



W A V E R L E Y
C O U N C I L

COUNCIL MEETING

A meeting of WAVERLEY COUNCIL will be held at Waverley Council Chambers,
Cnr Paul Street and Bondi Road, Bondi Junction at:

7.00 PM, TUESDAY 12 SEPTEMBER 2023

A handwritten signature in black ink, appearing to read 'Emily Scott'.

Emily Scott
General Manager

Waverley Council
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Bondi Junction NSW 1355
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Statement of Ethical Obligations

Councillors are reminded of their oath or affirmation of office made under section 233A of the Act and their obligations under Council's code of conduct to disclose and appropriately manage conflicts of interest.

Live Streaming of Meetings

This meeting is streamed live via the internet and an audio-visual recording of the meeting will be publicly available on Council's website.

By attending this meeting, you consent to your image and/or voice being live streamed and publicly available.

AGENDA

PRAYER AND ACKNOWLEDGEMENT OF INDIGENOUS HERITAGE

The General Manager will read the following Opening Prayer:

God, we pray for wisdom to govern with justice and equity. That we may see clearly and speak the truth and that we work together in harmony and mutual respect. May our actions demonstrate courage and leadership so that in all our works thy will be done. Amen.

The Mayor will read the following Acknowledgement of Indigenous Heritage:

Waverley Council respectfully acknowledges our Indigenous heritage and recognises the ongoing Aboriginal traditional custodianship of the land which forms our Local Government Area.

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9. Questions with Notice

Nil

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The following matters are proposed to be dealt with in closed session and have been distributed to Councillors separately with the agenda:

CM/11.1/23.09	CONFIDENTIAL REPORT - Wairoa Baby Health Clinic, North Bondi - Community Tenancy Lease
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OBITUARIES

CM/3/23.09

Subject: Obituaries

Author: Emily Scott, General Manager



The Mayor will ask Councillors for any obituaries.

Council will rise for a minute's silence for the souls of people generally who have died in our Local Government Area.

CONFIRMATION AND ADOPTION OF MINUTES CM/5.1/23.09



Subject: Confirmation of Minutes - Council Meeting - 15 August 2023

TRIM No: SF23/16

Manager: Richard Coelho, Executive Manager, Governance

RECOMMENDATION:

That the minutes of the Council meeting held on 15 August 2023 be received and noted, and that such minutes be confirmed as a true record of the proceedings of that meeting.

Introduction/Background

The minutes of Council meetings must be confirmed at a subsequent meeting of Council, in accordance with section 375 of the *Local Government Act 1993*.

Attachments

1. Council Meeting Minutes - 15 August 2023 .



**MINUTES OF THE WAVERLEY COUNCIL MEETING
HELD AT WAVERLEY COUNCIL CHAMBERS, CNR PAUL STREET AND BONDI ROAD, BONDI JUNCTION ON
TUESDAY, 15 AUGUST 2023**

Present:

Councillor Paula Masselos (Mayor) (Chair)	Lawson Ward
Councillor Elaine Keenan (Deputy Chair)	Lawson Ward
Councillor Angela Burrill	Lawson Ward
Councillor Ludovico Fabiano	Waverley Ward
Councillor Leon Goltsman	Bondi Ward
Councillor Michelle Gray	Bondi Ward
Councillor Tony Kay	Waverley Ward
Councillor Steven Lewis	Hunter Ward
Councillor Tim Murray	Waverley Ward
Councillor Dominic Wy Kanak	Bondi Ward

Staff in attendance:

Emily Scott	General Manager
Sharon Cassidy	Director, Assets and Operations
Tara Czinner	Director, Corporate Services
Fletcher Rayner	Director, Planning, Sustainability and Compliance
Ben Thompson	Director, Community, Culture and Customer Experience

At the commencement of proceedings at 7.00 pm, those present were as listed above.

Crs Burrill, Goltsman and Wy Kanak attended the meeting by audio-visual link.

PRAYER AND ACKNOWLEDGEMENT OF INDIGENOUS HERITAGE

The General Manager read the following Opening Prayer:

God, we pray for wisdom to govern with justice and equity. That we may see clearly and speak the truth and that we work together in harmony and mutual respect. May our actions demonstrate courage and leadership so that in all our works thy will be done. Amen.

The Mayor read the following Acknowledgement of Indigenous Heritage:

Waverley Council respectfully acknowledges our Indigenous heritage and recognises the ongoing Aboriginal traditional custodianship of the land which forms our local government area.

1. Apologies/Leaves of Absence

CM/1.1/23.08 **Leave of Absence - Cr Betts (A03/0029)**

MOTION / UNANIMOUS DECISION

Mover: Cr Kay
Seconder: Cr Lewis

That Council grants Cr Sally Betts leave of absence from the Council meeting on 15 August 2023.

CM/1.2/23.08 **Leave of Absence - Cr Nemesh (A03/0029)**

MOTION / UNANIMOUS DECISION

Mover: Cr Kay
Seconder: Cr Lewis

That Council grants Cr Will Nemesh leave of absence from the Council meeting on 15 August 2023 due to him being overseas.

2. Declarations of Pecuniary and Non-Pecuniary Interests

The Chair called for declarations of interest and none were received.

3. Obituaries

Ted Sime

Council rose for a minute's silence for the souls of people generally who have died in our local government area.

4. Addresses by Members of the Public

There were no addresses by members of the public.

ITEMS BY EXCEPTION

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos
Seconder: Cr Keenan

That the recommendations for the following items be adopted as recommended in the business paper:

- CM/5.1/23.08 Confirmation of Minutes – Council Meeting – 18 July 2023.
- CM/7.1/23.08 Delivery Program 2022-26 – Six-Monthly Progress Report.
- CM/7.2/23.08 Budget Carry Over – 2022-23 to 2023-24.
- CM/7.3/23.08 Investment Portfolio Report – July 2023.
- CM/7.4/23.08 Audit, Risk and Improvement Committee – External Independent Member.
- CM/7.5/23.08 Precinct Committees – Motions and Update.
- CM/7.6/23.08 NSW Arts, Culture and Creative Industries Policy – Submission.
- CM/11.2/23.08 CONFIDENTIAL REPORT – Procurement Exemption – Cloud Hosting Services.

