



northern
beaches
council

AGENDA

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

Tuesday 15 April 2025

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.

ORDER OF BUSINESS

1.0	ACKNOWLEDGEMENT OF COUNTRY	
2.0	APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE AND REMOTE ATTENDANCE	
3.0	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	
3.1	Minutes of the Ordinary Northern Beaches Council Meeting held on 18 March 2025.....	6
4.0	DISCLOSURES OF INTEREST	
5.0	PUBLIC FORUM AND PUBLIC ADDRESS	
6.0	ITEMS RESOLVED BY EXCEPTION	
7.0	MAYORAL MINUTES.....	8
7.1	Mayoral Minute No 4/2025 - Review of NSW Government's Permit Parking and Pay Parking Guidelines	8
8.0	CHIEF EXECUTIVE OFFICER'S DIVISION REPORTS	
	Nil	
9.0	CORPORATE SERVICES DIVISION REPORTS.....	10
9.1	Public Exhibition - Draft Community Strategic Plan 2025-2040, Resourcing Strategy, Delivery Program 2025-2029, Operational Plan and Budget 2025/26.....	10
9.2	Councillor Strategic Planning Weekend - Outcomes	27
9.3	Revocation of Advertising and Advertisements Policy and A-frame Signs and Merchandise Offered for Sale Policy	35
9.4	Draft Risk Appetite Statement	38
9.5	Benchmarking Program - Financial year 2022/23.....	43
9.6	Monthly Investment Report - February 2025.....	46
9.7	Audit Risk and Improvement Committee Confirmed Minutes - 3 December 2024.....	58
10.0	COMMUNITY AND RECREATION DIVISION REPORTS.....	60
10.1	Review of the Community Centres Policy.....	60
11.0	ENVIRONMENT AND OPEN SPACE DIVISION REPORTS.....	63
11.1	Minutes of the Northern Beaches Bush Fire Management Committee held 3 December 2024.....	63

12.0	PLANNING AND PLACE DIVISION REPORTS	
	Nil	
13.0	TRANSPORT AND ASSETS DIVISION REPORTS.....	66
13.1	Outcome of Public Exhibition - Safer Neighbourhoods Program - Traffic Proposals	66
13.2	Alternative Procurement - Lease and Licence Village Park Cafe/Restaurant - 1 Park Street Mona Vale	74
13.3	Review of the Management of Beach and Water Safety Policy	79
14.0	NOTICES OF MOTION	82
14.1	Notice of Motion No 12/2025 - Clean, Green and Local NSW 2024 Policy Reform	82
14.2	Notice of Motion No 13/2025 - Bantry Bay Explosives Depot – State of Disrepair.....	83
14.3	Notice of Motion No 15/2025 - Identification of Potential Locations for Affordable Housing.....	84
14.4	Notice of Motion No 14/2025 - Supporting the Northern Beaches Youth Advisory Group	86
15.0	QUESTIONS WITH NOTICE.....	88
15.1	Question With Notice No 5/2025 - Council’s Cash and Investment Portfolio during COVID.....	88
15.2	Question With Notice No 6/2025 - Code of Meeting Practice.....	89
15.3	Question With Notice No 7/2025 - Mayoral Credit Card/Staff Credit Card/s used for the Mayor	90
15.4	Question With Notice No 8/2025 - Chief Executive Officer’s Credit Card.....	91
15.5	Question With Notice No 9/2025 - Review and authorisation of expenditure on credit cards of the Mayor (or their staff) and Chief Executive Officer (or their staff).....	92
15.6	Question With Notice No 10/2025 - Approval of purchase of alcohol for the Mayor and Councillors at or after Council meetings and briefings	93
15.7	Question With Notice No 11/2025 - Ranger Attendance at Council Meetings 2025.....	94
16.0	RESPONSES TO QUESTIONS	95
16.1	Response to Question With Notice No 3/2025 - Expenditure on Libraries	95
16.2	Response to Question With Notice No 1/2025 - Have Your Say Statistics.....	96
16.3	Response to Question With Notice No 4/2025 - Status of Request for Hockey Fields	98
17.0	MATTERS PROPOSED TO TAKE PLACE IN CLOSED SESSION	99
17.1	RFT 2024/021 - Community Centres Keyless Access	

- 17.2 RFT 2024/128 - Services For Onsite Management of Currawong Beach Cottages
- 17.3 RFT 2025/026 - Stuart Sommerville Bridge Repairs
- 17.4 RFT 2024/180 - Design Services for Condoover Reserve Remediation & Stabilisation

- 18.0 REPORT OF RESOLUTIONS PASSED IN CLOSED SESSION**

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, Council will consider apologies, requests for leave of absence, and requests to attend meetings remotely via audio-visual link.

3.0 CONFIRMATION OF MINUTES

3.1 MINUTES OF THE ORDINARY NORTHERN BEACHES COUNCIL MEETING HELD ON 18 MARCH 2025

RECOMMENDATION

That the minutes of the Ordinary Northern Beaches Council Meeting held on 18 March 2025, 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.

A Councillor who has a **pecuniary interest** in any matter with which Council is concerned, and who is present at a meeting of Council at which the matter is being considered, must disclose the nature of the interest to the meeting as soon as practicable.

The Councillor must not be present at, or in sight of, the meeting:

- a. at any time during which the matter is being considered or discussed, or
- b. at any time during which Council is voting on any question in relation to the matter.

A Councillor who has a **significant non-pecuniary** conflict of interest in a matter under consideration at a Council meeting, must manage the conflict of interest as if they had a pecuniary interest in the matter.

A Councillor who determines that they have a non-pecuniary conflict of interest in a matter that is **not significant** and does not require further action, when disclosing the interest must also explain why the conflict is not significant and does not require further action in the circumstances.

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 4/2025 - REVIEW OF NSW GOVERNMENT'S PERMIT PARKING AND PAY PARKING GUIDELINES

PURPOSE

The purpose of this mayoral minute is to seek a resolution to write to the NSW Premier and NSW Minister for Transport to oppose proposed changes in the Permit Parking Guidelines.



**Sue Heins
MAYOR**

RECOMMENDATION

That Council:

1. Note the State Government's draft review of the Permit Parking Guidelines.
2. Note the significant impact these changes will have on an already strained budget and the impact on parking throughout the local government area.
3. Write to the NSW Premier and NSW Minister for Transport to:
 - a. oppose proposed changes to the Permit Parking Guidelines and the impacts these changes will have on the community
 - b. request the NSW Government provide clear justification for any proposed changes, including evidence-based assessments of parking issues, and engage in meaningful consultation with local councils before implementing new policies
 - c. request that Northern Beaches Council continue to have autonomy to manage local parking demand, as it has done effectively since amalgamation, rather than be subject to broad, one-size-fits-all state policies.

BACKGROUND

In March 2025, the NSW Government announced a review of the Permit Parking Guidelines. As part of this process, the Government is seeking public feedback on proposed changes that claim to improve fairness and accessibility for tenants and apartment dwellers, ensure equitable access to destinations such as beaches, prioritise on-street parking for those who need it most, and apply fees and surcharges to pay parking.

A meeting was held with the NSW Minister for Transport after the announcement to discuss the changes and to request a copy of the draft guidelines for consideration and feedback.

However, upon review, it is evident that these proposed changes are poorly conceived, contain inconsistent and unclear policy directions, and fail to consider the existing demand management processes already in place. The guidelines seek to address a problem that does not exist and, in doing so, will create new challenges that disrupt the current parking balance and the established understanding of the system.

Cost shifting from the state onto Council is rife and already costs councils and in turn our ratepayers millions of dollars each year. The proposed changes by Transport for NSW to these parking guidelines costs the NSW Government nothing but will cost ratepayers more than half a million dollars a year.

While Council would like to be able to provide free parking or permits to all, the cleaning, staffing and managing of our beaches to keep swimmers safe, and the surrounding infrastructure in place, is a significant cost to Northern Beaches ratepayers. These costs are somewhat offset by the income from the permits and beach parking charges.

Furthermore, Council already encourages local landlords to pass on any permits they don't use to those in their rental properties and charge fees at the beach so we can continue to provide access to these areas for all of Sydney.

It is unclear why the Government is pursuing an 'equitable' policy direction that undermines Council's ability to manage parking when the Government itself does not follow such a practice. Council has successfully managed parking demand since amalgamation under the existing Government guidelines, and there is no justification for altering a system that has proven effective. The proposed changes disregard the critical role that councils play in balancing the needs of residents, businesses and visitors.

It is strongly recommended that the NSW Government and Transport for NSW reconsider these new parking guidelines for 2025, at a minimum, Ultimately, the most effective approach would be to allow Council to continue to operate under the current, balanced system that has effectively served the community for many years.

Submissions on the proposed guidelines close on 17 April 2025.

TRIM file ref	2025/232974
Attachments	⇒1 Draft Permit Parking Guidelines (Included In Attachments Booklet)

9.0 CORPORATE SERVICES DIVISION REPORTS

ITEM 9.1 PUBLIC EXHIBITION - DRAFT COMMUNITY STRATEGIC PLAN 2025-2040, RESOURCING STRATEGY, DELIVERY PROGRAM 2025-2029, OPERATIONAL PLAN AND BUDGET 2025/26

PURPOSE

The purpose of this report is to seek Council's endorsement to publicly exhibit the draft Community Strategic Plan 2040, Delivery Program 2025-2029, Operational Plan 2025/26, Workforce Management Strategy 2025-2029, Long-Term Financial Plan 2025-2035 and Asset Management Policy, Strategy and Plans 2025-2035 for a minimum of 28 days.

EXECUTIVE SUMMARY

- A revised Community Strategic Plan, Delivery Program, Operational Plan, Long-Term Financial Plan, Asset Management Policy, Strategy and Plans along with a Workforce Management Strategy have been prepared for public exhibition so community comments can be considered before endorsement/adoption by Council by 30 June 2025.
- Updates to the Community Strategic Plan were guided by community engagement and focus groups held in October-December 2024 that confirmed overall support for the directions in the Plan and allowed for refinement of community outcomes, goals and strategies.
- The Independent Pricing and Regulatory Tribunal (IPART) is assessing Council's application for a special variation to rates over 3 years of 8.3%, 8.3% and 8.4% above the Rate Peg commencing on 1 July 2025 with a decision expected in May 2025. The additional income and expenditure from the special variation is included in the revised documents.
- As a decision on Council's Special Variation has not yet been made, the draft Long-Term Financial Plan presents two scenarios: Scenario 1 presents the financial outcome if the Special Variation is in place and Scenario 2 presents the financial outcome if the Special Variation does not proceed and rates only increase by the rate peg.
- If the proposed Special Variation is approved by IPART and then adopted by Council, the 2025/26 rates notice for a typical residential property will increase by \$45 per quarter (9%), of which \$3 relates to the Domestic Waste charge, \$13 to the rate peg and \$29 to the Special Variation program to improve services.
- The 2025/26 draft budget proposes expenditure of \$540 million including a capital works program of \$96 million for new and improved community assets. The budget has been boosted by an additional \$16 million from the proposed Special Variation to fund:
 - \$5 million for improvements to roads, footpaths and stormwater infrastructure
 - \$4 million to improve facilities, rockpools, playgrounds and grass mowing schedules
 - \$3 million to expand tree maintenance and planting, compliance services, environmental and natural risk reduction programs and natural disaster funding
 - \$4 million to deliver future major projects.
- An operating surplus before capital grants and contributions of \$3.9 million is forecast for the 2025/26 financial year, along with a stronger working capital position and achievement of the Office of Local Government's financial and asset performance benchmarks, with the exception of the asset maintenance ratio which is expected to be met by the third year.
- The draft budget 2025/26 proposes \$2 million in savings from changes to the Hop Skip and Jump Bus service, events program, vacation care and operational efficiencies.

- Without the Special Variation, the draft Asset Management Plans require an additional \$15.1 million per year to maintain and renew existing assets, along with \$10.4 million per year to uplift service levels and provide high priority new assets required by the community.
- The draft Long-Term Financial Plan highlights that, without the Special Variation, income levels are not sufficient to maintain services, fund the Asset Management Plans, and withstand unforeseen circumstances. This unsustainable situation, if left unaddressed, would lead to a continued reduction in services provided to the community.
- Councils across the state are experiencing similar issues and LGNSW has renewed its advocacy on behalf of all councils to reform the NSW rating system to bring down pressure on councils' reliance on Special Variations, with the NSW financial sustainability inquiry finding there is "clear evidence that the rate peg has not kept pace with the level of income councils require to adequately meet the needs of their communities".

RECOMMENDATION

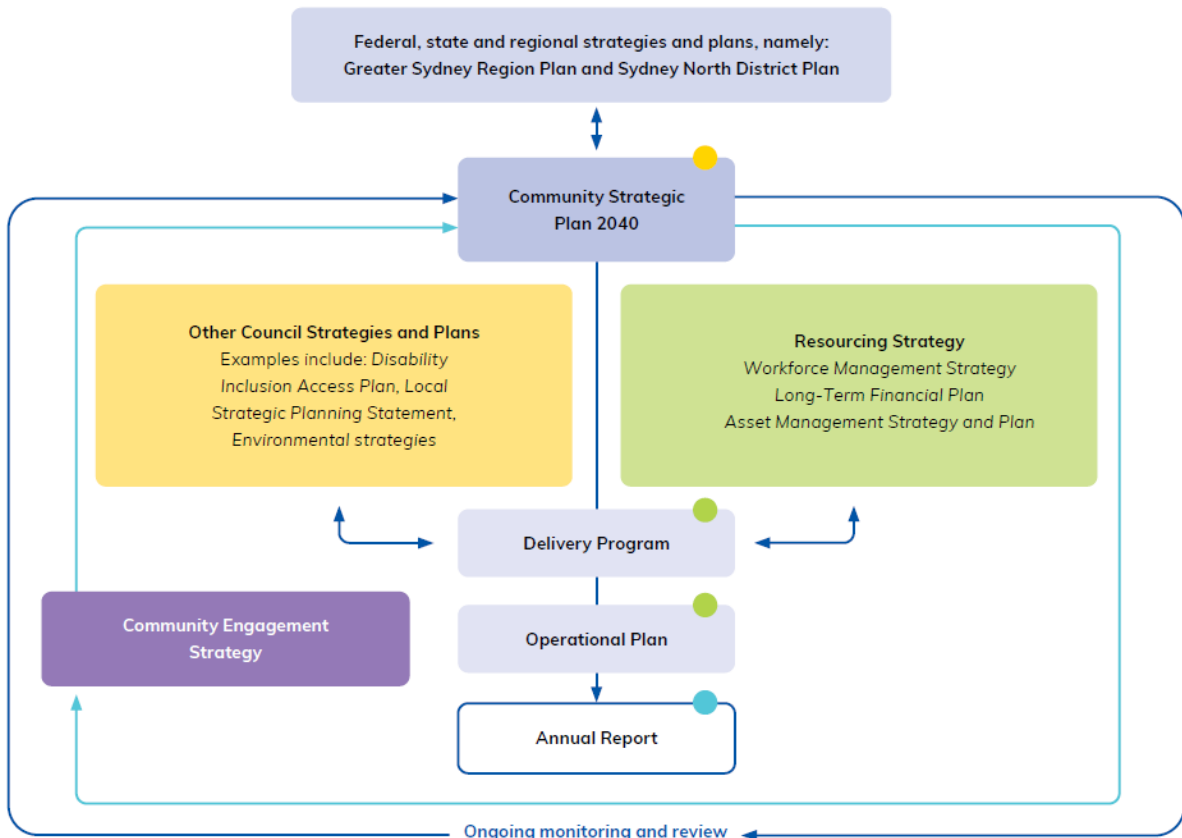
That the draft Community Strategic Plan 2040, Delivery Program 2025-2029, Operational Plan 2025/26 (including Fees and Charges and Pricing Methodology), Workforce Management Strategy 2025-2029, Long-Term Financial Plan 2025-2035 and Asset Management Policy, Strategy and Plans 2025-2035 be placed on public exhibition for a minimum of 28 days with the outcome reported to Council.

BACKGROUND

Following the ordinary local government election in September 2024, Council in accordance with the *Local Government Act 1993 (Act)* and *Integrated Planning and Reporting Guidelines (September 2021)* review the Council’s Integrated Planning and Reporting Framework (IP&RF) in consultation with the community. Northern Beaches Council’s IP&RF comprises:

- Community Strategic Plan (CSP) - the highest-level plan that a council will prepare with an outlook of at least 10 years. The CSP identifies the community’s main priorities and aspirations for the future and strategies for achieving these goals.
- Resourcing Strategy - the people, asset and financial resources available to Council to support progress towards the goals in the CSP. It includes a 10-year Long-Term Financial Plan, Asset Management Strategy and Plan as well as a 4-year Workforce Management Strategy.
- Delivery Program - the principal activities Council will undertake in response to the CSP goals over 4 years.
- Annual Operational Plan - the individual projects that will be undertaken in that year.

Figure 1: Integrated Planning and Reporting Framework



● Where we want to go ● How we plan to get there ● Reporting our progress

The draft IP&R documents must be placed on public exhibition for a period of at least 28 days and comments from the community must be considered prior to the endorsement/adoption of the IP&R documents (*Integrated Planning and Reporting Guidelines (2021)*).

Draft Community Strategic Plan

The CSP is the community’s plan for what it wants the Northern Beaches to be like in the future. Delivering on the aspirations in the CSP requires a whole of government and community approach.

This will be Northern Beaches' third iteration of the CSP. The initial CSP (SHAPE 2028) was adopted by Council in April 2018 following extensive community engagement. A refresh of the CSP was undertaken in 2022 following the local government elections in 2021. The refresh considered community input at that point in time along with an overarching review of major strategic plans that were developed with the community and adopted by Council up to 2022. The 2022 refresh included extending the timeframe to 2040, updating the vision and outcome (Housing, places and spaces) as well as some strategies.

A refresh of the CSP is again underway. Initial engagement to date includes:

- community consultation from 16 October to 17 November 2024 where we heard from 207 community members
- 5 focus groups in November/December 2024 involving 39 community members from across the Northern Beaches including a focus group specifically for people 18-24 years
- targeted youth engagement with TAFE students as well as Council's Youth Advisory Group and Early Learning Centres.

Consideration was also given to the alignment with recently adopted Council strategies – Resilience Strategy, Economic Development Strategy and Waste and Circular Economy Strategy

The feedback confirmed overall support and longevity out to 2040 of the current vision, outcome areas, goals and strategies. Community, Councillor and internal feedback resulted in revisions to the outcomes, goals and strategies to reposition the document. Some of the key themes in the engagement and proposed revisions are discussed below. A detailed analysis of all community engagement is contained within the Community and Stakeholder Engagement Report.

Community engagement emphasised transport as a significant and growing challenge for the Northern Beaches, with improved transport options viewed as essential for addressing traffic congestion and reducing car dependency. This CSP directly addresses transport concerns through the refreshed outcome area of 'Safe and Efficient Transport,' accompanied by an expanded range of transport-related goals which address e-bike safety, improved frequency and reliability of public transport and infrastructure for electric vehicles.

Resilience has also been integrated across all outcome areas, aligning with the Northern Beaches Resilience Strategy. This acknowledges the need for resilience not only in response to climate threats, but also as a crucial aspect of community life in the face of broader shocks and stresses. Additionally, key components from the Economic Development Strategy and the Waste and Circular Economy Strategy have been incorporated.

Achieving our community's aspirations requires collective action. Government stakeholders, Council services, community organisations and individual residents each have roles to play. Recognising this shared responsibility, the CSP specifies relevant organisations associated with each outcome area. The dedicated goal related to partnerships has been removed, with an emphasis instead placed on clearly identifying collaborative responsibilities within each outcome area. The goal centred on participation has transitioned into the refreshed outcome area of 'Good Governance and Participation,' accompanied by a new 'What you can do' section, empowering individuals to actively contribute to community goals.

To enhance transparency, Council's primary strategies and action plans have been clearly outlined, providing clarity on how Council will support community aspirations and the specific initiatives planned to achieve the CSP's goals. The measures have also been reviewed and refined to ensure they remain meaningful, measurable, and closely aligned with our strategic direction. By realigning these measures at the goal level rather than the outcome level, we can more effectively track progress, improve accountability and demonstrate tangible impacts for our community.

The Community and Stakeholder Engagement Report at Attachment 2 includes a summary of the issue in the submissions and how they align to the CSP and a list of revisions to the CSP outcome, goals and strategies (see Appendix 1 of the Community and Stakeholder Engagement Report).

The revised draft Community Strategic Plan 2040 is at Attachment 1.

A more comprehensive review of the CSP will be undertaken in 2028. The review process will commence during this term of Council.

Draft Delivery Program and Operational Plan

The Delivery Program 2025-2029 continues to respond to community priorities identified through community engagement since 2017.

The document flows directly from the CSP with the 16 key Council services mapped from the community outcome to the goals that they support.

For each service, the document shows the following elements for the next 4 years:

- Ongoing services and programs
- Operational and capital projects
- Performance measures, with revised targets
- Income and expenditure.

The Operational Plan 2025/26 supports the continued delivery of high-quality services and key operational projects to ensure better outcomes for our community. It also includes a capital works program of \$96.1 million including:

- \$25.3m improving road assets and includes \$9.5m for resurfacing roads
- \$14.9m on priority stormwater management works to reduce flooding and pollution
- \$9.6m on new community facilities including the Warriewood Valley Community Centre and amenities at Freshwater Beach and Boondah Reserve
- \$9.1m on improving sporting facilities including the completion of the Warringah Recreation Centre
- \$5.7m improving foreshores at various locations, including the Whale Beach Rockpool and an accessible boardwalk at South Curl Curl
- \$4.2m on new and improved playgrounds, reserves and parks at various locations
- \$4.0m on renewing Stuart Sommerville bridge, a new pedestrian and cyclist bridge at Queenscliff and the 'Newport to The Serpentine' section of the Coast Walk
- \$3.4m on town and village centres including works at Church Point
- \$3.2m on new and improved footpaths across 23 suburbs
- \$1.0m continuing the Collaroy-Narrabeen coastal protection works

Draft Workforce Management Strategy

A draft Workforce Strategy 2025-2029 has been developed to build on the capacity and capability of our workforce to support the achievement of the CSP goals. The draft Strategy is based on 4 strategic priorities which are supported by a range of initiatives. The strategic priorities are:

- Organisational capability and development - focuses on enhancing the effectiveness, agility, and long-term sustainability of our workforce while aligning workforce structures with our Community Strategic Plan. This involves strategies for talent management, leadership development, workforce planning and continuous learning to ensure our employees have the skills and capabilities needed for future success.

