for May 2016 to allow for the road pavement reconstruction in the area to be coordinated with the roundabout construction.</p>					
Total Capital Expenditure		\$4,444,689	\$4,906,977	\$5,450,471	\$5,838,294
Key Initiatives					
	Road Safety Education Program				

A Pedestrian Safety campaign called Distracted, aimed at reducing pedestrian crashes, was promoted in conjunction with the Dee Why Town Centre Community Consultation event. This campaign will continue until end of April and includes bus-back, phone-booth and shopping centre advertising.

A Learner Driver workshop was held on 9 March with 23 participants and received positive feedback.

Strategic Planning

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	2,787,348	2,787,348	0	3,767,476	3,767,476	3,767,476
User Charges & Fees	370,273	442,757	(72,485)	570,930	570,930	529,490
Other Revenues	0	0	0	0	0	0
Grants and Contributions - Operating Purposes	34,430	51,150	(16,720)	51,150	51,150	51,150
Total Income from Continuing Operations	3,192,050	3,281,255	(89,205)	4,389,556	4,389,556	4,348,116
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(1,567,058)	(1,592,409)	25,351	(2,132,099)	(2,152,208)	(2,152,208)
Materials and Contracts	(538,222)	(563,267)	25,046	(616,929)	(780,329)	(780,079)
Other Expenses	(463,472)	(429,417)	(34,055)	(497,556)	(527,556)	(530,856)
Internal Charges	(102,023)	(103,315)	1,292	(139,001)	(139,001)	(139,001)
Overhead Allocation	(752,979)	(752,979)	0	(1,003,972)	(1,003,972)	(1,003,972)
Total Expenses from Continuing Operations	(3,423,754)	(3,441,387)	17,633	(4,389,557)	(4,603,066)	(4,606,116)
Total Surplus (Deficit) from Continuing Operations	(231,704)	(160,132)	(71,571)	(0)	(213,510)	(258,000)

Year to Date Actuals and Annual Forecast

The total Deficit from Continuing Operations at the end of March of \$231,704 is \$71,571 higher than forecast. This is principally the result of lower than anticipated income.

Total Income from Continuing Operations of \$3,192,050 is lower than forecast by \$89,205. This is mostly due to fewer than expected planning proposals being submitted and fewer than anticipated Section 149 certificate applications, which has resulted in lower than forecast User Charges and Fees. Grants and Contributions – Operating Purposes are lower than forecast to due timing delays in the Northern Beaches Hospital structure plan project that are beyond Council's control.

Total Expenses from Continuing Operations of \$3,423,754 are \$17,633 lower than anticipated due to lower than forecast Employee Benefits and Oncosts and Materials and Contracts, partly offset by higher expected Other Expenses. Employee Benefits and Oncosts are \$25,351 lower than forecast due to vacant positions. Materials and Contracts are lower than forecast by \$25,046 due to timing of payments associated with the Dee Why Town Centre and Brookvale Structure plan projects. Other Expenses are \$34,055 higher than forecast as a result of the timing of instalment payments of the annual Department of Environment and Planning levy.

For the full financial year the Total Deficit from Continuing Operations is expected to increase to \$258,000. This is predominantly in response to the slightly downward trends in User Fees and Charges outlined above.
 14/04/2016 2:20:03 PM by sentak

Key Highlights

During this quarter, Council completed Stage 2 engagement for the Brookvale Structure Plan. This involved targeted consultation with key stakeholders and business interests in Brookvale to identify their specific needs and aspirations as businesses in Brookvale. A workshop with local business interests as well as a series of meetings with key stakeholders and NSW Government departments were conducted. A total of 37 business representatives and key stakeholders attended the workshops and meetings during Stage 2.

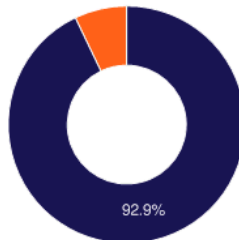
Council's consultants are currently analysing the comments and feedback to assist with the preparation of the draft Structure Plan. We anticipate that the draft plan will be exhibited in the second half of 2016.

Overall Progress Capital Works and Key Initiatives

Capital Works

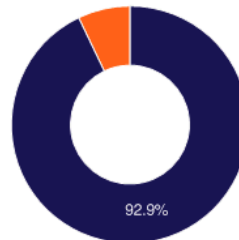
Nil

Key Initiatives



● On Schedule (13) ● Behind (1)

Overall



● On Schedule (13) ● Behind (1)

Service Area Programs







Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Economic Development

Key Initiatives	
→	Support the Northern Beaches Business Awards
	Scheduled to start on 04/04/2016
✗	Support the Warringah Business Expo
	The Business Expo organised by the Chamber of Commerce is no longer being held. Council previously participated in the Career Expo held in May and run by Northern Beaches Business Education network to promote its Traineeship program. However, due to uncertainties around council amalgamations, it is not anticipated council will have a presence at this year's event to promote its traineeship program
✓	Warringah business survey
	The Business Survey was completed in July 2015. The results of the survey have been analysed and prioritised for action. A report on the survey findings was publicly released in December 2015.

Program - Land and Urban Planning

Key Initiatives	
→	Amend the planning controls to deliver the Dee Why Town Centre vision
	Council officers are in the process of finalising the response to a series of matters raised by the Department of Planning with respect to the Gateway determination for this Planning Proposal. It is anticipated that the matter will be sent for a Gateway Determination in April 2016
→	Develop a new Section 94A development contributions plan and works program
	A draft 2016/17 Section 94A contributions plan and works program was considered by Council at its meeting on 29 March 2016. Council resolved to publicly exhibit the draft plan for comment until 2 May 2016. Following exhibition it is anticipated that the draft plan, subject to consideration of public submissions, will be adopted by Council at its meeting on 24 May 2016.
→	Develop Warringah's local planning strategy to achieve the NSW government's housing and jobs targets for Warringah
	The Warringah Local Planning Strategy has been recommenced, with the project being re-scoped to be consistent with the likely release of the Greater Sydney Commissions District Plan in late 2016.