5. Confirmation and Adoption of Minutes

CM/5.1/23.08 Confirmation of Minutes - Council Meeting - 18 July 2023 (SF23/16)

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos
Seconder: Cr Keenan

That the minutes of the Council meeting held on 18 July 2023 be received and noted, and that such minutes be confirmed as a true record of the proceedings of that meeting.

CM/5.2/23.08 Adoption of Minutes - Waverley Traffic Committee Meeting - 27 July 2023 (SF23/19)

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos
Seconder: Cr Kay

That Part 1 of the minutes of the Waverley Traffic Committee meeting held on 27 July 2023 be received and noted, and that the recommendations contained therein be adopted.

Save and except the following:

TC/C.04/23.07 – 2 Leichhardt Street, Bronte – Construction Zone.

And that this item be dealt with separately below.

**CM/5.2.1/23.08 Adoption of Minutes - Waverley Traffic Committee Meeting - 27 July 2023 -
TC/C.04/23.07 - 2 Leichhardt Street, Bronte - Construction Zone (A03/2514-04)**

This item was saved and excepted by Cr Kay.

MOTION / UNANIMOUS DECISION

Mover: Cr Kay
Seconded: Cr Burrill

That Council adopts the Traffic Committee's recommendation subject to an amendment to clause 1 such that the recommendation now reads as follows:

That Council:

1. Installs a 9 metre 'No Parking, 10 am–2 pm Mon–Sat, Council Authorised Vehicles Excepted' construction zone in front of 4 Leichhardt Street, Bronte.
2. Requires the applicant to submit a Construction Traffic Management Plan (CTMP) for the approval of Council's Executive Manager, Infrastructure Services, or delegate prior to the installation of the construction zone.
3. Requires the applicant to notify residents in the vicinity of the construction zone prior to it being installed.
4. Delegates authority to the Executive Manager, Infrastructure Services to adjust the length and duration of, or remove, the construction zone as necessary.
5. Requests parking patrol officers to monitor the site for non-compliance with the NSW Road Rules.

6. Mayoral Minutes

There were no mayoral minutes.

7. Reports

CM/7.1/23.08 Delivery Program 2022-26 - Six-Monthly Progress Report (A21/0035)

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos
Seconded: Cr Keenan

That Council notes the progress report on the Delivery Program 2022–2026 attached to the report.

CM/7.2/23.08 Budget Carry Over - 2022-23 to 2023-24 (A03/0346)**MOTION / UNANIMOUS DECISION**

Mover: Cr Masselos

Second: Cr Keenan

That Council carries over \$4,802,397 from the 2022-23 financial year budget to 2023–24, as set out in Attachment 1 of the report.

CM/7.3/23.08 Investment Portfolio Report - July 2023 (A03/2211)**MOTION / UNANIMOUS DECISION**

Mover: Cr Masselos

Second: Cr Keenan

That Council:

1. Notes the Investment Summary Report for July 2023 attached to the report.
2. Notes that the Executive Manager, Finance, as the responsible accounting officer, advises that all investments have been made in accordance with the requirements of section 625 of the *Local Government Act 1993* and directions from the Minister for Local Government, including Ministerial Investment Orders, and Council's Investment Policy.

CM/7.4/23.08 Audit, Risk and Improvement Committee - External Independent Member (SF23/1414)**MOTION / UNANIMOUS DECISION**

Mover: Cr Masselos

Second: Cr Keenan

That Council appoints Sheridan Dudley as an external independent member of the Audit, Risk and Improvement Committee until 31 December 2024.

CM/7.5/23.08 Precinct Committees - Motions and Update (A04/0038)**MOTION / UNANIMOUS DECISION**

Mover: Cr Masselos

Second: Cr Keenan

That Council:

1. Notes the status of Precinct motions from June 2022 to June 2023 attached to the report.
2. Notes the update on Precinct activities as set out in the report, including:
 - (a) The continued operation of Precinct meetings in face-to-face and online formats, and the soon to commence trial of hybrid meetings.
 - (b) The continued engagement of the Precincts and the Combined Precincts group in consultations on Council's strategic projects, programs and plans in face-to-face and online formats.

- (c) That Precincts have resumed holding their Annual General Meetings at face-to-face meetings.
- (d) That the Combined Precincts Meeting continues to operate in its four sub-committee structure.

CM/7.6/23.08 NSW Arts, Culture and Creative Industries Policy - Submission (A23/0258)

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos

Seconder: Cr Keenan

That Council approves the submission to the NSW State Government attached to the report on the NSW Arts, Culture and Creative Industries Policy.

CM/7.7/23.08 Sydney Eastern City Planning Panel - Community Membership (A16/0688)

Council moved into closed session to deal with this item.

MOTION

Mover: Cr Lewis

Seconder: Cr Fabiano

That Council:

1. Appoints the following community representatives to the Sydney Eastern City Planning Panel up to 30 July 2026:
 - (a) Jan Murrell.
2. Sets the remuneration of the members at \$500 per briefing meeting and \$1,500 per determination meeting.
3. Defers the appointment of the three additional community representatives to further consider how all candidates have addressed the selection criterion 'demonstrate their knowledge of the local area and be able to represent and communicate the interests of the local community at Panel meetings.' As these applicants are to be selected as community representatives, this criterion is to be ranked highly.
4. Officers prepare a report to Committee or Council with new recommendations for three additional community representatives.

AT THIS STAGE IN THE PROCEEDINGS, A PROCEDURAL MOTION, MOVED BY CR KAY AND SECONDED BY CR BURRILL, TO LAY THE ITEM ON THE TABLE TO DISCUSS THE APPLICANTS IN CLOSED SESSION, WAS PUT AND DECLARED CARRIED UNANIMOUSLY.

