

AGENDA

Notice is hereby given that a Northern Beaches Council Meeting will be held in the Council Chambers at the Civic Centre, Dee Why on

Tuesday 27 February 2024

Beginning at 6:00pm for the purpose of considering and determining matters included in this agenda.

Scott Phillips
Chief Executive Officer

OUR VISION

Delivering the highest quality service valued and trusted by our community

OUR VALUES

Trust Teamwork Respect Integrity Service Leadership

OUR OBLIGATIONS

I swear/solemnly and sincerely declare and affirm that I will undertake the duties of the office of councillor in the best interests of the people of the Northern Beaches and the Northern Beaches Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgement.

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1.0 ACKNOWLEDGEMENT OF COUNTRY

As a sign of respect, Northern Beaches Council acknowledges the traditional custodians of these lands on which we gather and pays respect to Elders past and present.

2.0 APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE AND REMOTE ATTENDANCE

In accordance with Part 6 of the Code of Meeting Practice, apologies must be received and accepted from absent Councillors and a leave of absence from the Council Meeting may be granted.

In accordance with Council Resolution 286/21 requests by councillors to attend meetings remotely via audio-visual link will be considered by Council.

3.0 CONFIRMATION OF MINUTES

3.1 MINUTES OF NORTHERN BEACHES COUNCIL HELD ON 19 DECEMBER 2023

RECOMMENDATION

That the minutes of the Northern Beaches Council held on 19 December 2023, copies of which were previously circulated, be confirmed as a true and correct record of the proceedings of that meeting.

4.0 DISCLOSURES OF INTEREST

In accordance with Part 17 of the Code of Meeting Practice, all Councillors must disclose and manage any conflicts of interest they may have in matters being considered at the meeting.

5.0 PUBLIC FORUM AND PUBLIC ADDRESS

In accordance with Part 5 of the Code of Meeting Practice, residents, ratepayers, applicants or other persons may request to address Council in relation to any one matter related to the general business of Council but not the subject of a report on the agenda (Public Forum) and no more than two matters listed for consideration on the agenda (Public Address).

6.0 ITEMS RESOLVED BY EXCEPTION

In accordance with Part 14 of the Code of Meeting Practice, items that are dealt with by exception are items where the recommendations contained in the staff reports in the agenda are adopted without discussion.

7.0 MAYORAL MINUTES

ITEM 7.1 MAYORAL MINUTE NO 1/2024 - COST SHIFTING ONTO LOCAL GOVERNMENT

PURPOSE

The purpose of this mayoral minute is to provide the findings of the Local Government NSW (LGNSW) Cost Shifting Report for the 2021/22 financial year, seek endorsement to place a copy of the report on Council's website and request approval to write to the Premier, the NSW Treasurer and the NSW Minister for Local Government requesting that they urgently seek to address these costs through a combination of regulatory reform, budgetary provision and appropriate funding.



**Sue Heins
MAYOR**

RECOMMENDATION

That Council:

1. Receive and note the findings of Local Government NSW's report, 'Cost Shifting 2023: How State Costs Eat Council Rates'.
 2. Staff place a copy of the cost shifting report on Council's website so that our community can access it.
 3. Write to the Premier, the NSW Treasurer and the NSW Minister for Local Government requesting that they urgently seek to address these costs through a combination of regulatory reform, budgetary provision and appropriate funding.
-

BACKGROUND

The pressure on councils to continue to provide services of appropriate standard to our communities is now extraordinary.

The unrelenting growth of cost shifting to councils, coupled with rate pegging, is increasingly eroding the financial sustainability of local government and risking the capacity of councils to deliver grassroots services to their communities and maintain vital local infrastructure.

Alarming, the latest research commissioned by Local Government NSW (LGNSW) shows that the increase in cost shifting has been accelerated by various NSW Government policies.

As shown in the latest cost shifting report produced by independent consultants, Morrison Low on behalf of LGNSW for the 2021/22 financial year (attached), an amount of \$1.36 billion of expense has been passed on to councils to fund. This is an increase of \$540 million since the last report from the 2017/18 financial year and represents lost services, lost opportunity and lost amenity for all our residents and businesses.

On average, this represents an additional cost of \$460.67 for every ratepayer across the state.

The Cost Shifting Report (p11) reveals Northern Beaches Council paid the highest Emergency Services Levy in 2021/22 at \$6.4 million (\$62 per ratepayer), which is 28% more than the next highest Council (Central Coast Council at \$5.0 million). Our Emergency Services Levy has increased to \$9.3 million this financial year, equivalent to \$90 per ratepayer.

With councils having to fund this ongoing subsidy for the State Government each and every year it means our communities get less or go without. They go without better roads, they go without better parks, they go without important community services that only councils provide, and they and their ratepayers are effectively paying hidden taxes to other levels of government.

For Northern Beaches Council, this cost impost further constrains our ability to maintain our community infrastructure and sustain the same level of service to our community. Our Asset Management Plan (AMP 2022-2032) identifies an infrastructure funding gap of \$151 million over 10 years. This is further exacerbated by recent high inflation and the \$3.1 million increase in costs to Council associated with the Emergency Services Levy this financial year.

Our communities deserve better and this must stop. Prior to the most recent state election the then Minns Opposition wrote to LGNSW acknowledging that cost shifting had undermined the financial sustainability of the local government sector.

Now in 2024, it is important to councils and communities that the NSW Government urgently seek to address cost shifting through a combination of regulatory reform, budgetary provision and appropriate funding.

This mayoral minute is in line with information provided by LGNSW and the position taken by LGNSW and other NSW Councils.

TRIM FILE REF	2024/058919
ATTACHMENTS	<ol style="list-style-type: none"> 1 ⇒LGNSW - Summary and Highlights 'Cost Shifting 2023: How State Costs Eat Council Rates' (Included In Attachments Booklet) 2 ⇒MorrisonLow - LGNSW Cost Shifting Report (Included In Attachments Booklet)

ITEM 7.2	MAYORAL MINUTE NO 2/2024 - ACKNOWLEDGEMENT OF AUSTRALIA DAY HONOURS RECIPIENTS
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PURPOSE

The purpose of this mayoral minute is to acknowledge Northern Beaches residents who were recognised for distinguished and conspicuous service to the community.



**Sue Heins
MAYOR**

RECOMMENDATION

That Council:

1. Acknowledge the Northern Beaches recipients of the 2024 Australia Day Honours.
 2. Write to congratulate them on their recognition and thank them for their contribution to our community.
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BACKGROUND

The Australian Honours and Awards system recognises the outstanding service and contributions of Australians.

Some are well-known but many are contributing to their communities and our nation and their efforts are not otherwise recognised.

We are very fortunate to have so many volunteers and people who work tirelessly in our community and it is wonderful to see that some are formally acknowledged with distinctive honour. Their recognition is an opportunity to celebrate and acknowledge their efforts.

Order of Australia announcements are made in January and June and are approved by the Governor-General.

This year the following Northern Beaches residents were recognised for their outstanding contributions and I congratulate each of them and thank them on behalf of our community.

The Australia Day Honours recipients for 2024 include:

Mr Michael Bushell, AM

Member of the Order of Australia (AM) in the General Division

For significant service to sports administration through a range of roles – Australian Olympic Committee, Commonwealth Games, NSW Institute of Sport, Australian Sports Foundation, Swimming Australia, Wallaby Marketing, Amateur Swimming, PGA Tour of Australia.

Professor Anthony Walter Harris, AM

Member of the Order of Australia (AM) in the General Division

For significant service to mental health as a clinician and academic.

Ms Caroline Kelly, AM

Member of the Order of Australia (AM) in the General Division

For significant service to the community through awareness and research for pancreatic cancer.

Mr David James Koch, AM

Member of the Order of Australia (AM) in the General Division

For significant service to media as a television presenter, and to economic journalism.

Ms Roberta Louise Conroy, OAM

Medal of the Order of Australia (OAM) in the General Division

For service to the community of the Northern Beaches.

The Late Mr Brian Green, OAM

Medal of the Order of Australia (OAM) in the General Division

For service to the community in a range of roles and organisations.

Mr Arthur John McCarroll, OAM

Medal of the Order of Australia (OAM) in the General Division

For the service to community sport, particularly through surf lifesaving (North Steyne Surf Life Saving club).

Mr Michael Joseph McMahon, OAM

Medal of the Order of Australia (OAM) in the General Division

For service to sailing – Manly 16ft Skiff Sailing Club.

Ms Kate Munro, OAM

Medal of the Order of Australia (OAM) in the General Division

For service to youth through social welfare organisations.

Ms Judith Jane Perrin, OAM

(Honorary) Medal of the Order of Australia (OAM) in the General Division

For service to gymnastics and the community.

Mr Warren Robert Riley, OAM

Medal of the Order of Australia (OAM) in the General Division

For service to swimming, and to surf lifesaving (Warringah Masters Swimming Club, Harbord Frigid Frogs Winter Swimming Club, Bronte Surf Life Saving Club).

Mr Benjamin Tory, OAM

Medal of the Order of Australia (OAM) in the General Division

For service to the community through emergency response organisations (St John Ambulance Australia (NSW), NSW Emergency Service, NSW Ambulance).

Ms Diane Elfleet, PSM

Public Service Medal (PSM)

For outstanding public service to healthcare, in particular the delivery of COVID-19 related services.

Ms Emma Tan, PSM

Public Service Medal (PSM)

For outstanding public service to healthcare, in particular the delivery of COVID-19 related services – Occupational Therapist – Northern Sydney Local Health District.

Superintendent Michael John Rochester, APM

Australian Police Medal (APM) in the General Division

For outstanding service as an officer of the NSW Police.

TRIM FILE REF	2024/060808
ATTACHMENTS	NIL

ITEM 7.3	MAYORAL MINUTE NO 3/2024 - AFFORDABLE HOUSING
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PURPOSE

The purpose of this mayoral minute is to seek Council's endorsement to call on the NSW Government to provide a meaningful quantity of affordable housing on former or surplus government land at Frenchs Forest within the Northern Beaches.



Sue Heins
MAYOR

RECOMMENDATION

That Council write to the Hon Chris Minns MP, Premier of NSW; the Hon Paul Scully MP, Minister for Planning and Public Spaces; the Leader of the Opposition, the Hon Mark Speakman MP; and the NSW State Greens and Independent Members of Parliament, calling on the NSW Government to:

1. Provide a meaningful quantity of affordable housing on former or surplus government land at Frenchs Forest.
 2. Address the affordable housing shortage on the Northern Beaches that is more than what we currently have allocated.
-

BACKGROUND

Housing affordability is a critical issue facing the Northern Beaches.

Social and affordable housing are at historically low levels, with significant wait times for public housing and median property prices and rent prices significantly rising in recent years. We know that families, young people and essential workers are moving out of the area to access affordable housing elsewhere, and that social and affordable rental housing provides an important safety net for people who cannot afford housing in the general market. This will continue unless we increase access to social and affordable housing stock on the Northern Beaches.

Essential workers are identified in our Social Strategy '*Better Together 2040*' as a priority population, acknowledging their importance and their increasing role in ensuring that we have the services needed to cater for our ageing and growing population. This makes attracting and retaining essential workers on the Northern Beaches through providing access to affordable housing one of the biggest challenges we face.

We have adopted a Local Housing Strategy with a social and affordable housing target that matches the 1,800 projected additional dwellings needed by 2036, as a way of addressing the existing shortfall in social and affordable housing. We have also been implementing our Affordable Housing Policy which endorses a target of 10% of dwellings in planning proposals (rezonings) to be affordable rental housing, with recent planned precincts, such as Frenchs Forest, requiring the provision of 15% affordable housing in the new Town Centre and 10% for the remainder of the planned precinct.

Whilst Council has set ambitious targets in its strategies, other levels of government hold the overwhelming responsibility for providing housing for households in need of assistance.

In 2023 the NSW Government committed to requiring 30% of all homes that are built on surplus government land to be set aside for social and affordable housing. With the recent approval of the new Forest High School site at Allambie Heights, the current high school site will be sold as it is surplus to the government's needs. This future sale provides an opportunity for the NSW Government to require a meaningful quantity of affordable housing to be developed on the site (above that specified in the current planning controls) consistent with current government policy.

I call on Council to support this motion.

TRIM FILE REF	2024/060830
ATTACHMENTS	NIL

9.0 CORPORATE AND LEGAL DIVISION REPORTS

ITEM 9.1 SUBMISSION TO IPART - NSW GOVERNMENT'S DRAFT TERMS OF REFERENCE FOR NSW COUNCIL FINANCIAL MODEL REVIEW

PURPOSE

The purpose of this report is to seek Council's endorsement of a submission to the Independent Pricing and Regulatory Tribunal (IPART) on the NSW Government's 'Draft Terms of Reference for review of the council financial model in NSW'.

EXECUTIVE SUMMARY

- The NSW Government has tasked IPART with examining the financial model for councils and key factors impacting councils' financial sustainability.
- The IPART is now seeking feedback on the NSW Government's Draft Terms of Reference.
- This followed IPART expressing its belief in its 'Review of the Rate Peg Methodology Final Report' provided to the NSW Government in August 2023 that it would be timely for the NSW Government to initiate an independent investigation into the financial model for councils in NSW, including the broader issues highlighted in its report.
- The Draft Terms of Reference cover the recommendations of IPART in terms of transparent governance and better accountability, streamlined frameworks and processes and better engagement with the community to build trust and understanding.
- The Draft Terms of Reference do not effectively cover better financial sustainability for councils and ensuring rates affordability and the equity of the rating system and Council's submission addresses these issues.

RECOMMENDATION

That Council endorse the submission to IPART on the NSW Government's 'Draft Terms of Reference for review of the council financial model in NSW'.

BACKGROUND

In 2023 IPART recommended, as part of its review of the rate peg methodology, that the NSW Government commission an independent review of the financial model for councils.

The NSW Government has now tasked IPART with examining the financial model for councils and key factors impacting councils' financial sustainability. The IPART is now seeking feedback on the NSW Government's Draft Terms of Reference.

DISCUSSION

NSW Draft Terms of Reference

On 11 January 2024 IPART received Draft Terms of Reference from the NSW Government to investigate and report on the financial model for NSW local councils under section 12A of the *Independent Pricing and Regulatory Tribunal Act 1992*. In line with the requirements of the Act, IPART is undertaking consultation and seeking feedback on the draft terms until 15 March 2024.

The Draft Terms of Reference, which are attached to this report, propose for IPART to review and recommend improvements on the following matters:

1. The visibility of councillors and the community over the financial and operational performance of their councils.
2. Whether the current budget and financial processes used by councils are delivering value-for-money for ratepayers and residents.
3. Whether the current funding model will sustainably support the needs of communities.
4. Whether councils (both councillors and staff) have the financial capacity and capability to meet current and future needs of communities.
5. How can better planning and reporting systems improve long term budget performance, transparency and accountability to the community?
6. Any other matters IPART considers relevant.

IPART's process

IPART is required to consult publicly as part of this review, including publishing a draft report for comment and undertaking a public hearing prior to finalising its final report.

IPART will provide the final report to the relevant Ministers within 12 months of receiving the final terms of reference.

The final report will be tabled in each House of Parliament and a copy forwarded to the Parliamentary Librarian in accordance with section 19 of the IPART Act.

IPART's Review of the Rate Peg Methodology Final Report (2023)

In IPART's 'Review of the Rate Peg Methodology Final Report' provided to the NSW Government in August 2023 it noted:

- Longstanding financial sustainability issues.
- Some councils are experiencing financial sustainability problems, which they suggest are related to the current financial model for councils.
- This requires strong financial management and council action to either increase rates or cut services, at a time when many people are less able to afford higher rates or to do without essential council services.
- Ratepayers are concerned about cost of living pressures and affordability of rates while they also depend on and value council services.
- Councils are very diverse, and IPART heard that a 'one size fits all' financial model does not make sense.

For IPART, this raised the question of whether the funding and financial model for councils is as good as it needs to be, at a time when NSW has faced drought, bushfires, floods, COVID, supply chain disruption, labour shortages, higher inflation and rising interest rates.

IPART also questioned whether the large volume of special variation applications lodged in February and March 2022 indicates the financial model needs closer investigation, if the only way a council is able to address financial sustainability is through seeking substantial rates revenue increases.

IPART expressed the belief it would be timely for the NSW Government to initiate an independent investigation into the financial model for councils in NSW, including the broader issues highlighted in its draft report on the rate peg methodology.

IPART advised that the investigation could examine the broader issues highlighted by IPART's recent consultation, including financial sustainability, funding, costs and expenditure, financial management and the impact on rates and ratepayers.

Draft submission from Northern Beaches Council (Attachment 2)

The current terms of reference cover the recommendations of IPART in terms of transparent governance and better accountability, streamlined frameworks and processes and better engagement with the community to build trust and understanding but do not effectively cover better financial sustainability for councils and ensuring rates affordability and the equity of the rating system.

The following other measures suggested by IPART should be included in the terms of reference:

- Better targeting eligibility criteria for rates exemptions. This would help to ensure ratepayers do not subsidise the costs of providing council services to properties where it is not justified on efficiency and equity grounds.
- Allowing councils to use the Capital Improved Value method to set the variable component of rates to ensure they can set equitable and efficient rates for all residential and business ratepayers, regardless of their property type.
- Ensuring that statutory charges reflect the efficient costs incurred by councils in providing statutory services, so councils do not need to use rates income to cover the costs of providing these services.
- A comprehensive state-wide evaluation of existing pensioner concessions should be conducted, along with the exploration of additional initiatives to enhance support for vulnerable ratepayers. Clear communication and proactive promotion of available assistance options offered by councils are essential.
- Opportunities to strengthen incentives for councils to improve their performance, including the merit of a rate peg exemption model for councils that demonstrate an agreed level of performance and consultation with ratepayers being considered.

IPART noted there is currently no effective/appropriate means for councils to resolve significant or longstanding financial sustainability issues. They also noted that the rate peg is designed to allow councils to increase their rates income annually to keep pace with estimated changes in the costs of providing their current services and service levels. If their rates income is already below the level required to provide these services and service levels, or their income from other sources substantially declines, the rate peg will not help them to achieve financial sustainability.

IPART considers that incentives in the regulatory environment for well performing councils could be developed. There may be merit in considering whether to develop a mechanism where councils could be provided with the autonomy to set their own rate increases, subject to certain conditions such as a medium-term plan, a record of strong financial management, a clear plan for ongoing productivity improvements and community support. IPART also noted in its 'Review of the Local Government Rating System Local Government – Final Report' in December 2016 'the Special Variation process incurs a significant regulatory burden on councils and the NSW Government, which might have deterred some councils from applying'. This review should include opportunities to streamline and simplify the Special Rate Variation process.

IPART considers the current exemptions result in inefficient and inequitable outcomes. Its 2016 Review of the Local Government Rating System found rates exemptions should be carefully targeted to ensure ratepayers do not subsidise the costs of providing services to properties where this is not justified on efficiency and equity grounds, and properties with comparable uses of land should attract the same rating treatment.

IPART has recommended that statutory charges reflect the full costs of service provision noting the NSW Government regulates charges for certain statutory services provided by councils and that some of these charges have not been adequately indexed over time which means councils are unable to recover the full cost of providing the services. IPART also noted that when this occurs, councils may need to use rates income to cover the gap and as a result, ratepayers may be cross-subsidising statutory service users, placing undue upward pressure on rates levels. An example of this is the Stormwater Management Service Charge. Council levies this charge to cover the costs of providing new/additional stormwater management services. However, it is currently capped at \$25 per rateable property and this charge has not been reviewed for over 20 years and does not cover the cost of the services.

TIMING

Feedback to IPART on the Draft Terms of Reference is due by 15 March 2024.

FINANCIAL CONSIDERATIONS

The recommendations in this report do not result in any change to the existing Council budget. An assessment of the financial impact of changes which may occur as a result of the report on the financial model for NSW local councils by IPART cannot be ascertained until the completion of the reporting process and the enactment of any of the proposals by the NSW Government.

GOVERNANCE AND RISK CONSIDERATIONS

The recommendations from the investigation by IPART may have potential impacts on how Council maintains financial sustainability. As such it is important from a good governance perspective that Council lodges a submission to enable it to be proactive in providing input that allows it to provide information which impacts how it efficiently and effectively responds to, and delivers on, the evolving needs of the community.

ENVIRONMENTAL CONSIDERATIONS

The subject of this report has no environmental implications for Council

SOCIAL CONSIDERATIONS

The submission is an important tool for Council to participate in and support an equitable consideration of the funding of local government.

LINK TO STRATEGY

This report relates to the Community Strategic Plan Outcome and Goal:

- Good governance - Goal 20 Our Council is proactive, and efficiently and effectively responds to, and delivers on, the evolving needs of the community

REPORTING TEAM	FINANCE
TRIM FILE REF	2024/070822
ATTACHMENTS	<ol style="list-style-type: none"> 1 ⇒Draft submission to IPART: NSW Government's Draft Terms of Reference - Review of the council financial model (Included In Attachments Booklet) 2 ⇒IPART - Draft Terms of Reference - review of the council financial model - January 2024 (Included In Attachments Booklet)

ITEM 9.2 PUBLIC EXHIBITION - DRAFT CODE OF MEETING PRACTICE

PURPOSE

The purpose of this report is to seek Council approval to place a draft Code of Meeting Practice on public exhibition.

EXECUTIVE SUMMARY

- Council is required to review and adopt a Code of Meeting Practice which is consistent with the Model Code of Meeting Practice within 12 months of an election of councillors.
- In preparation for the new term of Council, a preliminary review of the Code of Meeting Practice has been undertaken with changes proposed that will assist with the efficiency and administration of Council meetings.
- The proposed changes to the draft Code of Meeting Practice are recommended to go on public exhibition for a period of 28 days with the outcome to be reported to Council.

RECOMMENDATION

That Council place the draft Code of Meeting Practice on public exhibition for a period of 28 days with the outcome of the public exhibition to be reported to Council.

BACKGROUND

In accordance with section 360 of the *Local Government Act 1993*, Councils are required to review and adopt a Code of Meeting Practice which is consistent with the Model Code of Meeting Practice within 12 months of an election of councillors.

The Northern Beaches Code of Meeting Practice was adopted by Council at its meeting on 24 May 2022.

DISCUSSION

In preparation for the upcoming new term of Council, a preliminary review of Council's Code of Meeting Practice has been undertaken. Some potential amendments are identified to provide greater efficiency during the Council meeting and provide clarification in relation to minor administrative matters. The key proposed changes (which are highlighted in tracked changes for ease of reference at Attachment 1) are as follows:

- Bringing forward the deadline for Councillors to submit notices of motion and questions with notice by one day. This will assist staff producing the business papers and facilitate consideration of any legal, strategic, financial or policy implications.
- Holding 'public forum' before the Council meeting rather than during the Council meeting. This is in respect of those matters not in the business papers. It is worth noting that the holding of public forums is not required under the Model Code. The Model Code also only contemplates that a council may hold a public forum for the purpose of 'hearing oral submissions from members of the public on items of business to be considered at the meeting'. Northern Beaches Council's Code includes two types of forums – a 'public address' on items of business on the meeting agenda, and a 'public forum' at which members of the public can raise matters not on the agenda. No changes are proposed to Council's 'public address'. Should the change to the 'public forum' be approved, Council will determine the schedule and if required, may schedule a new start time for the Council meeting. For example, a public forum could be held on the same day as the Council meeting from 5.30pm to 6pm, or from 6pm to 6.30pm. These changes would require the Council meeting to commence from 6.30pm.
- Providing the chairperson with the flexibility, when considered necessary to do so to conclude the items of business on the agenda, to reduce the duration of all speeches including during public forum, public address and business items (including councillor debate) from 3 minutes to 2 minutes. The time limits would be applied to all speakers consistently.
- Enabling mayoral minutes and notices of motion to be dealt with by exception as already provided in relation to staff reports. This will provide an opportunity for greater efficiencies in respect of the running of the meeting.
- Setting an earlier finish time for the Council meeting, being 10.30pm, with one optional 30 minute extension (to 11pm).
- Clarifying the provisions in relation to rescission motions, specifically that notice is ordinarily required for any alternative motion.
- Confirming that resolutions passed prior to any meeting adjournment may be implemented prior to the resumption of the adjourned meeting, in line with current practice.
- Other minor changes relate to formalising and clarifying Council's current practices regarding additions and complaints, the chairperson having regard to attendance of members of the public for the order of business, photographs in the chambers, titles and general numbering references.

CONSULTATION

The proposed changes to the draft Code of Meeting Practice are recommended to be placed on public exhibition for a period of 28 days.

FINANCIAL CONSIDERATIONS

The recommendations in this report do not result in any change to the existing Council budget.

GOVERNANCE AND RISK CONSIDERATIONS

Under section 360 of the *Local Government Act 1993*, Council is required to adopt a Code of Meeting Practice within 12 months after an ordinary election. The Code is to incorporate the mandatory provisions of the Model Code and may also include non-mandatory and other provisions. The draft Northern Beaches Council Code of Meeting Practice complies with these requirements.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental impacts to consider in respect of placing the draft Code of Meeting Practice on public exhibition.