	Evaluate planning proposals lodged by external parties
	<p>No new planning proposals were submitted to Council in March 2016. Other planning proposals which continue to be assessed by council, include:</p> <ul style="list-style-type: none"> 632-634 Warringah Road, Forestville (BP service station and vacant lot), involving adding additional permissible uses to the land, namely "service station" and "neighbourhood shop". At its March Council meeting Council resolved to forward the Planning Proposal to the Department of Planning and Environment for a Gateway determination. Formal public exhibition will occur subject to the requirements of that determination. Ralston Avenue Planning Proposal - A Gateway determination was issued on 28 January 2015. State Agency consultation is still taking place. Public consultation will be undertaken once the applicant provides additional information to address issues raised by State Agencies. 184 Wyndora Avenue Planning Proposal - Following public exhibition the Planning Proposal was considered by Council at its March 2016 meeting. Council resolved to support the proposal and is preparing instructions for Parliamentary Counsel to amend Warringah LEP 2011. Howard Ave, Dee Why, Site B (Meriton) Planning Proposal - A Gateway determination was issued on 28 January 2015. Following public consultation Council resolved to support an amended proposal at its September 2015 meeting. The proposal has been submitted to Parliamentary Counsel to draft amendments and to approve the making of the amended plan. Dee Why Town Centre Masterplan Vision Planning Proposal - an amended application for Gateway Determination is being prepared. It is anticipated that the application will be submitted to the Department Of Planning and Environment in April 2016.
	Implement the findings of the Council carparks review
	<p>The planning proposal for Darley/Starkey Street Carpark Forestville received Gateway approval from the Department of Planning and Environment on 7 March 2016. Council is currently seeking quotations for a consultant to undertake a public hearing regarding the proposed changes.</p> <p>A planning report for Mooramba Road Dee Why, Winbourne Road Brookvale and Oliver Street Freshwater is being finalised in preparation for community consultation on whether land should be rezoned and re-classified from "community" to "operational" under the Local Government Act. Community consultation is likely to commence in mid-2016.</p>
	Respond to the development of the new planning act
	The proposed new Planning Act was abandoned by the State Government in 2014.
	Update of the Warringah Development Control Plan to maintain currency with related planning strategies
	A housekeeping review of the Warringah Development Control Plan has commenced with the aim of ensuring that it is consistent with Council's current planning strategies and the policies of the NSW Department of Planning and Environment. It is anticipated that a report will be prepared for Council's May 2016 meeting outlining the proposed changes. The proposed changes will then be publicly exhibited for comment. The review is being undertaken in conjunction with a similar housekeeping review of the Warringah LEP 2011 which was approved for exhibition at Council's March 2016 meeting.
	Work with the NSW government to deliver a Structure Plan for the precinct surrounding the new Northern Beaches Hospital at Frenchs Forest
	The Northern Beaches Hospital Transport Study is currently being prepared by external consultants on behalf of Council and the NSW Government. It is anticipated that the Transport Study will be exhibited along with the draft Structure Plan in mid 2016.
	Work with the NSW government to implement Bus Rapid Transit on the Northern Beaches
	Council is continuing to work with state agencies to deliver bus transport improvements in and around the proposed Northern Beaches Hospital at Frenchs Forest and the Bus Rapid Transit project along Pittwater Road. A proposed voluntary planning agreement to dedicate land to Council for a proposed bus station on Pittwater Road is expected to be enacted in early April 2016.

Program - Sustainability Planning

Key Initiatives

→	Report on outcomes from the Environment and Transport Sustainability Strategies
	<p>An electricity data logger was installed at the Creative Space building in December 2015 as the first step in the Council project to take the building off the NSW electricity grid. This will provide data necessary for a procurement process for a solar/battery storage project. Tendering for this installation will proceed following collection of sufficient usage data.</p> <p>Communication materials on Council sustainability initiatives were prepared for the <i>Power to Save</i> community event held in December 2015 and will be progressively uploaded to Council's website to update and complement existing content.</p> <p>A meeting was held with GoGet in early February to commence the evaluation of the Dee Why Car Share pilot program. A full year of data on use of the car share pods was provided together with a survey of GoGet's current Warringah members concerning the operation of the scheme. Council is currently considering whether to proceed with a permanent scheme in light of current Council merger proposals.</p>
→	Update the Energy and Water Savings Action Plan
	<p>The carbon emissions reduction action plan has been endorsed by Council's management group which will deliver targets by 2020. Council continues to monitor its energy and water consumption and business units are currently developing additional actions to address these targets.</p> <p>Water savings actions will be integrated into the Warringah Water Sensitive Strategic Plan.</p> <p>A review of the Energy and Water Savings Action Plan will be commenced following the completion of an audit of Council's energy usage.</p>

Warringah Aquatic Centre

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	1,284,865	1,284,865	0	1,848,859	1,848,859	1,848,859
User Charges & Fees	1,774,999	1,851,380	(76,381)	2,526,433	2,382,369	2,163,433
Other Revenues	175,868	160,408	15,460	207,714	207,714	207,714
Grants and Contributions - Operating Purposes	7,010	8,000	(990)	0	8,000	8,000
Total Income from Continuing Operations	3,242,742	3,304,653	(61,911)	4,583,006	4,446,941	4,228,006
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(1,589,355)	(1,630,003)	40,648	(2,194,008)	(2,194,008)	(2,194,008)
Materials and Contracts	(370,674)	(428,793)	58,120	(591,752)	(591,752)	(576,752)
Depreciation and Amortisation	(248,598)	(248,598)	0	(331,159)	(331,159)	(331,159)
Other Expenses	(224,071)	(294,573)	70,502	(392,768)	(392,768)	(392,768)
Internal Charges	(24,154)	(26,579)	2,425	(35,777)	(35,777)	(35,777)
Overhead Allocation	(778,156)	(778,156)	0	(1,037,542)	(1,037,542)	(1,037,542)
Total Expenses from Continuing Operations	(3,235,008)	(3,406,702)	171,694	(4,583,006)	(4,583,006)	(4,568,006)
Total Surplus (Deficit) from Continuing Operations	7,735	(102,049)	109,783	(0)	(136,065)	(340,000)

Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations at the end of March is \$7,735 which is \$109,783 more positive than anticipated. This is predominantly due to lower than anticipated expenses.

Total income from Continuing Operations is \$3,242,742 which is \$61,911 or 2% lower than anticipated. This is due to User Charges and Fees primarily in Learn to Swim pre-school classes. Initiatives including marketing are in place to address the decline in pre-school learn-to-swim enrolments.

Total Expenses from Continuing Operations are \$3,235,008 which is \$171,694 or 5% lower than anticipated. This is principally as a result of timing differences in Employee Costs, Materials and Contracts and Other Expenses including water and electricity.

For the full year, Learn-to-Swim has been reforecast to reflect the year end position.

Key Highlights

Squad Swimming

The change in the delivery model for squad swimming continues to deliver fantastic results for participants and the Warringah Aquatic Centre. Weekly attendances in the program have tripled as a result of quality coaching, programming and inclusiveness. A growing community of swimmers is enjoying the benefits of exercise, competitive swimming, quality coaching and a fantastic community facility.

A testament to the quality of the new program and coaching is the participation of a four time Olympic medallist (including gold in Beijing) and a current world champion and world record holder.

Carnivals

From January to March the Centre was a carnival destination. The facility was at capacity for a six week period, with up to 1000 students cheering on their peers. The competition really heated up with zone carnivals and inter school rivalries.

Overall Progress Capital Works and Key Initiatives



Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Recreation and Wellness

Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
→ Plant and Equipment Replacement, and Building Works	\$225,203	\$29,000	\$429,000	\$429,000
<p>This program of works includes the renewal of the building, outdoor area and associated plant and equipment at the Warringah Aquatic Centre.</p> <p>Landscaping works to deliver an improved customer experience have commenced which include tree planting, new terraces, pathways, BBQs, exercise equipment and play areas.</p>				
Total Capital Expenditure	\$225,203	\$29,000	\$429,000	\$429,000

Waste Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	23,737,809	23,644,453	93,357	23,705,969	23,705,969	23,705,969
User Charges & Fees	408,844	406,692	2,151	559,802	559,802	559,802
Investment Fees and Revenues	37,142	38,378	(1,235)	51,170	51,170	51,170
Other Revenues	335,598	334,700	898	396,512	334,700	894,404
Grants and Contributions - Operating Purposes	259,903	292,773	(32,870)	292,773	292,773	292,773
Total Income from Continuing Operations	24,779,295	24,716,995	62,300	25,006,226	24,944,414	25,504,118
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(484,088)	(493,191)	9,103	(645,558)	(660,558)	(660,672)
Materials and Contracts	(16,655,637)	(16,979,314)	323,677	(22,055,867)	(22,230,577)	(22,144,167)
Other Expenses	(11,513)	(29,285)	17,772	(48,378)	(41,378)	(41,378)
Internal Charges	(961,004)	(964,489)	3,485	(1,277,257)	(1,284,257)	(1,284,257)
Overhead Allocation	(207,913)	(207,913)	0	(277,217)	(277,217)	(277,217)
Total Expenses from Continuing Operations	(18,320,154)	(18,674,192)	354,037	(24,304,276)	(24,493,986)	(24,407,690)
Total Surplus (Deficit) from Continuing Operations	6,459,141	6,042,804	416,337	701,949	450,427	1,096,427

Year to Date Actuals and Annual Forecast

The Total Surplus from Continuing Operations of \$6,459,141 at the end of March is \$416,337 higher than anticipated. This is due to higher than forecast income and lower than anticipated expenses.