LATER IN THE MEETING, DURING CLOSED SESSION, A PROCEDURAL MOTION TO TAKE THE ITEM FROM THE TABLE, MOVED BY CR MURRAY AND SECONDED BY CR LEWIS, WAS PUT AND DECLARED CARRIED UNANIMOUSLY.

THE MOTION WAS THEN PUT AND DECLARED CARRIED UNANIMOUSLY.

UNANIMOUS DECISION

That Council:

1. Appoints the following community representatives to the Sydney Eastern City Planning Panel up to 30 July 2026:
 - (a) Jan Murrell.
2. Sets the remuneration of the members at \$500 per briefing meeting and \$1,500 per determination meeting.
3. Defers the appointment of the three additional community representatives to further consider how all candidates have addressed the selection criterion 'demonstrate their knowledge of the local area and be able to represent and communicate the interests of the local community at Panel meetings.' As these applicants are to be selected as community representatives, this criterion is to be ranked highly.
4. Officers prepare a report to Committee or Council with new recommendations for three additional community representatives.

Division

For the Motion: Crs Burrill, Fabiano, Goltsman, Gray, Kay, Keenan, Lewis, Masselos, Murray and Wy Kanak.

Against the Motion: Nil.

8. Notices of Motions

CM/8.1/23.08 Darren Bark - Contributions and Achievements to Faith Communities (A02/0017)

MOTION

Mover: Cr Goltsman

Seconder: Cr Kay

That Council:

1. Acknowledges the comprehensive efforts and significant contributions of Mr Darren Bark during his two-year tenure as CEO of the NSW Jewish Board of Deputies (NSWJBD).
2. Joins the NSW Premier, former Premier, Ministers, Opposition Leader, Shadow Ministers and faith leaders across Australia in paying tribute to Mr Bark for his relentless work to promote and reinforce a harmonious society throughout NSW.
3. Notes Mr Bark's successful work in implementing a state-wide ban on the display of Nazi symbols, which led to the unprecedented prosecution of three individuals under this new offence and also:
 - (a) Commends the commitment of \$25 million from the Labor and Liberal Parties, procured by Mr Bark, to bolster the safety and security of community institutions across all faiths, including schools, synagogues and community centres.
 - (b) Recognises Mr Bark's efforts in securing funds to expand the Sydney Jewish Museum and his role in initiating a partnership with the Department of Education to enhance Holocaust education in NSW schools.

4. Also notes Mr Darren Bark's:
- (a) Initiative to host town hall forums with the Premier and Opposition Leader in Parramatta during the election campaign to facilitate direct community questions and his arrangement for it to be broadcast on Sky News.
 - (b) Launching the NSWJBD online reporting portal for Jewish students and their families to report incidents of antisemitic bullying, along with the commitment secured by Mr Bark from the NSW Labor Party to introduce a religious bullying hotline and reporting portal.
 - (c) Critical role in establishing the inaugural NSW Religious Communities Advisory Council, fostering enhanced engagement between faith communities and the NSW Government, along with the agreement facilitated by Mr Bark with the Liberal Party to illuminate the Opera House sails in blue and white in honour of Israel's 75th independence anniversary.
 - (d) Successful organisation of communal commemorations under his leadership, such as Yom Hashoah and Kristallnacht and the inaugural JBD Susan and Isaac Wakil Israel Tour.
 - (e) Efforts to strengthen relations between the Jewish community and other faith groups in our state, his advocacy for the Jewish community in mainstream media, and his negotiations enabling the Jewish community to attend COVID-safe, outdoor shofar-blowing services during the 2021 COVID-19 lockdown.
 - (f) Leadership alongside Mr Surinder Jain as co-Chairs of Better Balanced Futures.
5. Requests the Mayor to write to Darren Bark, praising his two-year tenure on the NSW Jewish Board of Deputies and informing him of this resolution.
6. Officers prepare a media release about the Council resolution for publication on the Council's website.

AMENDMENT

Mover: Cr Lewis
Seconder: Cr Gray

That:

1. Clauses 3, 4 and 6 be deleted.
2. Clause 5 be amended to read as follows:

‘Requests the Mayor to write to Darren Bark, informing him of this resolution.’

THE AMENDMENT WAS PUT AND DECLARED CARRIED.

Division

For the Amendment: Crs Fabiano, Gray, Keenan, Lewis, Masselos, Murray and Wy Kanak.

Against the Amendment: Crs Burrill, Goltsman and Kay.

THE MOTION AS AMENDED WAS THEN PUT AND DECLARED CARRIED.

DECISION

That Council:

1. Acknowledges the comprehensive efforts and significant contributions of Mr Darren Bark during his two-year tenure as CEO of the NSW Jewish Board of Deputies (NSWJBD).
2. Joins the NSW Premier, former Premier, Ministers, Opposition Leader, Shadow Ministers and faith leaders across Australia in paying tribute to Mr Bark for his relentless work to promote and reinforce a harmonious society throughout NSW.
3. Requests the Mayor to write to Darren Bark, informing him of this resolution.

CM/8.2/23.08 Dog Litter Bag Dispensers (A21/0449)

MOTION / UNANIMOUS DECISION

Mover: Cr Kay
Seconder: Cr Goltsman

That Council:

1. Audits all high pedestrian destinations throughout the Waverley local government area where dogs and their owners congregate, with a view to installing dog litter bag dispensers by the end of 2023 and informational signage after the current dog signage review has been completed.
2. Officers:
 - (a) Prepare a report to Council with recommendations for a funding proposal or deferral of some installations if outcomes from the above audit are unable to be covered fully by the 2023–24 operations budget.
 - (b) Circulate a map of the new dog litter bag dispensers to Councillors.

9. Questions with Notice

There were no questions with notice.