SOCIAL CONSIDERATIONS

The exhibition of the draft Northern Beaches Council Code of Meeting Practice will provide the opportunity for the community to consider and comment on the regulatory and decision-making framework of Council meetings.

LINK TO STRATEGY

This report relates to the following Community Strategic Plan Outcome and Goal:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community

REPORTING TEAM	GOVERNANCE & RISK
TRIM FILE REF	2024/100308
ATTACHMENTS	1 ⇒ Draft Code of Meeting Practice (Included In Attachments Booklet)

ITEM 9.3 REVIEW AND REVOCATION OF VARIOUS POLICIES**PURPOSE**

The purpose of this report is to seek the revocation of 6 policies of the former Councils and seek adoption of one Northern Beaches Council policy.

EXECUTIVE SUMMARY

- Council's Policy Framework (the Framework) outlines the strategic principles for certain corporate documents including Council policies.
- Council is progressively reviewing all corporate documents covered by the Framework.
- Council proposes to revoke 6 policies which have been identified as no longer being required and not consistent with the Framework principles.
- The Waste Minimisation for Functions and Events Policy has been reviewed, is considered to be still relevant and is recommended to be adopted (with minor administrative changes only).

RECOMMENDATION

That Council:

1. Revoke the following policies:
 - a. Fitness Group and Personal Training Policy
 - b. Hire Boats Operations – Beaches and Reserves Policy
 - c. Open Air Cinema Events on Council Controlled Land Policy
 - d. Open Air Concerts Policy
 - e. Reserves – Exclusive Use for Private Functions Policy
 - f. Reserves, Beaches and Headlands Booking Policy.
2. Adopt the Waste Minimisation for Functions and Events Policy.

BACKGROUND

Council adopted a Policy Framework (the Framework) at the Ordinary Council meeting held on 28 November 2023. The Framework provides the strategic principles for all Council policies and sets out the governance arrangements for the establishment and review of Council policies and other internal facing corporate documents.

All existing Council policies and other relevant internal corporate documents are progressively being reviewed in accordance with the settings of the Framework which provide that Council policies:

- provide high level strategic direction, are linked to Council's Community Strategic Plan (CSP) and/or are required by relevant legislation and have community focus and/or significant public interest
- will, where appropriate, adopt and implement relevant model NSW Government policies which have been prepared for local government, rather than establish discrete Council policies on the same topic
- will not simply duplicate or re-state legislative requirements but, where appropriate, may expand on Council's application of legislation.

The Framework provides that Tier 1 documents (Council policies) are governed by resolution of the elected Council, and the management of Tier 2 and 3 documents are the operational responsibility of the Chief Executive Officer.

DISCUSSION

This report proposes the revocation of 6 policies of the former Councils which have been identified as no longer required under the Framework. Table 1 below provides the list of policies and rationale for revoking them.

Table 1 - Policy	Reason for revoking
Fitness Group and Personal Training (former Warringah)	<p>This policy is related to use of open space - such use is guided by the <i>Local Government Act 1993</i> and regulations, relevant Plans of Management and Council's strategies and does not by legislation require a separate Council policy.</p> <p>The policy was originally adopted in 2010 to provide parameters for the approval of fitness trainers on public open space within the former Warringah Local Government Area. At the time of the policy's establishment, boot camps were a prevalent occurrence and a significant community issue.</p> <p>In addition to the governing legislation, Council manages the use of open space and associated fitness bookings on an individual basis. This considers whether the location is appropriate, and all risks are considered. If a requested space is not appropriate, the request is denied, and alternative sites are provided to the customer for consideration.</p> <p>The requirements for a council issued permit contained in the policy are part of the standard booking process which is fully documented internally and in Council's online booking system. Council does not require a specific policy to undertake these activities. Authority to approve a booking is through the <i>Local Government Act 1993</i> and Council's booking processes.</p>
Hire Boats Operations – Beaches and Reserves Policy (former Manly)	<p>This policy is related to use of open space - such use is guided by the <i>Local Government Act 1993</i> and regulations, relevant Plans of Management and Council's strategies and does not by legislation require a separate Council policy.</p>

Table 1 - Policy	Reason for revoking
	<p>The policy was originally adopted in 1997 to provide parameters for the booking of open space for the purpose of hiring sailing craft from beaches in the former Manly Local Government Area. While some small commercial operators are still operating in the Manly area, the conditions of the policy are inconsistent with current management practices elsewhere which are more flexible to accommodate different events and situations as they arise.</p> <p>Council receives a large number of bookings of a varied nature every day. To effectively manage the risks associated with each booking, conditions are applied to each specific activity. If the requested space is not appropriate, then the request is denied and alternative sites are provided to the customer for consideration.</p> <p>Authority to approve a booking is through the <i>Local Government Act 1993</i> and Council's booking processes.</p>
Open Air Cinema Events on Council Controlled Land Policy (former Pittwater)	<p>This policy is related to use of open space - such use is guided by the <i>Local Government Act 1993</i> and regulations, relevant Plans of Management and Council's strategies and does not by legislation require a separate Council policy.</p> <p>The policy was first adopted in 2007 to provide parameters for the operation of Open Air Cinemas in the former Pittwater Local Government Area. In setting ratings for eligible movies, the policy may have intended to address community concerns regarding the impact of unintentional viewing. Under current booking processes a policy is not required to address these concerns and each application is considered on a case-by-case basis. In more recent years most Open Air Cinema events have been organised by Council as one-off family friendly events. A policy has also not been required to address and manage Open Air Cinema events at Brookvale or Manly Oval.</p> <p>Council receives a large number of bookings of a varied nature every day. To effectively manage the risks associated with each booking, specific conditions are applied which would also apply to Open Air Cinemas. If the requested space is not appropriate, then the request is denied, and alternative sites are provided to the customer for consideration. Authority to approve a booking is through the <i>Local Government Act 1993</i> and Council's booking processes.</p>
Open Air Concerts Policy (former Pittwater)	<p>This policy is related to use of open space - such use is guided by the <i>Local Government Act 1993</i> and regulations, relevant Plans of Management and Council's strategies and does not by legislation require a separate Council policy.</p> <p>The policy was first adopted in 2005 to provide parameters for the operation of Open Air Concerts in the former Pittwater Local Government Area in particular the impact of noise on surrounding residents. This issue is dealt with through the <i>Protection of the Environment Operations Act 1997</i>. The other requirements in the policy are managed through the relevant Plans of Management and Local Environment Plans.</p> <p>Council receives a large number of bookings of a varied nature every day. To effectively manage the risks associated with each booking, specific conditions are applied which would also apply to Open Air Concerts. If the requested space is not appropriate, then the request is denied and alternative sites are provided to the customer for consideration. Authority to approve a booking is through the <i>Local Government Act 1993</i> and Council's booking processes.</p>
Reserves – Exclusive Use for Private Functions Policy (former Manly)	<p>This policy is related to use of open space - such use is guided by the <i>Local Government Act 1993</i> and regulations, relevant Plans of</p>

Table 1 - Policy	Reason for revoking
	<p>Management and Council's strategies and does not by legislation require a separate Council policy.</p> <p>The policy was first adopted in 1987 to provide the parameters for the use of Council reserves for private functions in the former Manly Local Government Area and to support coordination of events in Manly over the busy summer months. Council's current business as usual practice ensures effective coordination and approvals through Council's Beach Services and Place Coordination functions. A policy has not been required to manage similar functions at other high-profile locations such as Dee Why or Freshwater beaches.</p> <p>Council receives a large number of bookings of a varied nature every day. To effectively manage the risks associated with each booking, conditions are applied to manage the risk for a specific activity such as a private function. If the requested space is not appropriate, then the request is denied, and alternative sites are provided to the customer for consideration. Authority to approve a booking is through <i>the Local Government Act 1993</i> and Council's booking processes.</p>
Reserves, Beaches and Headlands Booking Policy (former Pittwater)	<p>This policy is related to use of open space - such use is guided by the <i>Local Government Act 1993</i> and regulations, relevant Plans of Management and Council's strategies and does not by legislation require a separate Council policy.</p> <p>The policy was first adopted in 1998 to provide the parameters for what events can be approved on reserves, sportsgrounds and headlands within the former Pittwater Local Government Area. The settings in the policy are provided for within Council's procedures for open space requests.</p> <p>Council receives a large number of bookings of a varied nature every day. To effectively manage the risks associated with each booking, conditions are applied to manage the risk for a specific activity. If the requested space is not appropriate then the request is denied, and alternative sites are provided to the customer for consideration. Authority to approve a booking is through the <i>Local Government Act 1993</i> and Council's booking processes.</p>

Waste Minimisation for Functions and Events Policy

The Waste Minimisation for Functions and Events Policy has been reviewed and is considered still fit for purpose (subject to minor administrative amendments). The Policy is recommended to be adopted in its current form (subject to minor administrative changes) and will be reviewed when the Waste and Circular Economy Strategy 2040, which has recently been on public exhibition, is finalised. Minor edits to the template have been made and are highlighted in tracked changes to update the review cycle and numbering conventions (see Attachment 7).

CONSULTATION

Council encourages involvement by the community in developing and reviewing its policies, however the public exhibition of the Waste Minimisation for Functions and Events Policy is not considered necessary as the substantive provisions are not changing. Public exhibition is not considered necessary in relation to the policies proposed for revocation.

FINANCIAL CONSIDERATIONS

The recommendations of this report do not result in any change to the existing Council budget.

GOVERNANCE AND RISK CONSIDERATIONS

The recommendations of this report are in line with the Framework.

The Framework provides for an improved governance outcome for the management of Council policies. There are no adverse risks associated with the revocation of these policies, as the policy impact areas continue to be managed under legislative provisions and in accordance with operational and procedural guidance.

Council has been progressively harmonising its policy environment. The Local Government (Council Amalgamations) Proclamation 2016 operates so that the policies of the 3 former councils (Manly, Warringah and Pittwater) remain in effect until Council adopts a new policy or the former policy is revoked.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental impacts to consider in respect of policies which are proposed to be revoked as the policy impact areas will continue to be addressed through existing operational guidance or relevant legislation.

SOCIAL CONSIDERATIONS

Policies are an important tool for Council to communicate its strategic direction to the community and provide visibility of the governance framework in line with Council's key Community Strategic Plan outcome of Good Governance.

LINK TO STRATEGY

This report relates to the Community Strategic Plan Outcome and Goal:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community

REPORTING TEAM	GOVERNANCE & RISK
TRIM FILE REF	2024/058941
ATTACHMENTS	<ol style="list-style-type: none"> 1 ⇒ Fitness Group and Personal Training Policy (Included In Attachments Booklet) 2 ⇒ Hire Boats Operations Beaches and Reserves Policy (Included In Attachments Booklet) 3 ⇒ Open Air Cinema Events on Council Controlled Land Policy (Included In Attachments Booklet) 4 ⇒ Open Air Concerts Policy (Included In Attachments Booklet) 5 ⇒ Reserves Exclusive Use for Private Functions Policy (Included In Attachments Booklet) 6 ⇒ Reserves, Beaches and Headlands Booking Policy (Included In Attachments Booklet) 7 ⇒ Waste Minimisation for Functions and Events Policy (Included In Attachments Booklet)

ITEM 9.4 MONTHLY INVESTMENT REPORT - NOVEMBER 2023**PURPOSE**

The purpose of this report is to provide details of all money that Council has invested under section 625 of the *Local Government Act 1993* (Act).

EXECUTIVE SUMMARY

- In accordance with section 212 of the Local Government (General) Regulation 2021 (Regulation), the Responsible Accounting Officer must provide Council with a written report on a monthly basis setting out details of all money that the Council has invested under section 625 of the Act.
- The Responsible Accounting Officer has certified that the investments listed in the report have been made in accordance with the Act, the Regulation and Council's Investment Policy.
- As at 30 November 2023, Council had total cash and investments of \$223,142,220 comprising:

Trading Accounts	\$6,446,393
Investments	\$216,695,827

- The portfolio achieved a return of 0.429% for the month of November, which was 0.079% above the benchmark AusBond Bank Bill Index return of 0.35%.
- The weighted average interest rate of the portfolio at month end is 5.11% compared to 5.08% for the prior month.
- Total investment income for November was \$903,731 compared to budgeted income for the month of \$582,816. Year to date income is \$4,266,477 compared to budget of \$2,794,164.

RECOMMENDATION

That Council note the Investment Report as at 30 November 2023, including the certification by the Responsible Accounting Officer.

BACKGROUND

In accordance with section 212 of the Local Government (General) Regulation 2021 (Regulation), a report setting out the details of money invested must be presented to Council on a monthly basis.

The report must also include certification as to whether or not the investments have been made in accordance with the *Local Government Act 1993*, the Regulation and Council's Investment Policy.

The details of the report (the key aspects of which are in the Executive Summary) are set out below, together with the Responsible Accounting Officer's certification.

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in this report have been made in accordance with section 625 of the *Local Government Act 1993*, section 212 of the Local Government (General) Regulation 2021 and existing Investment Policies.

FINANCIAL CONSIDERATIONS

Actual investment income for the period from 1 July 2023 to date was \$4,266,477 compared to budgeted income of \$2,794,164, a positive variance of \$1,472,313.

GOVERNANCE AND RISK CONSIDERATIONS

A revised Investment Policy was adopted by Council at its meeting on 26 July 2022. The Policy is reviewed annually by the Audit, Risk and Improvement Committee. It was reviewed by the Committee at their meeting in December 2023, and no changes to the Policy were proposed.

Council's Investment Strategy was reviewed in August 2023 by Council's Investment Advisors, Laminar Capital Pty Ltd, who confirmed that the current policy "remains consistent with the Ministerial Investment Order and guidelines issued by the Chief Executive (Local Government), Department of Premier and Cabinet" and that they "do not recommend any changes to the list of approved investments or credit limit frameworks".

ENVIRONMENTAL CONSIDERATIONS

Council's investments are managed in accordance with Council's Investment Policy. Council's Investment Policy requires consideration of environmental responsibility when making investment decisions.

SOCIAL CONSIDERATIONS

Council's investments are managed in accordance with Council's Investment Policy. Council's Investment Policy requires consideration of social responsibility when making investment decisions.

LINK TO STRATEGY

This report relates to the Community Strategic Plan Outcome and Goal:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community

REPORTING TEAM	FINANCE
TRIM FILE REF	2024/059191
ATTACHMENTS	NIL

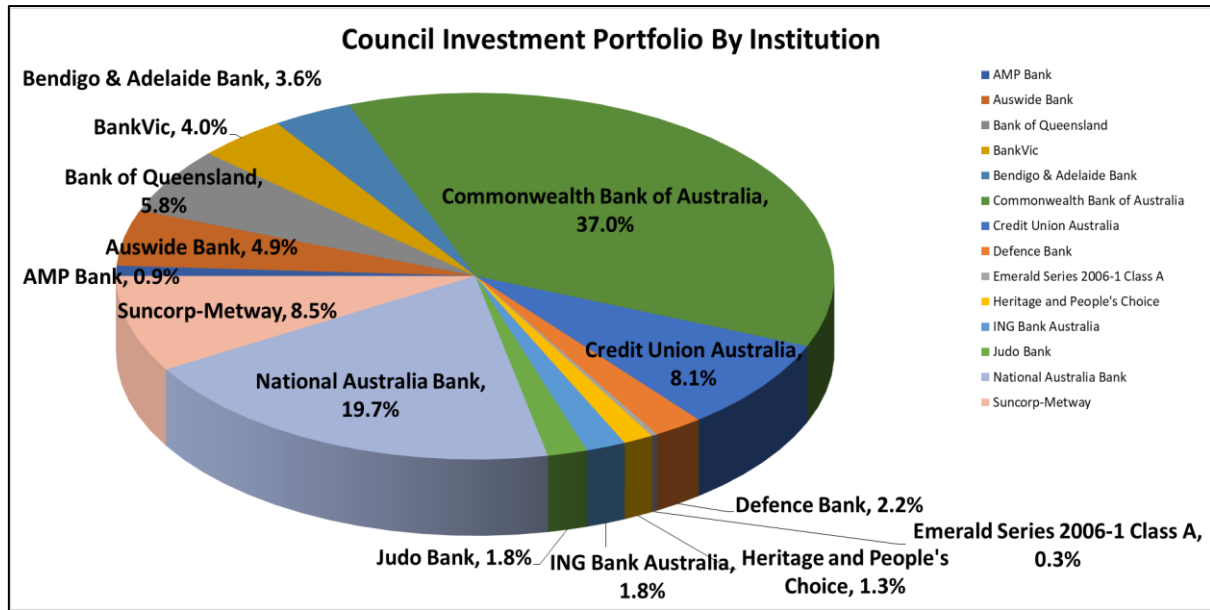
Investment Balances

INVESTMENT BALANCES					
As at 30-Nov-2023					
INSTITUTION	RATING	AMOUNT \$	DATE INVESTED	MATURITY DATE	INTEREST RATE
Trading Accounts					
Commonwealth Bank of Australia Ltd	A1+	5,458,425			4.40%
National Australia Bank Ltd	A1+	9,438			4.35%
		5,467,863			
At Call Accounts					
Commonwealth Bank of Australia Ltd	A1+	2,300,000		At Call	4.40%
		2,300,000			
Mortgage Backed Securities					
Emerald Series 2006-1 Class A	A*	601,638	17-Jul-06	21-Aug-51	4.8329%
		601,638			
Term Deposits					
ING Bank Australia Limited	A1	4,000,000	31-Jan-23	05-Dec-23	4.57%
Bendigo & Adelaide Bank Ltd	A2	1,000,000	27-Apr-23	07-Dec-23	4.50%
Credit Union Australia Ltd	A2	3,000,000	16-May-23	12-Dec-23	4.83%
Credit Union Australia Ltd	A2	3,000,000	16-May-23	14-Dec-23	4.83%
BankVic	A2	3,000,000	16-Mar-23	19-Dec-23	4.80%
Defence Bank Ltd	A2	2,000,000	23-May-23	21-Dec-23	4.90%
Defence Bank Ltd	A2	3,000,000	23-May-23	02-Jan-24	4.90%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	31-May-23	04-Jan-24	5.00%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	31-May-23	09-Jan-24	5.02%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	31-May-23	11-Jan-24	5.02%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	31-May-23	16-Jan-24	5.02%
Suncorp-Metway Ltd	A1	2,000,000	29-Jun-23	18-Jan-24	5.47%
National Australia Bank Ltd	A1+	2,000,000	29-Jun-23	23-Jan-24	5.40%
Suncorp-Metway Ltd	A1	2,000,000	29-Jun-23	25-Jan-24	5.47%
Credit Union Australia Ltd	A2	3,000,000	31-Jan-23	30-Jan-24	4.65%
Bank of Queensland Ltd	A2	2,000,000	29-Jun-23	01-Feb-24	5.50%
National Australia Bank Ltd	A1+	2,000,000	29-Jun-23	06-Feb-24	5.40%
Suncorp-Metway Ltd	A1	2,000,000	29-Jun-23	08-Feb-24	5.47%
Bank of Queensland Ltd	A2	3,000,000	29-Jun-23	13-Feb-24	5.50%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	15-Feb-24	5.41%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	20-Feb-24	5.41%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	22-Feb-24	5.41%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	28-Feb-23	27-Feb-24	5.02%
National Australia Bank Ltd	A1+	2,000,000	01-Mar-23	29-Feb-24	5.00%
AMP Bank Ltd	A2	2,000,000	28-Mar-23	05-Mar-24	4.90%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	07-Mar-24	5.43%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	03-Aug-23	12-Mar-24	5.43%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	08-Aug-23	14-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	08-Aug-23	19-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	10-Aug-23	21-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	08-Aug-23	26-Mar-24	5.45%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	17-Aug-23	28-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	17-Aug-23	02-Apr-24	5.45%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	04-Apr-24	5.37%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	10-Aug-23	09-Apr-24	5.46%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	11-Apr-24	5.38%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	15-Aug-23	16-Apr-24	5.51%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	15-Aug-23	18-Apr-24	5.51%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	22-Apr-24	5.39%
Bendigo & Adelaide Bank Ltd	A2	3,000,000	27-Jul-23	23-Apr-24	5.45%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	30-Apr-24	5.40%
National Australia Bank Ltd	A1+	2,000,000	29-Aug-23	02-May-24	5.10%
National Australia Bank Ltd	A1+	3,000,000	29-Aug-23	07-May-24	5.10%

INVESTMENT BALANCES					
As at 30-Nov-2023					
INSTITUTION	RATING	AMOUNT \$	DATE INVESTED	MATURITY DATE	INTEREST RATE
Term Deposits (continued)					
National Australia Bank Ltd	A1+	2,000,000	29-Aug-23	09-May-24	5.11%
National Australia Bank Ltd	A1+	2,000,000	29-Aug-23	14-May-24	5.10%
Bendigo & Adelaide Bank Ltd	A2	2,000,000	29-Aug-23	16-May-24	5.05%
Credit Union Australia Ltd	A2	3,000,000	23-May-23	21-May-24	5.11%
Bendigo & Adelaide Bank Ltd	A2	2,000,000	29-Aug-23	23-May-24	5.05%
BankVic	A2	2,000,000	05-Sep-23	28-May-24	5.11%
National Australia Bank Ltd	A1+	3,000,000	29-Aug-23	04-Jun-24	5.10%
National Australia Bank Ltd	A1+	2,000,000	05-Sep-23	06-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	05-Sep-23	11-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	05-Sep-23	13-Jun-24	5.15%
National Australia Bank Ltd	A1+	3,000,000	05-Sep-23	18-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	12-Sep-23	20-Jun-24	5.12%
National Australia Bank Ltd	A1+	2,000,000	12-Oct-23	25-Jun-24	5.10%
Bank of Queensland Ltd	A2	2,000,000	23-Oct-23	25-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	12-Sep-23	25-Jun-24	5.12%
National Australia Bank Ltd	A1+	2,000,000	12-Sep-23	27-Jun-24	5.12%
National Australia Bank Ltd	A1+	3,000,000	31-Aug-23	02-Jul-24	5.15%
Suncorp-Metway Ltd	A1	2,000,000	12-Oct-23	04-Jul-24	5.10%
Bank of Queensland Ltd	A2	2,000,000	23-Oct-23	09-Jul-24	5.18%
Bank of Queensland Ltd	A2	2,000,000	23-Oct-23	11-Jul-24	5.18%
National Australia Bank Ltd	A1+	3,000,000	31-Aug-23	16-Jul-24	5.16%
Suncorp-Metway Ltd	A1	2,000,000	14-Nov-23	18-Jul-24	5.35%
Suncorp-Metway Ltd	A1	2,000,000	14-Nov-23	23-Jul-24	5.40%
Suncorp-Metway Ltd	A1	2,000,000	14-Nov-23	25-Jul-24	5.40%
Heritage and People's Choice Limited	A2	3,000,000	25-Jul-23	30-Jul-24	5.65%
Credit Union Australia Ltd	A2	2,000,000	31-Aug-23	01-Aug-24	5.20%
Credit Union Australia Ltd	A2	2,000,000	31-Aug-23	06-Aug-24	5.20%
Credit Union Australia Ltd	A2	2,000,000	31-Aug-23	08-Aug-24	5.20%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	15-Aug-23	13-Aug-24	5.60%
Suncorp-Metway Ltd	A1	2,000,000	31-Oct-23	15-Aug-24	5.42%
BankVic	A2	2,000,000	16-Nov-23	20-Aug-24	5.50%
BankVic	A2	2,000,000	16-Nov-23	22-Aug-24	5.50%
Suncorp-Metway Ltd	A1	3,000,000	31-Oct-23	27-Aug-24	5.42%
Judo Bank	A3	2,000,000	30-Nov-23	03-Sep-24	5.45%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	05-Sep-24	5.45%
National Australia Bank Ltd	A1+	3,000,000	12-Sep-23	10-Sep-24	5.20%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	12-Sep-24	5.45%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	17-Sep-24	5.45%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	19-Sep-24	5.45%
Auswide Bank Limited	A2	3,000,000	29-Nov-23	24-Sep-24	5.45%
Bank of Queensland Ltd	A2	2,000,000	30-Nov-23	26-Sep-24	5.40%
Judo Bank	A3	2,000,000	30-Nov-23	01-Oct-24	5.45%
		194,000,000			
Kimbriki Environmental Enterprises Pty Ltd					
Trading Accounts					
Commonwealth Bank of Australia Ltd	A1+	978,530			4.30%
		978,530			
At Call Accounts					
Commonwealth Bank of Australia Ltd	A1+	409,872		At Call	4.40%
Commonwealth Bank of Australia Ltd	A1+	1,787,960		At Call	4.40%
		2,197,832			
Term Deposits					
Commonwealth Bank of Australia Ltd	A1+	1,500,000	04-May-23	04-Dec-23	4.43%
Commonwealth Bank of Australia Ltd	A1+	16,096,356	28-Aug-23	28-Aug-24	5.41%
		17,596,356			
Total Cash and Investments		223,142,220			

*Rating is based on a private rating advised by the issuer to Council's Investment Advisors.