Total Income from Continuing Operations of \$24,779,295 is higher than forecast by \$62,300. This is principally due to Rates and Annual Charges which is higher than expected which is partly offset by Grants and Contributions - Operating Purposes which are \$32,870 lower than forecast as a result of less pensioner subsidies.

Total Expenses from Continuing Operations of \$18,320,154 are lower than forecast by \$354,037. This is primarily the result of lower Materials and Contracts expenditure of \$323,677 principally due to lower waste disposal volumes.

For the full financial year, the Total Surplus from Continuing Operations is forecast to increase by \$646,000 to \$1,096,427 which is restricted to the Domestic Waste program. Other Revenues is anticipated to increase by \$559,704 due to expected carbon tax refund. Materials and Contracts is anticipated to decrease by \$86,410 as a result of the above-mentioned lower waste disposal volumes.

Key Highlights

The *Recycle More – Sort it Out* campaign continues with the launch of a new film, *Recycling More* onto Youtube. The campaign will include an online competition to encourage residents to improve their home recycling which will commence in April.

A *Buy Swap Sell* workshop was held in March to help residents learn how to buy, swap and sell used items online to reduce the amount of Bulky Goods presented for kerbside collection. Due to the overwhelming popularity of the workshop, a second workshop has been scheduled for May.

14 households participated in the *Second Hand Saturday* program and held garage sales on the Saturday before their scheduled Bulky Goods collection. By holding a garage sale many bulky goods can find a new home, reducing the amount of Bulky Goods presented for kerbside collection.

Clean up Australia Day was held on Sunday 6 March and was very successful with 87 people registered to participate at 17 locations. The event resulted in 1.56 tons of rubbish being collected from our parks, streets and waterways.

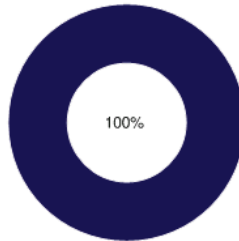
Waste Education programs and resources were presented to Warringah teachers at the Australian Youth Climate Coalition's Youth Sustainability Summit on 18 March 2016. These resources will assist teachers to educate their students in recycling and waste reduction practices.

Overall Progress Capital Works and Key Initiatives

Capital Works

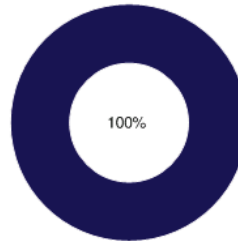
Nil

Key Initiatives



● On Schedule (2) ● Behind (0)

Overall



● On Schedule (2) ● Behind (0)

Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June

Program - Waste and Cleansing

Key Initiatives	
→	Review the domestic waste and recycling service in preparation for the implementation of waste processing facilities at Kimbriki This project is dependent on the completion of a tender for waste processing facilities at Kimbriki. It will commence once the outcome of that tender process is known.
→	Waste Education Program The <i>Recycle More – Sort it Out</i> campaign continues with the launch of a new film, 'Recycling More' onto Youtube. The campaign will include an online competition to encourage residents to improve their home recycling which will commence in April 2016. A <i>Buy Swap Sell</i> workshop was held in March to assist residents learn how to buy, swap and sell used items online to reduce the amount of Bulky Goods presented for kerbside collection. Due to the overwhelming popularity of the workshop, a second workshop has been scheduled for May. Fourteen households participated in the <i>Second Hand Saturday</i> program and held garage sales on the Saturday before their scheduled Bulky Goods collection. By holding a garage sale many bulky goods can find a new home, reducing the amount of Bulky Goods presented for kerbside collection. Waste Education programs and resources were presented to Warringah teachers at the Australian Youth Climate Coalition's Youth Sustainability Summit on 18 March 2016. These resources will assist teachers to educate their students in recycling and waste reduction practices. <i>Clean Up Australia Day</i> was held on Sunday 6 March 2016 and was very successful with 87 registered to participate at 17 locations. The event resulted 1.56 tons of rubbish being collected from our parks, streets and waterways.

Corporate Services

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	26,753,635	26,629,522	124,114	8,900,967	9,000,967	9,120,967
User Charges & Fees	560,514	611,149	(50,634)	711,581	733,169	700,589
Investment Fees and Revenues	1,938,014	1,789,724	148,290	2,181,224	2,256,224	2,522,912
Other Revenues	4,869,437	4,429,479	439,958	5,786,582	5,894,494	6,595,494
Grants and Contributions - Operating Purposes	737,421	745,000	(7,579)	750,000	750,000	740,000
Grants and Contributions - Capital Purposes	5,153,404	2,815,000	2,338,404	2,200,000	3,735,000	5,999,005
Gains on disposal of Assets	7,437,240	7,377,993	59,247	9,293,225	7,442,993	7,472,993
Total Income from Continuing Operations	47,449,667	44,397,867	3,051,800	29,823,579	29,812,847	33,151,960
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(14,475,777)	(14,563,650)	87,873	(19,477,475)	(19,477,475)	(18,977,002)
Borrowing Costs	(920)	(155,341)	154,421	(310,473)	(155,444)	80,556
Materials and Contracts	(7,008,700)	(7,702,158)	693,458	(10,518,119)	(10,582,827)	(10,241,901)
Depreciation and Amortisation	(3,961,149)	(3,961,178)	29	(5,994,453)	(5,994,453)	(5,994,453)
Other Expenses	(2,832,640)	(3,098,261)	265,621	(4,031,689)	(4,115,098)	(3,733,172)
Internal Charges	3,344,695	3,370,999	(26,304)	4,555,763	4,538,667	4,538,667
Overhead Allocation	14,680,763	14,680,763	0	19,574,350	19,574,350	19,574,350
Total Expenses from Continuing Operations	(10,253,729)	(11,428,825)	1,175,097	(16,202,095)	(16,212,279)	(14,752,954)
Total Surplus (Deficit) from Continuing Operations	37,195,938	32,969,042	4,226,896	13,621,484	13,600,568	18,399,006

Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations at the end of March of \$37,195,938 is \$4,226,896 higher than anticipated. This is due to both higher income and lower expenses.

Income from Continuing Operations is \$3,051,800 higher than anticipated. Rates income is \$124,114 higher due principally to additional rates revenue from supplementary valuations. Investment Fees and Revenues are \$148,290 higher than anticipated reflecting the strong portfolio performance. Other Revenues are \$439,958 higher largely due to higher leasing income. Grants and Contributions - Capital Purposes are \$2,338,404 higher principally due to s94A contributions and Gains on disposal of Asset are \$59,247 higher due to stronger fleet sales. These have been slightly offset by User Fees & Charges which are \$50,634 lower than anticipated and Grants and Contributions - Operating Purposes which is \$7,579 lower than anticipated.