- Digital adoption – focuses on integrating technology into all aspects of our organisation to improve efficiency, collaboration and innovation. This involves adopting digital tools, automation and data-driven decision-making while ensuring our employees have the necessary skills to adapt to new technologies and support our community and customers in doing the same.
- Wellbeing and safety - encompasses physical, mental and emotional health, ensuring that individuals can thrive in their work environment. This includes psychosocial safety, resilience support, work-life balance, and access to resources that promote overall wellbeing and safety. A strong focus leads to higher engagement, increased productivity, and job satisfaction while reducing mental and physical injuries.
- Workplace culture – focuses on shared values, behaviours and practices that shape how our employees interact and work together. A strong organisational culture promotes collaboration, inclusivity and engagement creating an environment where our employees will feel valued and motivated. By fostering trust, innovation and alignment with organisational values, a positive culture will help drive overall performance and employee satisfaction.

It is important to recognise that the development of the Council's workforce structure aligns with the provisions set out in the Local Government Act. Accordingly, the CEO has responsibility for determining the organisational structure, guided by the allocated budget and the strategic priorities that is set out in the plans adopted by the elected Council. This ensures that Council's workforce is effectively aligned with the Council's goals, and that the right resources are in place to drive future success.

Draft Asset Management Policy, Strategy and Plans

The asset management policy, strategy and plan have been revised. They provide a foundation for sustainable, consistent and sound asset management practices to support the achievement of CSP goals. Council is responsible for \$6.6 billion of assets, including infrastructure assets, land and other assets.

The draft Policy framed around 5 objectives and 9 principles has been updated. It forms an attachment to the Asset Management Strategy.

The draft Asset Management Strategy identifies assets that are critical to Council's operations and risk management strategies for these assets. It also includes actions to improve our asset management capability over the next 10 years.

The draft Asset Management Plan covers all the assets under Council's control based on asset classes. It includes long term projections of asset maintenance, rehabilitation and replacement including forecast costs. A 10-year action improvement plan is also included.

Council's Asset Management Strategy and Asset Management Plans have identified an increasing trend in the decline of asset condition across the asset portfolios. The Asset Management Plans require an additional investment of \$15.1 million per year to maintain and renew existing assets, along with \$10.4 million per year to uplift service levels and provide high priority new assets required by the community.

Council's application for a Special Variation to rates to IPART is, in part, to address this infrastructure funding gap. A decision from IPART is expected in May 2025.

Draft Long-Term Financial Plan

Council's Long-Term Financial Plan (LTFP) is reviewed and updated each year as a rolling 10-year projection of Council's income and expenditure, assets and liabilities and cashflow. The LTFP informs decision making and demonstrates how the objectives of the 10-year CSP and commitments of the Delivery Program and Operational Plan will be resourced and funded.

Financial sustainability is a significant issue for councils across NSW as the State Government's rate peg has resulted in rates income increases at less than half the rate of inflation in recent

years. This has caused a growing funding gap and is placing significant pressure on Council's ability to maintain infrastructure and services at the required level.

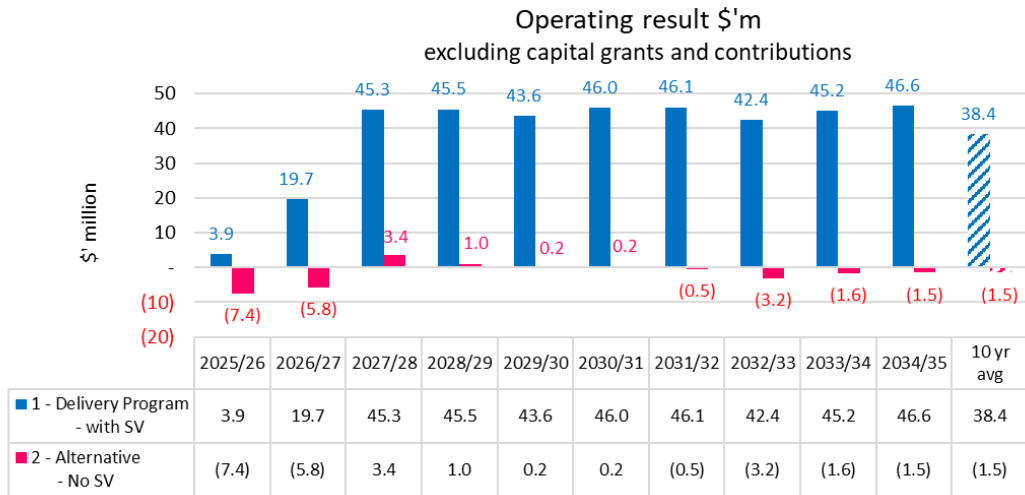
LGNSW has renewed its advocacy on behalf of all councils to reform the NSW rating system to bring downward pressure on councils' reliance on Special Variations, with a NSW financial sustainability inquiry finding there is "clear evidence that the rate peg has not kept pace with the level of income councils require to adequately meet the needs of their communities".

In January 2025 Council adopted a revised 2024-2034 LTFP, which outlined these challenges and pathways towards a more sustainable future. This LTFP informed the Council's decision to apply to the IPART for a Special Variation to phase in an increase in rates over the next 3 years.

IPART are currently assessing Council's Special Variation application. Two scenarios are explored in the draft 2025-2035 LTFP:

- **Scenario 1 'Delivery Program Model' – Special Variation to improve services**
 - This model is consistent with the draft Delivery Program 2025-2029 and Council's Special Variation application to IPART.
 - In this model infrastructure expenditure is increased in line with the requirements of the Asset Management Plans and working capital is strengthened to provide the capacity to respond to unexpected events. Noteworthy is the increased expenditure in renewing road, footpath and stormwater assets which doubles by year 3 from current expenditure levels. This model produces a stronger operating result and asset management ratios along with improved outcomes for the community.
 - Additional funding is also provided to expand environmental and natural risk reduction programs and provide capacity to manage an increasing number of natural disasters.
 - To provide funding for this model, rates income increases \$16 million (8.3%) from the 2025/26 financial year, an extra \$19 million (8.3%) in 2026/27, followed by \$22 million (8.4%) by 2027/28 above the rate peg.
- **Scenario 2 'Alternative Model' – Rate peg only**
 - Under this model, rates increase based on the rate peg in each year, which is intended to be like a CPI for local government. As a result, the funding gap created over the 4 year period, during which rate increases were only half the inflation rate, will remain unresolved.
 - Income levels are not sufficient to fund operating expenses, invest in the ongoing renewal of infrastructure assets and provide the necessary working capital to manage unexpected events. Performance benchmarks are weakening or not met, especially regarding asset management and operating performance.
 - This is not sustainable and will continue to reduce services to the community.

The following graph illustrates the difference in the operating result (excluding capital grants and contributions) for the 2 scenarios. A sufficient operating surplus is required to invest in infrastructure assets, repay loans, provide for future obligations and rebuild working capital to respond to unexpected events like natural disasters and new opportunities.



Performance indicators – Long-Term Financial Plan Scenarios

Budget Performance

Operating Performance Ratio

measures the extent to which a council has succeeded in containing operating expenditure within operating revenue.

OLG	Result	Result	Forecast	→	Budget	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Benchmark	2022/23	2023/24	2024/25	Model	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
> 0%	4.5%	3.7%	0.4%	1 - Delivery Program	0.8%	4.0%	8.9%	8.7%	8.1%	8.3%	8.0%	7.2%	7.5%	7.5%
				2 - Alternative	(1.8%)	(1.4%)	0.7%	0.2%	0.0%	(0.0%)	(0.3%)	(0.7%)	(0.4%)	(0.4%)

Operational Liquidity

Unrestricted Current Ratio

represents a council's ability to meet short-term obligations as they fall due.

OLG	Result	Result	Forecast	→	Budget	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Benchmark	2022/23	2023/24	2024/25	Model	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
> 1.5x	1.92x	2.18x	2.49x	1 - Delivery Program	2.34x	2.13x	2.54x	2.84x	2.62x	3.01x	2.97x	2.72x	2.51x	2.42x
				2 - Alternative	2.27x	1.91x	2.07x	2.15x	2.06x	2.21x	2.07x	2.08x	2.18x	2.28x

Cash Expense Cover Ratio

liquidity ratio indicates the number of months a council can continue paying for its immediate expenses without additional cash inflow.

OLG	Result	Result	Forecast	→	Budget	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Benchmark	2022/23	2023/24	2024/25	Model	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
> 3mths	6.1mths	6.4mths	5.1mths	1 - Delivery Program	4.5mths	4.5mths	4.9mths	5.4mths	5.0mths	5.3mths	5.6mths	5.0mths	4.4mths	4.3mths
				2 - Alternative	4.4mths	4.2mths	4.2mths	4.4mths	4.2mths	4.1mths	4.2mths	4.1mths	4.1mths	4.3mths

Asset Management

Building and Infrastructure Renewals Ratio

assesses the rate at which these assets are being renewed against the rate at which they are depreciating.

OLG	Result	Result	Forecast	→	Budget	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Benchmark	2022/23	2023/24	2024/25	Model	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	130.8%	94.6%	96.0%	1 - Delivery Program	122.2%	124.9%	133.4%	141.0%	174.3%	136.6%	135.5%	195.1%	198.7%	176.5%
> 100%	✓	✗	✗	2 - Alternative	109.2%	99.5%	94.1%	94.7%	93.7%	93.0%	91.9%	94.9%	92.1%	87.4%

Infrastructure Backlog Ratio

ratio shows what proportion the infrastructure backlog is against the total net carrying amount of a council's infrastructure.

OLG	Result	Result	Forecast	→	Budget	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Benchmark	2022/23	2023/24	2024/25	Model	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	1.49%	1.52%	1.53%	1 - Delivery Program	1.53%	1.52%	1.53%	1.53%	1.52%	1.53%	1.53%	1.52%	1.50%	1.49%
< 2%	✓	✓	✓	2 - Alternative	1.58%	1.60%	1.61%	1.63%	1.65%	1.67%	1.68%	1.69%	1.70%	1.71%

Asset Maintenance Ratio

ratio compares actual versus required annual asset maintenance.

OLG	Result	Result	Forecast	→	Budget	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Benchmark	2022/23	2023/24	2024/25	Model	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	109.7%	98.1%	94.2%	1 - Delivery Program	97.4%	98.5%	100.7%	100.3%	100.4%	100.6%	100.5%	100.6%	100.6%	100.7%
> 100%	✓	✗	✗	2 - Alternative	94.2%	94.3%	94.3%	94.3%	94.3%	94.3%	94.3%	94.4%	94.4%	94.4%

Special Variation to Rates - application

Council's ability to maintain services and community infrastructure at the required level is under pressure. The 4 primary issues are:

1. IPART determines how rates increase each year by setting a maximum percentage called the 'rate peg'. This limit has caused a significant funding gap - over the last 4 years inflation was 24% and rates increased by a total of 11% - less than half the rate at which prices have been increasing.¹ This is now equivalent to \$24 million less rates income each year, leaving the rate base permanently lower without intervention.
2. Significant events in recent years which required reprioritisation of funds including the COVID-19 pandemic (\$41 million cost) and 8 natural disasters (\$16 million cost of which \$10 million has been recovered to date from the Federal Government Disaster Recovery Fund).
3. The Emergency Services Levy increased by \$3 million (50%) per year.
4. Infrastructure challenges outlined in the Asset Management Plan require an additional investment of \$15.1 million per year to renew and maintain existing assets along with an additional \$10.4 million per year to invest in service uplifts and new assets.

As outlined in the Productivity Journey and Improvement Plan tabled at the Council meeting on the 28 January 2025, Council has undertaken a number of measures to assist in offsetting cost pressures in recent years. While opportunities are continuously sought, these measures alone are unable to fully offset these issues.

¹ 4 year period from July 2020 to 30 June 2024 –NSW Producer Price Index Roads and Bridges 23.7% (reflects infrastructure-based inflation), rates increase 11.1%.

On 28 January 2025, Council considered the outcome of the public exhibition of options for a special variation to rates and resolved to lodge a special variation to rates application to IPART.

The purpose of the application is to:

- secure long term financial sustainability and address a backlog in infrastructure and maintenance requirements
- expand environmental and natural risk reduction programs and provide capacity to manage an increasing number of natural disasters
- provide additional funds to improve current services and undertake major asset renewals.

The Special Variation proposes phasing in rate increases above the rate peg over 3 years from 1 July 2025. The proposed annual increase is:

- Year 2025/26 – 12.1% increase (8.3% + rate peg of 3.8%)
- Year 2026/27 – 11.7% increase (8.3% + assumed rate peg of 3.4%)
- Year 2027/28 – 11.5% increase (8.4% + assumed rate peg of 3.1%)

The application is currently under consideration by IPART. Their decision is expected in May 2025.

The draft IP&R documents (Delivery Program, Operational Plan, Long-Term Financial Plan and Asset Management Strategy and Plans) have been developed based on maintaining existing services and fully funding the renewal and maintenance of community infrastructure. Rates income as well as expenditure of funds is based on the rate increase in Council’s application.

Council will consider IPART’s decision at its meeting on 17 June 2025 along with Community feedback on the exhibition of the IP&R documents.

Productivity and Improvement Plan

Council is committed to realising productivity savings in its operations to reduce the burden on rates.

A Productivity Journey and Improvement Plan tabled at the Council meeting on the 28 January 2025 commits Council in the next 3 years to achieving ongoing operational savings totalling \$5 million and in the next 5 years one-off capital savings totalling \$10 million from the following:

Initiative	Savings	
	Operational by year 3 (ongoing)	Capital by year 5 (one off)
Service rationalisation – adjusting the level of service of discretionary services	\$2.14m	\$0.33m
Workforce management - improve organisational design to ensure a cost effective and optimal structure	\$1.7m	-
Property rationalisation – review the property portfolio to transfer underutilised assets from property to cash	-\$0.2m (loss of income)	\$10m
Fleet optimisation - rationalise the vehicle fleet	\$0.58m	\$0.04m
Energy efficiency - focus on energy efficiency and solar opportunities	\$0.75m	-
TOTAL	\$4.98m	\$10.37m

Of the above proposed initiatives above, the draft 2025/26 budget has built in operational savings of \$2 million. These savings are from changes to the levels of service for the Hop Skip and Jump Bus service, closing Vacation Care, revising the events program including reducing the number of outdoor cinemas, markets and removal of the Frenchs Forest New Year’s Eve fireworks, removing

the NSW Surf Life Saving Championships financial subsidy and a number of efficiency improvements.

The budget also proposes Council increases the community-led event grants program by \$86k to a total of \$189k for the year.

Service reviews are also part of Council's Productivity and Improvement Plan. The objectives of a services review is to:

- assess performance including efficiency (how well it uses its inputs) and effectiveness (how well it achieves its outcomes) to deliver current service levels
- understand community and customer needs and the relative importance of the service
- understand the financial impact of the service on rate subsidisation
- consider the balance between rate of subsidisation of the service against relative importance
- improve services by comparing with other high performing organisations and/or industry research.

Service reviews programmed for 2025/26 include:

- Recreational Services (Aquatic Centres)
- Events
- Tree Management
- Procurement
- Stores

Throughout the year additional reviews may be initiated in response to changes in the operating environment.

Draft budget overview and financial forecasts

- **Draft Budget 2025/26**

The 2025/26 draft budget projects total expenditure of \$540 million, including a capital works program of \$96 million. The proposed capital works program includes \$58 million in asset renewal to improve the overall condition of our assets and to reduce ongoing operational costs associated with asset repair and maintenance. A further \$38 million will deliver high priority new assets to the community, primarily funded by grants and development contributions.

The budget forecasts an Operating Surplus before Capital Grants and Contributions of \$3.9 million, which includes a \$14 million investment in replacing Council's core operating systems. A further \$2.4 million in loans will be repaid and no new loans are proposed.

As indicated by the LTFP, key financial and asset performance ratios are on a stronger path with the Special Variation. All financial and asset management ratios are expected to meet industry benchmarks, except for the asset maintenance ratio. Plans are in place to increase maintenance expenditure over the next 3 years, reaching the target of \$54 million annually through the phased rollout of the Special Variation program.

Net cashflow will be a negative \$17 million in 2025/26, primarily due to the replacement of Council's core operating systems and capital expenditure funded by grants and contributions already received by Council. Net cashflow will return to a positive position from the 2026/27 financial year.

Draft 2025/26 Budget Snapshot

	Result 2023/24 \$ 'mil	Forecast 2024/25 \$ 'mil	Budget 2025/26 \$ 'mil	Projected 2026/27 \$ 'mil	Projected 2027/28 \$ 'mil	Projected 2028/29 \$ 'mil
Operating budget						
Income	442	466	472	496	522	534
Operating expenses	(398)	(428)	(444)	(456)	(464)	(477)
Operating result - surplus / (deficit)	44	39	28	40	58	57
Less grants and contributions for capital projects	(29)	(36)	(24)	(20)	(12)	(12)
Operating result - excl capital income - surplus / (deficit)	15	2	4	20	45	45
Capital expenditure						
New works	(30)	(68)	(38)	(35)	(27)	(29)
Renewal works	(43)	(42)	(58)	(64)	(65)	(67)
Total capital expenditure	(73)	(110)	(96)	(99)	(92)	(96)
Loans						
Loan repayments in year	(6)	(5)	(2)	(2)	(2)	(2)
New loans drawn in year	3	13	-	-	-	-
Loans balance on 30 June	9	17	15	13	12	10
Cash and investments						
Externally restricted	62	52	44	40	44	49
Internally restricted	89	71	73	84	96	115
Unrestricted	49	50	40	36	38	39
Total cash and investments	200	174	157	160	179	203
Cashflows						
Net cash from operating activities	93	75	81	103	112	121
Net cash from investing activities*	(71)	(108)	(94)	(97)	(90)	(94)
Net cash from financing activities	(5)	7	(4)	(3)	(3)	(3)
Net increase / (decrease) in cash	17	(26)	(17)	3	19	24
* Exclude purchase and sale of investments						
Financial position						
Assets	5,889	6,060	6,216	6,377	6,553	6,736
Liabilities	(186)	(175)	(173)	(174)	(169)	(170)
Net Assets	5,702	5,884	6,043	6,203	6,384	6,566

Numbers may not sum precisely due to rounding

Performance measures

	OLG Benchmark	Result 2023/24	Forecast 2024/25	Budget 2025/26	Projected 2026/27	Projected 2027/28	Projected 2028/29
Budget Performance							
Operating Performance Ratio	>0%	3.7%	0.4%	0.8%	4.0%	8.9%	8.7%
<i>measures the extent to which a council has succeeded in containing operating expenditure within operating revenue</i>							
Own Source Operating Revenue Ratio	>60%	87.4%	86.7%	90.4%	91.7%	93.6%	94.0%
<i>measures fiscal flexibility. It is the degree of reliance on external funding sources</i>							
Operational Liquidity							
Unrestricted Current Ratio	>1.5x	2.2x	2.5x	2.3x	2.1x	2.5x	2.8x
<i>represents a council's ability to meet short-term obligations as they fall due.</i>							
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	< 5%	3.8%	3.9%	3.9%	3.9%	3.9%	3.9%
<i>expressed as a percentage of total rates and charges available for collection in the financial year</i>							
Cash Expense Cover Ratio	> 3 mths	6.4mths	5.1mths	4.5mths	4.5mths	4.9mths	5.4mths
<i>liquidity ratio indicates the number of months a council can continue paying for its immediate expenses without additional cash inflow</i>							
Liability and Debt Management							
Debt Service Cover Ratio	>2.00x	6.9x	8.1x	11.2x	19.1x	25.3x	25.7x
<i>measures the availability of operating cash to service loan repayments.</i>							
Asset Management							
Building and Infrastructure Renewals Ratio	>100%	94.6%	96.0%	122.2%	124.9%	133.4%	141.0%
<i>assesses the rate at which these assets are being renewed against the rate at which they are depreciating</i>							
Infrastructure Backlog Ratio	<2%	1.52%	1.53%	1.53%	1.52%	1.53%	1.53%
<i>shows what proportion the infrastructure backlog is against the total net carrying amount of a council's infrastructure</i>							
Asset Maintenance Ratio	>100%	98.1%	94.2%	97.4%	98.5%	100.7%	100.3%
<i>compares actual versus required annual asset maintenance. A ratio of above 100% indicates that the council is investing enough funds that year to halt the infrastructure backlog from growing.</i>							
Cost to bring assets to agreed service level		1.17%	1.19%	1.19%	1.20%	1.22%	1.23%
<i>shows what proportion the infrastructure backlog is against the total gross replacement cost of a council's infrastructure</i>							

Draft Revenue Policy

The estimated change in rates and annual charges, which represent the rates notice, is illustrated in the following tables. If the proposed Special Variation is adopted, the rates notice for a typical residential property will increase by \$45 per quarter (9%), of which \$3 relates to the Domestic Waste charge, \$13 to the rate peg and \$29 to the Special Variation program to improve services:

Minimum and typical residential rates and annual charges 2025/26

- With proposed Special Variation to rates

	Minimum			Typical (median)		
	2025/26 Amount	Increase		2025/26 Amount	Increase	
Residential Rates	\$1,233	\$133	12.1%	\$1,562	\$168	12.1%
Domestic Waste Charge	\$599	\$13	2.2%	\$599	\$13	2.2%
Stormwater Charge	\$12.50 (strata)	-	-	\$25 (house)	-	-
TOTAL RATES NOTICE - Per annum	\$1,844	\$146	8.6%	\$2,186	\$181	9.0%
Per quarter	\$461	\$36	8.6%	\$547	\$45	9.0%
Per day	\$5.05	\$0.40	8.6%	\$5.99	\$0.50	9.0%

The typical (median) rate is based on the median (midpoint) 2022 residential land value of \$1.34 million. The minimum rate applies to land values just under approx. \$1.06 million.

- With rate peg only

	Minimum			Typical (median)		
	2025/26 Amount	Increase		2025/26 Amount	Increase	
Residential Rates	\$1,142	\$42	3.8%	\$1,447	\$53	3.8%
Domestic Waste Charge	\$599	\$13	2.2%	\$599	\$13	2.2%
Stormwater Charge	\$12.50 (strata)	-	-	\$25 (house)	-	-
TOTAL RATES NOTICE - Per annum	\$1,753	\$55	3.2%	\$2,071	\$66	3.3%
Per quarter	\$438	\$14	3.2%	\$518	\$16	3.3%
Per day	\$4.80	\$0.15	3.2%	\$5.67	\$0.18	3.3%

The typical (median) rate is based on the median (midpoint) 2022 residential land value of \$1.34 million. The minimum rate applies to land values just under approx. \$1.06 million.