Portfolio Analysis



Institutional Credit Framework – Compliance with Investment Policy Requirements

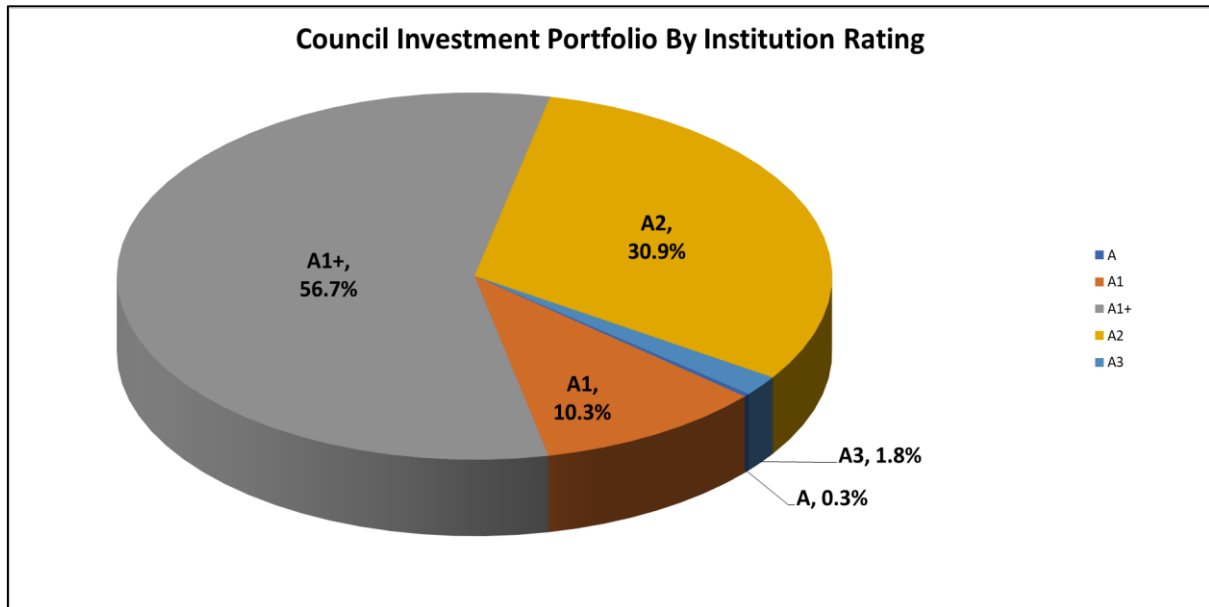
Clause 4.2.2 of Council's Investment Policy requires that the exposure to an individual institution be restricted by their credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating*	S&P Short Term Rating*	Maximum %	Portfolio Complies with Policy?
AAA (incl. government guaranteed deposits)	A-1+	50%	Yes
AA+			
AA			
AA-			
A+	A-1	40%	Yes
A			
A-			
BBB+	A-2	30%	Yes
BBB			
BBB-	A-3	10%	Yes
Unrated**TCorp Funds	Unrated**	5%	Yes (\$Nil)
Unrated***ADIs	Unrated***	\$250,000	Yes (\$Nil)

* Or Moody's / Fitch equivalents

** Unrated Category is restricted to eligible managed funds such as the NSW Treasury Corporation Hour Glass Facilities

*** Unrated ADIs Category is restricted to those ADIs that are under the Australian government guarantee scheme and limited to maximum \$250,000 per unrated ADI.



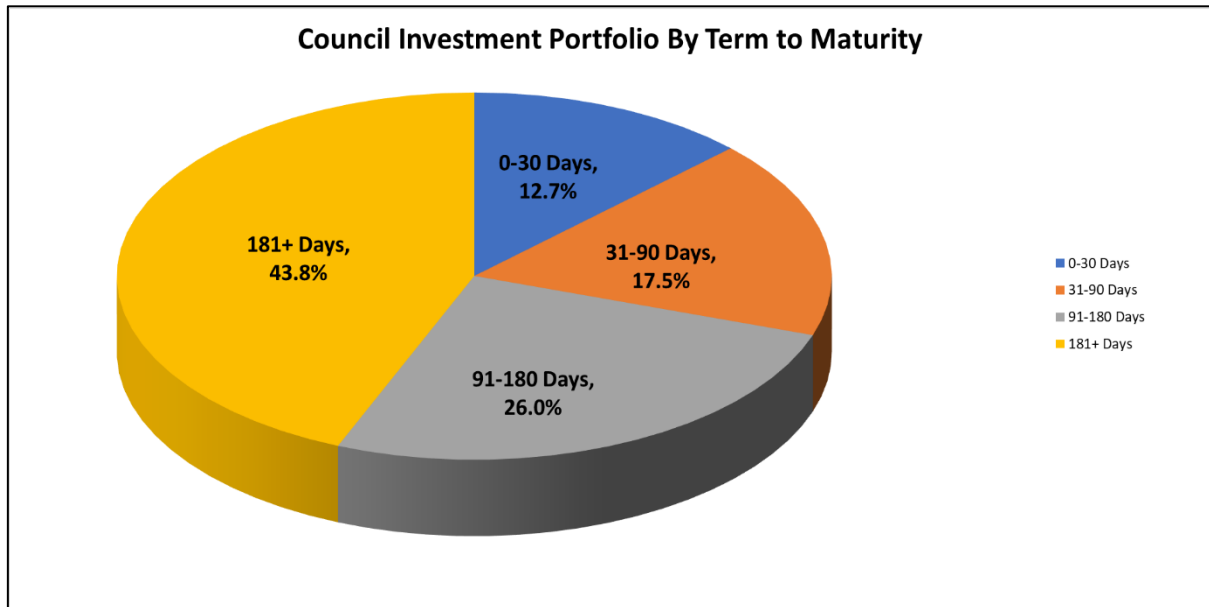
Overall Portfolio Credit Framework – Compliance with Investment Policy Requirements

Clause 4.2.1 of Council's Investment Policy requires that the total percentage exposure within the market to any particular credit rating category be limited, as detailed in the table below:

S&P Long Term Rating*	S&P Short Term Rating*	Maximum %	Portfolio Complies with Policy?
AAA (incl. government guaranteed deposits)	A-1+	100%	Yes
AA+			
AA			
AA-			
A+	A-1	100%	Yes
A			
A-			
BBB+	A-2	80%	Yes
BBB			
BBB-	A-3	30%	Yes
Unrated**	Unrated**	5%	Yes (\$Nil)

* Or Moody's / Fitch equivalents

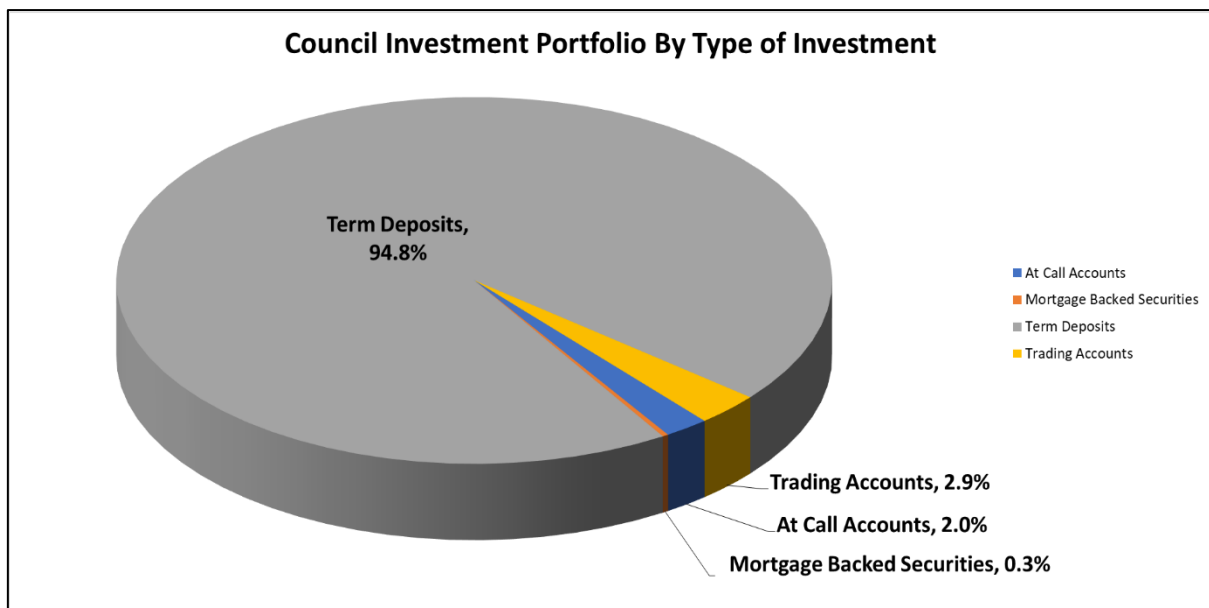
** Unrated Category is restricted to eligible managed funds such as the NSW Treasury Corporation Hour Glass Facilities and ADIs covered by the government guarantee scheme.



Term to Maturity Framework – Compliance with Investment Policy Requirements

Clause 4.2.4 of Council's Investment Policy requires Council's investment portfolio is to be invested within the following maturity constraints:

Overall Portfolio Term to Maturity Limits			Portfolio Complies with Policy?
Portfolio % <1 year	Min 40%	Max 100%	Yes
Portfolio % >1 year ≤3 year	Min 0%	Max 60%	Yes
Portfolio % >3 year ≤5 year	Min 0%	Max 30%	Yes



Investment Performance vs Benchmark

a) Portfolio Return vs Benchmark

	Investment Portfolio Return *	Benchmark: AusBond Bank Bill Index
1 month	0.429%	0.35%
3 Months	1.285%	1.03%
FYTD	2.099%	1.77%
12 Months	4.550%	3.76%

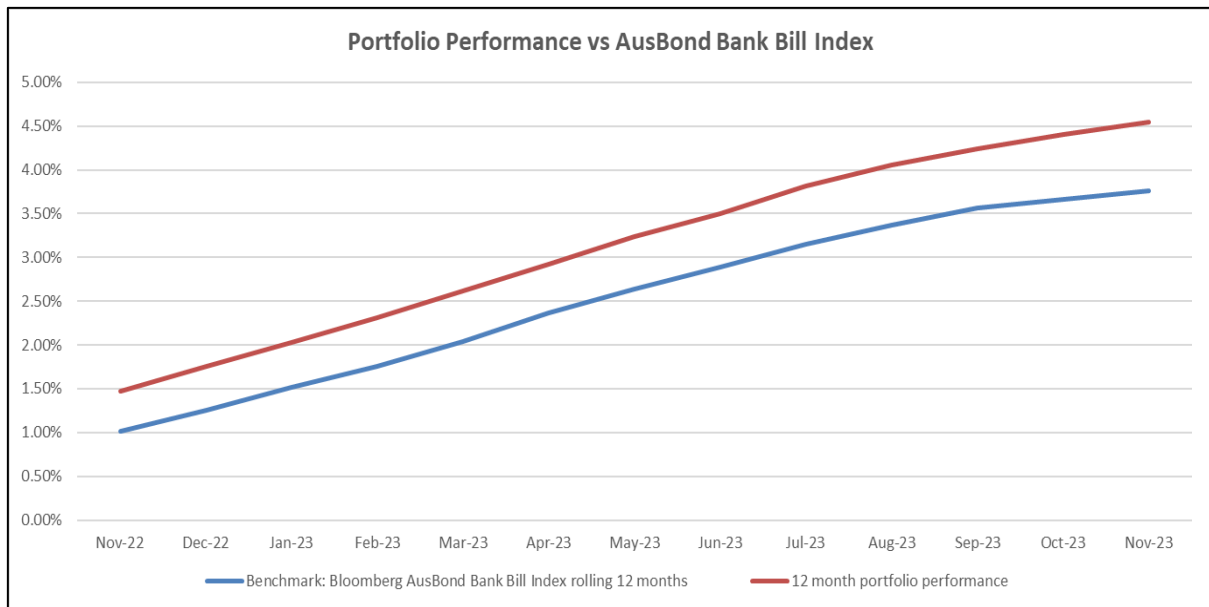
* Excludes trading account balances

Council's Investment Advisors have stated this form of portfolio reporting conforms to global investment performance standards and that these standards say that periods below 12 months should not be annualised.

The above table shows a comparison of Council's investment portfolio return to the benchmark. Council's Investment Advisor, Laminar Capital, has created an accumulation index for the portfolio which increases each month by the portfolio internal rate of return to enable meaningful comparison to the benchmark AusBond Bank Bill index, which is an accumulation index.

The Bloomberg AusBond Bank Bill Index is engineered to measure the Australian money market by representing a passively managed short term money market portfolio. This index is comprised of 13 synthetic instruments defined by rates interpolated from the RBA 24-hour cash rate, 1M BBSW, and 3M BBSW.

The portfolio achieved a return of 0.429% for the month of November which was 0.079% above the benchmark AusBond Bank Bill Index return of 0.35%. For the past 12 months the portfolio achieved a return of 4.550% which was 0.79% above the benchmark AusBond Bank Bill Index return of 3.76%.



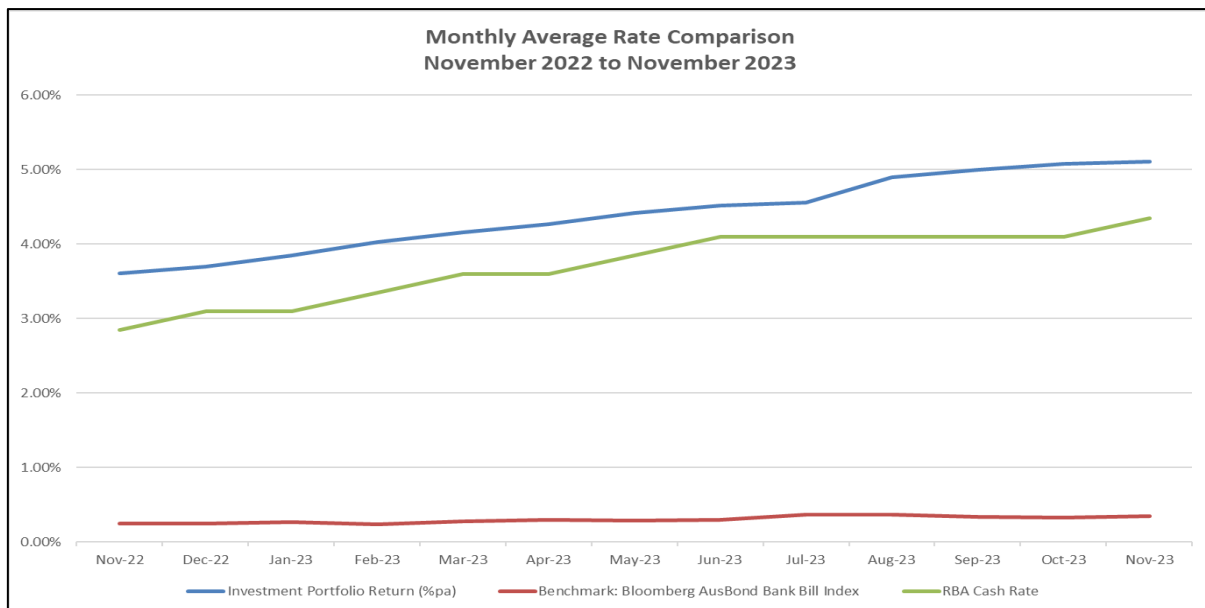
b) Portfolio Interest Rate vs Benchmarks

	Weighted Average Portfolio Interest Rate (%pa) *	Average Benchmark: AusBond Bank Bill Index	Average RBA Cash Rate
1 month	5.11%	0.35%	4.35%
3 Months	5.06%	0.34%	4.18%
6 Months	4.86%	0.34%	4.14%
FYTD	4.93%	0.35%	4.15%
12 Months	4.47%	0.31%	3.79%

* Excludes trading account balances

The above table shows the weighted average interest rate of the portfolio as at month end. This is an average of all the interest rates that each term deposit is earning. It is the current earning rate of the portfolio, and this information is useful as it shows how the earning rate is changing each month in line with changes in market interest rates. Each time a term deposit matures during the month it is being reinvested at current interest rates. To facilitate meaningful comparison, the weighted average interest rate of the portfolio is compared to the average AusBond Bank Bill Index and average Reserve Bank of Australia Cash Rate for the same period.

The weighted average interest rate of the portfolio is 5.11% compared to 5.08% for the prior month. For the past 12 months the weighted average interest rate of the portfolio was 4.47% compared to the average Ausbond Bank Bill movement of 0.31% and the average Reserve Bank of Australia Cash Rate of 3.79%.

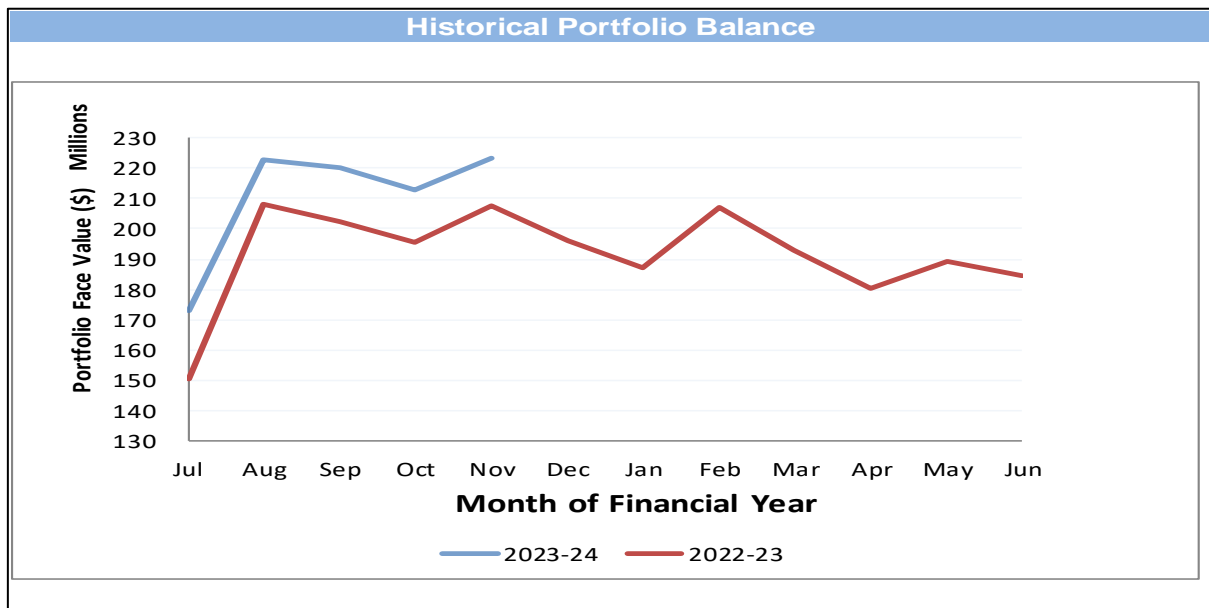


Monthly Investment Income* vs Budget

	Nov 2023 \$	Year to Date \$
Investment Income	891,083	4,247,269
Adjustment for Fair Value	12,648	19,208
Total Investment Income	903,731	4,266,477
Budgeted Income	582,816	2,794,164

*Includes all cash and investment holdings

Historical Portfolio Balance		
	2023-24	2022-23
Jul	172,792,796	150,084,380
Aug	222,700,387	207,972,249
Sep	220,000,804	202,385,068
Oct	213,097,673	195,360,642
Nov	223,142,220	207,563,253
Dec		196,306,324
Jan		187,257,340
Feb		207,336,465
Mar		192,847,150
Apr		180,536,376
May		188,995,234
Jun		184,295,641
Average Portfolio Balance	210,346,776	191,745,010



Statement of Compliance

Portfolio Performance vs Bank Bill Index over 12-month period.	✓	Council's investment performance did exceed benchmark.
Monthly Income vs Budget	✓	Council's income from investments did exceed monthly budget.

Investment Policy Compliance

Legislative Requirements	✓	Fully compliant
Portfolio Credit Rating Limit	✓	Fully compliant
Institutional Exposure Limits	✓	Fully compliant
Term to Maturity Limits	✓	Fully compliant

Restricted cash, cash equivalents and investments

The breakdown of restrictions is generally not available for the current month within the timeframe for the completion of the Monthly Investment Report. Accordingly, the total cash and investments and restrictions related thereto are presented for the previous month.

At the end of October 2023 total cash & investments were \$213,097,673 and were made up of the following reserve allocations.

Allocation of Funds	Amount (\$)	Percentage
Externally Restricted	58,583,823	27.49%
Internally Restricted	88,349,481	41.46%
Total Restricted	146,933,304	68.95%
Unrestricted	66,164,369	31.05%
Total	213,097,673	100.00%

ECONOMIC NOTES

(Source: Primarily extracted from information supplied by Laminar Capital Pty Ltd)

Economic releases in November show signs of moderating economic activity in the US and Europe as well as lower inflation. Central bankers continue to warn that their task of returning inflation to their targets will still take time and will require a lengthy period of high interest rates. Financial markets are starting to factor in that the central banks will change their tune and will pivot towards reducing interest rates before long. The likely limited reduction in inflation over coming months point to disappointment for markets, an assessment that rings true for Australia where inflation is now higher and probably stickier than overseas and may require the RBA to hike rates further against a trend of stable but high official interest rates elsewhere.

In the US, economic releases in November point to the strong growth evident in the 4.9% annualised growth in Q3 GDP having passed. At the leading edge, purchasing managers' reports took a softer turn in the October reports with the ISM manufacturing survey index down to 46.7 from 49.0 in September and the non-manufacturing (services sector) index down to 51.8 from 53.6 in September. Current household spending appears to be softening with October retail sales down by 0.1% m-o-m after three strong monthly readings for July through to September (September was up 0.9% m-o-m on revision). The US labour market was not as tight in October as it was through Q3 with non-farm payrolls up 150,000 (+297,000 in September), annual growth in average hourly earnings moderating to 4.1% y-o-y from 4.3% in September and the unemployment rate lifting to 3.9% from 3.8% in September.

In China, economic releases in November show slightly better growth but an economy still beset by the weakness and financial difficulties in the property sector. Fixed asset investment spending was a little weaker than expected in October, up 2.9% y-o-y from +3.1% in November. Industrial production in October edged up to 4.6% y-o-y from 4.5% in September while retail sales improved more than expected to +7.6% y-o-y from +5.5% in September. The authorities are starting to introduce some spending initiatives to prime growth, but the problem of over-supplied residential and commercial property markets remains. More generally over-supply shows in declining prices. China's CPI fell in October by 0.1% m-o-m, -0.2% y-o-y while producer prices fell by 2.6% y-o-y.

More signs showed in November that recession has taken hold in Europe. The preliminary November manufacturing purchasing managers' index came in at 43.8 (43.1 in October). Readings in the low forties point to recession. The services sector PMI came in at 48.2 in November from 47.8 in October. European GDP growth in Q3 at -0.1% q-o-q, +0.1% y-o-y is very weak and very weak September retail sales and industrial production at respectively -0.3% m-o-m and -1.1% point to even weaker growth ahead in Q4. Europe's unemployment rate remains low at 6.5% in September but is starting to edge upwards. Europe's recession is working to bring down inflation faster than elsewhere with annual CPI inflation falling to 2.9% y-o-y in October from 4.3% in September. Core annual CPI inflation is stickier but still fell to 4.2% y-o-y in October from 4.5% in September. The European Central Bank left official interest rates unchanged (4.00% for the deposit rate) at its November meeting and because of weak growth has more leeway than other central banks to stay on hold.

In Australia, economic releases in November show demand, the labour market, and wage growth firmer than expected previously. The comparatively strong November data reports come after the release in late October of Q3 and September monthly CPI inflation reports showing sticky and high annual inflation at respectively 5.4% y-o-y and 5.6% y-o-y. Those high inflation reports pushed the RBA to revise upwards its inflation forecasts over the next two years and to hike the cash rate 25bps to 4.35% at its November policy meeting after sitting on hold at 4.10% for four months.

In November, it has become more evident that Australian inflation is tracking high by international comparison and that local factors are underpinning inflation. At the same time, demand growth is not moderating enough to quell inflation quickly enough, running the risk that community inflation expectations lift and make it more difficult to contain inflation.

ITEM 9.5 MONTHLY INVESTMENT REPORT - DECEMBER 2023
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PURPOSE

The purpose of this report is to provide details of all money that Council has invested under section 625 of the *Local Government Act 1993* (Act).