Expenses from Continuing Operations are \$1,175,097 lower than anticipated. Employee Benefits and Oncosts are \$87,873 lower largely due to the timing of paid parental leave payments. Borrowing Costs are \$154,421

lower than anticipated largely due to the deferral of the drawdown of the loan associated with the construction of the Kimbriki access road. Material & Contracts are \$693,458 lower than anticipated due to both timing differences and lower than anticipated expenditure in a number of areas including legal fees, insurance and maintenance and servicing, Other Expenses are \$265,621 lower due to lower than anticipated electricity charges and lower insurance as a result of changes in the discount rate applied to future liabilities. Internal Charges are \$26,304 higher than anticipated due to timing.

The full year Surplus from Continuing Operations has been forecast to increase by \$4,557,529 to \$18,158,097.

Total Income from Continuing Operations has been forecast to decrease by \$3,098,204 to \$32,911,051. Rates and Annual Charges are forecast to increase by \$120,000, Investment Fees and Revenue by \$266,688 and Gains on Disposal of Assets by \$30,000 for the reasons noted above. Other Revenues has been forecast to increase by \$701,000 due to an anticipated receipt from the State Government of \$300,000 for Emergency Cleanup costs in relation to the April 2015 storm events and higher leasing income noted above. Grants and Contributions Capital Purposes has been forecast to increase by \$2,023,096 due to the higher anticipated s94A Contributions of \$1,800,000, grant funding of \$18,182 from the Department of Infrastructure and Regional Development for the Library Buildings Works and a contribution of \$204,914 relating to two parcels of land transferred to Council from the State Government. These increases have been offset by a decreases of \$32,580 in User Charges & Fees and \$10,000 in Grants and Contributions Operating Purposes due to lower Pensioner Rebates Subsidies.

Total Expenses from Continuing Operations has been forecast to decrease by \$1,459,325. Employee Benefits & Oncosts are forecast to decrease by due to lower Workers Compensation costs and vacancies in a number of areas. Borrowing Costs have been forecast to decrease by \$236,000, Materials and Contract \$340,926 and Other Expenses \$381,926 principally due to the reasons noted above.

Key Highlights

During January and February Council staff worked with the Manly Warringah Sea Eagles to establish a lease for the 2016 NRL season. This lease enables the Sea Eagles to play out this season at Brookvale Oval, with an option for the 2017 season, while ensuring that the community received rent that contributed to the significant costs of maintaining the ground and stands for NRL use.

Council also released the tender for the lease of land adjacent to the Warringah Aquatic Centre. This tender is for the construction and operation of one or both of indoor sports with associated uses or a gymnastics centre. The tender is for an extended period because the business case and costs are critical to the success of the tender. The longer period therefore provides tenderers with the necessary time to address this section of their submission. Submissions are due on 8 April 2016.

Business Continuity, Enterprise Risk Management and Business Improvement

Several improvements and developments have continued to progress Council's practices. In preparation for pending council amalgamations, the bulk of our business improvement effort has been placed on documenting the organisation's core processes, and our specialist Six Sigma trained process improvement specialists have been instrumental in achieving this. The review of our Enterprise Risk Management framework and overall approach is continuing, and across the entire organisation much work has been happening to mitigate our key strategic risks. Several improvements to our bespoke Business Continuity and Incident Management framework have been made, particularly in light of the recent internal audit into the Business Continuity Program.

Business Excellence

The Business Excellence team continued to focus on preparations for the rapid and large scale change the local government sector is about to experience. Twice as many training sessions were run on the BPM system which includes the fundamentals of technical writing and process documentation. This is instrumental in ensuring core processes within the organisation are systematically documented and shared. Focus was on processes within the Libraries and Customer Service, and the IT and Marketing and Communications departments.

The team also designed and is implementing a change management framework for use at a departmental level.

The framework encompasses a strong focus on leadership throughout change, documentation of processes and synergies with change documentation provided by the Department of Premier and Cabinet.

Continuous improvement continues to be embedded throughout the organisation through the delivery of monthly training for new employees. 40 new staff undertook this training during the quarter.

Customer Service Support Centre

The Customer Service Centre continued to deliver a high quality service to the community. During the quarter the Centre achieved a first contact resolution rate of 99%, exceeding our target of 90% satisfaction rating. The Centre also achieved high quality output with an overall error rate of 1% which is well below our target of less than 3%.

Community Database

The Community Database Improvement Program continues to be a priority, and to date over 282,546 records have been updated.

Request a Service

This online facility for this quarter was 1,109 online submissions, representing 10% of total customer requests received, a 1% improvement on this time last year. This online facility continues to be a convenient method for customers and is easy to action by staff who are able to respond to online requests efficiently, within one working day.

Customer Satisfaction and Feedback Survey

During the quarter, the online Customer Satisfaction Survey received 849 responses which represents 33% of our customers providing valuable feedback on our service. Our overall approval rating remains high at 78%. Customers cite ease of contact; staff knowledge and timely service as key positive indicators.

Workplace Health and Safety (WHS)

In preparation for our self insurance SIRA (WorkCover) Audit scheduled for June 2016, work continued on improving our WHS Management System and aligning our procedures to the new National Audit Criteria.

Leadership Program

Council continued to roll out its corporate Leadership Development Program during this quarter. As this program provides professional development in change and resilience, which are in high demand given the uncertainty associated with the local government reform, the course was extended to allow an additional group of staff to commence the training this quarter.

Preparing our People for Change

To support staff through the period of uncertainty due to the local government reform, the overall initiative to prepare our staff for change was continued. Over 600 staff have completed the many development and support programs on offer, including resilience, career transition and professional profiling to equip them for change whilst still delivering high service to the community.

Media and Communications

Warringah maintains ongoing, and increasing, communication with community members via its web-based and social media communication channels and applications. Warringah's main social media accounts show an increase of fans and followers with Facebook followers this quarter reaching 21,422; Instagram 4,866; and Twitter 4,840. Our youth app, *KALOF*, has increased social media followers and has reached more than 2,000 downloads. The media coverage of Warringah Council over the quarter has reached an audience of 21,923,151 people.

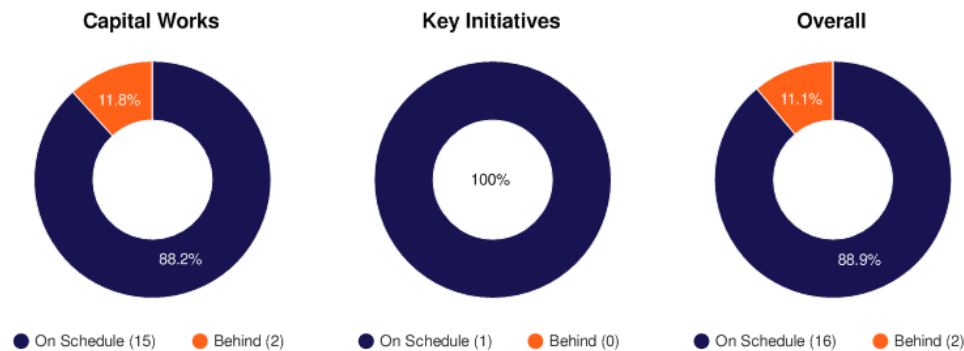
Procurement, Fleet and Plant

79 public requests for quotations and tenders were issued during the quarter. Procurement Services also implemented a new system for monitoring company financial viability.

Fleet Services commissioned 46 replacement light vehicles and disposed of 56 vehicles, resulting in a further reduction in the total number of vehicles in the light fleet. An electronic Fringe Benefits Tax declaration form was introduced in March to replace the paper based system.

11 items of major plant were commissioned for several major service areas including roads, parks and reserves. In addition Beach Services have been provided with four quad bikes, three replacement jet skis and one plant trailer.