- **Rating Structure 2025/26**

The NSW Government, through IPART, caps the total income that may be raised from levying rates on property through the setting of a rate peg each year. IPART has set the 2025/26 rate peg for Northern Beaches Council at 3.8%.

IPART is considering Council's Special Variation application which includes an additional 8.3% increase in rates next year, bringing the increase to 12.1% in the 2025/26 year. This is the basis of the draft 2025/26 budget.

The rating structure is based entirely upon property valuations (ad valorem) but with minimum rates applying where appropriate. Rates for 2025/26 will be assessed on land values as at 1 July 2022 and are forecast to raise \$222 million before pensioner rebates and adjustments (which includes \$16 million from the proposed Special Variation).

- **Stormwater Management Services Charge 2025/26**

The Stormwater Management Services Charge is levied to all eligible residential and business ratepayers to fund a program of stormwater improvement projects and is forecast to raise \$2.2 million in 2025/26. The charge is consistent with the upper limit set by the Local Government

(General) Regulation 2021, which remains unchanged since the inception of the charge in the 2006/07 financial year. No changes to the charge are proposed.

- **Domestic Waste Management Charge 2025/26**

The Domestic Waste Management (DWM) service is provided to all residential properties. The standard domestic waste charge is proposed to be \$599 in 2025/26 (a \$13 (2.2%) increase), raising \$59 million in revenue. Improvements to recycling processing and a new income stream for recycling paper have helped keep this increase under inflation for residents.

Pricing Methodology and Fees and Charges 2025/26

Fees and Charges relate mainly to the recovery of service delivery costs through the charging of fees to users. These include use of leisure, entertainment and other community facilities, the provision of services such as long day care, development and compliance activities.

The draft Fees and Charges schedule for the 2025/26 financial year is provided as Attachment 4 to this report and has been prepared in accordance with the principles of Council's Pricing Methodology.

CONSULTATION

A community engagement plan consistent with Council's Community Engagement Policy and Strategy, has been developed to support the exhibition. The draft Delivery Program, Operational Plan (including Fees and Charges), LTFP and Asset Management Plan will be placed on exhibition for a minimum of 28 days in accordance with essential elements 3.10, 4.10 and 4.25 of the *Integrated Planning and Reporting, Guidelines for Local Government in NSW (2021)*.

Promotion and engagement will include:

- A dedicated Your Say page, including all documents and frequently asked questions
- Social media
- Bulk emails to around 22,000 people on our Community Engagement Register
- Community outreach activities at 5 locations
- 12 locality-based summaries of the draft Operational Plan
- Fact sheets on the roads and footpath program, environment and sustainability initiatives.

Submissions can be made online as well as via letter and email.

TIMING

The draft Community Strategic Plan, Delivery Program, Operational Plan (including Fees and Charges), Workforce Management Strategy, LTFP and Asset Management Policy, Strategy & Plans will be exhibited for a minimum of 28 days. The outcome of the public exhibition will be reported to Council on 17 June 2025 for consideration together with recommended IP&R documents for adoption.

FINANCIAL CONSIDERATIONS

Based on the need to maintain financial sustainability and to continue to deliver services and assets as expected by our community, in January 2025, Council approved an application to IPART for Special Variation to increase rates income by \$16 million (8.3%) from the 2025/26 financial year, an extra \$19 million (8.3%) in 2026/27, followed by \$22 million (8.4%) by 2027/28 above the rate peg.

If the proposed Special Variation is approved by IPART and adopted by Council in June, the actions of the Delivery Program and needs of the Asset Management Plans are funded including

doubling renewal expenditure on roads, footpaths and stormwater infrastructure within 3 years, expanding environmental and natural risk reduction programs and providing funding to withstand shocks and invest in future infrastructure needs.

As a decision on Council's Special Variation has not yet been made, the draft Long-Term Financial Plan presents two scenarios: Scenario 1 presents the financial outcome if the Special Variation is in place and Scenario 2 presents the financial outcome if the Special Variation does not proceed and rates only increase by the rate peg. A decision from IPART is anticipated in May 2025, and, if amendments are required to the Delivery Program, these will be incorporated into the revised program for Council's consideration in June 2025.

For the 2025/26 financial year, Council is forecast to achieve an operating surplus before capital grants and contributions of \$3.9 million, along with a stronger working capital position and achievement of the Office of Local Government's financial and asset performance benchmarks, with the exception of the asset maintenance ratio which is expected to be met within 3 years.

There are several restrictions on funds within the operating result. When these are removed, the underlying operating result is forecast to be a surplus of \$10.2 million (compared to the deficit of \$1.9 million without the Special Variation).

	Budget	Budget without Special Variation
	2025/26	2026/27
	\$m	\$m
Underlying result		
Surplus / (deficit) excluding capital grants and contributions	3.9	(7.4)
Less:		
Interest on restricted Council funds	(2.0)	(2.8)
Domestic Waste net depreciation	(0.1)	(0.1)
Stormwater Charge net opex	(2.0)	(2.0)
Special Rates	(0.1)	(0.1)
Externally restricted grants (net)	-	-
Kimbriki (less dividend)	(0.1)	(0.1)
Mona Vale Cemetery	0.3	0.3
Developer contribution funded operating projects	2.4	2.4
Underlying surplus / (deficit) excluding restricted funds	2.3	(9.8)
Less:		
Opex projects rephased to future years (core operating system)	8.4	8.4
Gain on the disposal of assets	(0.5)	(0.5)
Underlying surplus / (deficit) excluding restricted funds, rollovers and gains from disposal	10.2	(1.9)

GOVERNANCE AND RISK CONSIDERATIONS

The review and updating of the Community Strategic Plan, Delivery Program, Operational Plan, Workforce Management Strategy, LTFP and Asset Management Policy, Strategy and Plans are integral to good governance at Council. These documents have been prepared in accordance with sections 403-405, 406, 610B, 610F and of the *Local Government Act 1993* and the Office of Local Government's *Integrated Planning and Reporting Guidelines for Local Government in NSW (2021)* and *Integrated Planning and Reporting Handbook for Local Government in NSW (2021)*.

ENVIRONMENTAL CONSIDERATIONS

The proposed actions in this report will result in a beneficial environmental outcome. Protecting the environment and ensuring that we can live sustainably on the Northern Beaches are key features of the draft Delivery Program and Operational Plan to be exhibited. These documents detail programs and activities that protect the environment and support the community to live sustainably.

SOCIAL CONSIDERATIONS

The draft Community Strategic Plan, Delivery Program, Operational Plans (including Fees and Charges), Workforce Management Strategy, Long-Term Financial Plan and Asset Management Policy, Strategy and Plans will be exhibited for a minimum of 28 days. A summary of the submissions received along with revised IP&R documents will be presented to Council on 17 June 2025 for consideration.

LINK TO STRATEGY

This report relates to the 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.
- Good governance - Goal 20 Our Council is proactive, and efficiently and effectively responds to, and delivers on, the evolving needs of the community.
- Partnership and participation - Goal 21 Our community is engaged in decision making processes.

Reporting team	Strategy & Performance
TRIM file ref	2025/057817
Attachments	<ul style="list-style-type: none"> ⇒1 Draft Northern Beaches Community Strategic Plan 2040 (Included In Attachments Booklet) ⇒2 Community and Stakeholder report (Stage 1) on the review of the Community Strategic Plan (Included In Attachments Booklet) ⇒3 Draft Delivery Program 2025-2029 and Operational Plan 2025/26 (Included In Attachments Booklet) ⇒4 Draft Fees and Charges and Pricing Methodology 2025/26 (Included In Attachments Booklet) ⇒5 Draft Asset Management Strategy 2025-2035 including Asset Management Policy (Included In Attachments Booklet) ⇒6 Draft Asset Management Plan 2025-2035 (Included In Attachments Booklet) ⇒7 Draft Workforce Management Strategy 2025-2029 (Included In Attachments Booklet) ⇒8 Draft Long-Term Financial Plan 2025-2035 (Included In Attachments Booklet)

ITEM 9.2 COUNCILLOR STRATEGIC PLANNING WEEKEND - OUTCOMES

PURPOSE

The purpose of this report is to provide a summary of the outcomes of the Councillor strategic planning weekend.

EXECUTIVE SUMMARY

- In response to Council resolution 327/24 (10 December 2024), a Councillor strategic planning weekend was held on 22 and 23 March 2025 to focus on opportunities for the ongoing review of services, operational efficiencies, and property rationalisation.
- At the planning weekend, 13 Councillors focused on both matters pertaining to the 2024/25 Operational Plan and Budget and matters of a longer term strategic nature identifying the need to balance current priorities with longer term community aspirations.
- The 2024/25 Operational Plan and Budget was considered including infrastructure prioritisation, opportunities for ongoing review of services, operational efficiencies and opportunities within the property portfolio.
- Councillors identified that the discussion and consideration of service level adjustments to support further savings must also remain a focus of Council.
- Councillors discussed the long term focus of Council identifying that the aspirations of the community as outlined in the Community Strategic Plan are intergenerational and will need to be addressed across multiple terms of Council.

RECOMMENDATION

That Council:

1. Note the outcomes of the Councillor strategic planning weekend held on 22 and 23 March 2025.
2. Note that it will continue to:
 - a. seek to continue to find operational efficiencies to expand its forward improvement plan
 - b. review its services in line with community demand and financial sustainability
 - c. prioritise service and infrastructure delivery based upon community need and aspirations
 - d. further focus on the long-term initiatives of Council, acknowledging that the aspirations of the community as outlined in the Community Strategic Plan are intergenerational and will need to be addressed across multiple terms of Council.

BACKGROUND

At the Council Meeting held on 10 December 2024, Council resolved (327/24):

That Council conduct a strategic planning weekend (at a Council-owned venue) in the first quarter of 2025 in preparation of the 2025/26 Operational Plan and budget with a focus on opportunities for ongoing review of services, operational efficiencies, and property rationalisation, that incorporates feedback from the community engagement of a Special Variation to rates.

The strategic planning weekend, the 'workshop', was held on 22 and 23 March 2025 at the training room at Council's Cromer Operational Depot.

13 Councillors participated in the workshop and spent time focusing on:

- operational efficiencies
- opportunities for ongoing review of services
- property portfolio opportunities
- prioritising of infrastructure renewal works
- preliminary discussions on the long term focus of Council to meet the needs of the community as outlined in the Community Strategic Plan.

DISCUSSION

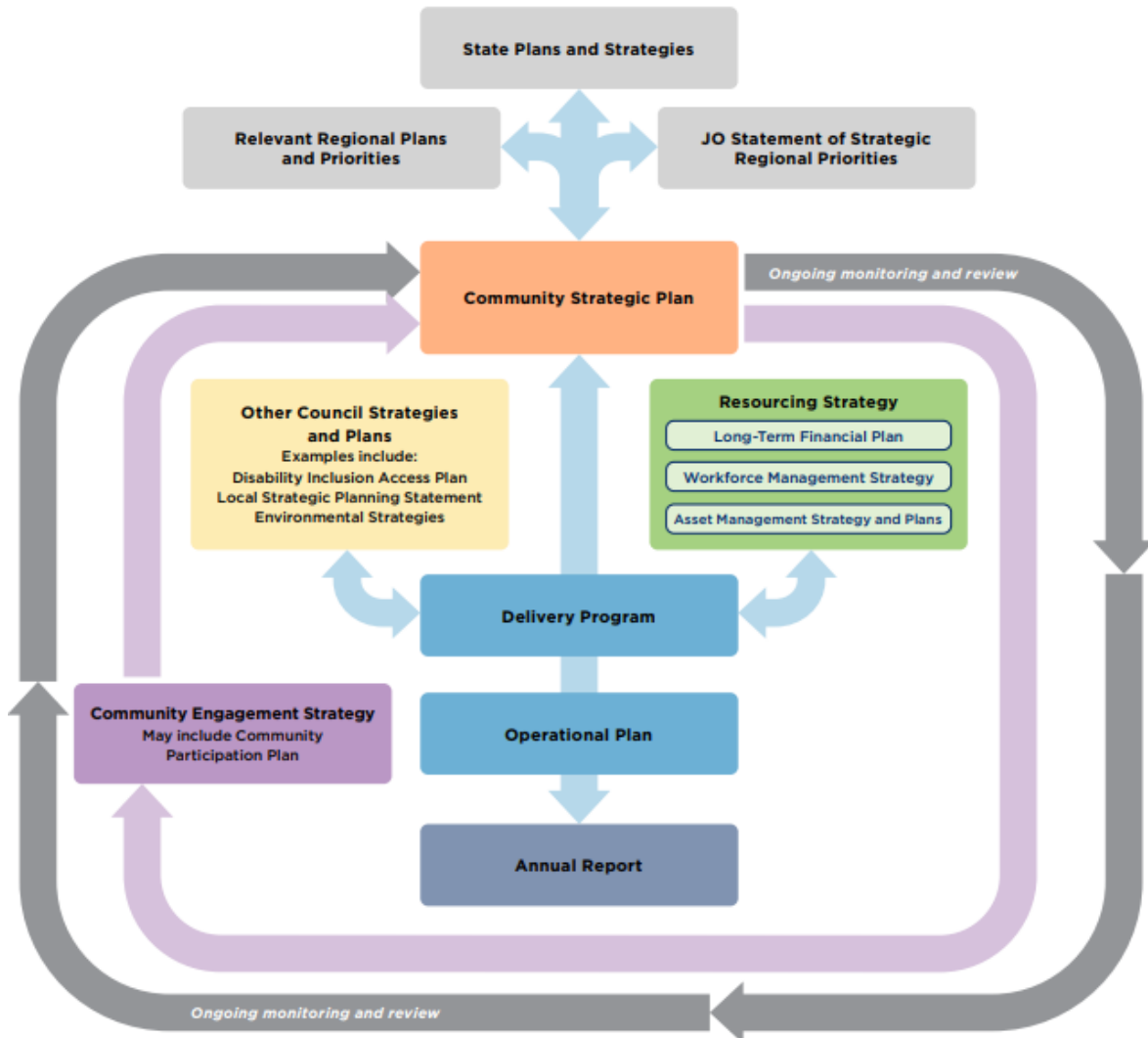
As a primary focus of the workshop, Councillors focused on what service and infrastructure areas of Council should be given a priority, with consideration to the community's aspirations in the Community Strategic Plan and in view of the feedback from the Special Variation to rates engagement process.

Further to this, Councillors focused on the savings that have already been included in the Productivity and Improvement Plan and opportunities for further savings and considered several services they wished to review to potentially realise some further future efficiencies.

Whilst it was acknowledged that Council will continue to face a number of challenges, Councillors affirmed their commitment to the long-term financial goals, the community vision for the future, and finding a balance between delivering efficient and improved services that will meet the needs of our community now and into the future.

Integrated planning and reporting

Council is obligated to plan and consider the delivery of its services, infrastructure and resource planning under the Integrated Planning and Reporting Framework (IP&R), as outlined in the diagram below.



The IP&R Framework provides a pathway for elected representatives to:

- work directly with their community to identify long-term priorities for local identity, growth and lifestyle
- understand the range of services the community wants, the service standards they expect and the infrastructure that will be required
- have meaningful conversations about the cost of meeting community expectations; allocate resources within Council's means and map out a 4-year strategy to deliver key priorities, projects and services
- set appropriate rates, fees and charges and monitor Council's progress in delivering priorities, projects and services through the Operational Plan
- report to the community on their success in achieving these goals
- be assured that their council is meeting planning, consulting and reporting requirements under other laws.

Accordingly, the workshop was undertaken with the Framework in mind to ensure the workshop’s focus centred on how Council’s Delivery Program, Operational Plan and Budget, Resourcing Strategy and supporting Plans are effectively delivering upon the community’s aspirations as outlined in the Community Strategic Plan, now and into the future.

The major themes and outcomes of the workshop are outlined below.

Continued financial sustainability focus

Councillors continued their focus on fiscal responsibility and renewed their commitment to financial sustainability. The Councillors present acknowledged that while Council had applied to IPART for a special variation, this action was to occur in parallel with a continued approach to ‘belt tightening’ across the organisation; a responsible combination for service and infrastructure provision for the community as well as financial security now and into the future.

Service and infrastructure prioritisation

Councillors considered service and infrastructure areas that require further prioritisation, looking through the lens of the Community Strategic Plan, the recent 2024 Community Satisfaction Survey and in view of the feedback from the special variation to rates engagement process.

It was accepted that the position to apply to IPART to raise rates was not taken lightly and that if additional funding is approved, it must be spent in line with immediate community priorities.

As outlined in Council’s 2024 Customer Satisfaction Survey, essential infrastructure such as the condition of local roads and the provision of footpaths are the services/facilities with the largest performance gap out of 43 surveyed areas, as shown below. For clarity, the performance gap is the measure between importance and satisfaction. For these 2 asset types, whilst both are considered very important to the community, the satisfaction rating for these assets was significantly lower. These areas are identified as a high priority in Council’s current Community Strategic Plan and also from the recent engagement within the community on the proposed special variation to rates.

Service/Facility	Importance T2 Box	Satisfaction T3 Box	Performance Gap (Importance – Satisfaction)
Condition of local roads	95%	47%	48%
Footpaths	90%	67%	23%

Community Satisfaction Survey – September 2024 – Micromex Research

Councillors focused on prioritising that the prompt delivery of tangible improvements to essential infrastructure that reflect the community’s recent feedback would be considered. Whilst essential infrastructure including roads, stormwater and footpaths are currently listed for additional funding through the proposed special variation to rates, it was raised that additional funding in other assets with a lower performance gap in community feedback, could potentially be temporarily re-directed into these high focus assets. Further to this, it was also raised that any future operational saving generated should be considered for potential re-allocation into priority areas such as roads and footpaths.

Property rationalisation (highest and best use of land holdings)

Under the *Local Government Act 1993*, property under the ownership of Council generally falls into the following 2 categories:

- Community Land – that would ordinarily comprise land such as a public park. Community land is restricted in its use and saleability.
- Operational Land – that would ordinarily comprise land held as a temporary asset or as an investment or land which facilitates the carrying out by a council of its functions and may not be open to the public such as works depots. No restrictions apply to its saleability.

Council currently operates under the following key principles to guide the Council's Property Management Framework:

- Be strategic in managing the land and property portfolio to optimise community benefit and financial sustainability
- Be transparent and responsive in administering the property portfolio to satisfy full accountability to the community
- Be active in the protection and the enhancement of the environment
- Be creative and adaptable to meet the future needs of the community
- Be protective of heritage, considerate in adaptive reuse and accountable for cultural significance to the community
- Invest in property to foster improved environmental, social, cultural and economic outcomes in accord with Council's Strategic Planning Framework and objectives
- Leverage the property portfolio to achieve a commercially sustainable return on assets where appropriate
- Explore and foster new and ongoing partnerships to maximise the community benefit arising from shared facility use and digital connectivity

Council currently holds the following land parcels.

Land Type	Number of Parcels	Area (m2)
Community Land	2,237	10,460,272
Operational Land	168	1,058,227 (75% of this total is Kimbriki waste facility)
Crown Land under management	535	14,022,885
Total	2,940	25,541,384

The overwhelming majority of these parcels are used for their highest and best use, be it beach, bush, libraries, childcare centres, parks, sportsfields, etc.

Only 5.7% of parcels or 1% in area (under ownership or management excluding Kimbriki waste facility) is operational and therefore unrestricted in its potential for short term sale or re-use.

Council is an 'active property market' participant in that it regularly sells small parcels of road reserves, has bought land for future needs (e.g. parks), and works with the NSW State Government when it has acquired Council land for such purposes as Manly Vale Public School and the Northern Beaches Hospital.

With respect to property in general as well as the potential to rationalise its holdings, Councillors continued their focus on the opportunities and constraints of Council's current property portfolio. The Councillors were generally aligned that it would be beneficial to continue to be an active property market participant, thereby seeking further opportunities to:

- acquire and/or dispose of surplus land
- seek where possible commercial returns from appropriate land holdings
- re-purpose land to ensure its highest and best use to meet our community's needs
- undertake a review on Council land encroachments to ensure Council's ownership is either retained or an appropriate lease is facilitated.

Councillors noted that such active participation would be undertaken in line with the prioritisation of the community's environmental and social interest and needs.

Councillors reaffirmed their commitment to rationalise Council's property holdings and divest appropriate land parcels over the next one to 5 years to allow the realisation of an estimated \$10 million dollars as foreshadowed in Council's Productivity and Improvement Plan, with consideration of the 3 council sites listed to date, as well as further suggestions for investigation.

Council staff will prepare reports with the necessary supporting information and investigations in due course to enable Council to formally consider property matters.

Improvement plan – continued focus

A Productivity and Improvement Plan tabled at the Council Meeting on 28 January 2025 outlined future savings of \$4.97m in operating costs (by year 3) and \$10.37m in one-off capital savings (by year 5) from the following initiatives:

Initiatives	Savings Operational (after year 3)	Savings Capital (after year 5)
Service rationalisation – adjusting the level of service of discretionary services	\$2.14m	\$0.33m
Workforce management - improve organisational design to ensure a cost effective and optimal structure	\$1.70m	\$0.00
Property rationalisation – review the property portfolio to transfer under-utilised assets from property to cash	-\$0.20m (loss of rental income)	\$10.00m
Fleet Optimisation - rationalise the vehicle fleet	\$0.58m	\$0.04m
Energy efficiency - focus on energy efficiency and solar opportunities	\$0.75m	\$0.00m
Total Savings	\$4.97m	\$10.37m

Councillors reaffirmed at the workshop their continued commitment to such savings along with the need to further expand operational efficiencies and ongoing savings with funds generated to be re-directed into essential infrastructure.

Some potential areas of consideration for future operational improvements that were suggested include:

- an assessment of user fees to ensure equitable fee structures are applied
- an assessment of service delivery methodology as to whether insourced or outsourced models of labour are more cost effective in individual business units (through Council's service review process)

- a review of Council's major commercial activities to ensure net income is being maximised
- a review of funding arrangements of other services and infrastructure such as events, and reconsideration of the current delivery models when community desire remains high
- a review of Council's environmental centres (including responding to Council's recent resolution 065/25 regarding Manly Environment Centre).

Commitment to improved communication

Councillors noted that the operations across the council area are very large in scale and that more could be done with regard to how we communicate information on the delivery of our services and infrastructure with the community.

In any given year Council engages on numerous strategic planning matters, facilitates over 100 capital and operational projects, delivers over 60 discrete services to the community and maintains billions of dollars' worth of infrastructure networks including roads, footpaths, parks, sportsfields, community buildings and facilities, stormwater, beaches, wharves etc.