EXECUTIVE SUMMARY

- In accordance with section 212 of the Local Government (General) Regulation 2021 (Regulation), the Responsible Accounting Officer must provide Council with a written report on a monthly basis setting out details of all money that the Council has invested under section 625 of the Act.
- The Responsible Accounting Officer has certified that the investments listed in the report have been made in accordance with the Act, the Regulation and Council's Investment Policy.
- As at 31 December 2023, Council had total cash and investments of \$213,002,977 comprising:

Trading Accounts	\$3,846,027
Investments	\$209,156,950

- The portfolio achieved a return of 0.442% for the month of December, which was 0.072% above the benchmark AusBond Bank Bill Index return of 0.37%.
- The weighted average interest rate of the portfolio at month end is 5.15% compared to 5.11% for the prior month.
- Total investment income for December was \$974,959 compared to budgeted income for the month of \$580,499. Year to date income is \$5,241,435 compared to budget of \$3,374,663.

RECOMMENDATION

That Council note the Investment Report as at 31 December 2023, including the certification by the Responsible Accounting Officer.

BACKGROUND

In accordance with section 212 of the Local Government (General) Regulation 2021 (Regulation), a report setting out the details of money invested must be presented to Council on a monthly basis.

The report must also include certification as to whether or not the investments have been made in accordance with the *Local Government Act 1993*, the Regulation and Council's Investment Policy.

The details of the report (the key aspects of which are in the Executive Summary) are set out below, together with the Responsible Accounting Officer's certification.

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in this report have been made in accordance with section 625 of the *Local Government Act 1993*, section 212 of the Local Government (General) Regulation 2021 and existing Investment Policies.

FINANCIAL CONSIDERATIONS

Actual investment income for the period from 1 July 2023 to date was \$5,241,435 compared to budgeted income of \$3,374,663, a positive variance of \$1,866,772.

GOVERNANCE AND RISK CONSIDERATIONS

A revised Investment Policy was adopted by Council at its meeting on 26 July 2022. The Policy is reviewed annually by the Audit, Risk and Improvement Committee. It was reviewed by the Committee at their meeting in December 2023, and no changes to the Policy were proposed.

Council's Investment Strategy was reviewed in August 2023 by Council's Investment Advisors, Laminar Capital Pty Ltd, who confirmed that the current policy "remains consistent with the Ministerial Investment Order and guidelines issued by the Chief Executive (Local Government), Department of Premier and Cabinet" and that they "do not recommend any changes to the list of approved investments or credit limit frameworks".

ENVIRONMENTAL CONSIDERATIONS

Council's investments are managed in accordance with Council's Investment Policy. Council's Investment Policy requires consideration of environmental responsibility when making investment decisions.

SOCIAL CONSIDERATIONS

Council's investments are managed in accordance with Council's Investment Policy. Council's Investment Policy requires consideration of social responsibility when making investment decisions.

LINK TO STRATEGY

This report relates to the Community Strategic Plan Outcome and Goal:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community

REPORTING TEAM	FINANCE
TRIM FILE REF	2024/059694
ATTACHMENTS	NIL

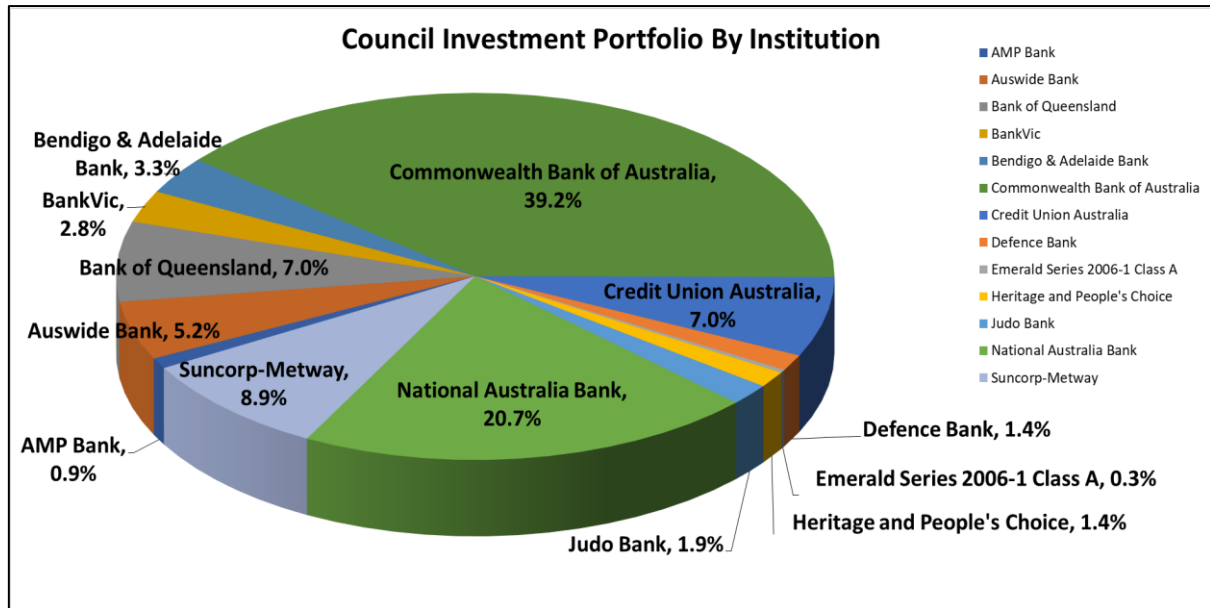
Investment Balances

INVESTMENT BALANCES					
As at 31-Dec-2023					
INSTITUTION	RATING	AMOUNT \$	DATE INVESTED	MATURITY DATE	INTEREST RATE
Trading Accounts					
Commonwealth Bank of Australia Ltd	A1+	3,134,258			4.40%
National Australia Bank Ltd	A1+	5,057			4.35%
		3,139,315			
At Call Accounts					
Commonwealth Bank of Australia Ltd	A1+	4,617,083		At Call	4.40%
		4,617,083			
Mortgage Backed Securities					
Emerald Series 2006-1 Class A	A*	601,642	17-Jul-06	21-Aug-51	4.8329%
		601,642			
Term Deposits					
Defence Bank Ltd	A2	3,000,000	23-May-23	02-Jan-24	4.90%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	31-May-23	04-Jan-24	5.00%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	31-May-23	09-Jan-24	5.02%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	31-May-23	11-Jan-24	5.02%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	31-May-23	16-Jan-24	5.02%
Suncorp-Metway Ltd	A1	2,000,000	29-Jun-23	18-Jan-24	5.47%
National Australia Bank Ltd	A1+	2,000,000	29-Jun-23	23-Jan-24	5.40%
Suncorp-Metway Ltd	A1	2,000,000	29-Jun-23	25-Jan-24	5.47%
Credit Union Australia Ltd	A2	3,000,000	31-Jan-23	30-Jan-24	4.65%
Bank of Queensland Ltd	A2	2,000,000	29-Jun-23	01-Feb-24	5.50%
National Australia Bank Ltd	A1+	2,000,000	29-Jun-23	06-Feb-24	5.40%
Suncorp-Metway Ltd	A1	2,000,000	29-Jun-23	08-Feb-24	5.47%
Bank of Queensland Ltd	A2	3,000,000	29-Jun-23	13-Feb-24	5.50%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	15-Feb-24	5.41%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	20-Feb-24	5.41%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	22-Feb-24	5.41%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	28-Feb-23	27-Feb-24	5.02%
National Australia Bank Ltd	A1+	2,000,000	01-Mar-23	29-Feb-24	5.00%
AMP Bank Ltd	A2	2,000,000	28-Mar-23	05-Mar-24	4.90%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	03-Aug-23	07-Mar-24	5.43%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	03-Aug-23	12-Mar-24	5.43%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	08-Aug-23	14-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	08-Aug-23	19-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	10-Aug-23	21-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	08-Aug-23	26-Mar-24	5.45%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	17-Aug-23	28-Mar-24	5.44%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	17-Aug-23	02-Apr-24	5.45%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	04-Apr-24	5.37%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	10-Aug-23	09-Apr-24	5.46%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	11-Apr-24	5.38%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	15-Aug-23	16-Apr-24	5.51%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	15-Aug-23	18-Apr-24	5.51%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	22-Apr-24	5.39%
Bendigo & Adelaide Bank Ltd	A2	3,000,000	27-Jul-23	23-Apr-24	5.45%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	22-Aug-23	30-Apr-24	5.40%
National Australia Bank Ltd	A1+	2,000,000	29-Aug-23	02-May-24	5.10%
National Australia Bank Ltd	A1+	3,000,000	29-Aug-23	07-May-24	5.10%
National Australia Bank Ltd	A1+	2,000,000	29-Aug-23	09-May-24	5.11%
National Australia Bank Ltd	A1+	2,000,000	29-Aug-23	14-May-24	5.10%
Bendigo & Adelaide Bank Ltd	A2	2,000,000	29-Aug-23	16-May-24	5.05%
Credit Union Australia Ltd	A2	3,000,000	23-May-23	21-May-24	5.11%
Bendigo & Adelaide Bank Ltd	A2	2,000,000	29-Aug-23	23-May-24	5.05%
BankVic	A2	2,000,000	05-Sep-23	28-May-24	5.11%

INVESTMENT BALANCES					
As at 31-Dec-2023					
INSTITUTION	RATING	AMOUNT \$	DATE INVESTED	MATURITY DATE	INTEREST RATE
Term Deposits (continued)					
National Australia Bank Ltd	A1+	3,000,000	29-Aug-23	04-Jun-24	5.10%
National Australia Bank Ltd	A1+	2,000,000	05-Sep-23	06-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	05-Sep-23	11-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	05-Sep-23	13-Jun-24	5.15%
National Australia Bank Ltd	A1+	3,000,000	05-Sep-23	18-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	12-Sep-23	20-Jun-24	5.12%
National Australia Bank Ltd	A1+	2,000,000	12-Sep-23	25-Jun-24	5.12%
National Australia Bank Ltd	A1+	2,000,000	12-Oct-23	25-Jun-24	5.10%
Bank of Queensland Ltd	A2	2,000,000	23-Oct-23	25-Jun-24	5.15%
National Australia Bank Ltd	A1+	2,000,000	12-Sep-23	27-Jun-24	5.12%
National Australia Bank Ltd	A1+	3,000,000	31-Aug-23	02-Jul-24	5.15%
Suncorp-Metway Ltd	A1	2,000,000	12-Oct-23	04-Jul-24	5.10%
Bank of Queensland Ltd	A2	2,000,000	23-Oct-23	09-Jul-24	5.18%
Bank of Queensland Ltd	A2	2,000,000	23-Oct-23	11-Jul-24	5.18%
National Australia Bank Ltd	A1+	3,000,000	31-Aug-23	16-Jul-24	5.16%
Suncorp-Metway Ltd	A1	2,000,000	14-Nov-23	18-Jul-24	5.35%
Suncorp-Metway Ltd	A1	2,000,000	14-Nov-23	23-Jul-24	5.40%
Suncorp-Metway Ltd	A1	2,000,000	14-Nov-23	25-Jul-24	5.40%
Heritage and People's Choice Limited	A2	3,000,000	25-Jul-23	30-Jul-24	5.65%
Credit Union Australia Ltd	A2	2,000,000	31-Aug-23	01-Aug-24	5.20%
Credit Union Australia Ltd	A2	2,000,000	31-Aug-23	06-Aug-24	5.20%
Credit Union Australia Ltd	A2	2,000,000	31-Aug-23	08-Aug-24	5.20%
Commonwealth Bank of Australia Ltd	A1+	3,000,000	15-Aug-23	13-Aug-24	5.60%
Suncorp-Metway Ltd	A1	2,000,000	31-Oct-23	15-Aug-24	5.42%
BankVic	A2	2,000,000	16-Nov-23	20-Aug-24	5.50%
BankVic	A2	2,000,000	16-Nov-23	22-Aug-24	5.50%
Suncorp-Metway Ltd	A1	3,000,000	31-Oct-23	27-Aug-24	5.42%
Judo Bank	A3	2,000,000	30-Nov-23	03-Sep-24	5.45%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	05-Sep-24	5.45%
National Australia Bank Ltd	A1+	3,000,000	12-Sep-23	10-Sep-24	5.20%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	12-Sep-24	5.45%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	17-Sep-24	5.45%
Auswide Bank Limited	A2	2,000,000	29-Nov-23	19-Sep-24	5.45%
Auswide Bank Limited	A2	3,000,000	29-Nov-23	24-Sep-24	5.45%
Bank of Queensland Ltd	A2	2,000,000	30-Nov-23	26-Sep-24	5.40%
Judo Bank	A3	2,000,000	30-Nov-23	01-Oct-24	5.45%
Bank of Queensland Ltd	A2	2,000,000	05-Dec-23	03-Oct-24	5.36%
Credit Union Australia Ltd	A2	3,000,000	05-Dec-23	08-Oct-24	5.38%
		183,000,000			
Kimbriki Environmental Enterprises Pty Ltd					
Trading Accounts					
Commonwealth Bank of Australia Ltd	A1+	706,712			4.30%
		706,712			
At Call Accounts					
Commonwealth Bank of Australia Ltd	A1+	546,372		At Call	4.40%
Commonwealth Bank of Australia Ltd	A1+	795,496		At Call	4.40%
		1,341,868			
Term Deposits					
Commonwealth Bank of Australia Ltd	A1+	1,500,000	04-Dec-23	03-Jan-24	4.43%
Commonwealth Bank of Australia Ltd	A1+	1,000,000	15-Dec-23	15-Jan-24	4.34%
Commonwealth Bank of Australia Ltd	A1+	1,000,000	19-Dec-23	19-Feb-24	4.62%
Commonwealth Bank of Australia Ltd	A1+	16,096,356	28-Aug-23	28-Aug-24	5.41%
		19,596,356			
Total Cash and Investments		213,002,977			

*Rating is based on a private rating advised by the issuer to Council's Investment Advisors.

Portfolio Analysis



Institutional Credit Framework – Compliance with Investment Policy Requirements

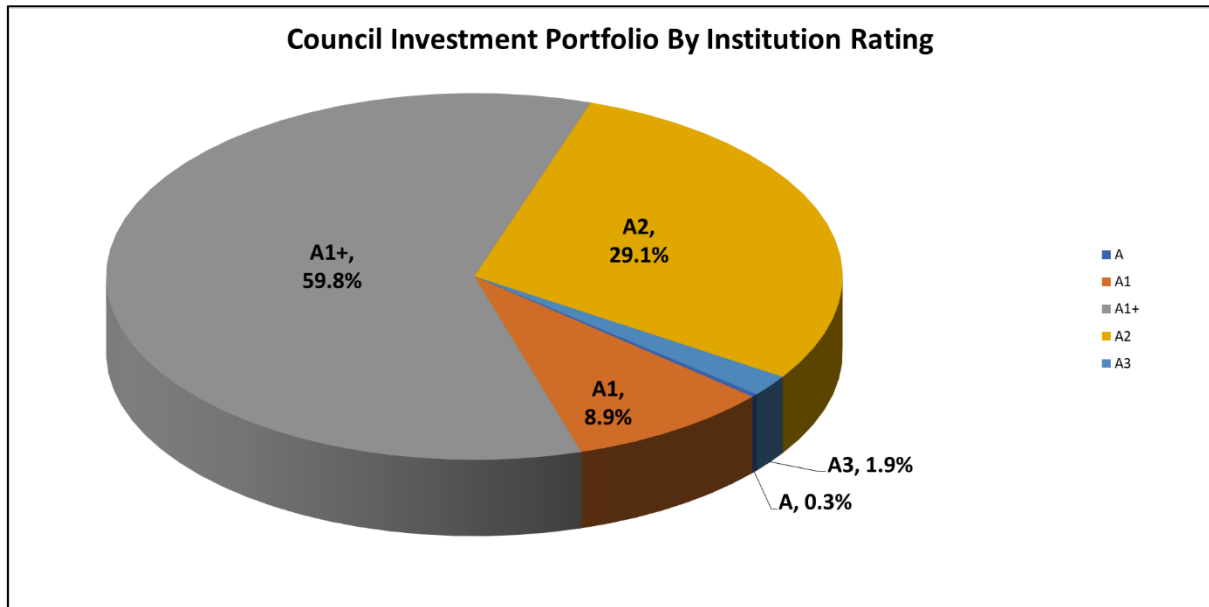
Clause 4.2.2 of Council's Investment Policy requires that the exposure to an individual institution be restricted by their credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating*	S&P Short Term Rating*	Maximum %	Portfolio Complies with Policy?
AAA (incl. government guaranteed deposits)	A-1+	50%	Yes
AA+			
AA			
AA-			
A+	A-1	40%	Yes
A			
A-			
BBB+	A-2	30%	Yes
BBB			
BBB-	A-3	10%	Yes
Unrated**TCorp Funds	Unrated**	5%	Yes (\$Nil)
Unrated***ADIs	Unrated***	\$250,000	Yes (\$Nil)

* Or Moody's / Fitch equivalents

** Unrated Category is restricted to eligible managed funds such as the NSW Treasury Corporation Hour Glass Facilities

*** Unrated ADIs Category is restricted to those ADIs that are under the Australian government guarantee scheme and limited to maximum \$250,000 per unrated ADI.



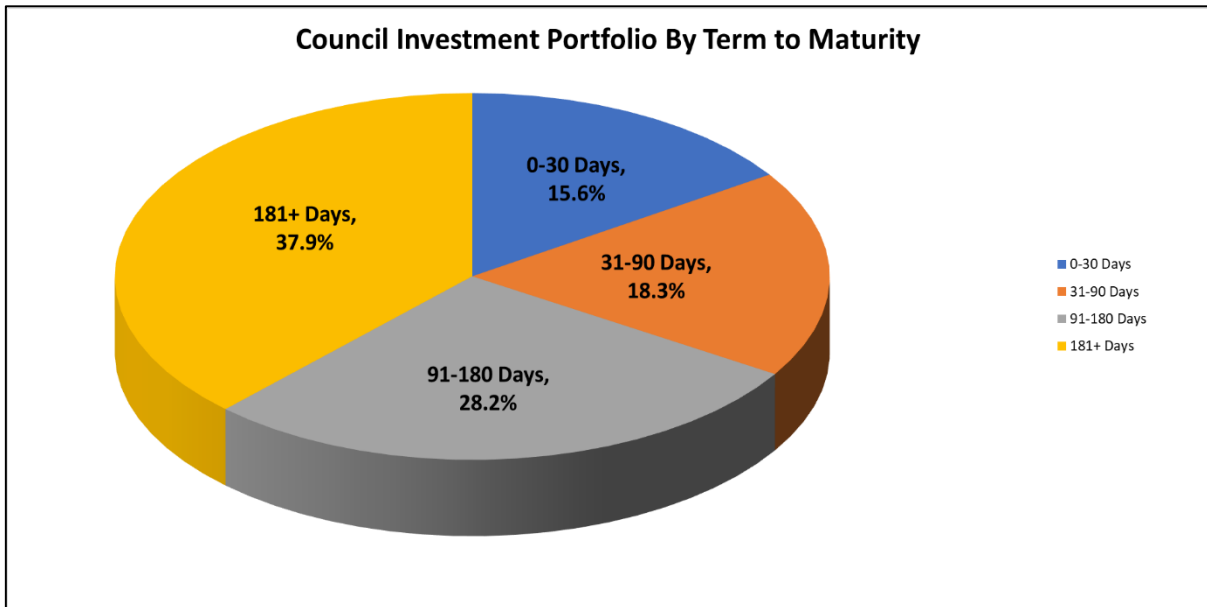
Overall Portfolio Credit Framework – Compliance with Investment Policy Requirements

Clause 4.2.1 of Council's Investment Policy requires that the total percentage exposure within the market to any particular credit rating category be limited, as detailed in the table below:

S&P Long Term Rating*	S&P Short Term Rating*	Maximum %	Portfolio Complies with Policy?
AAA (incl. government guaranteed deposits)	A-1+	100%	Yes
AA+			
AA			
AA-			
A+	A-1	100%	Yes
A			
A-			
BBB+	A-2	80%	Yes
BBB			
BBB-	A-3	30%	Yes
Unrated**	Unrated**	5%	Yes (\$Nil)

* Or Moody's / Fitch equivalents

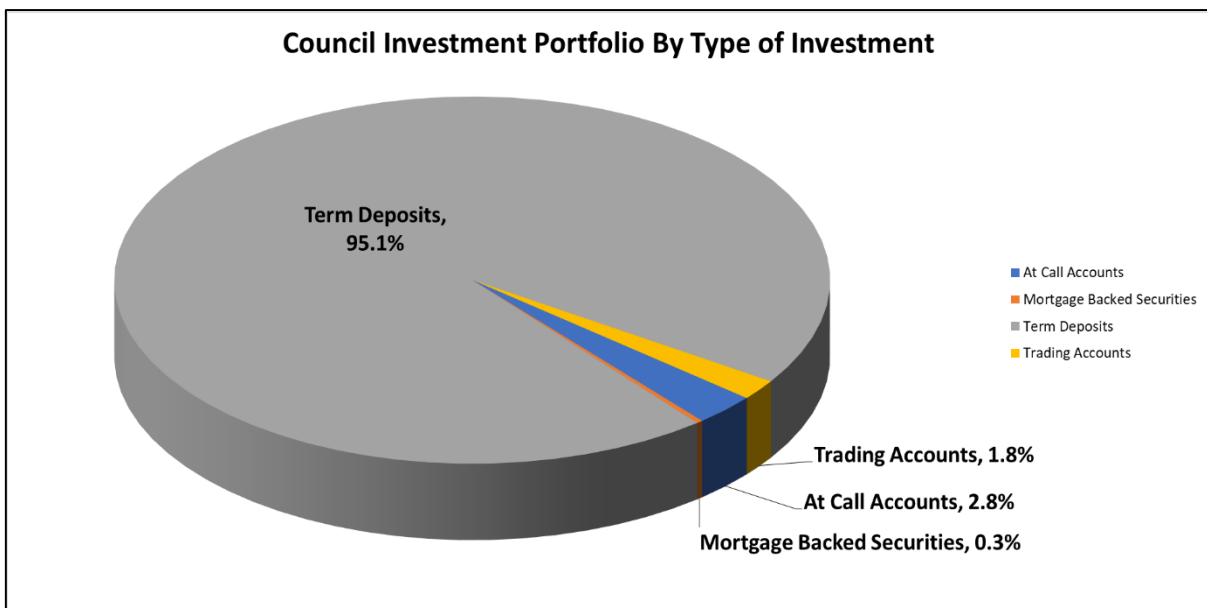
** Unrated Category is restricted to eligible managed funds such as the NSW Treasury Corporation Hour Glass Facilities and ADIs covered by the government guarantee scheme.



Term to Maturity Framework – Compliance with Investment Policy Requirements

Clause 4.2.4 of Council's Investment Policy requires Council's investment portfolio is to be invested within the following maturity constraints:

Overall Portfolio Term to Maturity Limits			Portfolio Complies with Policy?
Portfolio % <1 year	Min 40%	Max 100%	Yes
Portfolio % >1 year ≤3 year	Min 0%	Max 60%	Yes
Portfolio % >3 year ≤5 year	Min 0%	Max 30%	Yes



Investment Performance vs Benchmark

a) Portfolio Return vs Benchmark

	Investment Portfolio Return *	Benchmark: AusBond Bank Bill Index
1 month	0.442%	0.37%
3 Months	1.304%	1.06%
FYTD	2.546%	2.15%
12 Months	4.681%	3.89%

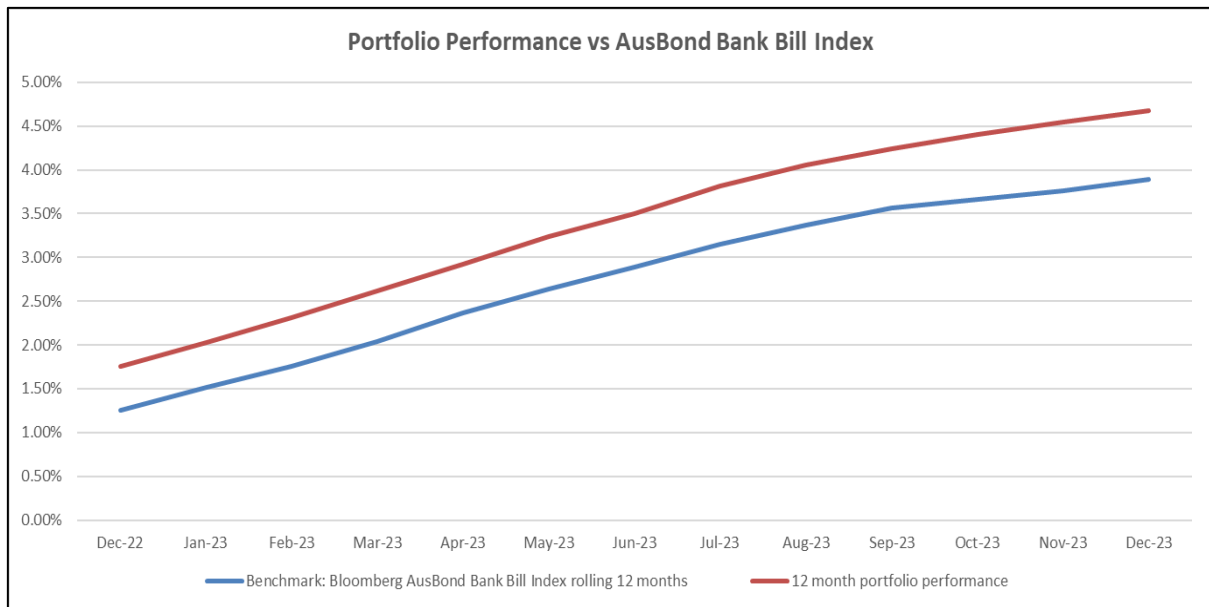
* Excludes trading account balances

Council's Investment Advisors have stated this form of portfolio reporting conforms to global investment performance standards and that these standards say that periods below 12 months should not be annualised.