Overall Progress Capital Works and Key Initiatives







Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ⚠ Will not be delivered by 30 June



Program - Community Buildings



Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
→ Beach Buildings Works Program	\$54,618	\$200,000	\$200,000	\$200,000
<p>This program of works focuses on renewing Council's many beach buildings.</p> <p>This year's program includes minor works at the South Curl Curl Surf Life Saving Club and Swim Club as well the Long Reef Surf Life Saving Club. The minor renewal works to the South Curl Curl SLSC toilets and the South Curl Curl Swim Club balustrade were successfully completed September 2015. Expenditure is behind year to date forecast due to the concrete cancer repair works at the Long Reef SLSC being re-scheduled to commence in April 2016 after the summer season.</p>				
→ Community Buildings Works Program	\$112,681	\$133,259	\$136,500	\$133,259
<p>This program of works aims to deliver minor renewal works to Council's many Community buildings.</p> <p>The first series of works completed included painting of meeting rooms at the Forest Community Arts Centre, installation of rubber softfall to the outdoor area at Collaroy Plateau Community Centre, and installation of acoustic panels at the North Curl Curl Youth and Community Centre.</p> <p>The budget was increased in the third quarter of the financial year for additional minor capital works requested by Community Services. This funding comes from the Community Services operational budget which was re-forecast down by the same amount.</p>				
→ Library Buildings Works Program	\$59,787	\$70,000	\$100,000	\$100,000
<p>This works program, which continues on from improvement made in 2014/15, involves the refurbishment of the Dee Why library customer interface, which have been completed, as well as the creation of an outdoor children's reading space. These works are progressing well and, while slightly behind budget, are on track to be successfully delivered this year.</p>				
Total Capital Expenditure	\$227,086	\$403,259	\$436,500	\$433,259

Program - Council Property Portfolio





	Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
	Building Code of Australia (BCA) Compliance Works	\$5,741	\$30,241	\$100,000	\$100,000
	Funds from this project have been allocated to the Tramshed Community and Arts Centre project where the necessary Disability Access Compliance works are required. This project is tracking in line with the expenditure and timeline of the main project with the majority of funds to be rolled into the 2016/17 financial year.				
	Dee Why Town Centre - Parking and Community Facility	\$7,535,833	\$9,385,109	\$18,896,993	\$13,338,799
	This project, which delivers 348 car parks across three levels of car parking as well as a Police Citizens Youth Club and community spaces, is progressing strongly through construction. The excavation is completed and the structural concrete works to the car park are complete. The project is behind budget and schedule due to roof steel fabrication design complexities. The majority of these complexities are now resolved and roof steel is expected to arrive on site for erection late April.				
	Disability Access (DDA) Compliance Works	\$5,741	\$30,241	\$55,000	\$55,000
	Funds from this project have been allocated to the Tramshed Community and Arts Centre project where the necessary Disability Access Compliance works are required. This project is tracking in line with the expenditure and timeline of the main project with the majority of funds to be rolled into the 2016/17 financial year				
	Operational Buildings Works Program	\$1,000	\$1,000	\$75,000	\$18,000
	This project delivers renewal to Council's operational buildings and is currently slightly behind schedule. The budget for this program of works has been reduced by Council resolution due to additional funds required to complete the Manly Warringah Womens' Refuge project, with any funds remaining to be returned to this program at the end of that project.				
	The remaining \$18,000 budget has been allocated to the outdoor reading area at the Dee Why Library which has also received an \$18,000 grant application under the Stronger Communities Program.				
	Total Capital Expenditure	\$7,548,314	\$9,446,591	\$19,126,993	\$13,511,799

Program - Public Amenity Improvements

	Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
	Berry Reserve, Narrabeen - Public Amenities Works	\$24,662	\$10,000	\$850,000	\$850,000
	This project involves the renewal of the existing public amenities at Berry Reserve including the refurbishment of the tram to sit adjacent to the renewed Tramshed Arts and Community Building. Upgrades to the stand alone public amenities at Berry Reserve have been deferred due to the impact of the Bus Rapid Transport car parking requirements.				
	The refurbishment of the tram is underway with works due for completion in April 2016.				
	Beverly Job Park, Narrabeena - Public Amenities Works	\$4,330	\$80,000	\$210,000	\$210,000
	The program of works sees the amenities currently used by the Narrabeena Junior Rugby League Football Club at Beverly Job Park converted into publicly accessible amenities. This involves the refurbishment of the existing amenities and construction of a new accessible amenity adjacent to the existing building.				
	Council appointed the preferred contractor, construction commenced in March 2016 and the works are scheduled for completion in June 2016.				



	Nolans Reserve, North Manly - Public Amenities Works	\$0	\$10,552	\$42,206	\$42,206
	This project will see minor works to the public amenities at the southern end of Nolans Reserve. The project is slightly behind schedule, but consultants have been engaged and preliminary works will commence once consultation with user groups has been finalised.				
	Public Amenities Works Program	\$14,860	\$38,000	\$50,000	\$50,000
	The planned renewal in this year's public amenities program involves the refurbishment of the Devitt Street public amenities in Narrabeen. Quotations for the works have been received and are being reviewed. These works are scheduled to be completed in May 2016.				
	Total Capital Expenditure	\$43,853	\$138,552	\$1,152,206	\$1,152,206

Program - Service Support and Improvement


	Capital Works	Year To Date Actuals	Year To Date Budget	Annual Original Budget	Annual Revised Budget
	IT Infrastructure - New Works	\$119,448	\$100,000	\$60,000	\$100,000
	<p>The program of IT Infrastructure New Works is progressing as planned as follows:</p> <ul style="list-style-type: none"> • Installation of additional data storage in the production data centre was completed in October 2015 • New IT hardware items have been acquired which includes 5 Notebooks, 7 iPads, 17 PC monitors and 1 PC Workstation • Acquisition and installation of a next generation firewall was completed in March 2016. <p>There is a slight over spend in the Year To Date Actuals which is due to the purchase of the new hardware items.</p>				
	IT Infrastructure - Replacements	\$82,245	\$58,795	\$180,000	\$158,795
	<p>The program of IT Infrastructure Replacements is progressing as planned as follows.</p> <ul style="list-style-type: none"> • The replacement of the blade servers in the production data centre which was carried forward from 2014/15 was completed in September 2015. • The replacement of Notebooks and PCs is in progress and on schedule • Replacement of the network switches for the Libraries was completed in November 2015 • Replacement of Network cabling for Dee Why Library is scheduled to start mid May 2016. <p>The Year To Date Actuals are ahead of forecast due to additional costs for completion of the replacement blade servers in the production data centre and the early purchase of some equipment due for replacement.</p>				
	IT Software - New Works	\$17,411	\$18,000	\$100,000	\$118,000
	<p>The program of IT Software New Works is progressing as planned as follows:</p> <ul style="list-style-type: none"> • Implementation of new software licences to assist with financial integration and reporting was completed in October 2015 • Implementation of new Identity Management software is on hold pending a final decision regarding Council amalgamations by the NSW State Government. <p>It is proposed to reduce the full year forecast by \$100,000, as a result of deferring the implementation of Identity Management Software until a final decision regarding Council amalgamations. The \$100,000 would then be carried forward to the 2016/17 budget.</p>				
	IT Software - Upgrades and Replacements	\$0	\$45,000	\$207,000	\$92,000

The program of Software Upgrades and Replacements works is currently on track and progressing as follows:

- A project to review and improve Council's Workplace Health & Safety (WHS) forms has continued from last year. Development of the forms has been completed. User Acceptance Testing (UAT) was conducted from January to March 2016. Go live is scheduled for April 2016 pending resolution of the remaining issues. Budget of \$42,000 for additional contract services will not be required for completion of the forms.
- The Tender Evaluation Report for the Supply and Implementation of a Facilities and Events Bookings system was adopted by Council on 28 October 2014. The report rejected all tender submissions and recommended further negotiation with two providers. The results of the negotiations were reported to Council in November 2015 and recommended not to proceed with either solution at this time. The project has been postponed for 12-18 months.
- A project to upgrade Council's Electronic Document and Records Management System (EDRMS) has been cancelled due to the new version not being compatible with other systems. This will reduce the Quarter 3 financial forecast by \$25,000.
- A project upgrade of Council's IT Service Desk system is in progress. In doing so, the budget of \$25,000 for contract services will not be required and has been adjusted as part of the Quarter 3 financial forecast.