Furthermore, Council conducts a minimum of 11 Council Meetings annually and undertakes numerous engagement activities through various mediums and to various stakeholders. While significant effort is undertaken to ensure our communication is wide reaching and informative, Councillors at the workshop recognised the benefits of reviewing and adjusting our approach to ensure we are explaining our large and diverse operations as clearly as we can to the community.

It was also recognised that Council's major IP&R documents, being the Community Strategic Plan, the 4-year Delivery Program and annual Operational Plan and Budget could be better explained and regularly referred to with the community, to help link and provide context for Council's projects, actions and activities with the overarching strategic direction that flows from the community's aspirations for the area.

Longer term strategic focus

While there was a recognition that the immediate focus needs to remain on infrastructure prioritisation to direct funds into essential infrastructure, opportunities identified through the ongoing review of services, driving operational efficiencies and seeking consensus on rationalisation opportunities in the property portfolio; there was also an acknowledgement that discussions must in the near future turn to a longer-term focus to drive actions aligned with the aspirations of the community as outlined in the Community Strategic Plan.

Councillors further recognised that such aspirational issues are intergenerational and will need to be addressed across multiple terms of Council.

Councillors recognised that strategic plans and opportunities should be reviewed in line with the community's vision of:

Northern Beaches - a safe, diverse, inclusive and connected community that lives in balance with our extraordinary coastal and bushland environment.

The following topics were considered to be important strategic initiatives for focus and discussion in the near future:

- Major transport initiatives to improve resident and visitor journeys to and from the Beaches, including a review of Council's MOVE - Northern Beaches Transport Strategy 2038
- Community connectiveness
- The balance between ongoing development and environmental protection
- Promotion of the Northern Beaches as a major Sydney tourism destination
- How to support the delivery of affordable housing

TIMING

It was noted that Council's Integrated Planning and Reporting documents, including the revised Community Strategic Plan, and Draft Delivery Program/Operational Plan and Budget, will be tabled at Council's April ordinary meeting for consideration and endorsement to proceed to community consultation.

FINANCIAL CONSIDERATIONS

There are no financial impacts associated with the outcomes of the strategic weekend. Council is focused on ensuring efficient delivery of services and where appropriate potential adjustments to some services following further consideration of community wants and needs. Funding to deliver the strategic weekend is included in the existing budget.

GOVERNANCE AND RISK CONSIDERATIONS

This strategic weekend workshop has been facilitated in line with Council's application of section 8A of the *Local Government Act 1993*, the guiding principles for councils, and in line with the NSW Integrated Planning and Reporting Framework.

ENVIRONMENTAL CONSIDERATIONS

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

SOCIAL CONSIDERATIONS

The subject of this report has no adverse social implications for Council.

LINK TO STRATEGY

This report relates to the 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.
- 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	Strategy & Performance
TRIM file ref	2025/206948
Attachments	Nil

**ITEM 9.3 REVOCATION OF ADVERTISING AND ADVERTISEMENTS POLICY
AND A-FRAME SIGNS AND MERCHANDISE OFFERED FOR SALE
POLICY**

PURPOSE

The purpose of this report is to seek the revocation of 2 policies of the former Councils.

EXECUTIVE SUMMARY

- Council's Policy Framework (Framework) outlines the strategic principles for certain corporate documents including Council policies.
- Council is progressively reviewing all corporate documents covered by the Framework.
- The Advertising and Advertisements Policy and A-Frame Signs and Merchandise Offered for Sale Policy have been reviewed and are proposed to be revoked as they are no longer required under the Policy Framework.

RECOMMENDATION

That Council revoke the:

1. Advertising and Advertisements Policy
2. A-Frame Signs and Merchandise Offered for Sale Policy

BACKGROUND

Council adopted a Policy Framework (Framework) at the Ordinary Council meeting held on 28 November 2023 (resolution 316/23). 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 internally 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

Advertising and Advertisements Policy

This policy (Attachment 1) is not required and deals with matters which are subject to the application for use of Council land and or buildings (assets) like any other application.

Revocation of this policy does not change Council's ability to regulate advertising on its land, or land or assets it manages, nor does revocation automatically allow for advertising previously prohibited under the policy. Advertising is also legislated under:

- *Environmental Planning and Assessment Act 1979 (NSW)*
Local Government Act 1993 (NSW)
- *Public Health (Tobacco) Act 2008 - s16.1* (prohibits tobacco advertising)
State Environmental Planning Policy (Industry and Employment) 2021

Placing items on land or assets owned and managed by Council requires the permission of Council. Revoking the policy does not prevent Council from prohibiting the placement of all unauthorised obstructions in any public place.

Should advertising be placed on Council land or assets without authority from Council, Council has the ability to issue fines and remove the items.

A-frame Signs and Merchandise Offered for Sale Policy

This policy (Attachment 2) is not required and deals with matters which are subject to the application for use of Council land like any other application.

Revocation of this policy does not change Council's ability to regulate advertising on its land, or land it manages, nor does revocation automatically allow for advertising previously prohibited under the policy. Advertising is also legislated under:

- *Environmental Planning and Assessment Act 1979 (NSW)*
Local Government Act 1993 (NSW)
- *Public Health (Tobacco) Act 2008 - s16.1 (prohibits tobacco advertising)*
State Environmental Planning Policy (Industry and Employment) 2021

Placing items on land owned and managed by Council requires the permission of Council. Revoking the policy does not prevent Council from prohibiting the placement of all unauthorised obstructions, including A-frame signs fixed in any fashion as well as merchandise offered for sale in any public place.

Should A-frames or other items be placed on Council land without authority from Council, Council has the ability to issue fines and remove the items.

CONSULTATION

While Council's [Policy Framework](#) encourages involvement by the community in developing and reviewing its policies, it acknowledges that consultation may not be required in all circumstances, such as where a policy is to be re-adopted or is consistent with a model policy provided by the NSW Government.

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 Council's Policy Framework. The Framework provides for an improved governance outcome for the management of Council policies.

The Framework provides for an improved governance outcome for the management of Council policies.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental impacts to consider in respect of the recommendations of this report.

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	Community Engagement & Communications
TRIM file ref	2025/055098
Attachments	<ul style="list-style-type: none"> ⇒1 Advertising and Advertisements Policy (Included In Attachments Booklet) ⇒2 A-frame Signs and Merchandise Offered for Sale Policy (Included In Attachments Booklet)

ITEM 9.4 DRAFT RISK APPETITE STATEMENT
--

PURPOSE

The purpose of this report is to seek the adoption of an updated Risk Appetite Statement (RAS).

EXECUTIVE SUMMARY

- Council is compliant with new obligations required under the Local Government (General) Regulation 2021 to implement a risk management framework consistent with current Australian standards.
- A component of the framework is the setting of a RAS, which was first established by Council in 2019 and is due for review.
- A draft updated RAS is provided for Council's consideration which proposes the overall risk appetite for Council as 'accepting', and is broadly consistent with the current appetite of 'open', meaning that Council will only accept a low degree of risk together with a reasonable certainty that there is a reward to gain by taking on the risk.
- The risk tolerance for individual risk categories has also been reviewed and it is proposed to lift the acceptable risk tolerance from 'low' to 'medium' for 4 categories (Staff Culture and Harmony, Image and Reputation, Technology and Digital Innovation and Service Delivery: Business and Asset Operations) and reduce the acceptable tolerance for one category, Cyber, to 'low'.
- There are no proposed changes to the proposed tolerances for 5 other risk categories which remain 'low' (Staff and Community Safety, Legal and Compliance, Financial, Environment) and one which remains 'medium' (Service Delivery: Projects).
- The Audit, Risk and Improvement Committee has been consulted on the proposed changes with its feedback incorporated into the draft updated RAS for Council's consideration.

RECOMMENDATION

That Council adopt the updated Risk Appetite Statement.

BACKGROUND

In accordance with the NSW Government's *Guidelines for Risk Management and Internal Audit for Local Government in NSW* (Guidelines) all councils are to have a risk management framework that is appropriate for that council and is consistent with the accepted Australian risk management standard (ISO31000:2018). Council complies with these requirements and is committed to undertaking proactive risk management.

Consistent with the Guidelines, the strategic (Tier 1) settings for Council's risk management framework are defined through the:

- [Enterprise Risk and Opportunity Management Policy](#) which was reviewed and updated in March 2024.
- Risk Appetite Statement (RAS) which was adopted in September 2019 and is due for review.

A RAS defines the amount and type of risk that the governing body is willing to take, or not take, in order to achieve its strategic plan and objectives. It provides high level guidance for staff with regards to the management of risks and the assessment of opportunities. The RAS includes:

- An overarching statement of 'appetite' for the organisation
- Individual risk appetite statements and short descriptions for each category of risk
- Risk tolerances for each category of risk which drive operational risk reporting.

Current RAS

The current RAS (adopted in 2019) was set soon after amalgamation (Attachment 2). The RAS sets the Council's risk appetite as 'open', which means that Council's appetite is to take a low degree of risk together with a reasonable certainty that there is a reward to gain by taking on the risk, see image below.



It also sets the majority of risk tolerances at 'low' (8 of 10 categories), meaning Council has a limited acceptance to bear risk in a particular area. The exceptions to this are 'Cyber' category and 'Service Delivery – Project' category where Council will accept a risk tolerance of 'medium'. This means Council will bear a modest level of risk, with a low to medium likelihood of occurrence and with moderate impacts or consequences to Council should the risk eventuate.

RAS review

An important requirement of the Enterprise Risk and Opportunity Management framework is the periodic review of all elements to ensure that its settings remain appropriate and it continues to be fit for purpose. This provides an opportunity for Council to review the risk appetite and related risk tolerance levels and make adjustments where appropriate to potentially reflect the organisation as a mature Council.

In 2024 a workshop was facilitated by Marsh Consulting with the Chief Executive Team to review the operation of the current RAS. The RAS was found to be broadly operating as expected and effective with some suggestions identified to refine the current settings.

The outcomes of the review and proposed adjustments to the RAS were put to the Audit, Risk and Improvement Committee (ARIC) for feedback. The ARIC’s feedback was incorporated into the proposal which was subsequently presented to a Councillor briefing for discussion and more feedback.

DISCUSSION

A draft updated RAS is provided at Attachment 1 for Council’s consideration which incorporates the following proposed changes:

1. Changes to the framework settings
2. Adjusting some risk appetite and associated tolerance levels.

Changes to the framework settings

It is proposed to move from the current 5 level scale (as per the image above) to a 4 level scale (as per the image below) to express the amount of risk Council is willing to take. This simply removes an option to select the middle category to provide a clearer indication of Council’s risk appetite.

AVOID	RESISTANT	ACCEPT	RECEPTIVE
(little-to-no appetite)	(small appetite)	(medium appetite)	(larger appetite)
Avoidance of adverse exposure to risks even when outcome benefits are higher	A general preference for safer options with only small amounts of adverse exposure	Options selected based on outcome delivery with a reasonable degree of protection	Engagement with risks based more on outcome benefits than potential exposure

It is also proposed to introduce a ‘primary’ and ‘secondary’ risk appetite, where relevant, where the:

- Primary risk appetite sets agreed position for taking, retaining and accepting risk.
- Secondary risk appetite sets risk appetite where special circumstances may warrant a more conservative or more progressive approach with respect to risk in any category.

Adjustments to risk appetite and risk tolerances

Following the review and subsequent consultation process the below risk appetite settings are proposed.

If adopted, these would define the Northern Beaches Council overall Primary Risk Appetite position as ‘Accepting’.

Risk Category	Avoid	Resistant	Accept	Receptive
Staff Culture / Harmony			<i>Secondary</i>	<i>Primary</i>
Community and Staff Safety	<i>Secondary</i>	<i>Primary</i>		
Environmental		<i>Primary</i>		<i>Secondary</i>
Financial		<i>Primary</i>		
Legal and Compliance	<i>Secondary</i>	<i>Primary</i>		
Image and Reputation			<i>Primary</i>	<i>Secondary</i>
Technology, Digital Innovation			<i>Secondary</i>	<i>Primary</i>
Cyber		<i>Primary</i>		
Svc Delivery – Business & Asset Ops		<i>Secondary</i>		<i>Primary</i>
Svc Delivery – Projects			<i>Secondary</i>	<i>Primary</i>

In the event that the proposed revisions to the RAS are accepted by Council, the tolerance levels for 5 risk categories would be adjusted (4 would be lifted and one would be lowered) as highlighted in the table below. Five proposed tolerance levels remain unchanged.

Risk Category	Current	Proposed
Staff Culture / Harmony	<i>Low</i>	Medium
Staff and Community Safety	<i>Low</i>	<i>Low</i>
Environmental	<i>Low</i>	<i>Low</i>
Financial	<i>Low</i>	<i>Low</i>
Legal and Compliance	<i>Low</i>	<i>Low</i>
Image and Reputation	<i>Low</i>	Medium
Technology, Digital Innovation	<i>Low</i>	Medium
Cyber	<i>Medium</i>	Low
Svc Delivery – Business & Asset Ops	<i>Low</i>	Medium
Svc Delivery – Projects	<i>Medium</i>	<i>Medium</i>

The tolerance levels described above are aligned to the 'primary' risk appetite. Where circumstances may warrant the 'secondary' appetite to be considered (via a more conservative or more progressive approach) this would be determined by the Director in accordance with the RAS governance process.

It is worth noting, a higher than usual quantum of residual risks above tolerance have consistently occurred throughout operational risk reporting using the current RAS. This trend has been maintained as risk processes have matured over time. This, coupled with the results from the review, indicate the conservative (low) tolerance settings in the current RAS, may not be reflective of the operating context for Council at this point in time.

CONSULTATION

The ARIC has reviewed the proposed changes to the RAS. Feedback from the ARIC has been considered and incorporated and discussed at a Councillor briefing.

It is not intended that the draft RAS would be placed on public exhibition for community comment before adoption. While the RAS provides a signal to staff of the amount and type of risk the governing body is willing to take to achieve its goals (articulated in the Community Strategic Plan and associated delivery plans which are informed by the community), the application of the RAS drives corporate reporting processes and internal decision making and as such the impact of its implementation is for the most part operational.

The governing body also will have regard to Council's risk appetite when making decisions and demonstrating its strategic leadership role by setting the 'tone at the top'.

FINANCIAL CONSIDERATIONS

The activities outlined in this report are resourced from existing operational budgets. There are no proposed changes to the Financial risk category which remains 'low' tolerance. It is worth noting there are financial implications that relate to maintaining a 'low' risk tolerance profile for multiple risk categories, should the recommendation not be supported. The introduction of additional controls, which have financial or resource implications, may be required to manage risks to an acceptable level.

GOVERNANCE AND RISK CONSIDERATIONS

A key function of Council is to ensure that Council has in place governance and risk management frameworks which ensure appropriate controls are in place for risk exposures as they relate to the strategic and operational objectives and decisions of Council. The RAS will help support staff in

their operational decision making to provide guidance for the levels of risk Council is willing to accept.

The proposed changes to the RAS ensure Council maintains a current and fit for purpose risk management framework while accepting that risks are an everyday occurrence, and, that while some risks cannot be fully eliminated they can be identified, controlled and managed to an acceptable level. Risk categories that are proposed to remain with a low tolerance are Environment, Financial, Legal, Community Safety, Staff Safety risks while Cyber risk appetite is proposed to be reduced to Low.

Since 1 July 2024, councils are required under the Local Government (General) Regulation 2021 to implement a risk management framework consistent with current Australian standards, and by 30 June 2025 councils are required to attest in their annual reports they are compliant. Council is already compliant with these obligations having a complying risk management framework in place.

ENVIRONMENTAL CONSIDERATIONS

The subject of this report has no adverse environmental implications for Council. There are no proposed changes to the Environmental risk category which remains 'low' tolerance.

SOCIAL CONSIDERATIONS

The recommendations in this report maintain social outcomes for the community by ensuring Enterprise Risk and Opportunity Management Framework remains fit for purpose over time.

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	2024/915377
Attachments	⇒1 Draft Risk Appetite Statement (Included In Attachments Booklet) ⇒2 Current Risk Appetite Statement (Included In Attachments Booklet)

ITEM 9.5 BENCHMARKING PROGRAM - FINANCIAL YEAR 2022/23**PURPOSE**

The purpose of this report is to table the benchmarking results previously reported to Council's Audit, Risk and Improvement Committee (ARIC), being the 2022/23 results across Council's finance, workforce and operations.

EXECUTIVE SUMMARY

- At the meeting on 10 December 2024 Council resolved (313/24) that a benchmarking report be tabled to Council annually, with finance, workforce and operational metrics, to demonstrate Council's performance compared to Office of Local Government (OLG) benchmarks and similar councils, and any available report be tabled as soon as possible.
- Council's most recently available report, as tabled to ARIC, is Council's 2022/23 Benchmarking Report (due to time lag in the availability of comparative data). These results are at Attachment 1 and show a 4 year trend of performance for 29 metrics against similar council groupings (median result of the council group) and OLG industry benchmarks (financial and assets management only) where available.
- Of these metrics, 9 are compared to OLG industry benchmarks of which all exceeded the benchmark in 2022/23, though 5 of the metrics were lower than the council group (>10% below).
- Council's overall performance in 2022/23 compared to the council group, shows that 21 of the metrics are either consistent with the group (within 10%) or above the group (>10% above), while the remaining 8 metrics are lower than the council group (>10% below).

RECOMMENDATION

That Council note the performance results for the 2022/23 core benchmarking program on finance, workforce and operations.

BACKGROUND

At the Council Meeting on 10 December 2024, Council resolved (313/24):

That a benchmarking report be tabled to Council annually, with finance, workforce and operational metrics, to demonstrate Council's performance compared to Office of Local Government benchmarks and similar councils, and any available report be tabled as soon as possible.

This report outlines the last benchmarking results that were presented to Council's Audit, Risk and Improvement Committee (ARIC) on 10 September 2024, being the 2022/23 results across Council's finance, workforce and operations. The lag in data is due to the timing of release of publicly available data.

Council has developed a benchmarking framework consisting of a core set of metrics for finance, workforce and operations. Performance against this framework has been reported to ARIC for the past 2 years.

This core benchmarking program is comprised of a total of 29 metrics across financial, workforce and operational categories. Data availability and currency remain a challenge. A range of sources are used to provide meaningful benchmarks:

- LGNSW HR Metrics Survey 2022/23
- LG Analyser portal (third party provider) – NSW Councils' Annual Financial Statements
- Office of Local Government's (OLG) [Comparative Council Information](#)
- OLG industry benchmarks for local government on financial operations and asset management.




DISCUSSION

In undertaking the 2022/23 benchmarking analysis various data sources were used, based on like comparisons, data availability and currency. Where data was available on coastal councils (Central Coast, Randwick, Sutherland, Waverley and Northern Beaches) this council grouping was used due to the similarity of services and issues associated with managing a coastal environment. The comparison in this group is to the median council in the council group. Where coastal council data was not readily available a wider metro group was used.



In addition to council groupings, performance was also compared to 9 relevant OLG benchmarks with respect to financial and asset management.

For each metric, the source of the benchmark is referenced below each chart as well as the range of results from the council group (highest to lowest) and the percentage change in the trend between 2021/22 and 2022/23 with the font colour indicating whether the movement in the median is positive (green font) or negative (red font).

Performance to benchmark is displayed as:

-  A positive variance > 10% of the benchmark
-  A consistent result
-  A negative variance > 10%, and further explanation is supplied

Performance against OLG industry benchmarks is rated:

-  Benchmark met
-  Benchmark not met

In summary, of the 29 metrics, Northern Beaches Council compares as follows:

- 3 results above benchmarks
- 18 results consistent with benchmarks
- 8 results below benchmarks

The 2022/23 Benchmarking Results and commentary are at Attachment 1. Commentary is provided only where there is a negative variance of 10% against the benchmark.

Future benchmarking reports will be presented to Council as and when data becomes available.

FINANCIAL CONSIDERATIONS

Benchmarking metrics are useful analysis tools for budget monitoring and planning.

GOVERNANCE AND RISK CONSIDERATIONS

Regular monitoring of benchmark metrics provides opportunities for Council’s management, with oversight from the ARIC, to identify issues with service delivery and to take corrective action in a timely manner.

ENVIRONMENTAL CONSIDERATIONS

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

SOCIAL CONSIDERATIONS

The recommendations in this report maintain social outcomes for the community.

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	Strategy & Performance
TRIM file ref	2025/198889
Attachments	⇒ 1 Benchmarking Program 2022/23 (Included In Attachments Booklet)

ITEM 9.6 MONTHLY INVESTMENT REPORT - FEBRUARY 2025
--

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 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 28 February 2025, Council had total cash and investments of \$234,400,003 comprising:

Trading Accounts	\$11,494,514
Investments	\$222,905,489

- The portfolio achieved a return of 0.377% for the month of February, which was 0.037% above the benchmark AusBond Bank Bill Index return of 0.340%.
- The weighted average interest rate of the portfolio at month end is 4.86% compared to 4.97% for the prior month.
- Total investment income year to date (YTD) to February 2025 was \$7.5 million compared to the current YTD budget of \$7.2 million.

RECOMMENDATION

That Council note the Investment Report as at 28 February 2025, 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 – *Caroline Foley, Chief Financial Officer*.