10. Urgent Business

There was no urgent business.

11. Closed Session

CM/11/23.08 Closed Session

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos
Seconder: Cr Keenan

That:

1. Council moves into closed session to deal with the matters listed below, which are classified as confidential under section 10A(2) of the *Local Government Act* for the reasons specified:

CM/11.1/23.08 CONFIDENTIAL REPORT - Mardi Gras Bondi Beach Party 2024

This matter is considered to be confidential in accordance with section 10A(2)(c) of the *Local Government Act*, and Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.

CM/11.3/23.08 CONFIDENTIAL REPORT - Tender Evaluation - ICT Modernisation

This matter is considered to be confidential in accordance with section 10A(2)(d)(i) of the *Local Government Act*, and Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest as it deals with commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

2. Pursuant to sections 10A(1), 10(2) and 10A(3) of the *Local Government Act*, the media and public be excluded from the meeting on the basis that the business to be considered is classified as confidential under section 10A(2) of the *Local Government Act*.
3. The correspondence and reports relevant to the subject business be withheld from the media and public as provided by section 11(2) of the *Local Government Act*.

At 7.23 pm, Council moved into closed session.

CM/11.1/23.08 CONFIDENTIAL REPORT - Mardi Gras Bondi Beach Party 2024 (A23/0392)

MOTION / UNANIMOUS DECISION

Mover: Cr Gray
Seconder: Cr Keenan

That Council:

1. Treats the report as confidential in accordance with section 11(3) of the *Local Government Act 1993*, as it relates to a matter specified in section 10A(2)(c) of the *Local Government Act 1993*. The report contains information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.
2. Approves the Sydney Gay and Lesbian Mardi Gras Bondi Beach Party event at Bondi Park, Beach (stage set-up only) and Bondi Pavilion on a date to be confirmed in late February 2024 in accordance with the requirements set out in the report.
3. Approves an event fee up to the maximum as set out in the report.
4. Authorises the General Manager or delegate to complete negotiations, finalise the event fee and execute a licence agreement with Sydney Gay and Lesbian Mardi Gras.

**CM/11.2/23.08 CONFIDENTIAL REPORT - Procurement Exemption - Cloud Hosting Services
(A16/0353)**

Council dealt with this item in open session.

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos

Seconder: Cr Keenan

That Council:

1. Treats the report as confidential in accordance with section 11(3) of the *Local Government Act 1993*, as it relates to a matter specified in section 10A(2)(d)(i) of the *Local Government Act 1993*. The report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
2. Approves a procurement exemption to engage Amazon Web Services for the supply of cloud hosting services.
3. Authorises the General Manager or delegate to complete negotiations and execute all necessary documentation to finalise the matter.

CM/11.3/23.08 CONFIDENTIAL REPORT - Tender Evaluation - ICT Modernisation (A20/0450)

MOTION

Mover: Cr Murray

Seconder: Cr Keenan

That Council:

1. Treats the report as confidential in accordance with section 11(3) of the *Local Government Act 1993*, as it relates to a matter specified in section 10A(2)(d)(i) of the *Local Government Act 1993*. The report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
2. Declines to accept any of the tenders for technology partner solutions and delivery partner services for the ICT Modernisation Program in accordance with section 178(1)(b) of the *Local Government (General) Regulation 2021*.
3. Declines to invite fresh tenders or applications as referred to in section 178(3)(b)–(d) of the *Local Government (General) Regulation 2021*, as Council has tested the market and received conforming tenders for both technology and delivery partner.
4. In accordance with section 178(3)(e) of the *Local Government (General) Regulation 2021*, authorises the General Manager or delegate to:
 - (a) Enter into negotiations with the top ranked technology partner and top ranked delivery partner to validate solution design and align implementation and delivery methodologies, with a view to entering into contract with the tenderers.
 - (b) Enter into negotiations with one or more of the tenderers with a view to entering into a contract with the tenderer(s), should the negotiations in clause 4(a) be unsuccessful.
5. Authorises the General Manager or delegate to complete negotiations and execute all necessary

documentation to finalise the matter.

6. Notifies unsuccessful tenderers of the decision in accordance with section 179 of the *Local Government (General) Regulation 2021*.

THE MOVER OF THE MOTION ACCEPTED AN AMENDMENT TO CLAUSE 6.

FORESHADOWED MOTION (LAPSED)

Mover: Cr Wy Kanak

That Council considers retendering the ICT Modernisation Program, including the technology partner and delivery partner.

THE MOTION AS AMENDED WAS THEN PUT AND DECLARED CARRIED.

DECISION

That Council:

1. Treats the report as confidential in accordance with section 11(3) of the *Local Government Act 1993*, as it relates to a matter specified in section 10A(2)(d)(i) of the *Local Government Act 1993*. The report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
2. Declines to accept any of the tenders for technology partner solutions and delivery partner services for the ICT Modernisation Program in accordance with section 178(1)(b) of the *Local Government (General) Regulation 2021*.
3. Declines to invite fresh tenders or applications as referred to in section 178(3)(b)–(d) of the *Local Government (General) Regulation 2021*, as Council has tested the market and received conforming tenders for both technology and delivery partner.
4. In accordance with section 178(3)(e) of the *Local Government (General) Regulation 2021*, authorises the General Manager or delegate to:
 - (a) Enter into negotiations with the top ranked technology partner and top ranked delivery partner to validate solution design and align implementation and delivery methodologies, with a view to entering into contract with the tenderers.
 - (b) Enter into negotiations with one or more of the tenderers with a view to entering into a contract with the tenderer(s), should the negotiations in clause 4(a) be unsuccessful.
5. Authorises the General Manager or delegate to complete negotiations and execute all necessary documentation to finalise the matter.
6. Notifies tenderers of the decision in accordance with section 179 of the *Local Government (General) Regulation 2021*.

Cr Wy Kanak requested that his vote against the motion be recorded in the minutes.