	Light Fleet Replacement Program	\$1,337,222	\$1,466,667	\$1,600,000	\$1,600,000
The Light Fleet Replacement Program remains on target to the current forecast for 2015-16. In the month of March five light fleet vehicles were bought and six existing fleet vehicles sent to auction for disposal. A total of 46 vehicles have been bought so far this year and the planned program of replacing a total of 58 vehicles in 2015/16 is progressing well. In the same period (year to date) 56 vehicles were disposed of at auction.					
	Plant Replacement Program	\$367,705	\$412,533	\$700,000	\$700,000
The expenditure on plant replacement was lower than forecast for March 2016 due to a delay in delivery of one light commercial vehicle. So far this financial year the Plant Replacement Program has replaced one Beach Tractor, six light commercial vehicles, three ride on mowers and two high volume water pumps. The Plant Replacement Program will be re-forecast for the June Quarter as additional plant replacements have been put on hold until further information about a Council merger becomes available.					
Total Capital Expenditure		\$1,924,030	\$2,100,995	\$2,847,000	\$2,768,795

Key Initiatives

	Digitisation of Council's paper-based records
As at 1 July 2015, Council had 4,000 boxes of hard-copy records stored either off-site with Recall Management (1,000 boxes) or at Council's Depot at Cromer (3,000 boxes). Phase 5 of the digitisation project for Financial Year 2015/16 is to reduce this to 2,000 boxes (0 boxes at Recall Management and 2,000 boxes at Cromer) by 30 June 2016.	
As at 31 March 2016, the following progress has been made:	
<ul style="list-style-type: none"> • 450 boxes remain at Recall Management • 424 out of 560 boxes have been digitised into Council's electronic document and records management system (EDRMS). 	

Good Governance

Service Area Financial Results

Service Area Income and Expenditure Budget, Actual Expenditure, and Forecast

Description	Year To Date Actuals \$	Year To Date Budget \$	YTD Variance \$	Annual Original Budget \$	Annual Revised Budget \$	Annual Current Forecast
INCOME FROM CONTINUING OPERATIONS						
Rates and Annual Charges	68,821	68,821	0	908,481	908,481	908,481
User Charges & Fees	6,012	8,929	(2,917)	12,054	12,054	6,554
Grants and Contributions - Operating Purposes	2,753,156	2,757,553	(4,397)	3,154,342	3,154,342	3,148,342
Total Income from Continuing Operations	2,827,989	2,835,303	(7,314)	4,074,877	4,074,877	4,063,377
EXPENSES FROM CONTINUING OPERATIONS						
Employee Benefits & Oncosts	(1,041,692)	(1,160,494)	118,802	(1,701,206)	(1,601,206)	(1,452,206)
Materials and Contracts	(295,572)	(438,921)	143,349	(725,786)	(785,786)	(744,786)
Other Expenses	(319,434)	(442,043)	122,610	(607,641)	(609,791)	(534,140)
Internal Charges	(21,464)	(23,066)	1,602	(50,389)	(50,389)	(50,389)
Overhead Allocation	(742,391)	(742,391)	0	(989,855)	(989,855)	(989,855)
Total Expenses from Continuing Operations	(2,420,552)	(2,806,916)	386,363	(4,074,877)	(4,037,027)	(3,771,376)
Total Surplus (Deficit) from Continuing Operations	407,437	28,387	379,050	(0)	37,850	292,000

Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations at the end of March is \$407,437 which is \$379,050 higher than anticipated. This is due to lower than anticipated expenses slightly offset by lower than anticipated income.

Income from Continuing Operations is \$7,314 lower than anticipated.

Expenses from Continuing Operations are \$386,363 lower than anticipated. Employee Benefits & Oncosts are \$118,802 lower principally as a result of a vacancy in the Internal Ombudsman's Office. Materials and Contracts are \$143,349 lower due to the decision not to commence the review of the Community Strategic Plan 2023 this financial year and the timing of payments associated with Memberships and Associations. Other Expenses are \$122,610 lower mainly due to lower expenditure in Advertising, Grants and Subsidies and Councillor Reportable Expenses.

The Surplus from Continuing Operations for the full financial year has been forecast to increase by \$254,150 to \$292,000. Income from Continuing Operations has been forecast to decrease by \$11,500, of which \$5,500 is within User Charges and Fees and \$6,000 is within Grants & Contributions Operating Purposes in relation to the Financial Assistance Grant. Expenses from Continuing Operations have been forecast to decrease by \$265,651. Employee Benefits and OnCosts have been forecast to decrease by \$149,000, Materials and Contracts by \$41,000 and Other Expenses by \$75,650 for the reasons noted above..

Key Highlights

Council Boundary Review

During the quarter Council continued to actively engage with the Warringah community in relation to the NSW Government's merger proposals for councils on the northern beaches.

In late February Council lodged its submissions on the Government's proposals to create two new councils on the northern beaches, where the northern part of Warringah would join with Pittwater and the southern part would form a new council with Manly and Mosman. At the same time a third merger proposal to create a single northern beaches council was added to the Government's Boundary Review program.

With Councillor support, Warringah conducted 44 face to face community engagement activities about this new proposal for one northern beaches council. These were held at shopping centres, markets, sporting events, beaches and other public places. In addition, all Warringah residents were mailed information about how they could have their say in submissions and at the NSW Government's public inquiry meetings during March. Furthermore, during March an independent telephone survey of northern beaches residents was conducted to gauge their views on merger options for the region. This report, due to Council in full in April, forms part of Warringah's submission to the NSW Government on the merger proposal for a single northern beaches council.

It is expected that the Government will announce its final merger decisions around mid 2016.

Other Community Engagement and Research

Planning for the 2016 Annual Community Satisfaction Survey has commenced, with this independent survey to be conducted in late April. It will measure community satisfaction with Council services, and assist in identifying community priorities for Council's forward planning.

Since Council adopted the Community Engagement Review report in November 2015, key recommendations continue to be implemented. In this quarter, over 70 staff attended briefing sessions on the revised Community Engagement Framework and associated policy requirements. The new Community Engagement Register, a practical management tool for staff, was also launched. Training and roll out of new community engagement system continues.

Audit and Risk

The Audit and Risk Committee met in March and, among other topics, reviewed and endorsed the Recruitment audit report and the activities underway to ensure that Warringah is prepared for pending council amalgamations.

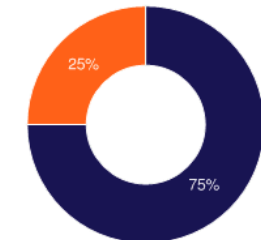
Internal Audit has continued with a final audit - reviewing our processes, practices and system of internal controls in relation to Procuring and Managing Contracts. It is anticipated that this will be tabled at the next Audit and Risk Committee meeting in May 2016.