INVESTMENT REPORT

Investment Balances

INVESTMENT BALANCES						
As at 28-Feb-2025						
INSTITUTION	RATING	AMOUNT \$	DATE INVESTED	MATURITY DATE	INTEREST RATE	
Trading Accounts						
Commonwealth Bank of Australia Ltd	A1+	9,816,187			4.15%	
National Australia Bank Ltd	A1+	5,359			4.10%	
		9,821,546				
At Call Accounts						
Commonwealth Bank of Australia Ltd	A1+	2,153,719		At Call	4.20%	
		2,153,719				
Mortgage Backed Securities						
Emerald Series 2006-1 Class A	A*	503,276	17-Jul-06	21-Aug-51	4.5923%	
		503,276				
Term Deposits						
National Australia Bank Ltd	A1+	2,000,000	30-Jul-24	04-Mar-25	5.30%	
National Australia Bank Ltd	A1+	2,000,000	30-Jul-24	06-Mar-25	5.30%	
National Australia Bank Ltd	A1+	1,000,000	30-Jul-24	11-Mar-25	5.30%	
Bank of Queensland Ltd	A2	3,000,000	28-Jun-24	11-Mar-25	5.30%	
Credit Union Australia Ltd	A2	2,000,000	06-Aug-24	13-Mar-25	5.05%	
ING Bank Australia Limited	A1	2,000,000	08-Aug-24	18-Mar-25	5.00%	
ING Bank Australia Limited	A1	2,000,000	08-Aug-24	20-Mar-25	5.00%	
National Australia Bank Ltd	A1+	3,000,000	02-Jul-24	25-Mar-25	5.37%	
ING Bank Australia Limited	A1	2,000,000	13-Aug-24	27-Mar-25	4.96%	
ING Bank Australia Limited	A1	2,000,000	13-Aug-24	01-Apr-25	4.96%	
ING Bank Australia Limited	A1	2,000,000	15-Aug-24	03-Apr-25	4.96%	
ING Bank Australia Limited	A1	4,000,000	08-Aug-24	08-Apr-25	5.00%	
Suncorp Bank	A1+	2,000,000	16-Aug-24	10-Apr-25	4.83%	
Suncorp Bank	A1+	2,000,000	16-Aug-24	15-Apr-25	4.83%	
BankVic	A2	2,000,000	20-Aug-24	17-Apr-25	4.95%	
Bendigo & Adelaide Bank Ltd	A2	1,000,000	26-Aug-24	22-Apr-25	4.75%	
ING Bank Australia Limited	A1	3,000,000	15-Aug-24	22-Apr-25	4.96%	
Bendigo & Adelaide Bank Ltd	A2	2,000,000	22-Aug-24	24-Apr-25	4.80%	
Bendigo & Adelaide Bank Ltd	A2	2,000,000	26-Aug-24	29-Apr-25	4.75%	
Bendigo & Adelaide Bank Ltd	A2	2,000,000	20-Aug-24	01-May-25	4.88%	
Bendigo & Adelaide Bank Ltd	A2	4,000,000	26-Aug-24	06-May-25	4.75%	
Suncorp Bank	A1+	2,000,000	27-Aug-24	08-May-25	4.83%	
Suncorp Bank	A1+	2,000,000	27-Aug-24	13-May-25	4.83%	
Suncorp Bank	A1+	2,000,000	27-Aug-24	15-May-25	4.82%	
Bendigo & Adelaide Bank Ltd	A2	4,000,000	22-Aug-24	20-May-25	4.80%	
Suncorp Bank	A1+	2,000,000	29-Aug-24	22-May-25	4.85%	
Suncorp Bank	A1+	2,000,000	29-Aug-24	03-Jun-25	4.84%	
Suncorp Bank	A1+	2,000,000	29-Aug-24	05-Jun-25	4.84%	

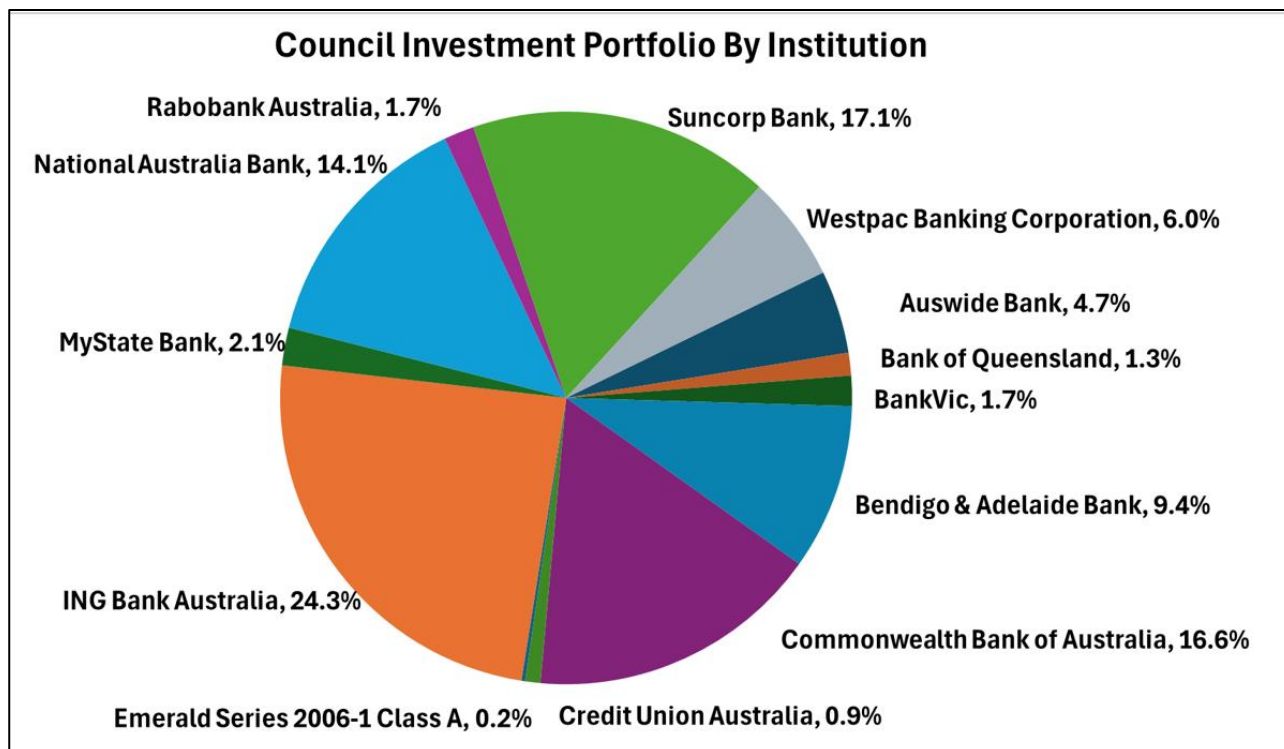
ITEM 9.6 NORTHERN BEACHES COUNCIL MEETING - 15 APRIL 2025

INVESTMENT BALANCES					
As at 28-Feb-2025					
INSTITUTION	RATING	AMOUNT \$	DATE INVESTED	MATURITY DATE	INTEREST RATE
Term Deposits (continued)					
Westpac Banking Corporation Ltd	A1+	2,000,000	03-Sep-24	10-Jun-25	4.89%
Westpac Banking Corporation Ltd	A1+	2,000,000	30-Aug-24	10-Jun-25	4.90%
Westpac Banking Corporation Ltd	A1+	2,000,000	30-Aug-24	12-Jun-25	4.90%
Westpac Banking Corporation Ltd	A1+	2,000,000	03-Sep-24	12-Jun-25	4.89%
Suncorp Bank	A1+	2,000,000	10-Oct-24	17-Jun-25	5.10%
Westpac Banking Corporation Ltd	A1+	2,000,000	03-Sep-24	17-Jun-25	4.89%
BankVic	A2	2,000,000	22-Aug-24	17-Jun-25	4.95%
National Australia Bank Ltd	A1+	3,000,000	13-Jun-24	17-Jun-25	5.25%
Westpac Banking Corporation Ltd	A1+	2,000,000	03-Sep-24	19-Jun-25	4.89%
Westpac Banking Corporation Ltd	A1+	2,000,000	03-Sep-24	24-Jun-25	4.89%
ING Bank Australia Limited	A1	4,000,000	03-Sep-24	01-Jul-25	4.91%
ING Bank Australia Limited	A1	2,000,000	05-Sep-24	03-Jul-25	4.91%
ING Bank Australia Limited	A1	2,000,000	10-Sep-24	08-Jul-25	4.90%
ING Bank Australia Limited	A1	2,000,000	10-Sep-24	10-Jul-25	4.90%
ING Bank Australia Limited	A1	4,000,000	17-Sep-24	15-Jul-25	4.89%
Suncorp Bank	A1+	3,000,000	10-Oct-24	17-Jul-25	5.10%
Suncorp Bank	A1+	2,000,000	24-Oct-24	22-Jul-25	5.08%
ING Bank Australia Limited	A1	4,000,000	31-Jul-24	29-Jul-25	5.29%
Suncorp Bank	A1+	2,000,000	24-Oct-24	05-Aug-25	5.08%
Suncorp Bank	A1+	2,000,000	31-Oct-24	07-Aug-25	5.09%
Bendigo & Adelaide Bank Ltd	A2	2,000,000	19-Nov-24	12-Aug-25	5.10%
Suncorp Bank	A1+	3,000,000	31-Oct-24	12-Aug-25	5.09%
Suncorp Bank	A1+	2,000,000	12-Nov-24	14-Aug-25	5.12%
Suncorp Bank	A1+	2,000,000	12-Nov-24	19-Aug-25	5.12%
ING Bank Australia Limited	A1	2,000,000	14-Nov-24	21-Aug-25	5.10%
ING Bank Australia Limited	A1	3,000,000	14-Nov-24	26-Aug-25	5.10%
Bendigo & Adelaide Bank Ltd	A2	2,000,000	05-Dec-24	04-Sep-25	5.05%
National Australia Bank Ltd	A1+	4,000,000	28-Nov-24	09-Sep-25	5.10%
Bendigo & Adelaide Bank Ltd	A2	3,000,000	05-Dec-24	11-Sep-25	5.05%
Suncorp Bank	A1+	2,000,000	10-Dec-24	16-Sep-25	5.10%
ING Bank Australia Limited	A1	4,000,000	21-Nov-24	23-Sep-25	5.11%
MyState Bank Ltd	A2	3,000,000	03-Dec-24	25-Sep-25	5.15%
MyState Bank Ltd	A2	2,000,000	03-Dec-24	30-Sep-25	5.15%
Auswide Bank Limited	A2	2,000,000	07-Jan-25	02-Oct-25	5.00%
Suncorp Bank	A1+	4,000,000	12-Dec-24	07-Oct-25	5.05%
Auswide Bank Limited	A2	2,000,000	07-Jan-25	09-Oct-25	5.00%
National Australia Bank Ltd	A1+	2,000,000	06-Feb-25	14-Oct-25	4.80%
National Australia Bank Ltd	A1+	2,000,000	06-Feb-25	16-Oct-25	4.80%
National Australia Bank Ltd	A1+	4,000,000	24-Dec-24	21-Oct-25	5.00%

INVESTMENT BALANCES					
As at 28-Feb-2025					
INSTITUTION	RATING	AMOUNT \$	DATE INVESTED	MATURITY DATE	INTEREST RATE
Term Deposits (continued)					
National Australia Bank Ltd	A1+	2,000,000	06-Feb-25	23-Oct-25	4.80%
Auswide Bank Limited	A2	2,000,000	30-Jan-25	28-Oct-25	4.95%
Auswide Bank Limited	A2	2,000,000	30-Jan-25	30-Oct-25	4.95%
Auswide Bank Limited	A2	3,000,000	31-Jan-25	04-Nov-25	4.95%
National Australia Bank Ltd	A1+	2,000,000	25-Feb-25	06-Nov-25	4.73%
National Australia Bank Ltd	A1+	2,000,000	25-Feb-25	11-Nov-25	4.72%
National Australia Bank Ltd	A1+	2,000,000	28-Feb-25	13-Nov-25	4.65%
ING Bank Australia Limited	A1	4,000,000	24-Feb-25	18-Nov-25	4.75%
National Australia Bank Ltd	A1+	2,000,000	28-Feb-25	20-Nov-25	4.65%
Rabobank Australia Ltd	A1	2,000,000	28-Feb-25	25-Nov-25	4.76%
Rabobank Australia Ltd	A1	2,000,000	28-Feb-25	27-Nov-25	4.76%
ING Bank Australia Limited	A1	4,000,000	20-Feb-25	27-Jan-26	4.79%
ING Bank Australia Limited	A1	3,000,000	18-Feb-25	10-Feb-26	4.81%
ING Bank Australia Limited	A1	<u>2,000,000</u>	18-Feb-25	12-Feb-26	4.81%
		195,000,000			
Kimbriki Environmental Enterprises Pty Ltd					
Trading Accounts					
Commonwealth Bank of Australia Ltd	A1+	<u>1,672,968</u>			4.05%
		1,672,968			
At Call Accounts					
Commonwealth Bank of Australia Ltd	A1+	<u>1,368,000</u>		At Call	4.10%
		1,368,000			
Term Deposits					
Commonwealth Bank of Australia Ltd	A1+	1,000,000	07-Jan-25	07-Mar-25	4.72%
Commonwealth Bank of Australia Ltd	A1+	2,000,000	10-Jan-25	11-Mar-25	4.72%
Commonwealth Bank of Australia Ltd	A1+	1,000,000	20-Jan-25	20-Mar-25	4.70%
Commonwealth Bank of Australia Ltd	A1+	<u>19,880,494</u>	27-Feb-25	31-Mar-25	4.25%
		23,880,494			
Total Cash and Investments		234,400,003			

*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

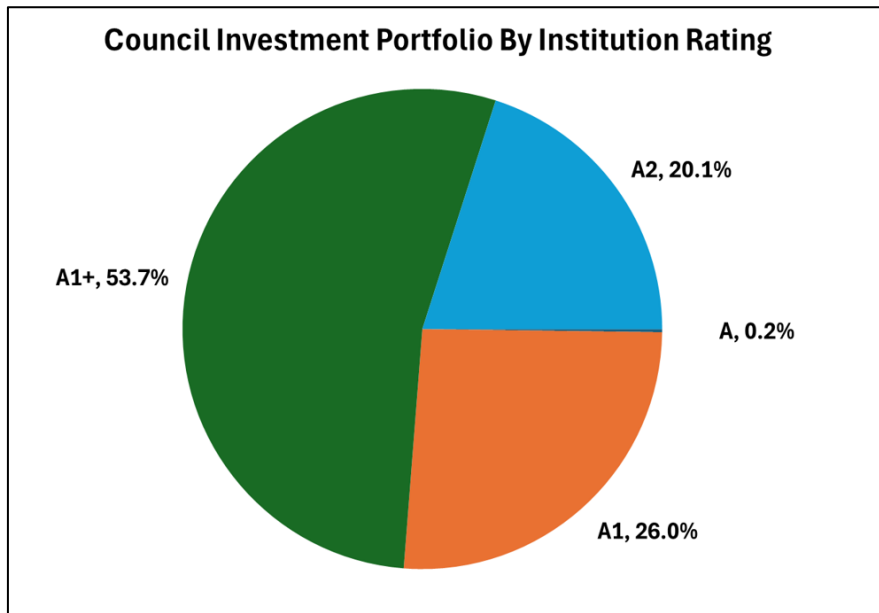
Clause 4.2.2 of Council’s Investment Policy requires that the exposure to an individual institution be restricted by their credit rating so that single entity exposure is limited, as detailed in the table below:

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 (Authorised Deposit-taking Institution) Category is restricted to those ADIs that are under the Australian government guarantee scheme and limited to maximum \$250,000 per unrated ADI.



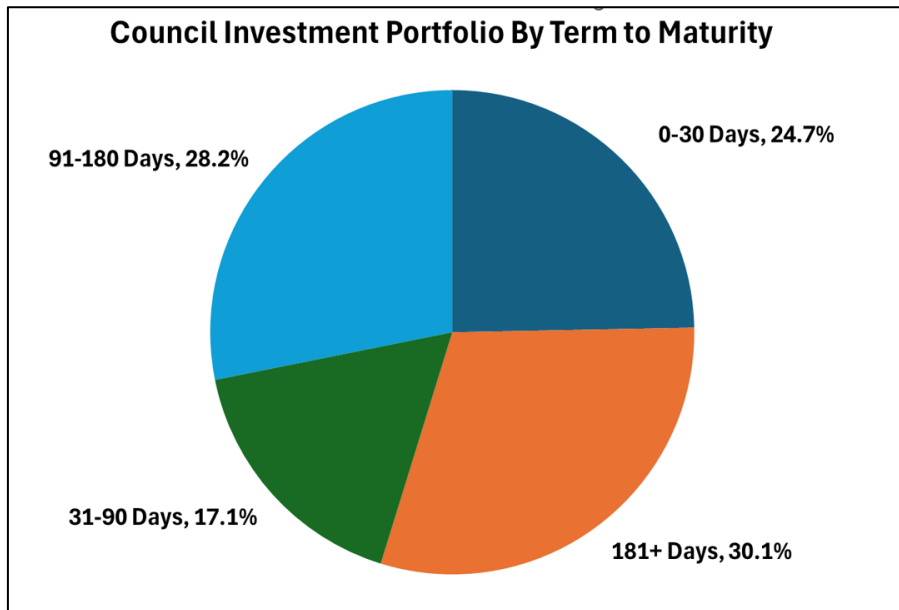
Overall Portfolio Credit Framework – Compliance with Investment Policy Requirements

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

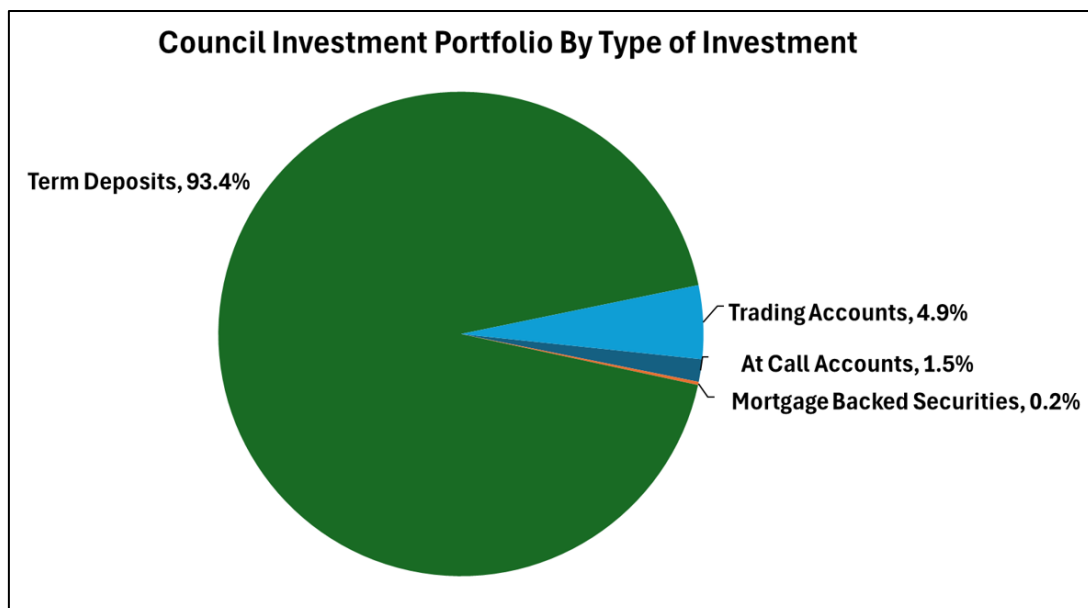
** Unrated Category is restricted to eligible managed funds such as the NSW Treasury Corporation Hour Glass Facilities and ADIs covered by the government guarantee scheme.



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



Environmental and Social Considerations

Portfolio investments: Fossil Fuel vs Non-Fossil Fuel Banks:

Portfolio Summaries	Fossil Fuel Lending ADIs	Non-Fossil Fuel Lending ADIs
As at 28 Feb 2025	62.6%	37.4%

Investment Performance vs Benchmark

a) Portfolio Return vs Benchmark

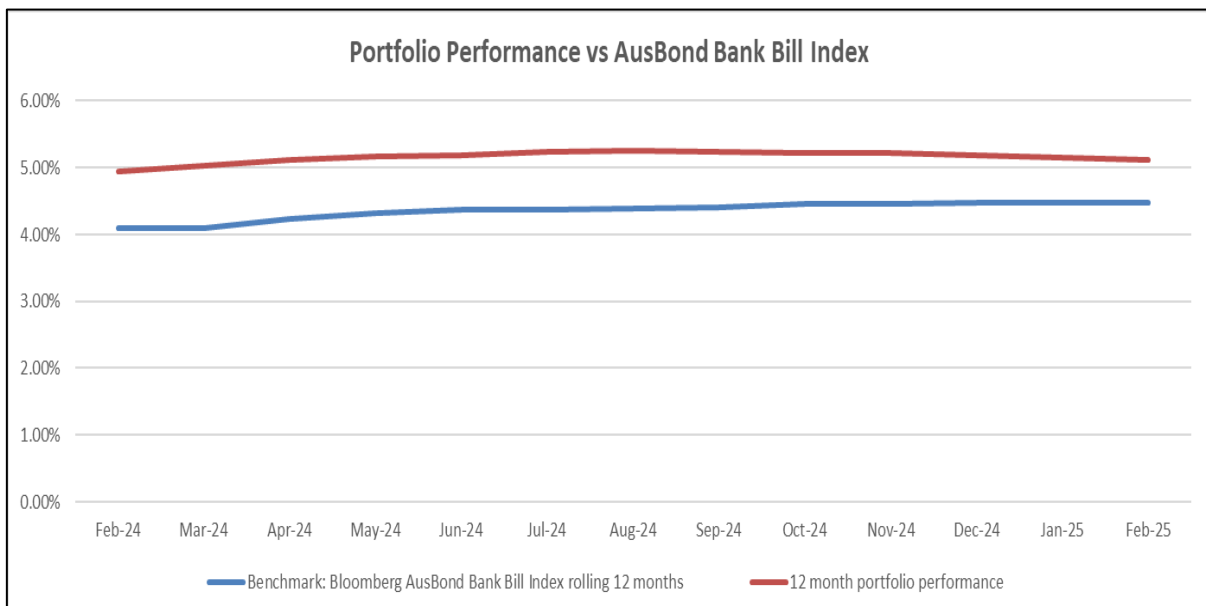
	Investment Portfolio Return *	Benchmark: AusBond Bank Bill Index
1 Month	0.377%	0.34%
3 Months	1.208%	1.10%
FYTD	3.323%	2.98%
12 Months	5.113%	4.48%

* 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 0.377% for the month of February which was 0.037% above the benchmark AusBond Bank Bill Index return of 0.34%. For the past 12 months the portfolio achieved a return of 5.113% which was 0.633% above the benchmark AusBond Bank Bill Index return of 4.48%.