12. Resuming in Open Session**CM/12/23.08 Resuming in Open Session****MOTION / UNANIMOUS DECISION**

Mover: Cr Masselos

Seconder: Cr Gray

That Council resumes in open session.

At 8.15 pm, Council resumed in open session.

Resolutions from closed session made public

In accordance with clause 14.21 of the Waverley Code of Meeting Practice, when the meeting resumed in open session the chair announced the resolutions made by Council while the meeting was closed to members of the public and the media.

13. Meeting Closure**THE MEETING CLOSED AT 8.20 PM.**

.....
SIGNED AND CONFIRMED
MAYOR
12 SEPTEMBER 2023

CONFIRMATION AND ADOPTION OF MINUTES CM/5.2/23.09



Subject: Adoption of Minutes - Waverley Traffic Committee Meeting - 24 August 2023

TRIM No: SF23/19

Manager: Richard Coelho, Executive Manager, Governance

RECOMMENDATION:

That Part 1 of the minutes of the Waverley Traffic Committee meeting held on 24 August 2023 be received and noted, and that the recommendations contained therein be adopted.

Introduction/Background

The Waverley Traffic Committee (WTC) is a committee of Council that operates under guidelines from Transport for NSW (TfNSW), an agency of the NSW Government. It is advisory-only and has no decision-making powers.

The purpose of the WTC is to make recommendations and provide advice to Council on the technical aspects of proposals to regulate traffic on local roads in Waverley. The recommendations of the WTC must be adopted by Council before they can be implemented.

Part 1 of the minutes of WTC meetings must be submitted to Council for adoption in accordance with clause 18 of the Waverley Traffic Committee Charter.

Council has the opportunity to 'save and except' any of the recommendations listed in Part 1 of the minutes for further consideration in accordance with clause 18.1 of the Charter.

Attachments

1. Waverley Traffic Committee Minutes - 24 August 2023 .

**MINUTES OF THE WAVERLEY TRAFFIC COMMITTEE
MEETING HELD VIA VIDEO CONFERENCE ON
THURSDAY, 24 AUGUST 2023**



Voting Members Present:

Cr P Masselos	Waverley Council – Chair
Mr D Gojak	Representing Kellie Sloane MP, Member for Vaucluse
Mr V Le	Transport for NSW – Network and Safety Officer
Sgt A Leeson	NSW Police – Eastern Suburbs Police Area Command – Traffic Services
Mr A Weilsman	Representing Marjorie O’Neill MP, Member for Coogee

Also Present:

Ms L Cook	Transport for NSW – Senior Transport Operations Planner
Mr B Husain	Transport for NSW – Traffic Engineering Officer
Ms K Lewis	Transport for NSW – Manager, Communication and Stakeholder Engagement
Mr B Gidies	Transdev John Holland – Traffic and Events Manager
Ms H Walker	NSW Police – Eastern Suburbs Police Area Command – Traffic Services
Cr L Fabiano	Waverley Council – Deputy Chair
Cr T Kay	Waverley Council – Deputy Chair
Mr S Samadian	Waverley Council – Acting Executive Manager, Infrastructure Services
Mr C Hutcheson	Waverley Council – Service Manager, Traffic and Transport
Mr A Karki	Waverley Council – Traffic Engineer
Mr K Magistrado	Waverley Council – Traffic Engineer

At the commencement of proceedings at 10.00 am, those present were as listed above, with the exception of Sgt A Leeson who arrived at 10.14 am.

Apologies

Apologies were received from Mr P Pearce (representing Marjorie O’Neill, MP, Member for Coogee).

Declarations of Interest

The Chair called for declarations of interest and the following was received:

1. Cr T Kay declared a significant non-pecuniary interest in item TC/V.01/23.08 – 12 Penkivil Street, Bondi – ‘P Motor Bikes Only’ Parking Zone and informed the meeting that a relative owns 10 Penkivil Street, and that he will leave the meeting for the consideration and vote on this item.

Adoption of Previous Minutes by Council - 27 July 2023

The recommendations contained in Part 1 – Matters Proposing that Council Exercise its Delegated Functions – of the minutes of the Waverley Traffic Committee meeting held on 27 July 2023 were adopted by Council at its meeting on 15 August 2023 with the following change:

1. TC/C.04/23.07 – 2 Leichhardt Street, Bronte – Construction Zone.

Council adopted the recommendation of the Traffic Committee subject to an amendment to clause 1 such that the recommendation now reads as follows:

That Council:

1. Installs a 9 metre 'No Parking, 10 am–2 pm Mon–Sat, Council Authorised Vehicles Excepted' construction zone in front of 4 Leichhardt Street, Bronte.
2. Requires the applicant to submit a Construction Traffic Management Plan (CTMP) for the approval of Council's Executive Manager, Infrastructure Services, or delegate prior to the installation of the construction zone.
3. Requires the applicant to notify residents in the vicinity of the construction zone prior to it being installed.
4. Delegates authority to the Executive Manager, Infrastructure Services to adjust the length and duration of, or remove, the construction zone as necessary.
5. Requests parking patrol officers to monitor the site for non-compliance with the NSW Road Rules.

ITEMS BY EXCEPTION

The following items on the agenda were dealt with together and the Council Officer's Proposal for each item was unanimously supported by the Committee:

- | | |
|---------------|--|
| TC/C.01/23.08 | Osmund Lane, Bondi Junction – Road Closure. |
| TC/C.04/23.08 | Bronte Bowling Club, 16-24 Wallace Street, Waverley – Loading Zone – Review. |
| TC/C.06/23.08 | 267 Birrell Street, Bronte – Mobility Parking Space – Removal. |
| TC/V.02/23.08 | 60 Beach Road, Bondi Beach – 'P Motor Bikes Only' Parking Zone. |
| TC/V.03/23.08 | 7 O'Donnell Street, North Bondi – Mobility Parking Space. |
| TC/V.04/23.08 | 55 Ocean Street, Bondi – Construction Zone. |

PART 1 – MATTERS PROPOSING THAT COUNCIL EXERCISE ITS DELEGATED FUNCTIONS

NOTE: The matters listed under this part of the agenda propose that Council either does or does not exercise the traffic related functions delegated to it by TfNSW. The recommendations made by the Committee under this part of the agenda will be submitted to Council for adoption.