Overall Progress Capital Works and Key Initiatives

Capital Works

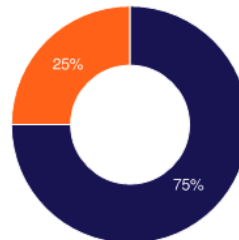
Nil

Key Initiatives



● On Schedule (3) ● Behind (1)

Overall



● On Schedule (3) ● Behind (1)

Service Area Programs

Key: → On track ✓ Completed ✗ Not proceeding ! Will not be delivered by 30 June

Program - Corporate Planning and Reporting

Key Initiatives	
→	Develop a four year rolling Delivery Program and Operational Plan
	The draft Delivery Program 2016-2020 and Operational Plan 2016/17 is on public exhibition until 2 May 2016. Submissions will be reported to Council at its meeting on 24 May 2016.
→	Prepare the End of Term Report for the outgoing Council
	Scheduled to start on 25/04/2016
→	Respond to the NSW government's local government reform agenda
	During March Warringah prepared a draft submission on the NSW Government's Merger Proposal to create a single council on the northern beaches by combining Manly, Pittwater and Warringah Councils. The submission outlined Council's position that splitting Warringah provides the weakest outcomes for the region, while a single northern beaches has the strongest benefits. It is to be considered by the Council prior to the closing date of 8 April 2016.
!	Review the Community Strategic Plan 2023
	This project will not commence this financial year due to the NSW Government's Merger Proposals for Warringah Council.

Budget review for the quarter ended - 31 March 2016						
Consolidated Income and Expenses Budget Review Statement						
	Original Budget (000's)	Changes Already Approved By Council (000's)	Approved Forecast (000's)	Recommended changes for Council Resolution (000's)	Current Forecast (000's)	Actual YTD (000's)
Income from Continuing Operations						
Rates and Annual Charges	100,817	100	100,917	120	101,037	101,132
User Charges & Fees	43,722	(141)	43,581	2,311	45,892	36,188
Investment Fees and Revenues	2,508	75	2,583	354	2,937	2,277
Other Revenues	11,300	69	11,369	561	11,930	9,157
Grants and Contributions - Operating Purposes	8,002	(357)	7,645	325	7,970	6,301
Grants and Contributions - Capital Purposes	4,038	3,106	7,144	2,592	9,736	7,693
Gains on disposal of Assets	9,293	(1,850)	7,443	10	7,453	7,417
Total Income from Continuing Operations	179,680	1,002	180,682	6,273	186,955	170,166
Expenses from Continuing Operations						
Employee Benefits & Oncosts	(64,150)	(88)	(64,238)	615	(63,623)	(47,954)
Borrowing Costs	(1,362)	155	(1,207)	239	(968)	(726)
Materials and Contracts	(59,324)	(337)	(59,660)	(2,818)	(62,478)	(44,549)
Depreciation and Amortisation	(16,034)	0	(16,034)	86	(15,948)	(11,196)
Other Expenses	(21,134)	228	(20,906)	2,451	(18,455)	(16,891)
Internal Charges	(0)	0	(0)	0	(0)	0
Overhead Allocation	0	0	0	0	0	0
Total Expenses from Continuing Operations	(162,005)	(42)	(162,047)	574	(161,473)	(121,316)
Total Surplus (Deficit) from Continuing Operations	17,675	961	18,636	6,847	25,483	48,850

Budget review for the quarter ended - 31 March 2016						
Income and Expenses Budget Review Statement by Service						
	Original Budget (000's)	Changes Already Approved By Council (000's)	Approved Forecast (000's)	Recommended changes for Council Resolution (000's)	Current Forecast (000's)	Actual YTD (000's)
Income						
CERTIFICATION	2,430	0	2,430	(181)	2,249	1,647
CHILDREN'S SERVICES	10,022	225	10,246	(64)	10,182	7,534
COMMUNITY SERVICES	6,531	20	6,552	240	6,792	5,243
COMPLIANCE	8,185	0	8,185	(376)	7,809	6,495
CORPORATE SUPPORT	29,824	(11)	29,813	3,339	33,152	47,450
CULTURAL EVENTS	1,318	(7)	1,311	0	1,311	1,110
DEVELOPMENT ASSESSMENT	5,343	236	5,579	83	5,662	4,269
GLEN STREET THEATRE	3,092	(72)	3,021	(333)	2,688	2,085
GOOD GOVERNANCE	4,075	(0)	4,075	(12)	4,063	2,828
INFORMATION & LIBRARY	6,727	(56)	6,671	49	6,720	5,000
KIMBRIKI ENVIRONMENTAL ENTERPRISES	33,005	0	33,005	2,704	35,709	27,067
NATURAL ENVIRONMENT	12,966	(360)	12,606	398	13,004	9,237
PARKS, RESERVES & FORESHORES	12,759	181	12,939	38	12,977	9,920
ROADS & TRAFFIC	18,589	1,045	19,634	87	19,721	14,516
STRATEGIC PLANNING	4,390	0	4,390	(41)	4,348	3,192
WARRINGAH AQUATIC CENTRE	4,583	(136)	4,447	(219)	4,228	3,243
WASTE	25,006	(62)	24,944	560	25,504	24,779
INTER SERVICE ELIMINATIONS	(9,163)	0	(9,163)	0	(9,163)	(5,449)
Total Income	179,680	1,002	180,682	6,273	186,955	170,166
Expenses						
CERTIFICATION	(2,430)	0	(2,430)	187	(2,243)	(1,647)
CHILDREN'S SERVICES	(10,022)	(180)	(10,201)	74	(10,127)	(7,431)
COMMUNITY SERVICES	(6,531)	38	(6,494)	112	(6,382)	(4,913)
COMPLIANCE	(8,185)	100	(8,085)	164	(7,920)	(6,407)
CORPORATE SUPPORT	(16,202)	(10)	(16,212)	1,459	(14,753)	(10,254)
CULTURAL EVENTS	(1,318)	7	(1,311)	0	(1,311)	(1,070)
DEVELOPMENT ASSESSMENT	(5,343)	(10)	(5,353)	0	(5,353)	(4,069)
GLEN STREET THEATRE	(3,092)	72	(3,021)	66	(2,955)	(2,390)
GOOD GOVERNANCE	(4,075)	38	(4,037)	266	(3,771)	(2,421)
INFORMATION & LIBRARY	(6,727)	42	(6,685)	(32)	(6,717)	(4,831)
KIMBRIKI ENVIRONMENTAL ENTERPRISES	(29,653)	0	(29,653)	(1,765)	(31,418)	(24,285)
NATURAL ENVIRONMENT	(12,966)	(362)	(13,328)	(30)	(13,358)	(9,482)
PARKS, RESERVES & FORESHORES	(12,759)	149	(12,609)	9	(12,600)	(9,523)
ROADS & TRAFFIC	(18,589)	478	(18,111)	(35)	(18,146)	(13,064)
STRATEGIC PLANNING	(4,390)	(214)	(4,603)	(3)	(4,606)	(3,424)
WARRINGAH AQUATIC CENTRE	(4,583)	0	(4,583)	15	(4,568)	(3,235)
WASTE	(24,304)	(190)	(24,494)	86	(24,408)	(18,320)
INTER SERVICE ELIMINATIONS	9,163	0	9,163	0	9,163	5,448
Total Expenses	(162,005)	(42)	(162,047)	574	(161,473)	(121,316)
Total Surplus (Deficit) from Continuing Operations	17,675	961	18,636	6,847	25,483	48,850