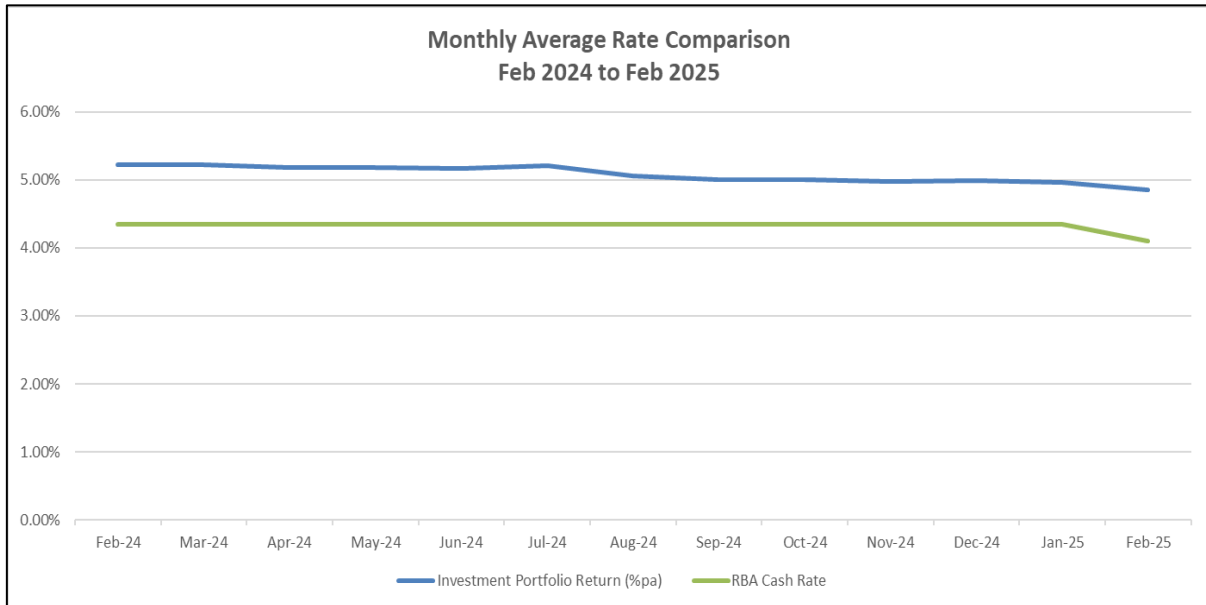
b) Portfolio Interest Rate vs Benchmark

	Weighted Average Portfolio Interest Rate (%pa) *	Average RBA Cash Rate
1 Month	4.86%	4.10%
3 Months	4.94%	4.27%
6 Months	4.97%	4.31%
FYTD	5.01%	4.32%
12 Months	5.07%	4.33%

* 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 Reserve Bank of Australia Cash Rate for the same period.

The weighted average interest rate of the portfolio is 4.86% compared to 4.97% for the prior month. For the past 12 months the weighted average interest rate of the portfolio was 5.07% compared to the average Reserve Bank of Australia Cash Rate of 4.33%.

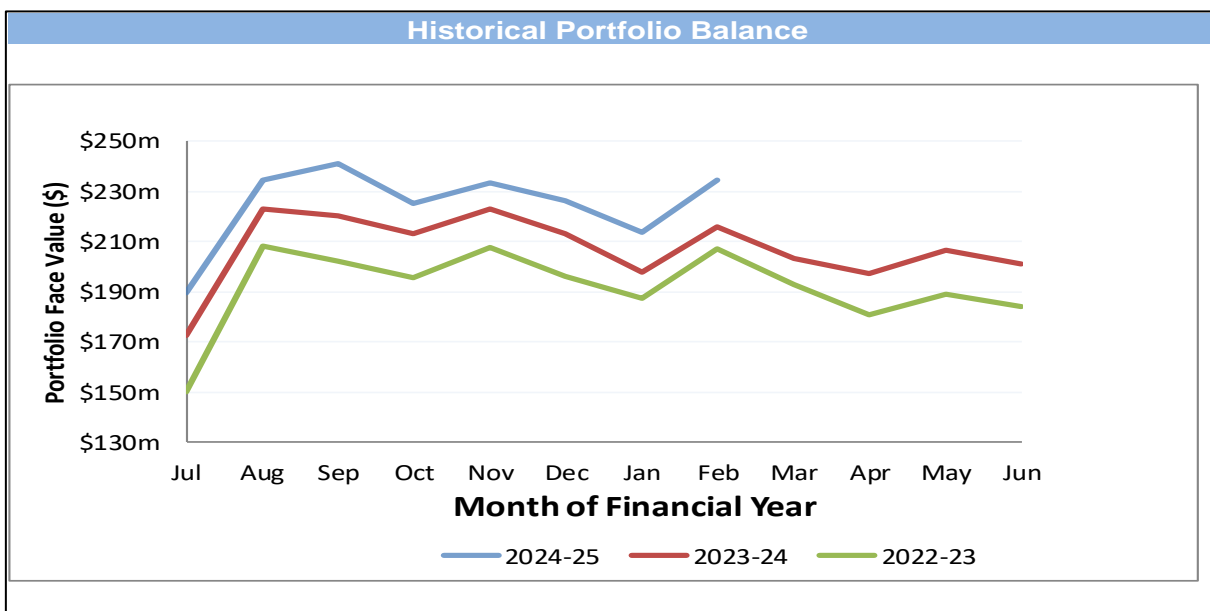


Investment Income* vs Budget

	Year to Date \$
Investment Income	7,438,288
Adjustment for Fair Value	18,414
Total Investment Income	7,456,702
Budgeted Income	7,197,465

*Includes all cash and investment holdings

Historical Portfolio Balance			
	2024-25	2023-24	2022-23
Jul	\$190m	\$173m	\$150m
Aug	\$235m	\$223m	\$208m
Sep	\$241m	\$220m	\$202m
Oct	\$225m	\$213m	\$195m
Nov	\$234m	\$223m	\$208m
Dec	\$226m	\$213m	\$196m
Jan	\$213m	\$198m	\$187m
Feb	\$234m	\$216m	\$207m
Mar		\$203m	\$193m
Apr		\$197m	\$181m
May		\$206m	\$189m
Jun		\$201m	\$184m
Average Portfolio Balance	\$225m	\$207m	\$192m



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

At the end of February 2025 total cash & investments were \$234,400,003 and were made up of the following reserve allocations.

Allocation of Funds	Amount (\$)	Percentage
Externally Restricted	\$58m	25.0%
Internally Restricted	\$83m	35.2%
Total Restricted	\$141m	60.2%
Unrestricted	\$93m	39.8%
Total	\$234m	100.0%

FINANCIAL CONSIDERATIONS

Actual investment income for the period from 1 July 2024 to date was \$7,456,702 compared to budgeted income of \$7,197,465, a positive variance of \$259,237 as a result of both a higher than anticipated level of investments and higher investment interest rates. The current budget for the full year is \$9,747,419 in investment income.

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 its meeting in December 2024, and no changes to the Policy were proposed.

Council's Investment Policy and Strategy was reviewed in September 2024 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	2025/195966
Attachments	Nil

**ITEM 9.7 AUDIT RISK AND IMPROVEMENT COMMITTEE CONFIRMED
MINUTES - 3 DECEMBER 2024**

PURPOSE

The purpose of this report is to provide the confirmed minutes of the Audit, Risk and Improvement Committee (ARIC) ordinary meeting held on 3 December 2024.

EXECUTIVE SUMMARY

- The ARIC plays a pivotal role providing Council with independent assurance and advice.
- All councils are required to have an ARIC.
- In accordance with Council's requirements, the confirmed minutes of ARIC meetings are reported to Council.

RECOMMENDATION

That Council note:

1. The confirmed minutes of the Audit, Risk and Improvement Committee meeting held on 3 December 2024.
2. The minutes do not seek action from Council.

BACKGROUND

The Audit, Risk and Improvement Committee (ARIC) plays a pivotal role providing Council with independent assurance and advice in the areas of internal audit, financial management, risk management, compliance and control, and organisational performance and improvement, along with external accountability responsibilities.

Amendments made to the Local Government (General) Regulation 2021 (Regulation) commenced on 1 July 2024 and set out new requirements for ARICs. The Office of Local Government’s [Guidelines for Risk Management and Internal Audit for Local Government in NSW](#) (Guidelines) support and guide the operation of ARICs. Council adopted new ARIC Terms of Reference, applicable from 1 July 2024.

DISCUSSION

In accordance with Council’s requirements, the confirmed minutes of ARIC’s meeting held on 3 December 2024 are provided at Attachment 1. The minutes are also published on Council’s website.

FINANCIAL CONSIDERATIONS

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

GOVERNANCE AND RISK CONSIDERATIONS

Councils are required to have an ARIC in accordance with section 428A of the *Local Government Act 1993*.

ENVIRONMENTAL CONSIDERATIONS

There are no adverse environmental impacts arising from this report.

SOCIAL CONSIDERATIONS

The recommendations in this report maintain social outcomes for the community. The ARIC’s oversight aims to ensure that appropriate controls are in place for risk exposures as they relate to the strategic objectives of Council, and to satisfy itself that Council is taking a fully informed risk-based approach.

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	2024/764582
Attachments	⇒ 1 ARIC Minutes 3 December 2024 (Included In Attachments Booklet)

10.0 COMMUNITY AND RECREATION DIVISION REPORTS

ITEM 10.1 REVIEW OF THE COMMUNITY CENTRES POLICY

PURPOSE

The purpose of this report is to seek the adoption of the Community Centres Policy.

EXECUTIVE SUMMARY

- Council's Policy Framework (Framework) outlines the strategic principles for certain corporate documents including Council policies.
- Council is progressively reviewing all corporate documents covered by the Framework.
- The Community Centres Policy has been reviewed and is considered to be still relevant and are recommended to be adopted (with changes proposed).

RECOMMENDATION

That Council adopt the Community Centres Policy.

BACKGROUND

Council adopted a Policy Framework (Framework) at the Ordinary Council meeting held on 28 November 2023 (resolution 316/23). 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 internally 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

The Community Centres Policy was adopted in 2021 and provides the framework and principles for the provision and management of Council managed community centres. The policy covers 37 community centres with over 100 rooms available for hire by the public.

Following a scheduled review of the policy, it was found to be operating well. Some minor revisions are proposed to maintain its currency. The proposed changes are provided with highlights at Attachment 1.

As the policy is not materially changing it is not proposed to exhibit the policy before adoption.

CONSULTATION

While Council's [Policy Framework](#) encourages involvement by the community in developing and reviewing its policies, it acknowledges that consultation may not be required in all circumstances, such as where a policy is to be re-adopted or is consistent with a model policy provided by the NSW Government.

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 Council's Policy Framework. The Framework provides for an improved governance outcome for the management of Council policies.

The Framework provides for an improved governance outcome for the management of Council policies.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental impacts to consider in respect of the recommendations of this report.

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	Community, Arts & Culture
TRIM file ref	2025/255649
Attachments	⇒ 1 Draft Community Centres Policy (Included In Attachments Booklet)

11.0 ENVIRONMENT AND OPEN SPACE DIVISION REPORTS

ITEM 11.1 MINUTES OF THE NORTHERN BEACHES BUSH FIRE MANAGEMENT COMMITTEE HELD 3 DECEMBER 2024

PURPOSE

The purpose of this report is to provide the confirmed minutes of the Northern Beaches Bush Fire Management Committee (BFMC) meeting held on 3 December 2024.

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.
- An ordinary meeting of the BFMC was held on 3 December 2024, the minutes of which were adopted at the BFMC meeting held on 4 March 2025 subject to the inclusion of amendments provided by Council staff. The final minutes were circulated to Council on 10 March 2025.
- A number of coordinated programs and hazard reduction initiatives from the 24/25 financial year were discussed at this 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 are reported for noting, with no action sought from Council.

RECOMMENDATION

That Council note:

1. The confirmed minutes of the Northern Beaches Bush Fire Management Committee meetings held on 3 December 2024.
2. The minutes do not seek action from Council.

BACKGROUND

The Northern Beaches Bush Fire Management Committee (BFMC) area comprises 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 its sub-committees.

Ordinary BFMC meetings are held quarterly, and the release of final minutes takes some time due to the preparation process. This process includes the draft minutes from each meeting being prepared by the Executive Officer and NSW Rural Fire Service (RFS) staff which are then circulated to member agencies for review. At the subsequent meeting, any changes proposed by member agencies are discussed and agreed, and the BFMC moves to accept and adopt the minutes. Once adopted, the final minutes are released by the Executive Officer.

DISCUSSION

An ordinary meeting of the BFMC was held on 3 December 2024, the minutes of which were adopted at the BFMC meeting held on 4 March 2025 subject to the inclusion of amendments provided by Council staff. The Executive Officer circulated final minutes to Council on 10 March 2025. A copy is attached to this report (Attachment 1).

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

- Election of new Chairpersons, Cr Jody Williams and Cr Joeline Hackman as co-chairs.
- Acceptance of minutes, matters arising and correspondence in/out
- Hazard reduction program update
- Bush Fire Risk Management Plan (BFRMP) update
- Ignition Prevention Plan (IPP) update
- Fire Access and Fire Trail Plan (FAFT) update
- General business.

FINANCIAL CONSIDERATIONS

The recommendations of this report pose no financial impact on Council.

Funding to support bush fire management is included in existing operational budgets and supported by NSW 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

The initiatives and actions of the BFMC may have an environmental impact. The impact is assessed in accordance with the requirements of the relevant legislation including the *Rural Fires Act 1997*. Council continues to work with its BFMC partners to encourage due consideration of the

environment in bush fire hazard reduction initiatives and to promote ecological/low intensity burns within the LGA

SOCIAL CONSIDERATIONS

The subject of this report will have a positive impact on social outcomes for some members/ groups of the community. The BFMC provides valuable information and advice relating to risk and the safety of the community to support their resilience. It includes participation and engagement with several 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 Community Strategic Plan Outcomes 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 & Resilience
TRIM file ref	2025/171077
Attachments	⇒ 1 Minutes of the Bush Fire Management Committee Meeting held 3 December 2024 (Included In Attachments Booklet)

13.0 TRANSPORT AND ASSETS DIVISION REPORTS

ITEM 13.1 OUTCOME OF PUBLIC EXHIBITION - SAFER NEIGHBOURHOODS PROGRAM - TRAFFIC PROPOSALS

PURPOSE

The purpose of this report is to present the community consultation outcomes of the Safer Neighbourhoods Program Tranche 1 Projects, being North Balgowlah, Narrabeen to Mona Vale, and Avalon Beach to Palm Beach projects, and to seek approval for the proposed next steps towards the implementation of each project in the program.

EXECUTIVE SUMMARY

- Aligned with the objectives of Council's adopted MOVE Transport Strategy, the Safer Neighbourhood Program aims to reduce the number and severity of motor vehicle accidents while creating a safer environment for vulnerable road users through enhancing local street safety, reducing rat-running, and addressing inappropriate driving.
- Proposed changes involve implementing traffic management measures like pedestrian crossings, raised calming devices, and roundabouts include with the consequential intent of reducing speed limits (e.g., 50km/h to 40km/h).
- Community engagement occurred from 9 October to 24 November 2024 via the Your Say page, mailouts and drop-in sessions in all precincts.
- A public meeting was held for the Narrabeen to Mona Vale Project, attended by the project team, senior staff, and Councillors to discuss community concerns.
- This report summarises the community engagement outcomes (Attachment 1-3) for the Safer Neighbourhoods project for North Avalon to Palm Beach, Narrabeen to Mona Vale and North Balgowlah.
- Community feedback was reviewed, revealing strong support for reduced speed limits and for improved pedestrian safety through measures like raised crossings.
- Updated concept plans, reflecting where the community have sought changes, are attached for Council's consideration.
- Should the recommended updated concept plans be supported, it is proposed to notify the community through a stakeholder mail out and YourSay project page update with the concepts then being reported to the Northern Beaches Council Local Traffic Committee for consideration.

RECOMMENDATION

That Council:

1. Endorse the Safer Neighbourhoods program as the key implementation action for MOVE – Northern Beaches Transport Strategy 2036 -Theme 1 - Accessible and Liveable Places and two of the four pillars in the Council's Road Safety Plan, Safe Speeds and Safe Roads.
2. Endorse the three revised proposals for the Safer Neighbourhoods Program for implementation, subject to approval by the Northern Beaches Council Local Traffic Committee.

BACKGROUND

Council has a range of programs to assist in the implementation of the themes and directions in MOVE – Transport Strategy 2038. This includes the Safer Schools Program, Council’s Active Transport Program, and the Safer Neighbourhoods Program, which looks at both local urgent safety issues and more broad strategic projects that are based on a precinct wide approach and funded by Transport NSW.

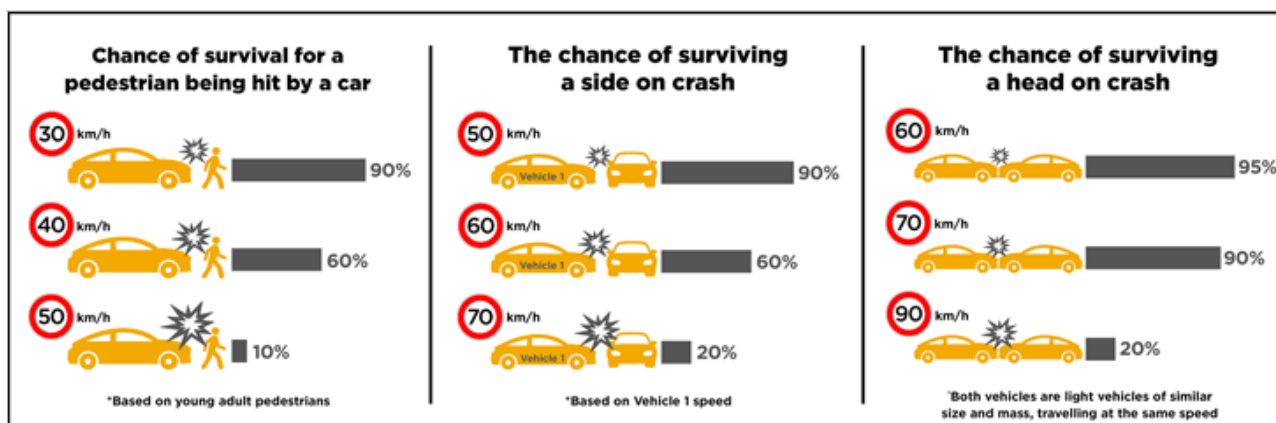
The Safer Neighbourhood Program aims to reduce the number and severity of motor vehicle accidents while creating a safer environment for vulnerable road users. It encourages walking and cycling and enhances residential amenity by minimising rat-running and directing traffic to main roads like Pittwater Road. It works in hand with Council’s Move - Northern Beaches Transport Strategy 2038, which aims to return residential streets to local residents through improved network management and initiatives to promote safer and more efficient road user behaviour.

Due to the complexity and size of the program, the Safer Neighbourhood Program has been phased as 43 separate precincts for delivery across the Local Government Area (LGA). The 2024/25 program includes five precincts across the LGA, being Avalon Beach to Palm Beach, Beacon Hill, Frenchs Forest, Narrabeen to Mona Vale, and North Balgowlah.

It involves various measures including speed reduction, pedestrian safety upgrades, traffic calming devices and parking adjustments which are addressed below.

Speed reduction

Reducing the speed limit to 30km/h or 40km/h offers significant road safety benefits, both in preventing accidents and minimizing injury severity. At 50km/h, a pedestrian collision has a 90% chance of causing serious injury or death, which drops to 40% at 40km/h and only 10% at 30km/h. Additionally, this reduction contributes to lowering community trauma costs, delivering measurable long-term benefits. The average cost of a hospitalised injury crash was approximately \$261,000 and the cost of a non-hospitalised injury crash was approximately \$30,400. The cost of a property damage-only crash was \$13,800 (data from Social Cost of Road Crashes Report for the Bureau of Infrastructure and Transport Research Economics 2022).



Source Transport for NSW – Centre for Road Safety

Pedestrian safety upgrades

The program includes improved pedestrian connectivity through the introduction of additional raised pedestrian crossings and pedestrian refuge islands and the introduction of continuous footpath treatments where traffic volumes and road usage allow.

This aims to enhance the safety and walkability of the areas and further encourage Active Transport options for short to medium length journeys within the community, reducing demand on the road network.

Traffic calming

Under the Transport for NSW Speed Zoning Standard, the implementation of 30km/h (this speed zone is recommended where there is a high place function with large numbers of pedestrians and low traffic movement function) and 40km/h (this speed zone is recommended where a place function with large numbers of pedestrians also has a movement function) zones require the areas to have a self-explaining road environment.

This means that traffic calming is required across the precinct to provide a compliant design speed. This is partially achieved through the increase in raised pedestrian crossings, roundabouts and other dual-purpose devices being installed as a way of reducing the number of other devices and speed humps required. Tactile pavement treatments will be used where the additional devices are required and lane narrowing is used as another option to visually narrow the road space, which generally reduces vehicle speed in the subject section of roadway.

Parking adjustment

Where road space allows, additional parking is being considered through the introduction of angle parking, to add to parking capacity locally and offset the loss of parking elsewhere in the precincts.

Rear to kerb parking is the preferred option in these locations as this is considered the safest option for the loading and unloading of occupants in these locations as the door opening angle provides a barrier to reduce the risk of children entering the trafficable lanes. The secondary benefit is the driver pulling out of the parking has a substantially better view of oncoming traffic improving safety.

Road Safety Audits

All proposed changes have been subjected to a Road Safety Audit in line with the Transport for NSW guidelines. The process involves an accredited independent level 3 auditor assessing the site and the proposed changes to the road environment and providing a corrective actions report, which captures issues related to the precinct and potential improvements/problems with the design.

The project team then provide a response to the audit outcomes with the risks acknowledged and either addressed through additional engineering controls or through other options where the level of risk requires no physical intervention.

It is intended that these items and actions will be noted and discussed at the Northern Beaches Council Local Traffic Committee meeting when the matters are considered as this is the appropriate technical committee of Council to consider these matters.

DISCUSSION

Avalon Beach to Palm Beach precinct

For the Avalon Beach to Palm Beach precinct, Council proposes to enhance local streets by introducing lower speed limits and new traffic infrastructure. This project is funded by the NSW Government in association with Council.

Over the five years leading up to 2021, this precinct recorded 7 injury accidents, alongside numerous near misses and minor accidents not requiring police attendance, with a noticeable upward trend during the evaluation period with an additional 11 reported accidents between 2021 and 2024. Staff also reviewed additional data, including information from connected vehicles, which highlighted potential near misses and unreported incidents. Key areas of focus for this project include midblock incidents and intersections where data shows frequent severe braking, suggesting issues with approach speed.

The project aims to improve the overall travel experience and provide improved access for all road users to important locations like Palm Beach, Whale Beach and North Avalon Beach along with Governor Phillip Park. The project also proposes to enhance pedestrian safety along the section of

the Coast Walk route in this location which has a high number of pedestrians using the road shoulder due to limited pedestrian facilities and topography.

The proposal aims to lower the current speed limit to 40km/h and 30km/h, which would increase the average unimpeded travel time from Florida Road Palm Beach to the intersection of Whale Beach Road and Barrenjoey Road from 7 minutes at 40 km/h to 10 minutes at 30km/h if these average speeds could be maintained. In reality, the increase in travel time during the daytime would be less than a minute due to the current road conditions.

Consultation was conducted on a proposal designed (Attachment 4) to address road user and pedestrian safety, speed in residential neighbourhoods, and rat-running issues, while delivering the program's intended outcomes with minimal impact on the amenity of local residents. The attached community engagement report (Attachment 1) provides further detail, with a total of 372 people providing feedback, with 358 responses coming from Your Say page and 14 via email. There was a community drop-in session on 9 November 2024 at the Avalon Recreation Centre. A separate presentation was also provided to the Palm Beach Whale Beach Association where positive feedback was received on the project.