TC/C STATE ELECTORATE OF COOGEE**TC/C.01/23.08 Osmund Lane, Bondi Junction - Road Closure (A20/0069)****COUNCIL OFFICER'S PROPOSAL:**

That Council closes a section of Osmund Lane, west of 214 Oxford Street, Bondi Junction, as shown in Figure 1 of the report.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Coogee, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/C.02/23.08 Ebley Street, Bondi Junction - Indented Angle Parking (A20/0069)**COUNCIL OFFICER'S PROPOSAL:**

That Council:

1. Approves the concept design for indented angle parking and associated signage in Ebley Street, Bondi Junction, as shown in Figure 2 of the report.
2. Publicly exhibits the concept design for 28 days.
3. Delegates authority to the Executive Manager, Infrastructure Services, to modify the design should the outcomes of the public exhibition or on-site circumstances warrant changes.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted subject to an amendment to clause 1 and the addition of a new clause such that the recommendation now reads as follows:

That Council:

1. Approves the concept design for indented angle parking and associated signage in Ebley Street, Bondi Junction, as shown in Figure 2 of the report, subject to the 'No Stopping' distance being increased from 16.6 metres to 20 metres and the parking being rear-facing (rear to kerb) with line marking of individual spaces angled 60 degrees to the east from the kerb, and publicly exhibits the updated concept design for 28 days.
2. Officers provide Councillors with additional information on the line marking changes at the intersection of Ebley Street and Bronte Road prior to the next Council meeting.

3. Delegates authority to the Executive Manager, Infrastructure Services, to modify the design should the outcomes of the public exhibition or on-site circumstances warrant changes.

Voting members present for this item: Representative of the Member for Coogee, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/C.03/23.08 113 Macpherson Street, Bronte - Parking Restriction Changes (A14/0145)

COUNCIL OFFICER'S PROPOSAL:

That Council:

1. Changes the 'Truck Zone, 9 am–12 pm Mon–Sat, Taxi Zone at Other Times' in front of 113 Macpherson Street, Bronte, to 'Truck Zone, 9 am–12 pm Mon–Sat.'
2. Relocates the 'No Stopping' left sign in front of 2 Yanko Avenue, Bronte, 2 metres to the south.
3. Installs a 'No Stopping' left/right sign in front of 116 Macpherson Street.
4. Installs a No Stopping' left/right sign in front of 113 Macpherson Street.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That:

1. The Council Officer's Proposal not be adopted.
2. Council defers this item to the next Traffic Committee meeting to consider 15-minute parking and motorbike parking at the corner of 1 Yanko Avenue and Macpherson Street, Bronte.

Voting members present for this item: Representative of the Member for Coogee, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/C.04/23.08 Bronte Bowling Club, 16-24 Wallace Street, Waverley - Loading Zone - Review (A14/0145)

COUNCIL OFFICER'S PROPOSAL:

That Council converts the temporary 12 metre 'Loading Zone, 12 pm–4 pm, Tuesday, Thursday' on the eastern side of Wallace Street, Waverley, in front of Bronte Bowling Club, into a permanent zone.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Coogee, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/C.05/23.08 71-85 Spring Street, Bondi Junction - Pick-Up/Drop-Off (PUDO) Zone (A20/0336)**COUNCIL OFFICER'S PROPOSAL:**

That Council changes the 'No Parking, 7 am–10 pm Mon–Fri, Council Authorised Vehicles Excepted' zone in front of 71-85 Spring Street, Bondi Junction, to a 'No Parking, Pick Up and Drop Off' (PUDO) zone.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Coogee, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/C.06/23.08 267 Birrell Street, Bronte - Mobility Parking Space - Removal (A20/0534)**COUNCIL OFFICER'S PROPOSAL:**

That Council removes the mobility parking space in front of 267 Birrell Street, Bronte.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Coogee, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/V STATE ELECTORATE OF VAUCLUSE**TC/V.01/23.08 12 Penkivil Street, Bondi - 'P Motor Bikes Only' Parking Zone (A21/0065)**

Cr Kay declared a significant non-pecuniary interest in this item and informed the meeting that a relative owns 10 Penkivil Street. Cr Kay was not present at, or in sight of, the meeting for the consideration and vote on this item.

COUNCIL OFFICER'S PROPOSAL:

That Council installs a 4.4 metre 'P Motor Bikes Only' parking zone in front of 12 Penkivil Street, Bondi.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Vacluse, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/V.02/23.08 60 Beach Road, Bondi Beach - 'P Motor Bikes Only' Parking Zone (A21/0065)**COUNCIL OFFICER'S PROPOSAL:**

That Council installs a 7.4 metre 'P Motor Bikes Only' parking zone between the driveways of 60 Beach Road and 122 Glenayr Avenue, Bondi Beach.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Vaucluse, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/V.03/23.08 7 O'Donnell Street, North Bondi - Mobility Parking Space (A20/0534)**COUNCIL OFFICER'S PROPOSAL:**

That Council installs a 5.4 metre mobility parking space in Military Road, North Bondi, adjacent to 7 O'Donnell Street.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Vaucluse, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/V.04/23.08 55 Ocean Street, Bondi - Construction Zone (A03/2514-04)**COUNCIL OFFICER'S PROPOSAL:**

That Council:

1. Installs a 9 metre 'No Parking, 7 am–5 pm Mon–Fri, 8 am–3 pm Sat, Council Authorised Vehicles Excepted' construction zone in front of 55 Ocean Street, Bondi.
2. Requires the applicant to notify residents in the vicinity of the construction zone prior to it being installed.
3. Delegates authority to the Executive Manager, Infrastructure Services, to adjust the length and duration of, or remove, the construction zone as necessary.