The above table shows a comparison of Council's investment portfolio return to the benchmark. Council's Investment Advisor, Laminar Capital, has created an accumulation index for the portfolio which increases each month by the portfolio internal rate of return to enable meaningful comparison to the benchmark AusBond Bank Bill index, which is an accumulation index.

The Bloomberg AusBond Bank Bill Index is engineered to measure the Australian money market by representing a passively managed short term money market portfolio. This index is comprised of 13 synthetic instruments defined by rates interpolated from the RBA 24-hour cash rate, 1M BBSW, and 3M BBSW.

The portfolio achieved a return of 0.442% for the month of December which was 0.072% above the benchmark AusBond Bank Bill Index return of 0.37%. For the past 12 months the portfolio achieved a return of 4.681% which was 0.791% above the benchmark AusBond Bank Bill Index return of 3.89%.



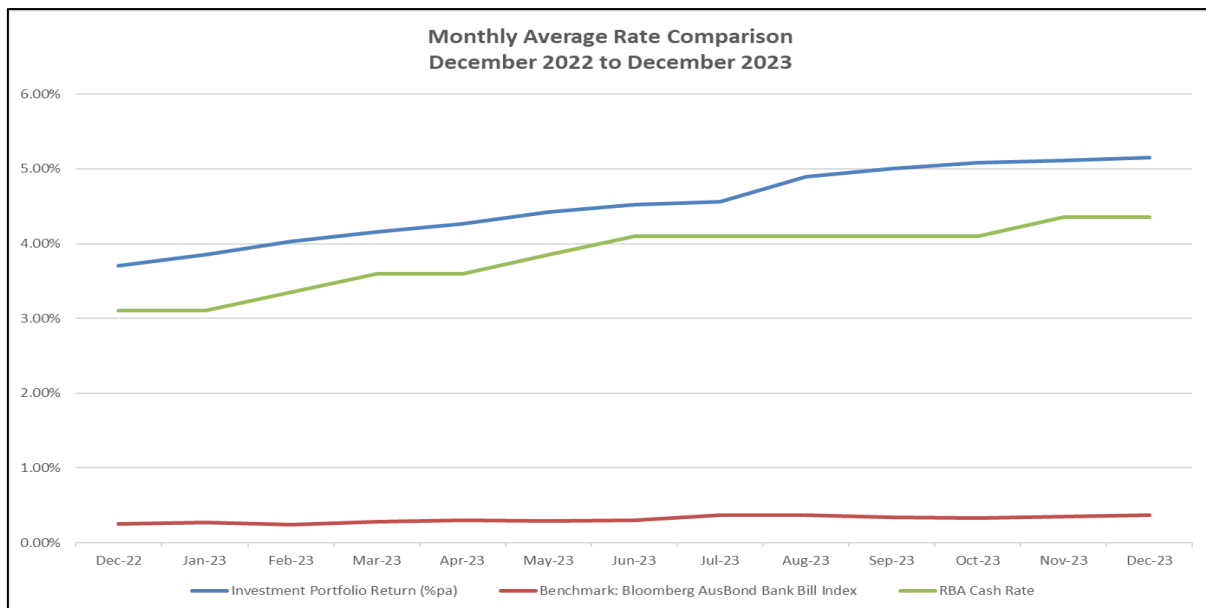
b) Portfolio Interest Rate vs Benchmarks

	Weighted Average Portfolio Interest Rate (%pa) *	Average Benchmark: AusBond Bank Bill Index	Average RBA Cash Rate
1 month	5.15%	0.37%	4.35%
3 Months	5.11%	0.35%	4.27%
6 Months	4.97%	0.36%	4.18%
FYTD	4.97%	0.36%	4.18%
12 Months	4.59%	0.32%	3.89%

* Excludes trading account balances

The above table shows the weighted average interest rate of the portfolio as at month end. This is an average of all the interest rates that each term deposit is earning. It is the current earning rate of the portfolio, and this information is useful as it shows how the earning rate is changing each month in line with changes in market interest rates. Each time a term deposit matures during the month it is being reinvested at current interest rates. To facilitate meaningful comparison, the weighted average interest rate of the portfolio is compared to the average AusBond Bank Bill Index and average Reserve Bank of Australia Cash Rate for the same period.

The weighted average interest rate of the portfolio is 5.15% compared to 5.11% for the prior month. For the past 12 months the weighted average interest rate of the portfolio was 4.59% compared to the average Ausbond Bank Bill movement of 0.32% and the average Reserve Bank of Australia Cash Rate of 3.89%.

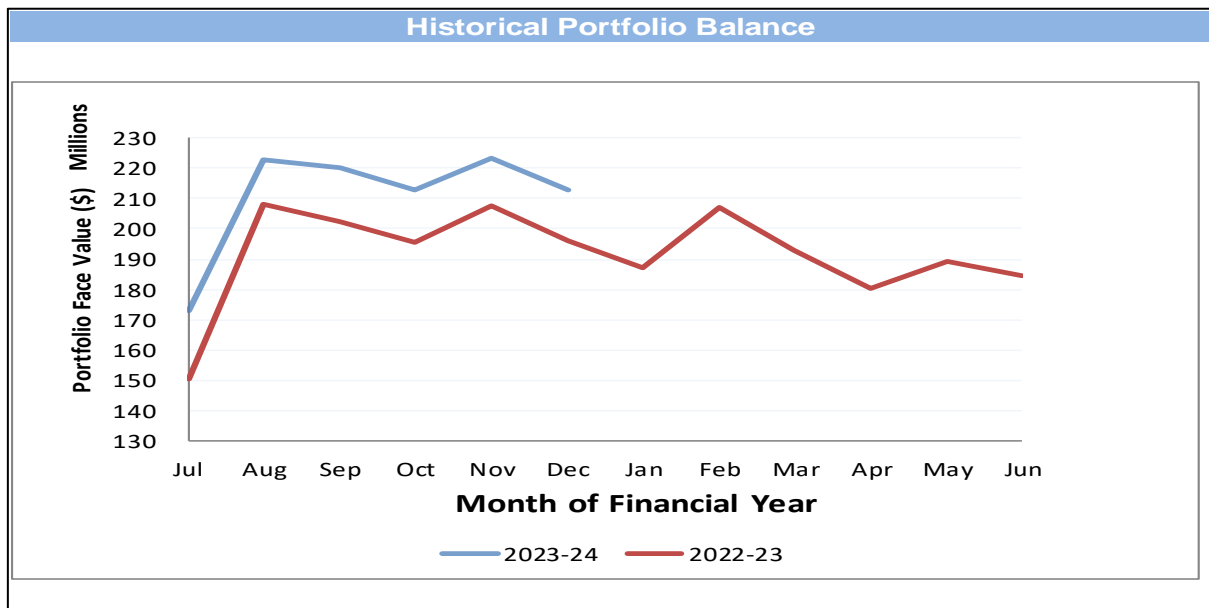


Monthly Investment Income* vs Budget

	Dec 2023 \$	Year to Date \$
Investment Income	974,955	5,222,223
Adjustment for Fair Value	4	19,212
Total Investment Income	974,959	5,241,435
Budgeted Income	580,499	3,374,663

*Includes all cash and investment holdings

Historical Portfolio Balance		
	2023-24	2022-23
Jul	172,792,796	150,084,380
Aug	222,700,387	207,972,249
Sep	220,000,804	202,385,068
Oct	213,097,673	195,360,642
Nov	223,142,220	207,563,253
Dec	213,002,977	196,306,324
Jan		187,257,340
Feb		207,336,465
Mar		192,847,150
Apr		180,536,376
May		188,995,234
Jun		184,295,641
Average Portfolio Balance	210,789,476	191,745,010



Statement of Compliance

Portfolio Performance vs Bank Bill Index over 12-month period.	✓	Council's investment performance did exceed benchmark.
Monthly Income vs Budget	✓	Council's income from investments did exceed monthly budget.

Investment Policy Compliance

Legislative Requirements	✓	Fully compliant
Portfolio Credit Rating Limit	✓	Fully compliant
Institutional Exposure Limits	✓	Fully compliant
Term to Maturity Limits	✓	Fully compliant

Restricted cash, cash equivalents and investments

The breakdown of restrictions is generally not available for the current month within the timeframe for the completion of the Monthly Investment Report. Accordingly, the total cash and investments and restrictions related thereto are presented for the previous month.

At the end of November 2023 total cash & investments were \$223,142,220 and were made up of the following reserve allocations.

Allocation of Funds	Amount (\$)	Percentage
Externally Restricted	56,150,799	25.16%
Internally Restricted	85,727,071	38.42%
Total Restricted	141,877,870	63.58%
Unrestricted	81,264,350	36.42%
Total	223,142,220	100.00%

ECONOMIC NOTES

(Source: Primarily extracted from information supplied by Laminar Capital Pty Ltd)

All going well, most major OECD economies, including Australia, should experience easing labour market conditions in 2024 helping to push down inflation and to pave the way for central banks to start cutting official interest rates. Some countries will experience recession in the process including several in the European Union, the most notable being Germany. In Europe, outside the EU, the United Kingdom and Sweden are also recession candidates. At this stage, the US and Australia may avoid recession and experience a soft landing, a barely credible outcome if it occurs given the large increases in interest rates over the past two years.

In the US, financial markets have celebrated through November and the first half of December the possibility that the Federal Reserve will pivot in 2024 and move into aggressive rate cutting mode taking the Funds rate down from 5.50% to near 3.50% over the next year. The Federal Reserve pushed back against the market's view of several rate cuts in 2024 until its policy meeting last week when it conceded that rates could be cut in the next year. The interest rate dot point forecasts of the senior Fed officials were cut at that meeting with the average 1-year rate forecast cut to 4.6% from 5.1% three months earlier. The two-year forecast was also cut to 3.6% from 3.9%.

The Fed was saying in its last policy meeting of 2023 that it is likely that moderating US economic growth, a less tight labour market and slowing inflation will allow it to start cutting rates, but not as early or fast as the market is expecting. The message was reinforced late last week by New York Fed President John Williams who indicated market expectations of the Fed starting to cut rates from March were too early and that the rate cutting program was likely to be a slower and later process than the market was factoring in.

In Australia, financial markets are also building in an expectation that the RBA will pivot towards cutting the official cash rate in 2024 although the rate cut expectations at around 50bps from the current 4.35% cash rate are much less pronounced than in the US. Australia is exhibiting softer economic growth than in the US (real GDP growth at 0.2% q-o-q or 0.8% annualised the US way in Q3 2023 and tracking about the same in Q4), but with still tight labour market conditions (unemployment rate up one notch to 3.9% in November, but on record high labour force participation rate of 57.2% and with Q3 wage growth at 4.0% y-o-y and pushing higher on recent wage settlements). Australian inflation is materially higher than in the US at 4.9% y-o-y on the latest monthly CPI reading for October and while decelerating is still a long way from touching down towards the top of the RBA's 2-3% target.

The RBA is still a rare candidate to push the cash rate even higher in February if economic readings in January show less progress containing inflation than the RBA forecast back in the November Monetary Policy Statement. The Q4 2023 CPI out in late January needs to be down to 4.5% y-o-y (it was 5.4% y-o-y in Q3) to allow the RBA to stay on hold in February and prevent the need for the RBA to revise higher its inflation forecasts in the February Monetary Policy Statement.

Lags seem more elongated in the current economic cycle between higher interest rates cutting back demand and economic growth, and then feeding easier labour market conditions and eventually lower inflation pressure. Covid shutdowns and severe global supply chain problems through 2020 to 2022, massive fiscal spending on income relief boosting household savings and eventually releasing a flood of pent-up demand have led to a sharper lift and fall in demand for goods followed by a longer lift in demand for services are contributing to the longer and bumpier road returning inflation to the RBA's target.

Both in the US and here in Australia, we are likely to progress over the hump of high interest rates in 2024. The extent of cuts to official interest rates that markets are building in for 2024 is too great in our view given the slow and bumpy progress likely reducing inflation. The strong rallies in government bond markets in November and the first half of December have pushed too far and the risk of setbacks is high as markets build in a more realistic view of when and how much central banks can cut rates in 2024, about 75bps for the US Fed and 50bps for the RBA.

ITEM 9.6 QUARTERLY REVIEW - DECEMBER 2023**PURPOSE**

The purpose of this report is to present financial and service performance results for the period ended 31 December 2023 and provide a progress report on the expenditure from the \$36.1 million Stronger Communities Fund (SCF) provided by the NSW Government.

EXECUTIVE SUMMARY

- The operating result for the financial year is forecast to decrease by \$8.0 million to a surplus of \$32.0 million and, if capital grants are excluded, is forecast to improve by \$1.5 million to a surplus of \$2.1 million, although this would reduce to an underlying deficit of \$3.5 million (a \$0.6 million improvement) if restrictions are removed.
- Capital expenditure is proposed to decrease by \$24.2 million to \$88.5 million for the full financial year, primarily due to the rephasing of projects into the 2024/25 financial year.
- To mitigate issues associated with the long delivery lead times, it is recommended Council place orders for plant and fleet vehicles for up to \$3 million of the 2024/25 program in advance of adoption of the full 2024/25 Budget.
- Of the 171 actions relating to operational and capital projects in Council's 2023/24 Operational Plan, the majority (84%) are progressing on schedule including 16 completed, while 82% of the 38 performance measures have met or approached their targets.
- Work is continuing on Council's remaining SCF projects (being Wakehurst Parkway flood mitigation and Connecting Northern Beaches Coast Walk pathway).

RECOMMENDATION

That Council:

1. Note the Quarterly Report on Service Performance for the period ended December 2023.
2. Note the December 2023 Quarterly Budget Review Statement.
3. Approve the changes to the Current Forecast in the December 2023 Quarterly Budget Review Statement, including:
 - a. a decrease in the forecast surplus from continuing operations, which includes capital grants and contributions, of \$8.014 million to \$32.016 million.
 - b. a decrease in Capital Expenditure of \$24.188 million to \$88.528 million.
4. Note the Quarterly Report on expenditure of funds from the Stronger Communities Fund for the period ended December 2023.
5. Due to the long lead time associated with the supply of plant and fleet, approve capital expenditure of \$3.0 million from the anticipated 2024/25 budget allocation to enable orders to be placed prior to 1 July 2024.

BACKGROUND

Northern Beaches Council's Operational Plan 2023/24 was adopted on 27 June 2023. The Operational Plan is for the period 1 July 2023 to 30 June 2024.

The Quarterly Budget Review Statement is a regular progress report against the Operational Plan 2023/24. It has been prepared in accordance with the requirements of the Local Government (General) Regulation 2021 (section 203) and essential element 4.9 of the Integrated Planning and Reporting Guidelines (September 2021), namely that the Responsible Accounting Officer report quarterly on a budget review statement and the Chief Executive Officer report at least every 6 months on the principal activities.

The Quarterly Budget Review Statement provides reporting to adequately disclose Council's overall financial position as well as provide sufficient information to enable informed decision making while ensuring transparency.

The Quarterly Report on Service Performance discloses the progress of key services in the delivery of projects and against performance measures.

This report includes updates for the period ended 31 December 2023 on:

- service performance
- financial performance and position, contracts and recommended changes to the budget
- the outcomes delivered from the \$36.1 million Stronger Communities Fund (Attachment 3).

DISCUSSION

Overview of service performance

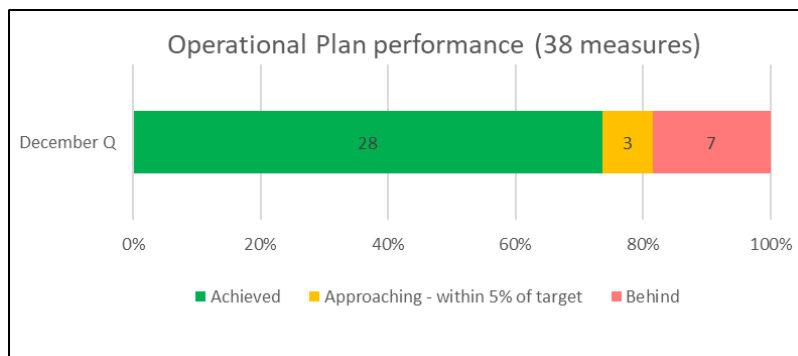
A report on Council's service performance is provided at Attachment 1. This is a comprehensive report on Council's 171 operational and capital projects, 38 service performance measures, 12 workload measures and service highlights across our 16 key services.

Council is making good progress towards achieving its performance targets and delivering operational and capital projects.

A summary of our performance is outlined below.

Performance measures

Overall 82% of Council's 38 performance measures met or were approaching the target. Of measures that are behind this was due to availability of staff resources, economic conditions and less community events.

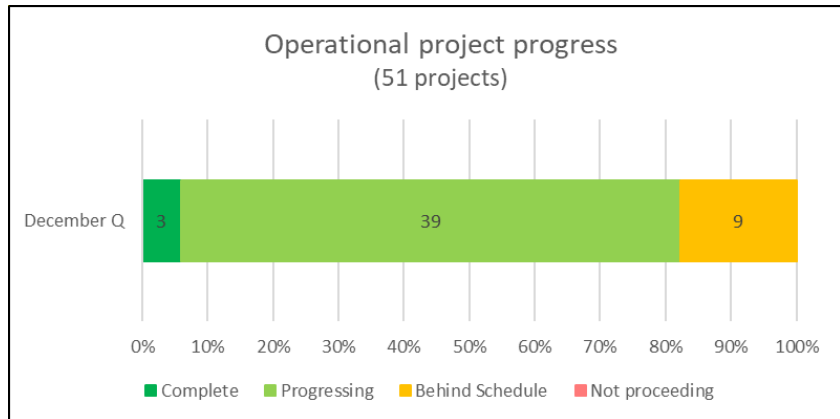


Operational project progress

Of the 51 operational projects, 82% are complete or progressing on schedule.

Of the 9 projects behind schedule, over half are due to delays caused by third-party issues, additional data being needed for decision making, resources being committed to other projects or further community consultation being required.

Target: 80% complete/on schedule as at 30 June 2024



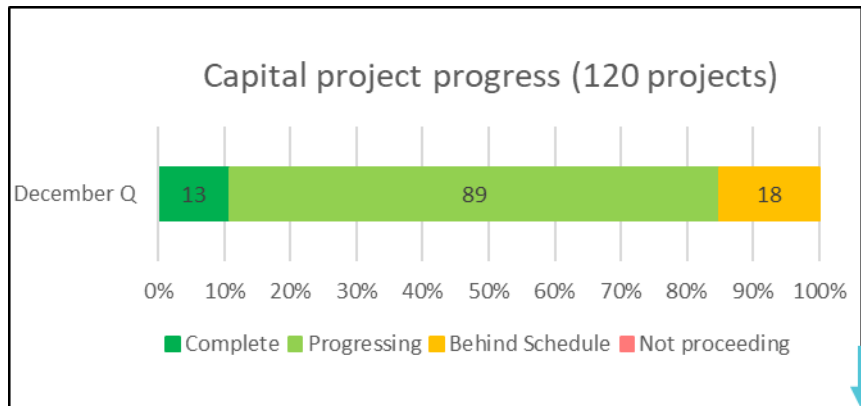
Of the project complete 2 were finalised in this quarter – the Library Strategy was adopted and the Brookvale Structure Plan was endorsed

Capital project progress

Of the 120 capital projects, 85% are complete or progressing on schedule.

Of the 18 projects behind schedule, 8 are due to third-party issues, 7 had extended community engagement, 2 have had to be adjusted as the cost of the works was above the budget and work on one has been rephased to allow other adjacent works to be completed.

Target: 80% complete/on schedule as at 30 June 2024



Of the 13 projects complete, 4 were completed this quarter:

- IT software – new works
- Commercial centre upgrade program
- Griffith Park playground upgrade
- Fern Creek bridge and shared paths
- Accessible Parking Infrastructure

Stronger Communities Fund (SCF)

Attachment 3 outlines the progress of projects funded by the NSW Government's SCF. Work is continuing on the remaining projects being Wakehurst Parkway flood mitigation and Connecting Northern Beaches Coast Walk pathway.

Overview of Financial Performance

Responsible Accounting Officer Budget Review Statement

The following statement is made in accordance with section 203(2) of the Local Government (General) Regulation 2021:

"It is my opinion that the Budget Review Statement for Northern Beaches Council for the period ending 31 December 2023 indicates that Council's projected financial position at 30 June 2024 will be satisfactory, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure."

David Walsh, Chief Financial Officer, Northern Beaches Council.

Income Statement – progress and forecast changes

The attached Quarterly Budget Review Statement (QBRs) provides an overview of Council's progress against the annual budget at the end of the December 2023 quarter and provides explanations for major variations that result in recommendations for budget changes.

For the 6 months to 31 December 2023, the operating result (including capital grants and contributions) is \$11.0 million favourably ahead of budget. Income is \$4.3 million ahead of budget while operating expenditure is \$6.7 million under budget. Development contribution income and user charges and fees are favourably ahead of budget. Expenditure on the domestic waste service was lower due to lower waste disposal costs and expenditure was delayed on some projects, including a number funded by operating grants.

The operating surplus which includes capital grants and contributions for the financial year is forecast to decrease by \$8.0 million to \$32.0 million for the full year. Income is forecast to decrease by \$10.1 million while operating expenses will decrease \$2.1 million (primarily due to the rephasing of a number of capital and operating grant funded projects to future financial years).

The operating result excluding capital grants and contributions is forecast to improve by \$1.5 million to a \$2.1 million surplus. This is primarily due to favourable re-forecasts for Kimbriki (\$0.4m), Domestic Waste (\$0.6m) and Lakeside Holiday Park (\$0.5m).

These overall movements are summarised in the table below, under the 'Recommended Changes' column.

Operating budget as at 31 December 2023 – annual budget and actual result to date summary

\$'000	Annual*				Year to date			
	ORIGINAL Budget	REVISED Budget	Recommended changes	CURRENT Forecast	Actual	YTD Budget	Variance	
Income	437,384	446,126	(10,069)	436,057	340,222	335,950	4,272	1%
Operating expenses	(404,689)	(406,095)	2,055	(404,041)	(191,120)	(197,842)	6,722	3%
Surplus / (Deficit)	32,695	40,030	(8,014)	32,016	149,103	138,108	10,995	8%
Surplus / (Deficit) before Capital Grants & Contr	406	602	1,492	2,093	135,446	126,036	9,410	7%

* Original Budget (adopted June 2023), Revised Budget (adopted November 2023 through the September Quarterly Review), Current Forecast (proposed for adoption in this report)

Attachment 2 'Quarterly Budget Review Statement - December 2023' provides further information on the proposed variations to the budget.