Budget review for the quarter ended - 31 March 2016						
Capital Budget Statement						
	Original Budget (000's)	Changes Already Approved By Council (000's)	Approved Forecast (000's)	Recommended changes for Council Resolution (000's)	Current Forecast (000's)	Actual YTD (000's)
Capital Funding						
Rates & Other Untied Funding	0	0	0	0	0	0
Working Capital	26,976	(3,675)	23,301	(6,911)	16,390	6,317
Depreciation	17,350	3,319	20,669	(6,545)	14,124	8,456
Capital Grants & Contributions	1,838	1,606	3,444	347	3,791	2,714
External Restrictions	0	0	0	0	0	0
S94	4,566	1,259	5,825	(457)	5,369	4,408
S94A	3,014	(1,031)	1,983	0	1,983	1,259
Internal Restrictions	0	0	0	0	0	0
Loan	0	0	0	0	0	0
Other	2,822	(2,822)	0	0	0	0
Income From Sale Of Assets	0	0	0	0	0	0
Plant And Equipment	0	2,332	2,332	(32)	2,300	1,705
Land And Buildings	1,870	(1,870)	0	0	0	0
Other	0	0	0	0	0	0
Total Capital Funding	58,436	(881)	57,555	(13,597)	43,958	24,859
Capital Expenditure						
Plant & Equipment	7,968	5,369	13,337	(4,728)	8,609	4,266
Office Equipment	612	(78)	534	(152)	381	238
Furniture & Fittings	0	0	0	0	0	0
Operational Land	0	0	0	0	0	0
Community Land	0	0	0	0	0	0
Land Improvements	1,410	1,668	3,078	(472)	2,607	1,543
Buildings	30,229	(7,326)	22,903	(6,392)	16,511	9,699
Other Structures	4,413	(612)	3,801	3	3,805	1,706
Roads, Bridges & Footpaths	8,964	(1,757)	7,207	0	7,207	5,002
Stormwater Drainage	4,272	1,854	6,126	(1,856)	4,270	2,004
Library Books	568	0	568	0	568	401
Other Assets	0	0	0	0	0	0
Total Capital Funding	58,436	(881)	57,555	(13,597)	43,958	24,859

Budget review for the quarter ended - 31 March 2016						
Cash & Investments						
	Original Budget (000's)	Changes Already Approved By Council (000's)	Approved Forecast (000's)	Recommended changes for Council Resolution (000's)	Current Forecast (000's)	Actual YTD (000's)
Total Cash and Investments	65,913	5,978	71,891	(457)	71,435	101,815
Represented by:						
Externally restricted						
Developer Contributions	15,536	(7,728)	7,808	(457)	7,352	21,335
Specific Purpose Unexpended Grants	19	0	19	0	19	452
Domestic Waste Management	6,668	0	6,668	0	6,668	5,815
Total Externally restricted	22,223	(7,727)	14,496	(457)	14,039	27,602
Internally Restricted						
Deposits, Retentions & Bonds	4,451	(1,451)	3,000	0	3,000	5,299
Employee Leave Entitlement	2,578	(223)	2,355	0	2,355	2,644
Insurance Reserve	630	789	1,419	0	1,419	926
Compulsory Open Space Acquisition Reserve	0	0	0	0	0	0
Other	266	2,634	2,900	0	2,900	266
Total Internally Restricted	7,925	1,749	9,674	0	9,674	9,135
Total Restricted Cash	30,148	(5,978)	24,170	(457)	23,713	36,737
Total Unrestricted/ Available Cash	35,765	11,957	47,722	0	47,722	65,078

Financial Performance Indicators
CASH / LIQUIDITY POSITION

Indicator # 1 - Cash / Liquidity Position - after accounting for external reserves

Indicator Title:	Unrestricted Current Ratio	
Indicator Definition:	Current Assets less Externally Restricted Current Assets Current Liabilities less Specific Purpose Current Liabilities	
Indicator / Local Government Benchmark:	Greater than 2:1 Between 1:1 and 2:1 Less than 1:1 Successive years > 10:1	<div style="background-color: #00b050; height: 15px; width: 100%;"></div> <div style="background-color: #ffcc00; height: 15px; width: 100%;"></div> <div style="background-color: #ff0000; height: 15px; width: 100%;"></div> <div style="background-color: #ff0000; height: 15px; width: 100%;"></div>
	Actual 30-Jun 2015 Actual 31-Mar 2016 Budget 30-Jun 2016	
	3.43 5.32 2.39	

Commentary:

Council's liquidity is more than satisfactory. Council can easily pay its debts as they fall due. The high ratio at the end of the third quarter reflects the rates and annual charges having been raised for the full financial year.

OPERATING RESULT

Indicator # 2 - Operating Result - using trend analysis

Indicator Title:	Result from Continuing Operations before Capital Grants & Contributions	
Indicator Definition:	Result from ordinary operations before the receipt of Capital Grants and Contributions ie. Operating Result after depreciation	
Indicator / Local Government Benchmark:	Greater than 2:1 successive surpluses Surplus Deficit	<div style="background-color: #00b050; height: 15px; width: 100%;"></div> <div style="background-color: #00b050; height: 15px; width: 100%;"></div> <div style="background-color: #ffcc00; height: 15px; width: 100%;"></div> <div style="background-color: #ff0000; height: 15px; width: 100%;"></div>
	Actual 30-Jun 2015 Actual 31-Mar 2016 Budget 30-Jun 2016	
	\$'000 \$'000 \$'000	
	7,788 23,526 13,637	

Commentary:

Council is forecasting a surplus from Continuing Operations before Capital Grants & Contributions for the year ending 30 June 2016.

ASSET RENEWAL EXPENDITURE

Indicator # 3 - Asset Renewal Expenditure

Indicator Title: Asset Renewal Ratio

Indicator Definition: Capital Renewal Capacity - amount of funds spent on renewing assets (as opposed to maintaining them) = Capital Expenditure on Existing Assets/Annual Depreciation

Indicator / Local Government Benchmark:

1 to 1

Less than 1:1



Actual 30-Jun 2015	Actual 31-Mar 2016	Budget 30-Jun 2016
1.31	1.12	1.49

Commentary:

At the end of the third quarter Council has achieved a positive Asset Renewal Ratio for the full financial year.

Budget review for the quarter ended - 31 March 2016					
Budget Review Contracts					
Contractor	Contract Detail & Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Ward Civil and Environmental Engineering	Major Drainage Works - Oaks Avenue, Dee Why	\$2,856,334	29/02/2016	12/09/2016	Y
Pan Civil	Stabilisation of Cutting Sites 2015/2016	\$100,000	09/02/2016	13/03/2017	Y
The Glascott Group P/L	Collaroy Accessibility Tourism Precinct - Stage 2	\$417,048	01/02/2016	21/04/2016	Y
Soil Conservation Service	Collaroy Escarpment Slope Stabilisation	\$170,000	19/02/2016	17/06/2016	Y
Stephen Edwards Constructions Pty Ltd	Glen Street Theatre Cultural Hub Stage 2	\$4,451,720	14/01/2016	14/11/2017	Y
Australian Turf Projects Pty Ltd	Lionel Watts Irrigation Works	\$118,975	16/02/2016	24/03/2017	Y

Budget review for the quarter ended - 31 March 2016		
Consultancy and Legal Expenses		
Expense	Expenditure YTD \$	Budgeted (Y/N)
Consultancies	61,255	Y
Legal Fees	753,386	Y