WTC RECOMMENDATION (UNANIMOUS SUPPORT):

That the Council Officer's Proposal be adopted.

Voting members present for this item: Representative of the Member for Vaucluse, NSW Police representative, TfNSW representative and Waverley Council representative (Chair).

TC/CV ELECTORATES OF COOGEE AND VAUCLUSE

Nil.

THE MEETING CLOSED AT 11.00 AM.

.....
SIGNED AND CONFIRMED
MAYOR
12 SEPTEMBER 2023

:

MAYORAL MINUTES CM/6/23.09

Subject: Mayoral Minutes

Author: Mayor of Waverley, Cr Paula Masselos



Mayoral minutes are permissible at Waverley Council meetings under the Waverley Code of Meeting Practice. Clauses 9.7–9.11 of the Code state:

Subject to clause 9.10, if the mayor is the chair at a meeting of the council, the mayor may, by minute signed by the mayor, put to the meeting without notice any matter or topic that is within the jurisdiction of the council, or of which the council has official knowledge.

A mayoral minute, when put to a meeting, takes precedence over all business on the council's agenda for the meeting. The chair (but only if the chair is the mayor) may move the adoption of a mayoral minute without the motion being seconded.

A recommendation made in a mayoral minute put by the mayor is, so far as it is adopted by the council, a resolution of the council.

A mayoral minute must not be used to put without notice matters that are routine and not urgent, or matters for which proper notice should be given because of their complexity. For the purpose of this clause, a matter will be urgent where it requires a decision by the council before the next scheduled ordinary meeting of the council.

Where a mayoral minute makes a recommendation which, if adopted, would require the expenditure of funds on works and/or services other than those already provided for in the council's current adopted operational plan, it must identify the source of funding for the expenditure that is the subject of the recommendation. If the mayoral minute does not identify a funding source, the council must defer consideration of the matter, pending a report from the general manager on the availability of funds for implementing the recommendation if adopted.

REPORT CM/7.1/23.09



Subject: Election of Mayor and Deputy Mayor by Councillors

TRIM No: SF23/196

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council:

1. Notes that the term of office of the Mayor elected at this meeting is up to and including 13 September 2024.
2. Agrees to elect a Deputy Mayor to hold office up to and including 13 September 2024.
3. Notes the procedure for the election of Mayor and Deputy Mayor by Councillors outlined in the report.
4. Determines the method of voting for the election of Mayor and Deputy Mayor to be the open voting method.

1. Executive Summary

Waverley Councillors must elect a Mayor from among their number every two years. The current Mayor was elected in January 2022.

Councillors may also elect a person from their number to be Deputy Mayor. The Deputy Mayor may be elected for the mayoral term or a shorter term.

The procedure to elect a Mayor and Deputy Mayor is prescribed in schedule 7 of the *Local Government (General) Regulation 2021*. The procedure is outlined in this report and schedule 7 is attached for your reference.

This report recommends that Council elects by open voting method a Mayor and a Deputy Mayor for the period up to and including 13 September 2024. Councillors cease to hold office on 14 September 2024, which is the date of the next local government elections.

2. Introduction/Background

The *Local Government Act 1993* (the Act) and the *Local Government (General) Regulation 2021* (the Regulation) determine the requirements and procedures for the election of Mayor and Deputy Mayor by Councillors. I have outlined the key elements of the procedures below and have attached schedule 7 of the Regulation to this report at Attachment 1.

Before conducting an election, Council is required to determine the method of voting it wishes to use for the election. If more than one nomination is received, the method of voting can be either by open voting

method, ordinary ballot method or preferential ballot method. I will explain each voting method in more detail below. This report recommends that the open voting method be used.

3. Relevant Council Resolutions

Nil.

4. Discussion

The Returning Officer for the election of Mayor and Deputy Mayor by Councillors is the General Manager.

To assist you in understanding the various procedures for election and requirements for voting, I have summarised the key elements below.

The Mayor

A council must have a mayor (s 225 of the Act).

A mayor elected by councillors holds the office of mayor for two years, subject to the Act. The period of office commences on the day the councillor is declared to be elected as mayor. It becomes vacant when the mayor ceases to hold office as a councillor (s 230 of the Act).

At this election, the term of office of the Mayor is for the period up to and including 13 September 2024, as councillors cease to hold office on 14 September 2024, which is the date of the next local government elections.

The Deputy Mayor

Councillors may elect a person from among their number to be deputy mayor. The term can be for the period of the mayoral term or a shorter term. The deputy mayor exercises functions of the mayor at the request of the mayor or if the mayor is prevented by illness, absence or otherwise from exercising these functions (s 231 of the Act).

It is recommended that a deputy mayor be elected for the mayoral term; that is, up to and including 13 September 2024. For the four-year Council term commencing after the next local government elections, officers will recommend that Council aligns the term of the Deputy Mayor with the two-year mayoral term, as permitted by s 231(2) of the Act.

Nomination forms

Under the Act, councillors may be nominated without notice for election as mayor or deputy mayor. The nomination must be in writing by two or more councillors (one of whom may be the nominee) and is not valid unless the nominee has indicated consent to the nomination in writing. The nomination forms can be delivered to the Returning Officer any time up to and including the calling of nominations for each election.

Once the Returning Officer has finished the call for nominations for each election, the Returning Officer will announce the names of the nominees received. If there is one nomination, that councillor is declared to be elected. If there is more than one nomination the Returning Officer will proceed to the election. A copy of the nomination form to be used for the election is attached to this report at Attachment 2 and will also be distributed to councillors separately with the agenda.

Method of voting

The Returning Officer will carry out the election in accordance with the method of voting determined by Council.

The open voting method means voting by a show of hands or similar means.