Income Year to Date (YTD) Analysis

Total income at the end of December 2023 is \$340.2 million which is \$4.3 million above the forecast. The principal variance is include:

Income as at 31 December 2023 – Variance to Approved YTD Budget

YTD Variance \$'000	Details – Favourable / (Unfavourable)
394	Rates and Annual Charges <ul style="list-style-type: none"> Domestic Waste Charge Pensioner Concession Subsidy received in December, one month early than forecast.
2,955	User Charges & Fees <ul style="list-style-type: none"> Stronger than anticipated income: <ul style="list-style-type: none"> Planning and building regulatory \$0.5m Aquatic centres \$0.4m Childcare \$0.4m Parking areas \$0.4m Restoration charges \$0.3m Sydney Lakeside \$0.2m Income from Kimbriki Waste & Recycling Centre was favourably \$0.3m ahead of budget, however \$0.2m of this related to a higher utilisation of the service by non-Council customers compared to Council's internal use. Actual income for the service (before inter-entity eliminations) is \$0.1m ahead of the budget)
33	Investment Fees and Revenues
780	Other Revenue <ul style="list-style-type: none"> Higher income including: <ul style="list-style-type: none"> Property agreements \$0.2m Glen Street Theatre \$0.2m Sale of inventory \$0.2m Timing of revenue recognition for advertising on Council structures \$0.2m
(1,698)	Grants and Contributions – Operating Purposes <ul style="list-style-type: none"> Timing of revenue recognition of grants to match expenditure of funds including Rural Fire Service local government program, accelerated streetlight replacement program, Currawong Environmental project, Collaroy-Narrabeen coastal protection private works.
1,584	Grants and Contributions – Capital Purposes <ul style="list-style-type: none"> Development contributions are higher than expected \$2.5m Timing of revenue recognition of grants to match expenditure of funds including: <ul style="list-style-type: none"> Road Resheeting Program \$1.4m New traffic facilities (\$0.7m) Manly Dam boardwalk (\$0.5m)

YTD Variance \$'000	Details – Favourable / (Unfavourable)
	<ul style="list-style-type: none"> ○ South Collaroy foreshore renewal (\$0.5m) ○ Bayview Seawall and Path (\$0.3m) ○ Warriewood Beach Foreshore (\$0.3m)
68	Other Income
156	Gain on disposal of assets <ul style="list-style-type: none"> • Timing of proceeds on sale of plant & equipment
4,272	TOTAL INCOME VARIANCE – YTD ACTUALS WITH YTD BUDGET

Operating Expenses Year to Date (YTD) Analysis

Total operating expenses at the end of December 2023 is \$191.1 million, which is \$6.7 million under the forecast. The principal variances include:

Operating expenses as at 31 December 2023 – Variance to Approved YTD Budget

YTD Variance \$'000	Details – Favourable / (Unfavourable)
1,481	Employee Benefits and Oncosts Lower primarily due to vacancies in Corporate Support, Environmental Compliance, Transport and Library Services. This was partially offset by higher expenditure on casual staff in Children's Services due to the unavailability of agency staff and trainees.
28	Borrowing Costs
4,676	Materials and Services <ul style="list-style-type: none"> • Timing of works: <ul style="list-style-type: none"> ○ Environment and floodplain \$1.4m (incl grant funded projects) ○ Accelerated Streetlight replacement \$0.8m ○ IT and communications \$0.6m ○ Bush regeneration \$0.3m ○ Land use planning \$0.2m • Lower than anticipated expenditure: <ul style="list-style-type: none"> ○ Waste disposal & processing costs \$1.0m • Higher than anticipated expenditure: <ul style="list-style-type: none"> ○ Cleaning (\$0.2m)
(110)	Depreciation and Amortisation <ul style="list-style-type: none"> • Due to the timing of the completion and capitalisation of new assets.
649	Other Expenses <ul style="list-style-type: none"> • Timing of Collaroy-Narrabeen coastal protection private works \$0.7m • Higher Waste Levy payments due to higher volumes at Kimbriki (\$0.1m)
6,722	TOTAL OPERATING EXPENSES VARIANCE - YTD ACTUALS WITH YTD BUDGET

Capital Budget Statement

Capital expenditure is forecast to decrease by \$24.2 million to \$88.5 million, primarily due to the re-phasing of \$24.7 million into the 2024/25 financial year offset by an increase in capital works of \$2.4m including new grant funded projects.

Capital budget as at 31 December 2023 – annual budget and actual result to date summary

\$'000	Annual*				Year to date			
	ORIGINAL Budget	REVISED Budget	Recommended changes	CURRENT Forecast	Actual	YTD Budget	Variance	
Renewal Works	44,292	52,783	(3,610)	49,173	21,718	19,034	(2,684)	(14%)
New Works	57,806	59,933	(20,578)	39,355	13,188	17,557	4,369	25%
Total Capital Expenditure	102,098	112,716	(24,188)	88,528	34,907	36,591	1,684	5%

* Original Budget (adopted June 2023), Revised Budget (adopted November 2023 through the September Quarterly Review), Current Forecast (proposed for adoption in this report)

Proposed variations to the capital expenditure budget are outlined in Attachment 2 'Quarterly Budget Review Statement - December 2023' and include:

- Budgets rephased to future years include:
 - \$3.7m Warriewood Valley Community Centre - Project funding has been rephased in line with the construction contract
 - \$3.5m Connecting Communities cycleways and footpaths programs - The project is behind schedule due to an extension of community engagement
 - \$2.4m New traffic facilities – Safe Speed grant program works delayed to 2024/25
- Budgets increased:
 - \$0.8m New traffic facilities – This includes additional Block Grant funded programs
 - \$0.5m Road re-sheeting program – Additional Block Grant funded works
 - \$0.2m Freshwater beach masterplan – Additional grant funding received for the accessible playground

Capital Expenditure Year to Date (YTD) Analysis

Expenditure on capital works for the 6 months ended 31 December 2023 is \$34.9 million against a year-to-date budget of \$36.6 million.

The principal variances in expenditure versus the year-to-date budget are as follows:

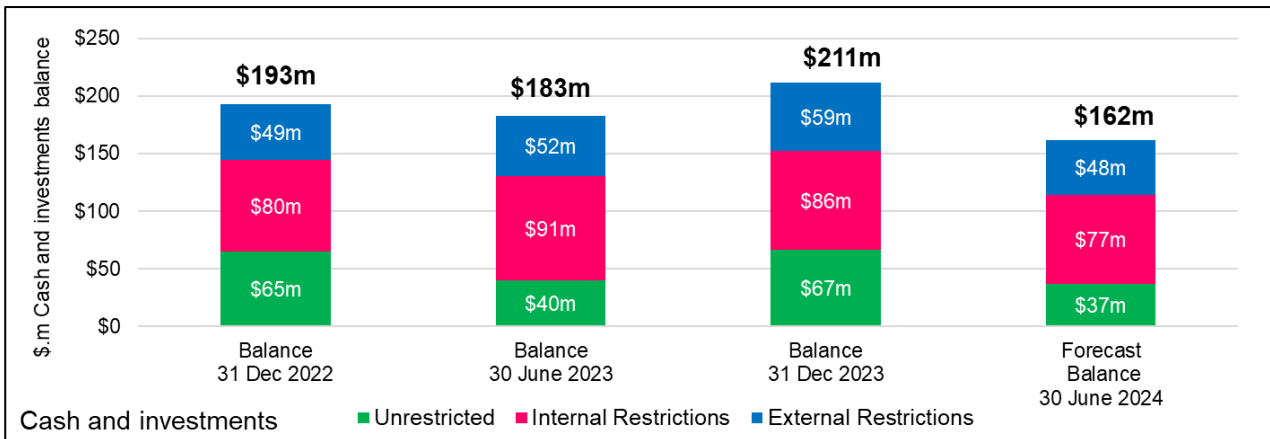
YTD Variance \$'000	Details – Favourable / (Unfavourable) YTD Variance
4,369	Capital Expenditure – New Projects <ul style="list-style-type: none"> Primarily due to projects behind schedule including new traffic facilities \$0.9m, Warringah Recreation Centre \$0.7m, Warriewood Community Centre \$0.6m, Manly Dam boardwalk \$0.5m, and Warriewood Valley traffic and transport works \$0.5m.
(2,684)	Capital Expenditure – Renewal Projects <ul style="list-style-type: none"> Projects ahead of schedule include road resheeting program (\$3.5m) and IT replacements (\$0.4m). Projects behind schedule include major plant renewal \$1.0m and the wharves works program \$0.4m.
1,684	TOTAL CAPITAL EXPENDITURE VARIANCE – YTD ACTUALS WITH YTD BUDGET

Further information on the progress of capital projects is available within Attachment 1 'Quarterly Report on Service Performance'.

Cash and Investments

The balance of cash and investments as at 31 December 2023 was \$211 million. The projected balance on 30 June 2024 has been revised to \$162 million, \$44 million higher than the Original Budget forecast of \$118 million, primarily due to the proposed rephasing of expenditure to the 2024/25 financial year, new grants and contributions and an increase in restricted funds including development contributions.

Cash and investments – as at 31 December 2023



Further information is available on cash and investments within Attachment 2 'Quarterly Budget Review Statement - December 2023' to this report.

2024/25 Plant and Fleet Replacement Program

The scheduled replacement of plant and fleet vehicles within the 2024/25 financial year is forecast to cost \$6.9 million, which is part-funded through \$2.4 million in sale proceeds anticipated from the auction of the replaced vehicles. Replacements include new street sweepers, beach rakes, scrubbers, jet skis, excavators, trailers, buses, trucks, mowers, operational utes and passenger vehicles.

The delivery lead time for new plant and fleet vehicles is currently up to 12 months due to ongoing stock shortages. Delivery delays could result in operational issues or higher costs due to maintenance and servicing of aging vehicles.

In recognition of the long lead times in the supply of plant and fleet, it is recommended Council place orders for up to \$3 million of this program prior to 1 July 2024. While delivery will take place in the 2024/25 financial year, Council's approval is required to commit to this expenditure in advance of adoption of the full 2024/25 Budget.

Financial Performance Measures

The financial performance measures indicate that Council will meet the following Office of Local Government's benchmarks.

	Forecast result 30/6/2024	Forecast indicator 30/6/2024		Benchmark
\$ '000				
1. Operating Performance				
Total continuing operating revenue ¹ excluding capital grants and contributions less operating expenses	1,771	0.44%	✓	>0%
Total continuing operating revenue ¹ excluding capital grants and contributions	405,731			
¹ Excludes fair value adjustments, reversal of revaluation decrements and net gain on sale of assets.				
This ratio measures Council's achievement of containing operating expenditure within operating revenue. It is important to distinguish that this ratio focuses on operating performance and hence capital grants and contributions, fair value adjustments, net gain on sale of assets and reversal of revaluation decrements are excluded.				
For the 2023/24 financial year, the forecast result is just above the benchmark, and has improved from the 0.07% forecast in the September 2023 Quarterly Budget Review due to the improvement in the operating result. The ratio is impacted by the early payment of the 2023/24 Financial Assistance Grant in the 2022/23 financial year along with the project costs for the replacement of the Council's core IT system.				
	Forecast result 30/6/2024	Forecast indicator 30/6/2024		Benchmark
\$ '000				
2. Unrestricted Current Ratio				
Current assets less all external restrictions	131,528	1.99x	✓	>1.5x
Current liabilities less specific purpose liabilities	66,208			
The Unrestricted Current Ratio is specific to local government and is designed to represent a Council's ability to meet short term obligations as they fall due. Restrictions placed on various funding sources (e.g., development contributions and domestic waste income) complicate the traditional current ratio used to assess liquidity of businesses as cash allocated to specific projects is restricted and cannot be used to meet a Council's other operating and borrowing costs – these funding sources are removed from this ratio.				
For the 2023/24 financial year, the forecast result will continue to meet the benchmark. The ratio has improved from the 1.86x forecast in the September 2023 Quarterly Budget Review as the expenditure of some grant liabilities has been rephased beyond 12 months including \$1.25m held for McKillop Park Board Walk.				

TIMING

The Quarterly Budget Review Statement meets the requirements of the *Local Government Act 1993* and *Local Government (General) Regulation 2021* (section 203), namely that Council report quarterly on a budget review statement, and at least every 6 months on the principal activities of its Operational Plan.

FINANCIAL CONSIDERATIONS

The operating surplus (which includes capital grants and contributions) for the financial year is forecast to decrease by \$8.0 million to a surplus of \$32.0 million, primarily due to the rephasing of capital grants to the future financial years. Excluding capital grants and contributions the result for the year is forecast to improve by \$1.5 million, from a surplus of \$0.6 million, to a surplus of \$2.1 million.

There are several restrictions on funds within the operating result. When these are removed, the underlying operating result is forecast to be a deficit of \$3.5m (a \$0.6 million improvement on the last forecast of a \$4.1 million deficit).

	<u>\$'mil</u>
Underlying result	
Surplus / (deficit) excluding capital grants and contributions	2.1
Less:	
Interest on restricted Council funds	(3.5)
Domestic Waste	(1.8)
Stormwater Charge net opex	(1.8)
Special Rates	(0.2)
Externally restricted grants (net)	0.6
Kimbriki (less dividend)	(0.6)
Mona Vale Cemetery	-
Gain on the disposal of assets	(0.4)
Financial assistance grant advance payment (net)	5.0
Recovery of natural disaster expenditure in prior year	(0.9)
Enterprise Resource Planning system replacement and digital parking permits projects - rephase to 2024/25	(2.0)
Underlying surplus / (deficit) excluding capital grants and contributions	(3.5)

Capital expenditure is forecast to decrease by \$24.2 million to \$88.5 million, primarily due the proposed rollover of projects into the 2024/25 financial year.

Council's budget remains balanced and is expected to meet all financial performance benchmarks this financial year. However, the Operating Performance Ratio is weak due to the low operating surplus forecast and an underlying deficit remains. Strengthening this position in the future is explored in the Long-Term Financial Plan.

GOVERNANCE AND RISK CONSIDERATIONS

The Quarterly Budget Review Statement meets the statutory reporting requirements for progress at the end of the quarter i.e. implementation of the Operational Plan and Council's overall financial position. It is provided to enable informed decision making while also ensuring transparency on Council's governance.

ENVIRONMENTAL CONSIDERATIONS

The report provides progress on implementing the Operational Plan which includes a range of projects to protect and enhance our natural environment - by managing our coast, bush and biodiversity; implementing catchment management initiatives; and a variety of on-ground works and education in our urban and natural settings.

SOCIAL CONSIDERATIONS

The report discloses progress on implementing the Operational Plan. This includes the continued delivery of services and capital works that support our community and economy. These initiatives will have a positive social and economic impact on the community.

LINK TO STRATEGY

This report relates to the Community Strategic Plan Outcome and Goal:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community

REPORTING TEAM	FINANCIAL PLANNING & SYSTEMS AND STRATEGY & PERFORMANCE
TRIM FILE REF	2024/061680
ATTACHMENTS	<ol style="list-style-type: none"> 1 ⇒Quarterly Report on Service Performance - December 2023 (Included In Attachments Booklet) 2 ⇒Quarterly Budget Review Statement - December 2023 (Included In Attachments Booklet) 3 ⇒Stronger Communities Funds - December 2023 (Included In Attachments Booklet)

ITEM 9.7	USE OF DELEGATED AUTHORITY BY THE MAYOR OVER CHRISTMAS AND NEW YEAR RECESS 2023-24
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PURPOSE

The purpose of this report is to outline, in accordance with Council Resolution 299/23, how the delegated authority granted by Council to the Mayor for the 2023-24 Christmas and New Year recess was exercised.

EXECUTIVE SUMMARY

- At the Ordinary Council meeting held on 24 October 2023, Council resolved (Resolution 299/23) to delegate to the Mayor the functions of Council, subject to certain limitations, for the 2023-24 Christmas and New Year recess (being the period from 20 December 2023 to 31 January 2024 inclusive).
- Council Resolution 299/23 requires a report be provided to the February 2024 Ordinary Council meeting outlining how the delegated authority was exercised.
- The Mayor did not exercise any functions during the 2023-24 Christmas and New Year recess which utilised the delegated authority granted by Council Resolution 299/23.

RECOMMENDATION

That Council note the report.

BACKGROUND

At the Ordinary Council meeting held on 24 October 2023, Council relevantly resolved (Resolution 299/23) as follows in respect of Item 9.3 - Christmas and New Year Recess 2023-24 Operating Hours and Council Delegated Authority:

That:

- 1. Council, pursuant to section 377 of the Local Government Act 1993, delegate to the Mayor, the functions of Council during the 2023-24 Christmas and New Year recess (being 20 December 2023 to 31 January 2024 inclusive), subject to the limitation that the functions may only be exercised by the Mayor following consultation with the Chief Executive Officer.*
- 2. A report be provided to the February 2024 Ordinary Council meeting outlining how the delegated authority was exercised.*

Now that the 2023-24 Christmas and New Year recess has concluded, paragraph 2 of the resolution may be fulfilled.

DISCUSSION

The Mayor did not exercise any functions during the 2023-24 Christmas and New Year recess which utilised the delegated authority granted by Council Resolution 299/23.

TIMING

The 2023-24 Christmas and New Year Recess was the period from 20 December 2023 to 31 January 2024 inclusive and has concluded.

Council Resolution 299/23 requires a report be provided to the February 2024 Ordinary Council meeting outlining how the delegated authority was exercised. This report meets this requirement.

FINANCIAL CONSIDERATIONS

The recommendations in this report do not result in any change to the existing Council budget.

GOVERNANCE AND RISK CONSIDERATIONS

This report meets the requirements of Council Resolution 299/23.

ENVIRONMENTAL CONSIDERATIONS

The subject of this report has no environmental implications for Council.

SOCIAL CONSIDERATIONS

There are no social considerations in relation to this report.

LINK TO STRATEGY

This report relates to the Community Strategic Plan Outcome and Goal:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community

REPORTING TEAM	GOVERNANCE & RISK
TRIM FILE REF	2024/059018
ATTACHMENTS	NIL

11.0 ENVIRONMENT AND SUSTAINABILITY DIVISION REPORTS

**ITEM 11.1 CONFIRMED MINUTES OF THE ENVIRONMENT STRATEGIC
REFERENCE GROUP MEETING - 6 SEPTEMBER 2023**

PURPOSE

The purpose of this report is to provide the minutes of the Environment Strategic Reference Group (SRG) meeting, held on 6 September 2023.

EXECUTIVE SUMMARY

- The Environment SRG meets quarterly to consider and be advised on projects aligned to the Community Strategic Plan goals and strategies.
- In accordance with the Environment SRG charter, the confirmed minutes of the meeting held on 6 September 2023 are attached to this report.
- Key items discussed at the September meeting included:
 - An update on Council's Draft Waste and Circular Economy Strategy
 - Bush Fire Season Preparations and outcomes of the public consultation of the draft Bush Fire Risk Management Plan
 - Progress on the Environment & Climate Change Strategy Action Plan
 - Environment & Climate Change Strategy Dashboard
 - Narrabeen Lagoon Entrance Management Strategy
 - An update on Council's Coastal Management Programs
 - Eco Schools Grant Survey Results.

RECOMMENDATION

That Council note the minutes of the Environment Strategic Reference Group meeting held on 6 September 2023.

BACKGROUND

The Environment Strategic Reference Group (SRG) is aligned to the Community Strategic Plan (CSP) outcome areas. It meets quarterly to consider and to be advised on projects aligned to the respective CSP goals and strategies. The SRG contributes advice and feedback to Council in relation to issues and initiatives outlined within its charter.

DISCUSSION

Key items discussed at the meeting included:

- An update on Council's Draft Waste and Circular Economy Strategy
- Bush Fire Season Preparations and outcomes of the public consultation of the draft Bush Fire Risk Management Plan
- Progress on the Environment & Climate Change Strategy Action Plan
- Environment & Climate Change Strategy Dashboard
- Narrabeen Lagoon Entrance Management Strategy
- An update on Council's Coastal Management Programs
- Eco Schools Grant Survey Results.

FINANCIAL CONSIDERATIONS

The recommendations in this report do not result in any change to the existing Council budget.

GOVERNANCE AND RISK CONSIDERATIONS

The Environment SRG is conducted within Council's governance and committee framework. SRG minutes are reported to Council in accordance with its charter.

ENVIRONMENTAL CONSIDERATIONS

The Environment SRG contributes advice and feedback regarding Council's strategic management of the environment and natural hazards.

SOCIAL CONSIDERATIONS

The Environment SRG is positioned to ensure involvement and engagement with a broad range of stakeholders, community groups, associations and the wider community.

LINK TO STRATEGY

This report relates to the following Community Strategic Plan Outcome and Goals:

- Environmental sustainability - Goal 6 Our Council is recognised as a leader in environmental sustainability
- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community

REPORTING TEAM	ENVIRONMENT & CLIMATE CHANGE
TRIM FILE REF	2024/060087
ATTACHMENTS	1 ⇒ Minutes - Environment Strategic Reference Group 6 September 2023 (Included In Attachments Booklet)

**ITEM 11.2 MINUTES OF THE NORTHERN BEACHES BUSH FIRE
MANAGEMENT COMMITTEE HELD 6 JUNE 2023 AND 6 SEPTEMBER
2023****PURPOSE**

The purpose of this report is to note the minutes of the Northern Beaches Bush Fire Management Committee (BFMC) meetings held on 6 June 2023 and 6 September 2023.

EXECUTIVE SUMMARY

- The BFMC consists of a range of agencies and stakeholders including the fire authorities, land managers and community organisations, and is responsible for coordinating bush fire management throughout the Northern Beaches.
- Ordinary meetings of the BFMC were held on 6 June 2023 and 6 September 2023, the minutes of which were adopted at the BFMC meeting held on 5 December 2023.
- A number of coordinated programs and hazard reduction initiatives from the 22/23 and 23/24 financial years were discussed at these meetings and a summary of matters relevant to Council is included in this report.
- The minutes adopted by the BFMC are included as an attachment to this report and it is proposed that Council notes these in accordance with the recommendation below.

RECOMMENDATION

That Council note the minutes of the Northern Beaches Bush Fire Management Committee Meetings held on 6 June 2023 and 6 September 2023.

BACKGROUND

The Northern Beaches Bush Fire Management Committee (BFMC) area comprises of 23,525 hectares, of which Council has care, control and management of approximately 13% of the land. The remainder of the area is managed by NSW National Parks and Wildlife Service (NPWS) (46%), private tenure (36%), or by other government agencies (5%).

Under the *Rural Fires Act 1997* landowners are responsible for managing bush fire risk on their land. The BFMC consists of a range of agencies and stakeholders such as the fire authorities, land managers and community organisations. The BFMC is responsible for coordinating bush fire management across the Local Government Area (LGA) and Council actively participates in the Committee and sub-committees. Ordinary BFMC meetings are held quarterly.

DISCUSSION

An ordinary meeting of the BFMC was held on 6 June 2023, the minutes of which were adopted at the BFMC meeting held on 5 December 2023. A copy of the minutes is attached to this report (Attachment 1).

Matters discussed at the meeting relevant to Council included the following:

- Acceptance of minutes, matters arising and correspondence in/out
- 2022/23 Hazard Reduction Program update
- 2023/24 Draft Hazard Reduction Program update
- 2022/23 Agency Reports
- Bush Fire Risk Management Plan (BFRMP) update
- Ignition Prevention Plan (IPP) update
- Fire Access and Fire Trail Plan (FAFT) update
- Section 52 Operations Plan update
- General business.

An ordinary meeting of the BFMC was also held on 6 September 2023, the minutes of which were adopted at the BFMC meeting held on 5 December 2023. A copy of the minutes is attached to this report (Attachment 2).

Matters discussed at the meeting relevant to Council included the following:

- Acceptance of minutes, matters arising and correspondence in/out
- 2023/24 Hazard Reduction Program update
- 2023/24 Agency Reports
- Bush Fire Risk Management Plan (BFRMP) update
- Ignition Prevention Plan (IPP) update
- Fire Access and Fire Trail Plan (FAFT) update
- Northern Beaches Plan of Operations update
- General business.

CONSULTATION

There are no consultation requirements associated with the recommendation of this report. The BFMC undertakes stakeholder and community consultation independently from Council for relevant plans and initiatives in accordance with governance requirements outlined in legislation and Bush Fire Coordinating Committee (BFCC) policy. Council and its partners on the BFMC collaborate to support and assist the committee with any consultation initiatives as required.

TIMING

There are no timing implications associated with the recommendation of this report. The BFMC does prioritise various bush fire hazard reduction initiatives each year in accordance with risk reduction priorities as set out in the Bush Fire Risk Management Plan. Council and our partners on the BFMC work together on the implementation of the various bush fire hazard reduction programs and initiatives, with a particular focus on the lead up to and/or throughout the Bush Fire Danger Period.

FINANCIAL CONSIDERATIONS

Funding to support bush fire management is included in existing operational budgets and supported by NSW Rural Fire Service (RFS) grants annually.

GOVERNANCE AND RISK CONSIDERATIONS

The BFMC is conducted in accordance with the governance arrangements outlined in the *Rural Fires Act 1997*. Council's participation in the BFMC also satisfies the relevant requirements of Council's Bush Fire Management Policy 2021.

ENVIRONMENTAL CONSIDERATIONS

Council staff work with RFS, Fire & Rescue NSW (FRNSW) and contractors to manage environmental risks associated with fire management works, such as fire trail preparation, Asset Protection Zone works on Council lands, and prescribed burns. Bush Fire Hazard Reduction Certificates, Reviews of Environmental Factors or approvals under other legislative pathways are undertaken for specific sites as required. Council is working with BFMC partners to encourage and undertake ecological/low intensity Hazard Reduction burns within the LGA.

SOCIAL CONSIDERATIONS

The BFMC provides valuable information and advice relating to risk and safety of the community to support their resilience. It includes participation and engagement with a number of key state agency stakeholders. Council works with the fire agencies through this Committee to facilitate community preparedness before and during the bush fire season.