The majority of respondents supported the improved pedestrian safety aspects of the project including raised pedestrian crossings, however the speed limit reduction met with mixed support, with some noting that it was difficult to travel much faster in this area and there was no need to reduce the speed limit. Congestion was also raised as a concern with the proposed treatments and the need for improved parking controls in some of the narrower sections to improve traffic flow.

Changes have been made to the revised concept plan (Attachment 5) to accommodate some of these concerns while still delivering the program outcomes. Street lighting upgrades and minor line marking changes will also be made in response to the Road Safety Audit findings.

A total of 8 parking spaces are expected to be lost overall to implement the additional safety measures, with 5 of these being related to upgraded linemarking on bends where current parking practices are unsafe, and 3 parking spaces lost in Whale Beach Road due to the new pedestrian crossing near the intersection of Barrenjoey Road.

Narrabeen to Mona Vale precinct

For the Narrabeen to Mona Vale Precinct, Council is proposing to enhance local streets by introducing lower speed limits and new traffic infrastructure, with this project also being funded by the NSW Government in association with Council.

Over the five years leading up to 2023, this precinct recorded 25 injury accidents, alongside numerous near misses and minor accidents not requiring police attendance, with a noticeable upward trend during the evaluation period. Staff also reviewed additional data, including information from connected vehicles, which highlighted potential near misses and unreported incidents. Key areas of focus for this project include midblock incidents and intersections where data shows frequent severe braking, suggesting issues with approach speed. Addressing these concerns may require both speed management measures and driver behaviour education to tackle underlying issues effectively.

The proposal aims to enhance pedestrian safety and the overall travel experience and will provide improved access for all road users to important locations like Narrabeen Lagoon and Narrabeen Beaches, shops surf clubs and Mona Vale Hospital Urgent Care facility. The proposal aims to lower the current speed limit from 50km/h to 40km/h, which would increase the average unimpeded travel time from Coronation Street Mona Vale to the intersection of Ocean Street and Pittwater Road from 4 minutes at 50 km/h to 6 minutes and 15 seconds at 40km/h.

Consultation was conducted on a proposal designed to address the road user and pedestrian safety, speed in residential neighbourhoods, and rat-running issues, while delivering the program's intended outcomes with minimal impact on the amenity of residents. The attached community engagement report (Attachment 2) provides further detail, with a total of 508 people providing feedback, with 482 responses coming from Your Say page and 26 via email. There was also a community drop-in session on 2 November 2024 at Coastal Environment Centre.

The majority of respondents supported the improved pedestrian safety aspects of the original proposal (Attachment 6) including raised pedestrian crossings and reducing the speed limit to assist with this outcome. The proposal to convert some streets in the Narrabeen to one-way was not supported by the local community and other options need to be considered in these locations to reduce traffic speed. Angle parking was the subject of mixed feedback in both Narrabeen and Waterloo Streets, although both locations suffer from traffic speeds that need to be addressed.

Changes have been made to the revised concept plan (Attachment 7) to accommodate some of these concerns while still delivering the program outcomes. It should be noted that there are two significant changes in the design for this precinct that has been raised in the Road Safety Audit process:

1. The raised pedestrian crossing at the intersection of Ocean Street and Malcom Street has been moved north by approximately 6m requiring the bus stops to be relocated 24m further north to improve safety at the intersection.
2. Central Islands are added to this raised crossing as well as the raised crossing on Ocean Street south of Octavia Street.

Street lighting upgrades and minor line marking changes will also be made in response to the Road Safety Audit findings.

A total of 22 parking spaces are expected to be lost overall to implement the additional safety measures. However, an additional 15 spaces are proposed in Narrabeen Street and sections of Narrabeen Park Parade between the northern and southern roundabouts on Sydney Road where it is proposed to assist with narrowing the available carriageway. Thus, a net loss of 7 spaces is expected. It was originally proposed for angle parking in Waterloo Street; however, this only provided an additional 2 spaces at this location and has not been progressed at this time. Some residents in Narrabeen Street have raised concerns around vehicle emissions affecting the amenity in ground floor units, however this is considered minimal when taking into account modern motor vehicles and likely to reduce further as more vehicles become electric or hybrid in the future.

Staff have previously also consulted on parking restrictions along Ocean Street to remove trailers and other vehicles that were occupying valuable parking spaces. These timed parking restrictions are proposed to be installed as part of this project between Narrabeen Street and Pittwater Road.

North Balgowlah precinct

For the North Balgowlah precinct, we propose enhancing local streets by introducing lower speed limits and new pedestrian and traffic infrastructure. This project is also funded by the NSW Government in association with Council.

Over the five years leading up to 2023, this precinct recorded 10 injury accidents, alongside numerous near misses and minor accidents not requiring police attendance. Staff also reviewed additional data, including information from connected vehicles, which highlighted potential near misses and unreported incidents. Key areas of focus for this project include midblock incidents and intersections where data shows frequent severe braking, suggesting issues with approach speed. Addressing these concerns may require both speed management measures and driver behaviour education to tackle underlying issues effectively.

The proposal aims to enhance pedestrian safety and the overall travel experience and will provide improved access for all road users to local schools and shopping precincts, with additional stages to follow to complete the area. It is also noted the area between Wakehurst Parkway and Clontarf Street to the west of this precinct is an existing 40km/h zone.

The proposal aims to lower the current speed limit from 50km/h to 40km/h, which would increase the average unimpeded travel time from Woodbine Street and Bardoo Avenue North Balgowlah to the intersection of Kitchener Street and Wanganella Street Balgowlah from 2 minutes at 50 km/h to 2 minutes and 30 seconds at 40km/h.

Consultation was conducted on a proposal designed (Attachment 8) to address the road user and pedestrian safety, speed in residential neighbourhoods, and rat-running issues, while delivering the program's intended outcomes with minimal impact on the amenity of residents. The attached community engagement report (Attachment 3) provides further detail, with a total of 244 people providing feedback, with 232 responses coming from Your Say page and 12 via email. There was a community drop-in session on 9 November 2024 at North Balgowlah Community Centre.

The majority of respondents supporting the improved pedestrian safety aspects of the project including raised pedestrian crossings (including requests for other locations) and reducing the speed limit to assist with this outcome. There were several requests for speed cameras to be installed to reduce reckless driving behaviour along Woodbine and Bangaroo Streets, which is not in Council's area of responsibility.

Changes have been made to the revised concept plan (Attachment 9) in response to the community's feedback while still delivering the program outcomes. It should be noted that there is one significant change in the design for this precinct that has been raised in the Road Safety Audit process:

1. The Bangaroo Street chicane has been replaced with a flat speed hump to address safety concerns raised due to the proximity to the crest and nearby driveways.

Street lighting upgrades and minor line marking changes will also be made in response to the Road Safety Audit findings. Some of the design issues raised relate to stormwater issues that are in a separate stormwater drawing set.

A total of 29 parking spaces are expected to be lost overall to implement the additional pedestrian safety measures. The design of the proposed chicanes has been modified to allow for parking to be retained at these locations.

CONSULTATION

Avalon Beach to Palm Beach precinct

Community and stakeholder engagement for the Safer Neighbourhoods Program – Avalon Beach to Palm Beach was conducted between 9 October and 24 November 2024 and consisted of a series of activities that provided opportunities for community and stakeholders to contribute.

There was a community drop-in session on 9 November 2024 at the Avalon Recreation Centre, where the project team were able to discuss concerns on one-to-one basis with residents to answer their queries and provide more information about the proposal. Consultation letters were distributed to 2765 properties within the project area.

Email and written comments were also invited. Phone bookings with the project team officer was also provided.

During the consultation period, a total of 372 people provided feedback, with 358 responses coming from Your Say page, 14 via email of which 5 were late responses that were also considered. The responses that came as an email were recorded separately from Your Say responses and the requests that came as a Customer Service Request were guided to write in a formal submission through the Your Say page.

Narrabeen to Mona Vale precinct

Community and stakeholder engagement for the Safer Neighbourhoods Program – Narrabeen to Mona Vale was conducted between 14 October and 24 November 2024 and consisted of a series of activities that provided opportunities for community and stakeholders to contribute. Consultation letters were distributed to 3306 properties within the project area.

A public meeting was held on Wednesday, 30 October 2024 at Narrabeen Beach Surf Life Saving Club which was attended by the project team, senior staff, and Councillors to discuss community concerns. There was also a community drop-in session on 2 November 2024 at Coastal

Environment Centre, where the project team were able to discuss concerns on one-to-one basis with residents to answer their queries and provide more information about the proposal.

Email and written comments were also invited. Phone bookings with the project team officer was also provided.

During the consultation period, a total of 508 people provided feedback, with 482 responses coming from Your Say page, 26 via email. The responses that came as an email were recorded separately from Your Say responses and the requests that came as customer requests were guided to write in a formal submission through the Your Say page.

North Balgowlah precinct

Community and stakeholder engagement for the Safer Neighbourhoods Program – North Balgowlah was conducted between 9 October and 24 November 2024 and consisted of a series of activities that provided opportunities for community and stakeholders to contribute.

There was a community drop-in session on 9 November 2024 at North Balgowlah Community Centre, where the project team were able to discuss concerns on one-to-one basis with residents to answer their queries and provide more information about the proposal.

Email and written comments were also invited. Phone bookings with the project team officer was also provided.

During the consultation period, a total of 244 people provided feedback, with 232 responses coming from Your Say page, 12 via email. The responses that came as an email were recorded separately from Your Say responses and the requests that came as Customer Service Requests were guided to write in a formal submission through the Your Say page.

TIMING

If approved by the elected Council, the proposals will be presented to the Northern Beaches Council Local Traffic Committee in May 2025 for consideration. Update will be provided to the community via the project Your Say pages and an additional EDM newsletter will be sent to the community prior to seeking approval from the Northern Beaches Council Local Traffic Committee.

Construction may commence in June 2025 subject to approval with the aim is to have the project implemented prior to summer commencing in December 2025.

FINANCIAL CONSIDERATIONS

Funding to support the Safer Neighbourhoods program has been provided by Transport for NSW under a Safer Roads Grant and is included in the existing budget. The funding is location specific and cannot be used for other locations or purposes without the funding bodies approval.

GOVERNANCE AND RISK CONSIDERATIONS

Based on the feedback received on the project, several of the initial proposed actions within the precincts have been removed from the proposals. In some locations other interventions have been chosen to make the speed zone self-enforcing and in others a post implementation review will be undertaken prior to any new proposal being considered.

The revised designs have been reviewed by independent Road Safety Auditors as part of Council's process and a response to the audit outcomes considered as part of the final review prior to undertaking a Part V assessment under the Environment Planning and Assessment Act 1979. Once this has been completed the proposal will be reported to the Northern Beaches Council Local Traffic Committee for consideration and potentially proceeding to the Delivery phase.

ENVIRONMENTAL CONSIDERATIONS

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

SOCIAL CONSIDERATIONS

The recommendations in this report will have a positive social outcome for the community through the provision of a safer, more accessible local environment where vulnerable road users are given a higher priority to move through the area. This allows the community to be more connected through passive social interaction.

LINK TO STRATEGY

The report directly links to the MOVE Transport Strategy – Theme 1 Accessible and Livable Places - Create and enhance “Places for People” that are integrated with public transport, creating vibrant, connected places with wide footpaths, safe cycling options and where the car is not the first option.

The Safer Neighbourhood program also addresses two of the four pillars in Council’s Road Safety Plan, Safe Speeds and Safe Roads where in NSW, it was found that reducing speeds to 40km/h resulted in a 33% reduction in crashes causing serious injuries and deaths between 2010 and 2015.

The program also relates to the NSW Movement and Place Strategy, which aims to balance enabling movement, while still delivering attractive and appealing where people want to be.

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

- Transport, technology and connectivity - Goal 16 Our integrated transport networks meet the needs of our community and reduce carbon emissions.
- Transport, technology and connectivity - Goal 17 Our community can safely and efficiently travel within and beyond the Northern Beaches.

Reporting team	Transport & Civil Infrastructure
TRIM file ref	2024/893804
Attachments	<ul style="list-style-type: none"> ⇒1 Community Engagement Report - Safer Neighbourhoods Program - Avalon Beach to Palm Beach (Included In Attachments Booklet) ⇒2 Community Engagement Report - Safer Neighbourhood Programs - Narrabeen to Mona Vale (Included In Attachments Booklet) ⇒3 Community Engagement Report - Safer Neighbourhoods Program - North Balgowlah (Included In Attachments Booklet) ⇒4 Avalon Beach to Palm Beach Safer Neighbourhoods Program - Original Concept plan (Included In Attachments Booklet) ⇒5 Avalon Beach to Palm Beach Safer Neighbourhoods Program - Revised Concept (Included In Attachments Booklet) ⇒6 Narrabeen to Mona Vale - Safer Neighbourhoods Program - Original Concept (Included In Attachments Booklet) ⇒7 Narrabeen to Mona Vale Safer Neighbourhoods Program - Revised Concept (Included In Attachments Booklet) ⇒8 North Balgowlah Safer Neighbourhoods Program - Original Concept (Included In Attachments Booklet) ⇒9 North Balgowlah Safer Neighbourhoods Program - Revised Concept (Included In Attachments Booklet)

ITEM 13.2 ALTERNATIVE PROCUREMENT - LEASE AND LICENCE VILLAGE PARK CAFE/RESTAURANT - 1 PARK STREET MONA VALE

PURPOSE

The purpose of this report is to seek Council approval, in accordance with section 55(3)(i) of the *Local Government Act 1993*, for exemption from tendering for the lease of a café / restaurant premises located at 1 Park Street, Mona Vale.

EXECUTIVE SUMMARY

- Council recently conducted a tender process to secure a new hospitality tenant for the café/restaurant at 1 Park Street, Mona Vale.
- Following Council's resolution on 18 February 2025 to negotiate with the highest-ranked tenderer, Council staff engaged in negotiations; however, the tenderer ultimately withdrew from the process.
- Section 55(3)(i) of the *Local Government Act 1993 (Act)* allows for an exemption from tendering when extenuating circumstances exist or there is unavailability of competitive or reliable tenderers and a satisfactory outcome would not be achieved through a standard tender process.
- Considering the current soft hospitality market and Council's recent experience of receiving very low numbers of submissions for its hospitality tenders, it is proposed to adopt an alternative procurement process rather than pursuing another tender process.
- Any lease agreement put in place will be at market rent, be contingent on the lessee having appropriate industry experience and skill and be subject to a financial capacity check, reference checks, and an appropriate security deposit.
- It is recommended that this approach increases the likelihood of attracting experienced operators while ensuring efficient and effective use of Council resources.

RECOMMENDATION

That Council:

1. Resolve pursuant to section 55(3)(i) of the *Local Government Act 1993*, that a satisfactory result would not be achieved by inviting tenders for the lease of the café / restaurant at 1 Park Street, Mona Vale, due to the unavailability of competitive or reliable tenderers for the following reasons:
 - a. Council has recently run a tender process for the restaurant and cafe premises which did not result in a successful outcome.
 - b. The current soft market conditions for hospitality businesses have resulted in fewer operators seeking new locations and opportunities to invest capital in new sites.
 - c. Council's recent hospitality tenders have received a low number of submissions, with many failing to provide the comprehensive information required in a Council tender process.
 - d. It is common practice in the hospitality industry for tenants to secure premises through commercial negotiations rather than formal tender processes.

2. Engage a leasing agent to find suitably qualified food and beverage operators for the lease the café / restaurant located within Council Community Land Part Lot 100 DP 1047405, forming part of Village Park Reserve, 1 Park Street, Mona Vale.
3. Delegate authority to the Chief Executive Officer to appoint and enter a suitably qualified operator or operators for the café / restaurant.
4. Delegate authority to the Chief Executive Officer to do all things necessary and execute all relevant documentation to give effect to this resolution.

BACKGROUND

At its meeting on 18 February 2025, Council resolved (016/25) to decline all tenders received for RFT 2024/175 – Café/Restaurant for Lease at 1 Park Street, Mona Vale, and instead negotiate with the highest-ranked tenderer. The resolution was:

That Council:

1. In accordance with section 178(1)(b) of the Local Government (General) Regulation 2021, decline to accept the tender submission received from A.K.C.N Group Pty Ltd for RFT 2024/175 – Café / Restaurant for Lease at 1 Park Street, Mona Vale.
2. In accordance with section 178(3)(e) of Local Government (General) Regulation 2021 enter negotiations with A.K.C.N Group Pty Ltd with a view to entering into a contract in relation to the subject matter of the tender.
3. In accordance with section 178(4)(a) of the Local Government (General) Regulation 2021, Council’s reasons for declining to invite fresh tenders or applications as referred to in section 178(3)(b)–(d) of the Local Government (General) Regulation 2021 are that:
 - a. a comprehensive Request for Tender process was undertaken for the site with no complying tenders
 - b. the current soft market conditions for hospitality businesses have resulted in fewer operators seeking new locations and opportunities to invest capital in new sites
 - c. given the processes undertaken, inviting fresh tenders or applications would be unlikely to result in a significantly different outcome or an improved result for Council
 - d. in the circumstances where the premises is currently vacant, the best outcome for Council is likely to be achieved by direct negotiation.
4. In accordance with section 178(4)(b) of the Local Government (General) Regulation 2021, Council’s reasons for determining to enter into negotiations with A.K.C.N Group Pty Ltd are that:
 - a. while the tender from A.K.C.N did not complete all of the required information, as a tenant of Council in another premises, it is known to have strong industry experience and the capability to deliver the desired tender outcomes
 - b. the tender from A.K.C.N Group Pty Ltd demonstrated an understanding of the market and a vision for the premises through the supplied business plan.
5. Council delegate authority to the Chief Executive Officer to undertake direct negotiations with A.K.C.N Group Pty Ltd and do all things necessary and execute all relevant documentation to give effect to this resolution including if negotiations are successful, execution of a lease and licence.

Following negotiations, A.K.C.N Group Pty Ltd ultimately decided not to proceed with leasing the premises.

DISCUSSION

In light of the failed tender process, it is now proposed to seek tenants for the vacant premises at 1 Park Street, Mona Vale through an alternative procurement process rather than pursuing another tender process. This alternative procurement process is in accordance with section 55(3)(i) of the Act, which provides an exemption from tendering including when extenuating circumstances exist, and a satisfactory result would not be achieved through a standard tender process.

Section 55(3)(i) of the Act states:

“(3) This section does not apply to the following contracts:

- (i) a contract where, because of extenuating circumstances, remoteness of locality or the unavailability of competitive or reliable tenderers, a council decides by resolution (which states the reasons for the decision) that a satisfactory result would not be achieved by inviting tenders.”

It is proposed that Council does not call fresh tenders for the proposed leases in this circumstance for following reasons:

- Soft hospitality market - The hospitality market is currently experiencing challenges even after the major impacts of COVID have now subsided. Businesses are grappling with staff shortages and rising costs of produce and operations. This situation has resulted in fewer operators seeking new locations and opportunities to invest capital in new sites.
- Limited and basic submissions – Despite a comprehensive marketing campaign, the tender process attracted only one submission, which did not meet the minimum evaluation criteria. Previous Council hospitality tenders have also received a low number of submissions, with many failing to provide complete documentation.
- Industry norm - Hospitality tenants typically secure premises through commercial negotiations rather than tenders. Engaging a leasing agent will widen the pool of potential tenants while ensuring a fair and competitive process.

A leasing agent will conduct a competitive market process while maintaining the integrity and transparency associated with Council’s tendering processes.

Any recommended tenant must:

- Demonstrate suitable experience in operating a similar business.
- Agree to pay market rent.
- Provide a financial capacity assessment, security deposit, and references.

The Chief Executive Officer will review tenant proposals before finalising lease arrangements and will update Councillors on the outcome.

Given these considerations, it is considered that pursuing an alternative procurement process through a commercial leasing agent is the most effective way to secure a suitable operator for the premises.

TIMING

If approved, it is proposed that a leasing agent be appointed to source a tenant as a priority, with the goal of securing a tenant who can complete the fit-out and commence operations by Spring 2025.

FINANCIAL CONSIDERATIONS

The property is currently vacant, resulting in lost rental income to Council.

The rental amount and any turnover-based rental will be negotiated at market rates under the CEO’s delegation.

The cost of the leasing agent engaged is estimated to be approximately 10% to 15% of the first year’s lease fees.

GOVERNANCE AND RISK CONSIDERATIONS

The premises has been vacant since late 2024, resulting in both reputational and financial risks to Council in terms of lost service to the community and rental income.

Section 55 of the Act provides that Council must invite tenders for contracts involving an estimated expenditure or receipt of \$250,000 or more, with certain exceptions. Section 55(3)(i) provides an exemption from the tendering requirement when extenuating circumstances, remoteness of locality, or unavailability of competitive or reliable tenders exist, and Council decides, through a resolution stating the reasons, that inviting tenders would not lead to a satisfactory outcome.

As an income generating site the primary risks involve ensuring the lessee's capability to meet the ongoing rental payments, their ability to serve the community, potential damage to the premises, and the potential reputational risk should the lessee fail to operate successfully.

To mitigate these risks, the proposed lease agreements provide insurance and indemnity clauses to safeguard Council's interests. Additionally, lessees will be required to provide a security deposit or bond equivalent to a minimum of 3 months' rent. The lease, as currently drafted, also requires director's guarantees for added security.

In the selection process, thorough reference checks would be conducted on potential tenants, and background financial information requested to assess their financial stability and operational viability. This approach aims to ensure that only qualified and reliable operators are considered for the lease, enhancing the likelihood of a successful and sustainable business operation that benefits both the community and Council.

ENVIRONMENTAL CONSIDERATIONS

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

Best practice waste management initiatives are required to be carried out under the lease which stipulates adherence to Council's Waste Minimisation for Functions and Events policy and Council's Single Use Plastics Policy - aimed at eliminating the use of single use plastics including plastic bags, balloons, straws, plates and cutlery.

The permitted use in the lease is in accordance with planning approvals for the site.

SOCIAL CONSIDERATIONS

The recommendations in this report will have positive social outcomes for the community by ensuring the continuation of a well-established local venue that fosters social interactions and benefits local residents.

LINK TO STRATEGY

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

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

Reporting team	Property, Buildings & Beach Services
TRIM file ref	2025/185024
Attachments	Nil

ITEM 13.3 REVIEW OF THE MANAGEMENT OF BEACH AND WATER SAFETY POLICY

PURPOSE

The purpose of this report is to seek the adoption of the Management of Beach and Water Safety Policy.

EXECUTIVE SUMMARY

- Council's Policy Framework (Framework) outlines the strategic principles for certain corporate documents including Council policies.
- Council is progressively reviewing all corporate documents covered by the Framework.
- The Management of Beach and Water Safety Policy has been reviewed and is considered to be still relevant and are recommended to be adopted (with changes proposed).

RECOMMENDATION

That Council adopt the Management of Beach and Water Safety Policy.

BACKGROUND

Council adopted a Policy Framework (Framework) at the Ordinary Council meeting held on 28 November 2023 (resolution 316/23). 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 internally 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

The Management of Beach and Water Safety Policy was adopted in 2019 and outlines the principles by which Council facilitates the safe and enjoyable use of beaches and rock pools under its management.

Following a scheduled review of the policy, staff recommend adopting an abbreviated version of the policy that retains the core principles but reduces the overall size and level of detail in the document. The draft proposed policy is provided at Attachment 1.

For ease of comparison Attachment 2 provides the existing policy with the highlighted proposed changes. While the sequence of content differs slightly, the remaining text from the existing policy is included in the draft and ensures the policy's intent to outline the principles for beach and water safety management are maintained.

The revised policy continues to support Council's risk management and evidence-based approach to water safety. It ensures effective mitigation strategies, lifesaving practices, and community education programs remain in place to address safety concerns.

As the policy is not materially changing it is not proposed to exhibit the policy before adoption.

CONSULTATION

While Council's [Policy Framework](#) encourages involvement by the community in developing and reviewing its policies, it acknowledges that consultation may not be required in all circumstances, such as where a policy is to be re-adopted or is consistent with a model policy provided by the NSW Government.

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 Council’s Policy Framework. The Framework provides for an improved governance outcome for the management of Council policies.

The Framework provides for an improved governance outcome for the management of Council policies.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental impacts to consider in respect of the recommendations of this report.

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	Property, Buildings & Beach Services
TRIM file ref	2025/255616
Attachments	<ul style="list-style-type: none"> ⇒1 Draft Management of Beach and Water Safety Policy (Included In Attachments Booklet) ⇒2 Current Beach and Water Safety Policy with proposed changes (Included In Attachments Booklet)

14.0 NOTICES OF MOTION

ITEM 14.1 NOTICE OF MOTION NO 12/2025 - CLEAN, GREEN AND LOCAL NSW 2024 POLICY REFORM

COUNCILLOR HRNJAK SUBMITTED THE FOLLOWING MOTION:

MOTION

That Council:

1. Examine the 'Clean, Green and Local NSW 2024' policy platform of the Nature Conservation Council of NSW and prepare a high-level summary considering each item and whether:
 - a. it is already consistent with existing or future adopted Council policy
 - b. if not consistent with Council policy, make a recommendation as to whether it is appropriate to be adopted in full, in part or not at all, along with reasons why.
2. Present this report at a future Council meeting, outlining further steps necessary to adopt newly recommended initiatives.

BACKGROUND FROM COUNCILLOR HRNJAK

Local councils interact with communities more directly than any other level of government. They manage vital community assets like parks, bushland and active transport infrastructure, recycling and disposing of waste, water usage, and town planning and development controls. The decisions councils make have a huge bearing on the ecological sustainability of NSW.

The 'Clean, Green and Local NSW 2024' platform launched by the Nature Conservation Foundation of NSW outlines the priorities for local government to protect nature and our climate. The platform has either been fully or partially endorsed by several Councillors from the 3 parties currently represented on Council.

TRIM file ref 2025/226870

Attachments [⇒](#)1 Policy Platform of the Nature Conservation Council of NSW (Included In Attachments Booklet)

ITEM 14.2 NOTICE OF MOTION NO 13/2025 - BANTRY BAY EXPLOSIVES DEPOT – STATE OF DISREPAIR

COUNCILLOR HRNJAK SUBMITTED THE FOLLOWING MOTION:

MOTION

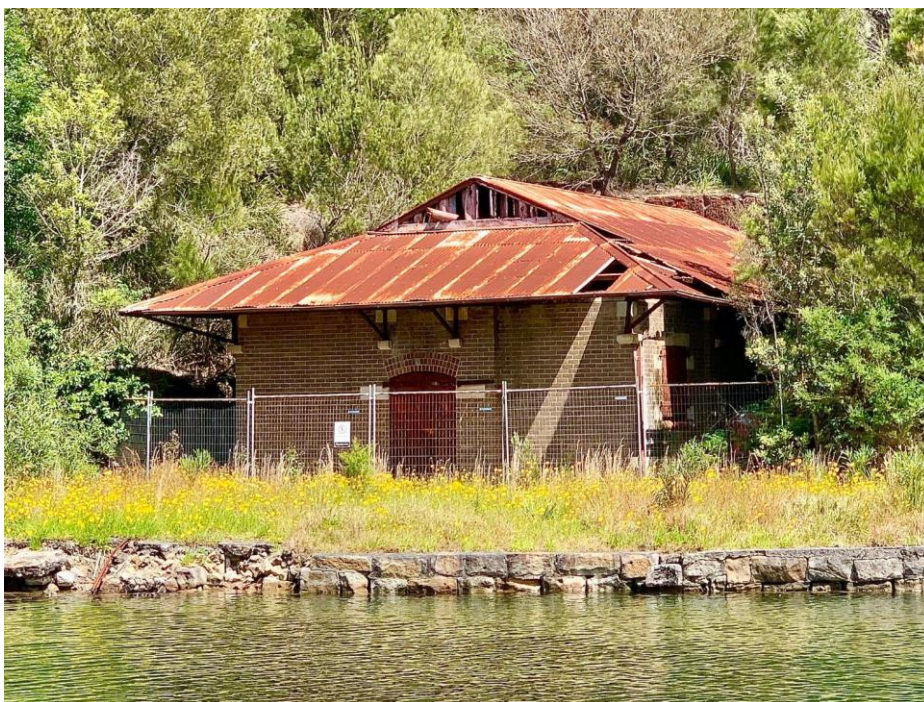
That Council:

1. Note the inherent historical and cultural value of the heritage-listed former Bantry Bay Explosives Depot at Middle Harbour.
2. Note with concern the current state of the complex which has continued to be neglected, vandalised and enveloped with highly flammable overgrowth, most visibly seen in the condition of Building No. 5, which is no longer waterproof due to a collapsing roof.
3. Write to the Department of Planning, Industry and Environment and the NSW National Parks & Wildlife Service detailing our concerns regarding the current state of the Bantry Bay Explosives Depot and request that these organisations coordinate the proper maintenance, management and ongoing protection of the site.

BACKGROUND FROM COUNCILLOR HRNJAK

The Bantry Bay Explosives Depot was listed on the NSW State Heritage Register on 2 April 1999. It is a unique example of integrated handling and storage facilities for explosive materials and provides more insights into our shared past than may seem apparent.

Sadly, today these heritage-listed buildings are under threat of bushfire, are overgrown by undergrowth and close to destruction by gross neglect (see image below).



Building No. 5, Bantry Bay Explosives Depot (Attachment 1)

TRIM file ref	2025/226880
Attachments	Nil

ITEM 14.3 NOTICE OF MOTION NO 15/2025 - IDENTIFICATION OF POTENTIAL LOCATIONS FOR AFFORDABLE HOUSING

COUNCILLOR GLANVILLE SUBMITTED THE FOLLOWING MOTION:

MOTION

That Council provide a report to Councillors within 6 months regarding:

1. Potentially suitable locations on Council owned land for affordable housing to be developed using funds collected through the Affordable Housing Contribution Scheme.
2. Potential models / options for re-development of those sites for affordable housing.
3. Other options for Council to apply funds raised through the Affordable Housing Contribution Scheme towards acquiring affordable housing stock.
4. An update on the progress of appointing a community housing provider to manage the incoming affordable housing stock.

BACKGROUND FROM COUNCILLOR GLANVILLE

Northern Beaches Council's State of Wellbeing 2024 report identified that:

- 'Affordable decent housing' is important to 32% of residents (up from 29% in 2022) but is the worst indicator in terms of experience (3.9/10 in 2024 compared to 3.6/10 in 2022).
- Lower levels of overall liveability for the 18 to 34 year old age group is largely driven by the greater importance this cohort places on the provision of 'affordable decent housing'. 'Affordable decent housing' is the third most important attribute to this group (58% rating this as important compared to 32% of Northern Beaches residents) and their most poorly experienced attribute (3.3/10 compared to the Northern Beaches average of 3.9).
- The Rental Affordability Index locally has deteriorated.
- Rental affordability is well below the greater Sydney benchmark of acceptable. Rental affordability is an important indicator for the Northern Beaches as it highlights experiences of disadvantaged households. After a period of improved housing affordability between 2016 and 2021, the rating has deteriorated since the 2022 State of Wellbeing report and returned to severely unaffordable across the LGA.

Northern Beaches Council has adopted an Affordable Housing Contribution Scheme (AHCS) which requires that when land is rezoned, the developer must provide a set percentage of affordable housing, either within the development and/or a cash contribution. Currently, this policy applies to existing rezoning of the Frenchs Forest Town Centre and a property in Narrabeen. It is proposed to apply to the area proposed to be upzoned in the Brookvale Structure Plan and a proposed rezoning at a property in Mona Vale.

The Planning team are looking at reviewing the ACHS in light of the NSW Government's Low and Medium Rise Density Housing reforms, as this is effectively further rezoning, but the State Government's LMR reforms do not mandate any minimum contribution towards permanent affordable housing (although developers may opt to provide a 15% contribution for 15 years in order to avail themselves of a further 30% bonus).

The table below identifies the number of sites that have development consents or that are under assessment that require affordable housing contributions in accordance with Council's AHCS:

ITEM 14.3 NORTHERN BEACHES COUNCIL MEETING - 15 APRIL 2025

DA	Address	Status	Number of affordable dwellings to be provided	Monetary Contribution to be paid to Council
2023/0285	142 Frenchs Forest Rd West & 1,3 & 5 Bluegum Cres Frenchs Forest	approved	7	\$486,199.91
2023/1821	106 Frenchs Forest Road Frenchs Forest	approved	5	\$616,925.50
2023/1751	2-4 Gladys Ave Frenchs Forest	deferred commencement	3	\$635,220.40
2024/0499	116, 118 & 120 Frenchs Forest Road West & 11 Gladys Ave Frenchs Forest	under assessment	13	N/A
		Total	28	\$1,738,345.8

As further development applications are received in areas with existing rezonings, including following the review of the ACHS, it is expected that Council will receive further significant contributions in cash. As such, it is timely for Council to identify whether there are any Council owned sites which may be appropriate for redevelopment for the purposes of affordable housing or for a mix of affordable housing and other uses.

For example, Council could consider using future development contributions and future ACHS contributions to redevelop an existing site for a new mixed use complex with community space and shop-top affordable housing. Another example is that it could explore a PPA arrangement where it is able to acquire new affordable units at cost.

TRIM file ref	2025/250252
Attachments	Nil

ITEM 14.4 NOTICE OF MOTION NO 14/2025 - SUPPORTING THE NORTHERN BEACHES YOUTH ADVISORY GROUP

COUNCILLORS HRNJAK AND BEAUGEARD SUBMITTED THE FOLLOWING MOTION:

MOTION

That Council:

1. Reaffirm its support for the Northern Beaches Youth Advisory Group (YAG).
2. Engage with the YAG to discuss opportunities to further enhance the experience for participants, including the following:
 - a. Official audiovisual and IT support for YAG meetings, including table microphones and having the live meeting agenda/minutes projected onto desktop and chamber screens.
 - b. Provision of desk nameplates and magnetic nametags for current YAG members, identifying them as Youth Representatives for their respective Council Wards during their term.
 - c. Ongoing training and guidance from the Council's Events team, including workshops on how to develop, organise and run successful, fun and engaging events in addition to direct assistance in delivering said events.
 - d. The ability for the YAG to prepare and present motions relevant for young people to Council for consideration at ordinary meetings through a Councillor/staff sponsorship process, similar to how Youth Parliament Bills in NSW Parliament operate.
 - e. The ability for the YAG to send delegates to make representations at Councillor briefings on items for consideration at the following meeting or to raise pertinent issues facing young people on the Northern Beaches.
3. Receive a report regarding the engagement, any proposed amendments to the YAG Terms of Reference and the resource implications of these.

BACKGROUND FROM COUNCILLORS HRNJAK AND BEAUGEARD

Open to young people aged 12 - 24 years old, the Northern Beaches Council Youth Advisory Group (YAG) provides a youth led way for local young people to shape the future of the Beaches.

The group is made up of representatives from each of the 5 wards across the Local Government Area. YAG works with Council staff and local organisations to identify the needs and aspirations of young people across the Northern Beaches, and work on several projects to address them.

Commitment to the program includes monthly meetings with additional training and volunteering opportunities available. As well as gaining valuable life and employment skills, participants also have the chance to make new friends and access Council youth events and programs for free.

Our current YAG commenced its 2-year term in February 2024. The group is made up of 25 young people between the ages of 12 and 20. There is representation from 10 high schools and 2 universities, as well as members who are engaged in self-employment and part-time work. 45% of the current group are returning members from a previous term.

The current cohort has been running youth events on the Beaches and has expressed interest in receiving guidance from the Council Events team. Enhancing the meeting experience for youth representatives and providing more opportunities for interaction with staff and Councillors will enrich the experience for the YAG now and in the future.

TRIM file ref	2025/226885
Attachments	Nil

15.0 QUESTIONS WITH NOTICE

ITEM 15.1 QUESTION WITH NOTICE NO 5/2025 - COUNCIL'S CASH AND INVESTMENT PORTFOLIO DURING COVID
--

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTIONS:

In relation to questions asked of the Chief Financial Officer at the March Council meeting:

1. During COVID lockdowns in NSW between 15 March 2020 and 1 July 2020 at the end of March, April, May and June what was the respective balance each month of Council's cash and investments funds?
2. For each respective month in 2020, what was the balance of Council's cash and investments funds?
3. On what dates, if any, during 2020 did Council go into a liquidity deficit?
4. On what dates, if any, and how much money was withdrawn on those respective dates, from investment funds to address any liquidity deficit and what were such funds spent on?

TRIM file ref	2025/234855
Attachments	Nil

ITEM 15.2 QUESTION WITH NOTICE NO 6/2025 - CODE OF MEETING PRACTICE

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTION:

What clause or clauses of the Code of Meeting Practice explicitly give a Mayor power to 'override' the Code of Meeting Practice at meetings?

TRIM file ref	2025/234857
Attachments	Nil

ITEM 15.3 QUESTION WITH NOTICE NO 7/2025 - MAYORAL CREDIT CARD/STAFF CREDIT CARD/S USED FOR THE MAYOR

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTIONS:

1. Has the Mayor or past Mayors had or have had a Council credit card?
2. Do staff members in the Mayor's office have or have had Council credit cards?
3. For the below financial years, what are the total charges charged to credit cards held by the Mayor or staff in the Mayor's Office:
 - a. 2021/22
 - b. 2022/23
 - c. 2023/24

TRIM file ref	2025/234858
Attachments	Nil

ITEM 15.4 QUESTION WITH NOTICE NO 8/2025 - CHIEF EXECUTIVE OFFICER'S CREDIT CARD

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTIONS:

1. Has the Chief Executive Officer or past Chief Executive Officers had or have had a Council credit card?
2. Do staff members in the Chief Executive Officer's office have or have had Council credit cards?
3. For the below financial years, what are the total charges charged to credit cards held by the Chief Executive Officer or staff in the Chief Executive Officer's office:
 - a. 2021/22
 - b. 2022/23
 - c. 2023/24

TRIM file ref	2025/234865
Attachments	Nil

ITEM 15.5 QUESTION WITH NOTICE NO 9/2025 - REVIEW AND AUTHORISATION OF EXPENDITURE ON CREDIT CARDS OF THE MAYOR (OR THEIR STAFF) AND CHIEF EXECUTIVE OFFICER (OR THEIR STAFF)

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTIONS:

1. Who reviews and approves the Chief Executive Officer's or their staff's credit card expenditure?
2. Who reviews and approves the Mayor's or their staff's credit card expenditure?
3. For independent and transparency purposes, will Council consider appointing an independent, suitably qualified person not employed at Council to review and approve the Chief Executive Officer, Mayor and their respective staff's credit card expenditure?

TRIM file ref	2025/234868
Attachments	Nil

ITEM 15.6 QUESTION WITH NOTICE NO 10/2025 - APPROVAL OF PURCHASE OF ALCOHOL FOR THE MAYOR AND COUNCILLORS AT OR AFTER COUNCIL MEETINGS AND BRIEFINGS

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTION:

1. For the below financial years, who at Council approved the purchase of alcohol for the Mayor and Councillors at or after Council meetings and briefings:
 - a. 2021/22
 - b. 2022/23
 - c. 2023/24

TRIM file ref 2025/234883

Attachments Nil

ITEM 15.7 QUESTION WITH NOTICE NO 11/2025 - RANGER ATTENDANCE AT COUNCIL MEETINGS 2025

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTIONS:

1. Why have rangers been at Council meetings this year?
2. What is the total cost to date for rangers attending meetings this year and are they being paid overtime for attending at night?
3. If there is no monetary cost for rangers attending Council meetings, is time in lieu or other benefits given? If so, what has that amounted to?
4. Is the attendance at Council meetings by rangers in their respective award or contracts? If so, please outline which provisions.

TRIM file ref 2025/234891

Attachments Nil

16.0 RESPONSES TO QUESTIONS

ITEM 16.1 RESPONSE TO QUESTION WITH NOTICE NO 3/2025 - EXPENDITURE ON LIBRARIES

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTIONS:

I refer to correspondence from a constituent and Council's response (ref: 2025/121040).

1. Is the constituent's analysis correct that Northern Beaches Council's Libraries have the highest capital expenditure (excluding buildings) of all similar sized councils in NSW? If not, which councils of similar size are expending more funds (excluding buildings)?
2. Has Council completed a feasibility study to reduce the number of library locations post amalgamation?
3. Has Council quantified the savings that could be achieved through any consolidation?
4. What is Council's libraries 5-year plan given patterns of greater digital content, less physical content, reducing membership and other trends?
5. What level of cost reduction does the plan, if any, for libraries achieve in FY 24/25 25/26 26/27 27/28 28/29?

RESPONSE:

1. Council does not have access to a full breakdown of the capital expenditure and methodologies applied by NSW councils. Detailed breakdown of capital expenditure data and methodologies applied are not available through the statistical data provided by the State Library of NSW.
 - a. The most recent statistical data available from the State Library of NSW relates to 2022/23 financial year.
 - b. In 2022/23, Northern Beaches libraries' total capital expenditure was \$1,173,502 and was ranked as 11th across NSW councils.
2. No.
3. No.
4. Council's 5-year plan for Library Services was adopted through the [Library Strategic Plan](#) (resolution 291/23).
5. The adopted Library Strategic Plan 2023-2028 maintains current service levels and prioritises expanded access through the implementation of further 24/7 services.

TRIM file ref 2025/150156
Attachments Nil

ITEM 16.2 RESPONSE TO QUESTION WITH NOTICE NO 1/2025 - HAVE YOUR SAY STATISTICS

COUNCILLOR SINGH JP SUBMITTED THE FOLLOWING QUESTIONS:

1. What are the top 3 Have You Say surveys in terms of the number of responses received in the last 3 years, and the number of responses received for each?
2. To the question ‘How supportive, if at all, are you of each option...’, how many ‘Not at all supportive’ responses were voted for each option with the % against the total number of ‘Not at all supportive’ responses voted?
3. To the question ‘Rank the options in order of preference’, how many responses did not vote for options 3 and 4 combined as their first preferences?
4. What is the total cost to date of the consultation including, with cost for each category below:
 - a. Have Your Say survey and report
 - b. Website information and administration
 - c. Social media information and administration
 - d. Videos production and publication
 - e. Animations production and publication
 - f. Direct letter poster to all ratepayers
 - g. 2,000 Postcard creation, print and distribution
 - h. 1,200 brochures creation, print and distribution
 - i. All media coverage and ads including Pittwater Life, Peninsula Living, Tawny Frogmouth, Manly Observer, Northern Beaches Advocate
 - j. Community engagement including webinar Information, pop up sessions
 - k. Outdoor advertising including bus shelters and EV charging stations
 - l. Digital advertising on customer screens
 - m. Telephone survey
 - n. And all staff time in hours and cost for Internal face to face information sessions, team meeting, staff newsletters, news stories on the intranet, information stations in key lunchroom areas, etc.

RESPONSE:

1.

Funding our future	5,584
Proposed dog off-leash areas Palm Beach (north)	3,957
Proposed dog-off leash areas Mona Vale Beach (south)	3,870

2. Option 1 – Reduce services – 28%
Option 2 – Maintain services – 18%

Option 3 - Improve services – 41%

Option 4 – Increase services – 58%

3. 4,622

4.

a. \$1,600

b. \$0

c. \$2,204

d. \$1,616

e. \$10,900

f. \$118,578

g. Printed inhouse

h. \$1,096

i. \$21,086

j. \$5,073

k. \$0

l. \$6,107

m. Not undertaken for Funding our future engagement

n. This information was not tracked.

TRIM file ref	2025/056069
Attachments	Nil

ITEM 16.3 RESPONSE TO QUESTION WITH NOTICE NO 4/2025 - STATUS OF REQUEST FOR HOCKEY FIELDS
--

COUNCILLOR DE LUCA OAM SUBMITTED THE FOLLOWING QUESTIONS:

I refer to the advice at a previous Council meeting from the Executive Manager of Parks and Open Space that Council has found a location for a new hockey field:

1. What is the status of the matter and when will this come to fruition?
2. Has Council investigated Centres of Excellence, e.g. The Hills?
3. How much will it cost?

RESPONSE:

1. Council has been working with our local hockey groups to investigate the feasibility of a new purpose-built hockey field on the Northern Beaches. The feasibility studies will determine whether a site in Manly Vale is appropriate from a flooding, geotechnical and planning perspective. These studies are expected to be completed by the end of the year. The outcomes of the studies will be provided to Councillors in accordance with Resolution 318/24.
2. Yes.
3. Costs are not able to be accurately determined at this time.

TRIM file ref 2025/174406 Attachments Nil
--

17.0 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 17.1 RFT 2024/021 - Community Centres Keyless Access 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 17.2 RFT 2024/128 - Services For Onsite Management of Currawong Beach Cottages 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 17.3 RFT 2025/026 - Stuart Sommerville Bridge Repairs 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.

- D. Item 17.4 RFT 2024/180 - Design Services for Condoover Reserve Remediation & Stabilisation 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.

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.
-

18.0 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.