LINK TO STRATEGY

This report relates to the following Community Strategic Plan Outcome and Goals:

- Protection of the environment - Goal 1 Our bushland, coast and waterways are protected for their intrinsic value
- Protection of the environment - Goal 2 Our environment is resilient to natural hazards and climate change

REPORTING TEAM	ENVIRONMENT & CLIMATE CHANGE
TRIM FILE REF	2024/060626
ATTACHMENTS	1 ⇒ Minutes of the Bush Fire Management Committee Meeting held 6 June 2023 (Included In Attachments Booklet) 2 ⇒ Minutes of the Bush Fire Management Committee Meeting held 6 September 2023 (Included In Attachments Booklet)

12.0 PLANNING AND PLACE DIVISION REPORTS

ITEM 12.1 SUBMISSION TO STATE GOVERNMENT - CHANGES TO CREATE LOW AND MID-RISE HOUSING

PURPOSE

The purpose of this report is to seek Council endorsement of a submission on the Explanation of Intended Effect (EIE): Changes to Create Low and Mid-rise Housing, published by the NSW Department of Planning and Environment in December 2023.

EXECUTIVE SUMMARY

- On 16 December 2023, the (then) Department of Planning and Environment (the Department) released an Explanation of Intended Effect: Changes to Create Low and Mid-rise Housing, outlining proposals to amend State Environmental Planning Policy (Housing) 2021 (SEPP).
- In summary, the proposals involve:
 - Permitting dual occupancy development in all R2 low density zones
 - Permitting terraces, townhouses and residential flat buildings of 2-3 storeys in R2 low density zones within 800m of town centres containing a wide range of frequently needed goods and services such as a full line supermarket
 - Permitting shop top housing to 6-7 storeys within E2 zoned town centres and in E1 and MU1 zoned centres containing a wide range of frequently needed good and services such as a full line supermarket
 - Permitting residential flat buildings to 6-7 storeys in the R1 General Residential zone and R3 Medium Density Residential zone within 800m of town centres containing a wide range of frequently needed goods and services such as a 'full line' supermarket
 - Establishing 'non-refusal' development standards for these developments, including maximum building heights, floor space ratio, minimum site area, lot width, and car parking.
- Council acknowledges the need for urgent action on housing and supports a centres-based approach to growth. Council is committed to working with the NSW Government to address housing supply and the draft submission asks for this to be done in a collaborative manner that includes the planning and provision of supporting infrastructure.
- The submission calls out aspects of the reforms which may cause significant impacts on matters such as local character and place, tree canopy, the environment, transport and traffic, demand for community infrastructure, exposure to hazards, areas of heritage significance and affordable housing provision, warranting further and more detailed consideration by the NSW Government.

RECOMMENDATION

That Council endorse the draft submission and forward it to the Department of Planning, Housing and Infrastructure.

BACKGROUND

Since June 2023, the Minister for Planning and Public Spaces (Minister) and the NSW Department of Planning, Housing, and Infrastructure (formerly NSW Department of Planning and Environment) have made several announcements and proposed policy changes to increase housing supply and address housing affordability issues.

On 5 August 2023, the Minister wrote to all NSW councils about the housing crisis and meeting the goals of the National Housing Accord. The letter requested councils to prioritise the delivery of housing when assessing development applications and rezoning schemes.

In August 2023, the National Cabinet endorsed a new national target to build 1.2 million new well-located homes to help align supply with expected demand over the next 5 years. In line with its relative population share of the National Accord target, NSW committed to delivering at least 314,000 new homes by 2029, with a stretch goal of 377,000 homes.

On 16 December 2023, the Department released an Explanation of Intended Effect (EIE): Changes to create low and mid-rise housing, outlining proposals to amend State Environmental Planning Policy (Housing) 2021 (SEPP) to increase housing supply. The EIE was on public exhibition until 23 February 2024.

On 19 December 2023, Council resolved to write to the Premier of NSW and Minister for Planning raising concerns with the proposed changes and requesting an urgent meeting with the Premier, Minister for Planning, the Mayor, and a councillor from each ward as well as an extension of time for submissions by Council and the community.

On 20 December 2023, Council published a news story on the key changes on its website encouraging the community to provide feedback by making a submission directly to the (then) NSW Department of Planning and Environment.

On 21 December 2023, the Mayor wrote to both the Premier of NSW and Minister for Planning advising Council's concern with the proposed planning changes, requesting to meet and formally seeking an extension of time until 1 March 2024 to make a submission to the exhibition, noting Council's first scheduled meeting for the new year was not until 27 February 2024. The meeting with the Premier was declined and at the time of preparing this report, a meeting with the Minister for Planning has not taken place.

DISCUSSION

The proposed changes as outlined in the EIE can be summarised as follows:

- Permitting dual occupancy development in all R2 low density zones
- Permitting terraces, townhouses residential flat buildings of 2-3 storeys in R2 low density zones within 800m of town centres containing a wide range of frequently needed good and services such as a full line supermarket
- Permitting Permit Shop top housing to 6-7 storeys within E2 zoned town centres and in E1 and MU1 zoned centres containing a wide range of frequently needed good and services such as a full line supermarket
- Permitting residential flat buildings to 6-7 storeys in the R1 General Residential zone and R3 Medium Density Residential zone within 400m of town centres containing a wide range of frequently needed good and services such as a full line supermarket and to 5 storeys from 400m to 800m of those town centres
- Establishing 'non-refusal' development standards for these developments, including maximum building heights, floor space ratio, minimum site area, lot width, and car parking.

What does this mean for the Northern Beaches?

Council has in the order of 42,000 properties that are currently zoned R2 in Local Environmental Plans (LEPs) across the LGA. Many of these R2 properties may be eligible for dual occupancy and other low-medium density housing as proposed under the current planning reforms.

The proposals specify criteria such as minimum lot area and lot width, and for some housing types distance from town centres, to determine eligibility. As a result, not all land zoned R2 will be eligible for the housing types anticipated.

Modelling conducted by Council suggests that approximately:

- 37,000 R2 zoned properties could meet the dual occupancy requirements
- 24,000 R2 zoned properties could meet the townhouse requirements
- 21,000 R2 zoned properties could meet the terrace homes requirements
- 32,000 R2 zoned properties could meet the manor homes requirements.

Council draft submission – key points

1. Council acknowledges the need for urgent action on housing and supports a centres-based approach to growth. Council is committed to working with the Government to address housing supply and asks that this be done in a collaborative manner which includes the planning and provision of supporting infrastructure.
2. Council provides conditional support for residential flat building development in the R3 medium density zone and dual occupancy development in the R2 low density zone subject to more stringent development standards than those outlined in the EIE.
3. Some of the centres identified under the Department's draft criteria for town centre precincts may be suitable for future growth.
4. The EIE proposals are of a scale and density that would in many cases have significant impacts on local character and place, tree canopy and the environment, access, transport and traffic, demand for community infrastructure, exposure to natural and man-made hazards, areas and items of heritage significance, and affordable housing provision, warranting further, more detailed assessment.
5. The proposals conflict with current and proposed Council-led precinct planning in places like Frenchs Forest, Brookvale, and Mona Vale.
6. Changes of this scale should be accompanied by amendments to existing Council-made infrastructure contributions plans and affordable housing contribution plans, or as an alternative, be subject to increased 'flat-rate' contributions, e.g. 3% to 5% levy for infrastructure and affordable housing contributions made under the SEPP.
7. Council's Local Housing Strategy provides a suitable basis to identify further growth opportunities on the Northern Beaches.
8. Council is well-placed to identify alternative strategies for growth and infrastructure in collaboration with the Department, with implementation potentially being fast-tracked via a SEPP amendment to Council's LEPs.
9. Council is concerned about the potential for dual occupancies, manor houses, multi-dwelling housing (terraces), and townhouses to now be approved under a Complying Development Certificate (CDC) pathway within the R2 Zone.

Recommendations in Council's draft submission

Planning approach

1. Provide councils a period in which to identify alternative strategies for growth and infrastructure to meet clearly articulated housing targets, with implementation of these proposals being fast-tracked through amendments to LEPs via a SEPP amendment.
2. Provide funding assistance to Council to expedite the preparation and exhibition of section 7.12 and 7.11 contribution plans for affected areas or, as an alternative, establish 'flat rate' contributions under the SEPP, e.g. 3% to 5% levy for infrastructure.
3. Provide funding assistance to Council to expedite the preparation and exhibition of affordable housing contribution plan amendments for affected areas or, as an alternative, establish 'flat rate' contributions under the SEPP, e.g. 3% to 5% levy for affordable housing.
4. Demonstrate adequate existing capacity or sufficient funding for essential road, stormwater, sewer, water, and waste infrastructure upgrades to support increased density.
5. Exclude areas subject to hazards, e.g. flooding, bushfire, and coastal and estuarine hazards from the proposal.
6. Exclude Heritage Conservation Areas and Heritage items from the proposal.
7. Ensure the maximum building height and floor space ratio for mid-rise and low-rise housing addresses local amenity impacts.
8. Establish minimum lot size and frontage controls for residential flat buildings and shop top housing to ensure quality built outcomes.
9. Allow councils to establish appropriate minimum car parking rates tailored to their LGAs based on public transport accessibility.
10. Maintain the current ADG requirement of 9m to 18m minimum building separation, scaling proportionally with building height for structures ranging from 5 to 8 storeys.
11. Limit deep soil areas to no more than two separate zones and increase proposed tree planting rates to facilitate new tree plantings and maintenance of tree canopy.
12. Introduce provisions for 'No Net Dwelling Loss' in the SEPP to ensure new development does not reduce dwelling density.
13. Consider inclusion of other residential accommodation in town centre precincts, e.g. boarding houses, co-living housing, group homes, hostels.
14. Provide clear and consistent guidance on the terms and definitions referred to in the EIE, Standard Instrument, and the Codes SEPP. Additionally, harmonise the Standard Instrument and Codes SEPP to offer clarity on the exact housing types permitted, including manor houses, terraces, and townhouses, specifying the applicable zones for each.
15. Provide clarity about the methodology to be used to measure the respective 400m and 800m walking distances from town centre precincts.
16. Council strongly recommends that the SEPP amendment to implement these proposed reforms not be made unilaterally, rather that it be exhibited for further comments and analysis.

Infrastructure Provision

17. To support the growth of residential and commercial areas, including Frenchs Forest, Dee Why, and Brookvale, reinstate the Beaches Link Tunnel project to provide a fourth access route, accommodate express bus services, and expand the catchment within a 30-minute travel time to and from the Northern Beaches.

18. To increase vehicle capacity, reduce travel times, and improve safety for road users, resume and prioritise the Mona Vale Road West Widening project, recognising its essential role as a link between the Northern Beaches and North Shore.
19. Deliver an east-west Bus Rapid Transit (BRT) system from Chatswood to Dee Why, with a focus on supporting housing growth in Frenchs Forest and facilitating future development along this corridor.
20. To support more housing in Brookvale, fund and deliver the grade separation of Warringah and Pittwater Roads.
21. To support more housing in Frenchs Forest, fund and deliver regional traffic infrastructure as detailed in Council's Traffic Study by Arup, which includes upgrades to Forest Way, the new road through Forest Way/Naree Road and upgrades to Frenchs Forest Road West.
22. Provide funding to Northern Beaches Council to complete the technical studies required for implementing the Brookvale Structure Plan.

CONSULTATION

This report has been prepared in response to the public exhibition of the Explanation of Intended Effect (EIE): Changes to Create Low and Mid-rise Housing, published by the NSW Department of Planning and Environment.

TIMING

Council provided a draft submission to the Department on 23 February 2024 to meet the current exhibition deadline. The Department has been advised that a draft submission is to be considered at the first Council meeting for 2024, on 27 February 2024.

It is understood that submissions will be considered by the Department of Planning between March and April 2024, with the Department drafting policy between March and June 2024, aiming for finalisation by the third quarter of 2024.

The implementation is to be done via SEPP. Council strongly recommends that the SEPP not be made unilaterally, rather that it be exhibited for further comments and analysis.

FINANCIAL CONSIDERATIONS

The financial implications of the proposed changes are significant and cannot be readily determined as the location and rate of change is difficult to predict. A key aspect of the Council submission is that the physical and social infrastructure required to support this growth is substantial, will not be sufficiently funded via Council's current Contributions Schemes, and requires ongoing vigilance and consideration before the proposals proceed.

GOVERNANCE AND RISK CONSIDERATIONS

The proposed reform, particularly the implementation of the new non-refusal standards as part of the Housing SEPP, undermines Council's Local Strategic Planning Statement, Council's Local Housing Strategy, existing LEPs and the comprehensive Local Environmental Plan for the Northern Beaches, as well as Council's Development Control Plans (DCP).

The changes also present a significant risk that Council will not have sufficient funds to provide the infrastructure required by this growth.

ENVIRONMENTAL CONSIDERATIONS

The adoption of the proposed reforms as policy within the Housing SEPP may have environmental impacts by reducing the level of landscaping and tree canopy on private land while allowing for more housing development in hazard-prone areas.

SOCIAL CONSIDERATIONS

As the exhibition coincided with the 2023-2024 Christmas/Summer holidays, there is a risk that the Department has not undertaken sufficient community engagement to adequately inform and address the impacts of the proposed reforms. The proposed reforms do not consider local conditions, the diverse needs of our residents, infrastructure constraints, and Council's strategic planning efforts to achieve sustainable housing growth.

LINK TO STRATEGY

This report relates to the following Community Strategic Plan Outcome and Goals:

- Protection of the environment - Goal 2 Our environment is resilient to natural hazards and climate change
- Protection of the environment - Goal 3 Our community is well-supported in protecting and enhancing the environment to ensure safe and sustainable use
- Environmental sustainability - Goal 4 Our community is supported in the transition towards net zero emissions and a local circular economy
- Environmental sustainability - Goal 5 Our built environment is developed in line with best practice sustainability principles
- Housing, places and spaces - Goal 10 Our community has access to diverse and affordable housing options to meet their current and evolving needs
- Housing, places and spaces - Goal 11 Our local centres are vibrant and healthy, catering for diverse economic and social needs
- Vibrant local economy - Goal 15 Our centres are sustainable, encompassing a diverse range of businesses that attract visitation and provide work, education, leisure and social opportunities
- Transport, technology and connectivity - Goal 16 Our integrated transport networks meet the needs of our community and reduce carbon emissions

REPORTING TEAM	STRATEGIC & PLACE PLANNING
TRIM FILE REF	2024/071286
ATTACHMENTS	1 ⇒ Council Submission to Department of Planning, Housing, and Infrastructure - Explanation of Intended Effect: changes to low and mid rise housing (Included In Attachments Booklet)

13.0 TRANSPORT AND ASSETS DIVISION REPORTS

ITEM 13.1 OUTCOME OF PUBLIC EXHIBITION - PROPOSED NAMING OF THE GRANDSTAND AT WELDON OVAL THE LOUDON MARSTON GRANDSTAND

PURPOSE

The purpose of this report is to inform Council of the outcome of the public exhibition of the proposal to name the grandstand at Weldon Oval, John Fisher Park the Loudon Marston Grandstand and seek adoption of the proposal.

EXECUTIVE SUMMARY

- Council received a combined request from the Warringah Cricket Club, Manly Bombers Junior Australian Football League (AFL) Club and the Manly Warringah Wolves AFL Club (the Clubs) to consider naming the grandstand at Weldon Oval, John Fisher Park (Attachment 1) the Loudon Marston Grandstand - in recognition of the contributions made by the late Mr Bruce Loudon to cricket and the contributions made by Mr Harry Marston to AFL.
- This naming proposal was publicly exhibited between 3 November and 3 December 2023 and 49 submissions were received.
- The majority of submissions were supportive of the proposal, with many indicating this was a fitting tribute to Mr Loudon and Mr Marston.
- Two submissions indicated a preference for names that reflect First Nations people and language.
- An analysis of the submissions received can be found in the Community Engagement Report (Attachment 2).
- This proposal is consistent with Council's Naming Our Reserves, Facilities and Roads Policy and does not require the approval of the Geographical Names Board of NSW as this proposal is for naming a facility.
- This proposal is supported by the Loudon and Marston families and the Clubs.

RECOMMENDATION

That Council:

1. Adopt the proposal to name the grandstand at Weldon Oval, John Fisher Park the Loudon Marston Grandstand.
 2. In consultation with the Loudon and Marston families, the Warringah Cricket Club, the Manly Bombers Junior AFL Club, and the Manly Warringah Wolves AFL Club install signage at the grandstand.
-

BACKGROUND

Council has received a combined request from the Warringah Cricket Club, Manly Bombers Junior AFL Club, and the Manly Warringah Wolves AFL Club (the Clubs) to consider naming the grandstand on the building at Weldon Oval, John Fisher Park (Attachment 1) - the Loudon Marston Grandstand. The Clubs' naming proposal aims to recognise the contributions made by the late Mr Bruce Loudon to cricket and the Cricket Club and the contributions made by Mr Harry Marston to local AFL.

The Warringah Cricket Club has provided written background information about Mr Loudon. He was a founding member of the club, first as president for 3 years and also held the roles of secretary, committee member and was also a player. He helped establish a team in the Metropolitan and Shire competition in 1980/1981 and became a life member in 1981. The Bruce Loudon Trophy for Club Person of the Year is named after him. Mr Loudon also contributed years of service to other groups including the South Curl Curl Surf Life Saving Club and the Freshwater Uniting Church. In 2021 he received an Outstanding Community Service Award from Council for his voluntary contribution to local organisations and charities over 40 years.

The Manly Warringah Wolves AFL Club has provided written background information about Mr Marston. He was a founding member of the club in 1969 and integral in securing Weldon Oval as the club's home. He was the first president for a period of 10 years and was senior coach from 1969 to 1984. In 2000, Mr Marston received the Australian Sports Medal for 30 years continual service to sport.

Mr Loudon and Mr Marston have been integral to the development of their respective sports and clubs and to the establishment of Weldon Oval as a first-class sports facility.

DISCUSSION

This proposal is consistent with Council's Naming Our Reserves, Facilities and Roads Policy, in particular that Council will consider honoring individuals if they have *...made a highly significant contribution to the specific area or community [including] twenty or more years association with a local community group...* This Policy applies to, among other things, naming of facilities on Council land. The grandstand:

- is as per the Policy, considered to be a facility
- is located on Council land
- does not have a formal name.

Given that this proposal is for naming a facility, it does not require the approval of the Geographical Names Board of NSW (GNB).

CONSULTATION

In response to the request, the proposal to name the grandstand at Weldon Oval the Loudon Marston Grandstand was publicly exhibited between 3 November and 3 December 2023. The community was informed of the proposal through on-site signs at the grandstand, a Your Say project page, letterbox drop to nearby homes, Council e-News and stakeholder emails.

During the exhibition period, 49 submissions were received, with a large majority being supportive of the proposal. Two submissions indicated a preference for other names, including names that reflect First Nations people and language. An analysis of the submissions received can be found in the Community Engagement Report (Attachment 2). Key themes that arose and responses are presented in Table 1 below.

Table 1: Key Themes and Council's Responses

Theme	Issues, change requests and other considerations raised	Council's response
The naming proposal is a fitting tribute to Mr Loudon and Mr Marston	The majority of comments supported the naming proposal identifying Weldon Oval as an area of key significance to both Mr Loudon and Mr Marston in addition to being an appropriate commemoration of the contributions of both men to their respective clubs, sports and the local area.	<p>This naming proposal is consistent with Council's Naming our Reserves, Facilities and Roads Policy (the Policy).</p> <p>In this instance, it is considered that the naming proposal is appropriate given the significant contributions by Mr Loudon and Mr Marston to their respective clubs, sports and to the local area.</p>
Preference for a First Nations name	Two submissions acknowledged the contributions made by Mr Loudon and Mr Marston and expressed a preference for greater recognition of First Nations people and language within naming proposals.	<p>This naming proposal is consistent with the Policy.</p> <p>In this instance, it is considered that the naming proposal is appropriate given the significant contributions by Mr Loudon and Mr Marston to their respective clubs, sports and to the local area.</p> <p>The Policy provides guidance about and preference to the use of Aboriginal names particularly for parks and natural areas where appropriate.</p>
Alternative name proposed	One submission agreed with the naming proposal but requested the name of 'Loudon & Marston Grandstand' to differentiate that this proposal related to 2 separate people.	The majority of submissions and the Clubs support the naming proposal - Loudon Marston Grandstand.

TIMING

Should the naming proposal and recommendations within this report be approved, signage will be installed at the grandstand at Weldon Oval in 2024 in consultation with the Loudon and Marston families and the Clubs.

FINANCIAL CONSIDERATIONS

Should the naming proposal and recommendations within this report be approved, signage would be installed at Weldon Oval at a cost in the order of \$2,000. There are funds available in the 2023/2024 Parks and Recreation operational budget to meet this cost and the cost of a naming ceremony should this be required.

GOVERNANCE AND RISK CONSIDERATIONS

This naming proposal is consistent with Council's Naming Our Reserves, Facilities and Roads Policy and the GNB policy - Place Naming. Given that the proposal is for naming a facility it does not require the approval of the GNB. Nonetheless, should Council approve the naming proposal the GNB would be notified, and the name of the grandstand added to its mapping database. The implementation of the new name would involve updates to Council's webpage, spatial information system and new signage on-site.

The written background information provided by the Clubs about Mr Loudon and Mr Marston has been cross-checked by Council and confirmed to the extent of the information provided by the Clubs and secondary sources available at the time of writing. Further, the following has been verified by Council:

- Mr Loudon was granted an Australia Day Outstanding Community Service Award by Northern Beaches Council on 21 January 2021.
- Mr Marston was granted the Australian Sports Medal by the Australian Government on 28 July 2000.

ENVIRONMENTAL CONSIDERATIONS

There are no material environmental impacts posed by the recommendations within this report.

SOCIAL CONSIDERATIONS

This naming proposal is considered a fitting way to recognise the significant contributions made by Mr Loudon and Mr Marston to cricket and AFL respectively (as outlined in this report). The Clubs indicate that this naming proposal also recognises their legacy - that cricket and AFL are thriving at Weldon Oval.

LINK TO STRATEGY

This report relates to the Community Strategic Plan Outcome and Goal:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community.
- Partnership and participation - Goal 21 Our community is engaged in decision making processes

REPORTING TEAM	PARKS & RECREATION
TRIM FILE REF	2024/060730
ATTACHMENTS	<ol style="list-style-type: none"> 1 ⇒Location Map of Weldon Oval Building and Grandstand, John Fisher Park (Included In Attachments Booklet) 2 ⇒Community Engagement Report - Naming Proposal Loudon Marston Grandstand, Weldon Oval 2023 (Included In Attachments Booklet)

ITEM 13.2 PUBLIC EXHIBITION - NAMING PROPOSAL FOR JEAN HAY AM**PURPOSE**

The purpose of this report is to consider the public exhibition of a proposal to name a lookout at Fairlight the Jean Hay Lookout.

EXECUTIVE SUMMARY

- At the Council meeting held on 23 July 2019 Council considered Notice of Motion 21/2019 and subsequently resolved (Resolution 232/19), among other things, to identify a structure or location within the Northern Beaches which can be named in honour of former Mayor of Manly, Jean Hay AM.
- This matter was considered at the Council meeting held on 23 May 2023 and it was decided to progress with identifying a naming proposal to honour Jean Hay AM.
- A review of Jean Hay's career was undertaken, with career highlights outlined in this report.
- Following this review it is considered that naming a lookout area in Fairlight would be a suitable way to honour the breadth of Jean Hay's career and contributions to the Northern Beaches community over many years (see location map at Attachment 1).
- This proposal is consistent with Council's Naming Our Reserves, Facilities and Roads Policy and does not require the approval of the Geographical Names Board of NSW (GNB) as this proposal is for naming a facility.
- In accordance with Council's policy this naming proposal is required to be publicly exhibited for community feedback.

RECOMMENDATION

That Council place the proposal to name a lookout at Fairlight (as identified in the location map attached to this report) the Jean Hay Lookout in honour of former Mayor of Manly, Jean Hay AM, on public exhibition for a minimum of 28 days and report the outcome of the public exhibition back to Council.

BACKGROUND

At the Council meeting held on 23 July 2019 Council considered the Notice of Motion 21/2019 and subsequently resolved (Resolution 232/19) that staff:

- A. *Identify existing structures or locations, or identify a new structure or location, within the Northern Beaches local government area which can be named in honour of:*
 - a. *former Prime Minister and Member for Warringah, Tony Abbott;*
 - b. *former NSW Premier and Member for Manly, Mike Baird; and*
 - c. *former Mayor of Manly, Jean Hay AM.*
- B. *Report back to Council within three months with recommendations and outlining any costings for the above.*

In response to this resolution a range of options were investigated and reviewed. Subsequently at the Council meeting held on 23 May 2023 it was decided to progress with identifying a naming proposal to honour Jean Hay AM.

Following a review of Jean Hay's career it is proposed that a lookout area in Fairlight be named in her honour (see location map at Attachment 1).

DISCUSSION

An overview of Jean Hay's career and contributions to the Northern Beaches community is presented below.

Jean Hay was first elected to Manly Council in 1987. She served as Mayor between 1999 and 2004 and again between 2008 and 2016. Some highlights include:

- On 8 June 1998 she was awarded the Member of the Order of Australia (AM) by the Australian Government for 'service to the Manly community through local government, community action and sporting groups, and as a fundraiser for welfare and health education programs.'
 - On 1 January 2001 she was awarded the Centenary Medal by the Australian Government for 'outstanding services as mayor and councillor of Manly'.
 - Re-establishing the Manly District Support Committee to help less fortunate people.
 - Redeveloping the Seaforth TAFE site with new community facilities and accelerating the construction of bus shelters at no cost to ratepayers.
 - Beautification of the Manly oceanfront walkways.
 - Manly Pathway of Olympians and Paralympians.
 - Manly Andrew Boy Charlton Aquatic Centre upgrade.
 - The successful fight to establish Bear Cottage* and laying the foundation stone (opened 17 March 2002).
 - Raising funds for the mobile Life Education classrooms* for the Northern Beaches, now known as Healthy Harold.
 - Helping the Sunnyfield Association fund-raise \$2m for a business and training centre*.
- (*Not a Council facility)

It is considered that naming a lookout area in Fairlight, where she has been a lifelong resident, would be a suitable way to honour the breadth of Jean Hay's career and contributions to the Northern Beaches community over many years.

This naming proposal is consistent with Council's Naming Our Reserves, Facilities and Roads Policy (the policy), in particular that Council will consider honoring individuals if they have served

...two or more terms of office on local government council... This Policy applies to naming of facilities on Council land. The lookout:

- is as per the Policy, considered to be a facility
- is located on Council land
- does not have a formal name.

In accordance with this policy the proposal is now required to be publicly exhibited for community feedback.

Given that this proposal is for naming a facility it does not require the approval of the Geographical Names Board of NSW (GNB).

CONSULTATION

Should the recommendations within this report be approved, this naming proposal would be placed on public exhibition for a minimum of 28 days, during which community feedback will be sought. The opportunity to provide feedback would be promoted via a temporary sign(s) on-site, letters to nearby homes, emails to stakeholders, an online Have Your Say web page and Council's electronic newsletters. Feedback would be collected through an online form, letters and emails.

TIMING

The outcomes of the public exhibition of this naming proposal would be reported to a Council meeting following a review of community feedback received.

FINANCIAL CONSIDERATIONS

The recommendations in this report do not result in any change to the existing Council budget.

The cost to publicly exhibit this naming proposal is in the order of \$100 for temporary signs. There are funds available in the Parks and Recreation 2023/2024 operational budget to meet this cost.

GOVERNANCE AND RISK CONSIDERATIONS

Research into Jean Hay's career was undertaken by staff and included reviewing and cross-checking: transcripts from interviews, Council reports and information from Australian Government agencies and community groups.

This naming proposal is consistent with Council's Naming Our Reserves, Facilities and Roads Policy and the GNB Place Naming policy. Given that this proposal is for the naming of a facility it does not require the approval of the GNB. Nonetheless should Council adopt the naming proposal the GNB would be notified. The implementation of a new name (should it be approved) would involve updates to Council's webpage, spatial information system and new signage on-site.

Advice from the GNB is that honorifics such as AM, e.g. 'Jean Hay AM Lookout', are not included in a place name unless the person being recognised has been awarded a Victoria Cross.

ENVIRONMENTAL CONSIDERATIONS

The subject of this report has no environmental implications for Council.

SOCIAL CONSIDERATIONS

The recommendations in this report may have positive social outcomes for the community through the recognition of Jean Hay's contributions to the Northern Beaches community. Community feedback from some recent naming proposals has seen strong support expressed for more gender equity in naming. The recognition of a long-standing female Mayor may also be an inspiration for local women and girls.

LINK TO STRATEGY

This report relates to the following Community Strategic Plan Outcomes and Goals:

- Good governance - Goal 19 Our Council is transparent and trusted to make decisions that reflect the values of the community
- Partnership and participation - Goal 21 Our community is engaged in decision making processes

REPORTING TEAM	PARKS & RECREATION
TRIM FILE REF	2024/101360
ATTACHMENTS	1 ⇒ Location Map of Proposed Jean Hay Lookout, Fairlight (Included In Attachments Booklet)

15.0 NOTICES OF MOTION

ITEM 15.1 NOTICE OF MOTION NO 1/2024 - UNDERWATER PHOTOGRAPHY AWARD FOR EXCELLENCE

COUNCILLOR BINGHAM SUBMITTED THE FOLLOWING MOTION:

MOTION

That Council:

1. Name the major prize in Council's annual Underwater Photographic Competition as 'The Valerie Taylor Underwater Photography Award For Excellence'.
2. Create a sustainable perpetual trophy for the above award, funded from the existing Ocean Festival budget.

BACKGROUND FROM COUNCILLOR BINGHAM

Now in its 30th year, Northern Beaches Council's annual Underwater Photographic Competition has become an important part of the annual Oceans Festival held in November/December.

The 2023 Underwater Photographic Competition attracted 225 photo entries, taken in the 5 Aquatic Reserves that are an integral part of our coastline, by both professional and amateur photographers competing across 8 categories. Each year the photo competition has seen growth in the diversity of entries, from young people to long-time, experienced underwater photographers.

About Valerie Taylor AM

Valerie Taylor AM is a long-time Manly resident with an almost lifelong passion for the ocean, who has a decades-long commitment to ocean conservation and a love of underwater photography. She has an enduring record of advocacy for the conservation of the oceans and their marine life. She is an internationally recognised underwater photographer and, with her late husband Ron, a respected documentary maker. Her awards include (among numerous others):

- The 1981 NOGI international award for Arts, Academy of Underwater Arts & Sciences
- The 1997 American Nature Photographer of the Year Award, sponsored by the American Press Club
- The 1992 Australian Geographic Adventurer of the Year
- The 1998 Golden Palm Award for the book Blue Wilderness at the 25th World Festival of Underwater Pictures
- Membership of both the Women Divers Hall of Fame (2000) and the International SCUBA Diving Hall of Fame (2000).

Diving since 1956, Valerie turned her attention to conservation of sharks and other marine creatures in the early 1970s and has campaigned tirelessly for marine conservation locally, nationally and globally ever since.

Among her numerous awards for conservation are:

- The 2001 Serventy Conservation medal for work promoting greater understanding of the Great Barrier Reef and the need to protect its wildlife
- A 2001 Centenary Medal 'for service to Australian society in marine conservation'

- The 2008 Australian Geographic Lifetime of Conservation Award
- A Member of the Order of Australia (AM) award in 2010 'for service to conservation and the environment as an advocate for the protection and preservation of marine wildlife and habitats, particularly the Great Barrier Reef and Ningaloo Reef, and as an underwater cinematographer and photographer'.

We are honoured to have a woman of Valerie's stature living on the Northern Beaches and making contributions to Ocean Care Day/Ocean Festival events, along with her wise words at beachfront rallies and Ministerial lobbying for the removal of shark nets from our ocean beaches.

Now in her late 80s, Valerie continues her marine conservation efforts despite some health challenges. A public announcement would make a valuable contribution as part of building interest in the lead-up to the 2024 Oceans Festival.

It is fitting that Valerie's contribution be recognised by her local community through the dedication of the 'Underwater Photography Award for Excellence'. Such a dedication would also enhance the status of, and interest in, the competition.

CHIEF EXECUTIVE OFFICER REPORT

In accordance with Council's Code of Meeting Practice Clause 4.15(a) I offer the following report on this matter to assist Council in the deliberation of this motion:

I can confirm that the anticipated cost of a perpetual trophy can be accommodated within the existing Ocean Festival budget.

TRIM FILE REF	2024/066872
ATTACHMENTS	NIL

ITEM 15.2 NOTICE OF MOTION NO 2/2024 - INNOVATION REGARDING DOG DEFECATION BAGS

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING MOTION:

MOTION

That Council:

1. Note:
 - a. The advice of the Manager of Waste and Cleansing Services that each year Northern Beaches Council budgets \$100,000 to assist dog owners by providing Dog Defecation Bags at certain parks and reserves.
 - b. At parks that Council has authorised for off-leash dog walking under Part 3 of the *Companion Animals Act 1998*, Clause 20(2) requires local authorities to provide waste receptacles designed for the purpose of disposal of dog faeces at places that are commonly used for dog exercise, however the Act does not require local authorities to provide bags for the same purpose.
 - c. Council provides for a network of 96 bag dispensers located in various off-leash dog parks and tracks and there are additional costs of labour in installing and replacing bags.
 - d. Council does not distinguish between litterbins in off-leash dog parks and other public areas as most bins provided in dog parks and trails are for general use and not specifically for dog faeces, however Council's annual budget for maintaining and servicing the litterbins network on the Northern Beaches is approximately \$3.85 million which equates to approximately \$3,850 per bin, per location, including disposal costs.
 - e. Currently, there are no automatic vending machine type products that offer dog waste bags for purchase in Australia.
2. Resolve to:
 - a. Acknowledge these facilities provided to dog owners presently to help them but more are needed, however substantial costs are prohibitive.
 - b. Request Council's Chief Executive Officer to ensure that staff liaise with Innovation NSW, Global Australia, relevant Universities as well as invite expressions of interest from the public to ascertain whether any organisation can develop and introduce paid vending machines for dog defecation bags and the costs, noting the number of grants on offer for such innovation projects by Investment NSW, GrantsAssist, Innovate NSW and others.
 - c. Request that the Chief Executive Officer report back to Council within 6 months as to the outcome of Council's activities in (2b) above.

BACKGROUND FROM COUNCILLOR DE LUCA OAM

I have received complaints from dog walkers and owners, particularly at Bayview Dog Park that there are not enough dog defecation bags, particularly over the Christmas and New Year period. Others have also requested that bags be provided at numerous other venues where bags are not currently provided.

While there is an expectation by residents that these bags be provided free of charge, these are expensive and cost Council considerable funds to provide and collect, noting there is no legislative requirement to provide such bags.

In order to service more dog areas, it would be beneficial to seek information as to whether there are any innovative organisations or persons prepared to create paid dispensers for this purpose, which would significantly defray costs and enable a higher provision of such bags at other parks and reserves. I know there are numerous grants for the purpose of innovation initiatives in NSW and Australia and naturally, if an adequate solution and machine could be created, it could be used both across local governments in Australia and worldwide.

TRIM FILE REF	2024/114907
ATTACHMENTS	NIL

ITEM 15.3 NOTICE OF MOTION NO 3/2024 - REVIEW OF CONDITION OF PITTWATER ROCK POOLS

COUNCILLOR KORZY SUBMITTED THE FOLLOWING MOTION:

MOTION

That Councillors be provided with a briefing within 3 months on:

1. The condition of each rockpool within the Pittwater and Narrabeen Wards, north of Narrabeen lagoon.
2. The cleaning and maintenance regime: reporting on frequency of all aspects of cleaning, including removal of sand, seaweed, testing and results of water condition, variations from scheduled days and time for cleaning, equipment used and repairs carried out - both small and significant.
3. Options for improving condition and cleanliness of rockpools, particularly over the summer months.

BACKGROUND FROM COUNCILLOR KORZY

Pittwater's rockpools are an important part of the area's infrastructure, both physical and social, particularly given the absence of any public aquatic centre close to the area. They feature at the southern end of five of the beaches north of Narrabeen lagoon and are places where children learn to swim, people of all ages swim laps for fitness, the elderly and disabled enjoy a splash, and the community meets in the long hot months to cool off and relax. They are also an important place for those who are scared of the surf, can't swim or when the surf is dangerous.

A number of swimming clubs are also associated with our rock pools: at Palm Beach the Barrenjoey Breakers; Bilgola pool hosts the oldest, Bilgola Amateur Swimming Club, still running as the Avalon Bilgola Amateur Swimming Club Inc; and the Pittwater Pirates swim at Mona Vale during winter. Meanwhile North Narrabeen is home to the Shivering Sharks, another winter group.

Many of these pools are of significant age, with the one at Mona Vale having been opened in 1914, Palm Beach in the 1920s, Whale Beach dating from 1926, Avalon's from at least 1921, the current one at Newport from 1935 or earlier (replacing an earlier one at the north end of the beach). Bilgola is newer, dating from the early 1960s.

However, these pools need regular maintenance or else can disappear. Bungan Beach also used to have 'rock baths', and minutes from a 1929 council meeting record a letter from a resident, A.W. Albers, who complained about "the faulty condition of the shark-proof pool and the dangerous condition of the steps leading from Bungan Head to the rock baths".

I want to acknowledge and thank the staff who do a tremendous job maintaining these pools, both behind the scenes, scheduling cleaning and maintenance, as well as those who conscientiously clean the pools at night, every week of the year, whilst most of us are sleeping. My motion should in no way detract from that work.

Yet a few problems have emerged over the last couple of years that I believe merit review, given the popularity of these pools and that I have received complaints from residents regarding their condition and cleanliness. In particular, many of the pools have been very murky, full of sand and rotting seaweed, preventing residents from using them during summer. Palm Beach pool has significant leaks, so that after cleaning and refilling, the pool is half empty by the next low tide. This is a dangerous situation for visitors who may dive in, unaware of how shallow the water is.

It is important Council regularly reviews its level of service to ensure consistency with community expectations. I believe this review is timely.

Finally, the three-month timing requested for this report would allow increased maintenance or cleaning costs to be factored into the 2024-25 budget, noting the financial situation facing the council.

TRIM FILE REF	2024/118026
ATTACHMENTS	NIL

16.0 QUESTIONS WITH NOTICE

ITEM 16.1 QUESTION WITH NOTICE NO 2/2024 - BALGOWLAH GOLF CLUB LEASE

COUNCILLOR RYBURN SUBMITTED THE FOLLOWING QUESTIONS:

1. Should the Balgowlah Golf Club lease not be renewed, what will happen to the land?
2. What is the estimated cost for redeveloping this land?
3. Is there any federal, state or local funding, or potential grants, that could currently redevelop this land?
4. Is there any future Council capital expenditure planned for in Council's budget for playing fields on this land?

TRIM FILE REF	2024/113417
ATTACHMENTS	NIL

17.0 RESPONSES TO QUESTIONS

ITEM 17.1 RESPONSE TO QUESTION WITH NOTICE NO 11/2023 - HOP SKIP & JUMP SERVICE COSTS

COUNCILLOR MENANO-PIRES SUBMITTED THE FOLLOWING QUESTIONS:

Could the following information be provided for July to December 2023:

1. Total cost to Council for the provision of the Hop Skip & Jump Service including:
 - a. Operational costs & maintenance costs
 - b. Capital costs if any
 - c. Separate fuel costs if possible
 - d. Any other costs, e.g. Tap & Go hardware / software.
2. Total revenue collected.
3. Number of trips.
4. Number of passengers.

RESPONSE

The costs to Council for the provision of the Hop Skip Jump (HSJ) Service for the period 1 July 2023 to 31 December 2023 are as follows:

1. The total cost to Council for the provision of the HSJ Service during this period (including depreciation and overheads) was \$437,600:

- a. Operational costs & maintenance costs:

Total operational expenditure (including other items below) was \$380,522 for the 6-month period. Of this:

\$270,240 – salaries and allowances

\$105,333 – charge for plant which includes, parts, maintenance, servicing, fuel and depreciation.

\$4,949 – other expenses (e.g. uniforms, software).

- b. Capital costs if any:

Council did not incur any capital costs during this period. However, having regard for depreciation, the current 4 buses being 22-seat *Mitsubishi Rosas*, are due for replacement at a cost of \$190,000 per vehicle (total \$760,000).

It should be noted that current operations reveal the current vehicles are not a best fit for the topography and stop start nature of this service. By way of example, brakes on each vehicle require servicing and adjustment every 40-60 days, taking vehicles out of service for the day. Vehicle brakes are currently replaced at intervals of approximately 20,000km whereas a standard crew cab tray with a similar braking system typically last around 100,000km before any maintenance or adjustment is required. Similarly, the tyres of the HSJ buses are replaced every 20,000km, partly due to the length of the vehicle and often tight turns required for this service. A comparable sized dual cab works truck can see tyres last anywhere between 30-40,000km.

A more suitable vehicle may be *Mercedes Sprinter* bus or a *Hiace*. However, these vehicles have a reduced seating capacity of around 10 (dependent on wheelchair accessibility and model). These buses, which may be better suited to the purpose for the service, would cost Council approximately \$90,000 per vehicle. This price includes the cost to make the vehicles wheelchair accessible.

- c. Separate fuel costs if possible:

The cost of fuel was \$39,300 during the 6-month period (included in operational costs above).

- d. Any other costs, e.g. Tap & Go hardware/software:

The Tap & Go hardware has been installed at a fee of \$1,062 per year and there will also be ongoing transaction fees (included in operational costs above).

For the 6 months to December 2023 corporate overheads to support the service are \$57,078.

2. Total revenue collected:

\$7,273

3. Number of trips:

9,600

4. Number of passengers:

Approximately 108,000

The net cost of the HSJ service during this period was **\$430,327**.

TRIM FILE REF	2024/059886
ATTACHMENTS	NIL

ITEM 17.2 RESPONSE TO QUESTION WITH NOTICE NO 1/2024 - NORTHERN BEACHES COUNCIL COMPLAINTS ANALYSIS

COUNCILLOR WALTON SUBMITTED THE FOLLOWING QUESTIONS:

In December 2023, the NSW Ombudsman's Office released statistics on NSW's most complained about councils. The Northern Beaches Council (Council) again ranked high in the quantum of complaints for 2022/23 at 65, the third highest in NSW. It is acknowledged that per capita, Northern Beaches Council is not the third highest complained about Council, however Northern Beaches Council is often in the top 10 most complained about Councils in NSW since the new Council's Councillor election in 2017.

Could you please provide an analysis of the types of complaints against the Northern Beaches Council for the last 5 years and the strategies Council has put in place to address these complaints.

Finally, what strategies have worked to reduce the complaints and what strategies have not worked, from the quantitative analysis of the trend of complaints over the past 5 years?

RESPONSE

Analysis of complaints

The statistics referred to in the question relate to information in the NSW Ombudsman's Annual Reports. The NSW Ombudsman's Annual Reports contain data on finalised complaints about local government.

The statistics in the NSW Ombudsman's Annual Reports simply identify the number of complaints finalised in respect of Council and do not address whether the complaints were substantiated. The statistics also do not provide a breakdown of the types of finalised complaints. Accordingly, an analysis has been undertaken on the basis of information available to staff.

The following table provides a summary of finalised complaints in respect of Council from 2018/19 to 2022/23, as reported in the NSW Ombudsman Annual Report for each year. As part of the analysis, the table identifies complaints referred to Council by the NSW Ombudsman. The NSW Ombudsman ordinarily provides councils with an opportunity to deal with a complaint before the NSW Ombudsman becomes involved.

Council classifies complaints received into the following categories as per Council's Complaints Resolution Guidelines:

- Service – This relates to problems with the provision or quality of a Council service.
- Process – This includes where Council has not followed a normal/formal process or has not dealt with an issue after an earlier complaint which has led to further complaints.
- Staff – This relates to inappropriate behaviour by an individual.

Year	Number of finalised complaints reported by NSW Ombudsman in Annual Report	Number of complaints referred to Council by NSW Ombudsman	Number of complaints that were substantiated	Types of complaints that were substantiated according to Council's categories	Number of complaints that were partially substantiated	Types of complaints that were partially substantiated according to Council's categories
2018-19	100	6	1	Process	1	Process Service
2019-20	67	11	0	N/A	0	N/A
2020-21	91	12	1	Process Service	0	N/A
2021-22	66	15	2	Service	0	N/A
2022-23	65	12	3	Service	1	Service
Total	389	56	7	N/A	2	N/A

Of the 389 complaints finalised between 2018/19 and 2022/23, 333 complaints (or approximately 85%) were finalised following assessment by the NSW Ombudsman without the need to refer the complaints to Council. The NSW Ombudsman did not provide Council with any findings or recommendations in relation to any of these 333 complaints, which is very pleasing.

The NSW Ombudsman referred the remaining complaints (56) to Council for investigation as Council had not been given a sufficient opportunity to address the complaints itself. Of these 56 complaints, 7 complaints were substantiated and 2 complaints were partially substantiated following investigation by Council. These substantiated or partially substantiated complaints (being 9 in aggregate over the 5 years) comprise approximately 2% of the total number of finalised complaints about Council as referred to in the NSW Ombudsman's Annual Reports (being 389 in aggregate over the 5 years).

The 9 substantiated or partially substantiated complaints for the period between 2018/19 and 2022/23 related to the service and process categories and generally related to minor matters. Four of these complaints related to waste collection, specifically in respect of early start times (1), noise (1) or missed collections (2). Given approximately 11 million waste collections are undertaken annually for Council, this is a very small number of complaints. The remainder of the complaints related to various other matters including minor administrative issues such as incorrectly spelt names and incorrectly stamped plans. Each of the complaints has now been actioned and closed including, where appropriate, amendments made to Council's processes to improve service delivery going forward.

Strategies to address complaints

A number of strategies have been implemented since 2018 to seek to ensure that Council operates appropriately and efficiently, such as:

- Providing opportunities for service and process improvements in Council business units, including to deal with the outcomes of internal audits and complaints investigations
- Developing a suite of staff training videos and information including in relation to conflicts of interest, accountability and decision making
- Rolling out public interest disclosure training

- Providing regular CEO updates to all staff, e.g. regarding the requirements of the new *Public Interest Disclosure Act 2022*
- Providing induction training for all new staff
- Refreshing Council's internet and intranet pages which deal with complaints and complaints resolution.

The number of complaints made to the NSW Ombudsman about Council has decreased since 2018 and no systemic issues have been identified. Due to the very small number of substantiated or partially substantiated complaints each year, no clear conclusions can be drawn from the data as to trends and which strategies are most or least effective.

Conclusion

In summary:

- The NSW Ombudsman's Annual Reports for the period from 2018/19 to 2022/23 inclusive identify that there were 389 complaints made against Council.
- Of these, 333 complaints (or approximately 85%) were finalised following assessment by the NSW Ombudsman without the need to refer the complaints to Council and without any findings or recommendations being made by the NSW Ombudsman.
- The NSW Ombudsman referred the remaining 56 complaints to Council for investigation. Of these, 7 complaints were substantiated and 2 complaints were partially substantiated following investigation by Council.
- These 9 substantiated or partially substantiated complaints (over the 5 year period) comprise approximately 2% of the total number of finalised complaints about Council as referred to in the NSW Ombudsman's Annual Reports. On average over the last 5 years, this equates to less than 2 substantiated or partially substantiated complaints each year.

Overall, it is very pleasing that, in relation to the complaints made to the NSW Ombudsman about Council over the last 5 years, very few complaints have been substantiated or partially substantiated and these complaints have almost entirely related to minor matters. Given the large number of services provided by Council and the large number of residents and other stakeholders with whom Council interacts, this is a very good result. Staff will nevertheless continue to monitor the situation and evaluate whether existing strategies should be refined or other strategies should be implemented to further improve Council's operations.

TRIM FILE REF	2024/060125
ATTACHMENTS	NIL

18.0 MATTERS PROPOSED TO TAKE PLACE IN CLOSED SESSION

RECOMMENDATION

That:

1. In accordance with the requirements of section 10A of the *Local Government Act 1993* as addressed below, Council resolve to close the meeting to the public to consider and discuss:

- A. Item 18.1 RFT 2023/174 - Provision of Co-location of Data Centre Services on the basis that it involves the receipt and discussion of commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it [10A(2)(d(i)) *Local Government Act 1993*].

This report discusses/provides advice concerning commercial tenders. On balance, the public interest in preserving the confidentiality of the information about the matter outweighs the public interest in maintaining openness and transparency in Council decision-making because the disclosure of this information would result in the release of commercial in confidence information.

- B. Item 18.2 RFT 2021/130 - Manly Life Saving Club & Associated Community Facilities Design Consultancy Services - Update on the basis that it involves the receipt and discussion of commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it [10A(2)(d(i)) *Local Government Act 1993*].

This report discusses/provides advice concerning commercial tenders. On balance, the public interest in preserving the confidentiality of the information about the matter outweighs the public interest in maintaining openness and transparency in Council decision-making because the disclosure of this information would result in the release of commercial in confidence information.

- C. Item 18.3 Alternative Procurement - Specialist Marine Maintenance Services on the basis that it involves the receipt and discussion of commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the council [10A(2)(d(ii)) *Local Government Act 1993*].

This report discusses/provides advice concerning a commercial tender. On balance, the public interest in preserving the confidentiality of the information about the matter outweighs the public interest in maintaining openness and transparency in Council decision-making because the disclosure of this information would release commercial in confidence information.

2. The resolutions passed by Council in closed session be made public after the conclusion of the closed session and such resolutions be recorded in the minutes of the Council meeting.
-

19.0 REPORT OF RESOLUTIONS PASSED IN CLOSED SESSION

In accordance with Part 15 of the Code of Meeting Practice, resolutions passed during a meeting, or a part of a meeting, that is closed to the public must be made public by the chairperson as soon as practicable. The resolution must be recorded in the publicly available minutes of the meeting.