In the event that Council chooses the ordinary ballot or preferential ballot method, the Returning Officer has prepared a ballot paper, which will be distributed at the meeting. The Returning Officer will give clear instructions to Councillors on their requirements for voting in the election and each ballot paper will include instructions on the face of the paper. The Returning Officer will conduct the election using a ballot box for the return of the ballot papers, and the appropriate documents for the recording of votes.

On counting of the ballot papers, the Returning Officer will use the relevant provisions of the Regulation to determine formality and informality of ballot papers. The Returning Officer will check each vote for formality, count the votes for the Councillors nominated, and declare the election, so long as there is no equal number of votes.

In the case of an equal number of votes, the Returning Officer will need to then proceed to choose the candidate by lot.

Open voting can be undertaken by audio-visual link. Ordinary and preferential ballots are secret ballots, and Councillors would need to attend the meeting in person if either of these voting methods were chosen.

Choosing by lot

The names of the candidates who have equal number of votes will be written on a similar slip of paper by the Returning Officer then folded by the Returning Officer so as to prevent the names from being seen. The Returning Officer will then place the slips into identical containers. The containers will be placed into the ballot box and then mixed, and one is drawn at random by the Returning Officer. The candidate whose name is on the slip within the drawn container is chosen.

Results

The result of the election, including the name of the candidate elected as Mayor and Deputy Mayor, will be announced at the meeting by the Returning Officer and the next day sent to the Office of Local Government and Local Government NSW.

5. Financial impact statement/Time frame/Consultation

There is no unbudgeted cost to Council to hold the Mayoral Election.

The term of the office of Mayor at this election is up to and including 13 September 2024, which is the day before the next local government elections, when councillors cease to hold office.

It is recommended that a Deputy Mayor be elected for the period up to and including 13 September 2024 to match the mayoral term.

6. Conclusion

The election of the Mayor and Deputy Mayor will be undertaken by the voting method chosen by Council and in accordance with the requirements of the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*.

7. Attachments

1. Schedule 7 - Local Government (General) Regulation 2021 [↓](#)
2. Nomination form for election of Mayor and Deputy Mayor [↓](#) .

Local Government (General) Regulation 2021

Current version for 1 July 2023 to date (accessed 7 September 2023 at 09:33)

[Schedule 7](#)

Schedule 7 Election of mayor by councillors

(Section 394)

Part 1 Preliminary

1 Returning officer

The general manager (or a person appointed by the general manager) is the returning officer.

2 Nomination

- (1) A councillor may be nominated without notice for election as mayor or deputy mayor.
- (2) The nomination is to be made in writing by 2 or more councillors (one of whom may be the nominee). The nomination is not valid unless the nominee has indicated consent to the nomination in writing.
- (3) The nomination is to be delivered or sent to the returning officer.
- (4) The returning officer is to announce the names of the nominees at the council meeting at which the election is to be held.

3 Election

- (1) If only one councillor is nominated, that councillor is elected.
- (2) If more than one councillor is nominated, the council is to resolve whether the election is to proceed by preferential ballot, by ordinary ballot or by open voting.
- (3) The election is to be held at the council meeting at which the council resolves on the method of voting.
- (4) In this section—

ballot has its normal meaning of secret ballot.

open voting means voting by a show of hands or similar means.

Part 2 Ordinary ballot or open voting

4 Application of Part

This Part applies if the election proceeds by ordinary ballot or by open voting.

5 Marking of ballot-papers

- (1) If the election proceeds by ordinary ballot, the returning officer is to decide the manner in which

Local Government (General) Regulation 2021 [NSW]

votes are to be marked on the ballot-papers.

- (2) The formality of a ballot-paper under this Part must be determined in accordance with section 345 of this Regulation as if it were a ballot-paper referred to in that section.
- (3) An informal ballot-paper must be rejected at the count.

6 Count—2 candidates

- (1) If there are only 2 candidates, the candidate with the higher number of votes is elected.
- (2) If there are only 2 candidates and they are tied, the one elected is to be chosen by lot.

7 Count—3 or more candidates

- (1) If there are 3 or more candidates, the one with the lowest number of votes is to be excluded.
- (2) If 3 or more candidates then remain, a further vote is to be taken of those candidates and the one with the lowest number of votes from that further vote is to be excluded.
- (3) If, after that, 3 or more candidates still remain, the procedure set out in subsection (2) is to be repeated until only 2 candidates remain.
- (4) A further vote is to be taken of the 2 remaining candidates.
- (5) Section 6 of this Schedule then applies to the determination of the election as if the 2 remaining candidates had been the only candidates.
- (6) If at any stage during a count under subsection (1) or (2), 2 or more candidates are tied on the lowest number of votes, the one excluded is to be chosen by lot.

Part 3 Preferential ballot**8 Application of Part**

This Part applies if the election proceeds by preferential ballot.

9 Ballot-papers and voting

- (1) The ballot-papers are to contain the names of all the candidates. The councillors are to mark their votes by placing the numbers “1”, “2” and so on against the various names so as to indicate the order of their preference for all the candidates.
- (2) The formality of a ballot-paper under this Part is to be determined in accordance with section 345 of this Regulation as if it were a ballot-paper referred to in that section.
- (3) An informal ballot-paper must be rejected at the count.

10 Count

- (1) If a candidate has an absolute majority of first preference votes, that candidate is elected.
- (2) If not, the candidate with the lowest number of first preference votes is excluded and the votes on the unexhausted ballot-papers counted to him or her are transferred to the candidates with

Local Government (General) Regulation 2021 [NSW]

second preferences on those ballot-papers.

- (3) A candidate who then has an absolute majority of votes is elected, but, if no candidate then has an absolute majority of votes, the process of excluding the candidate who has the lowest number of votes and counting each of his or her unexhausted ballot-papers to the candidates remaining in the election next in order of the voter's preference is repeated until one candidate has received an absolute majority of votes. The latter is elected.
- (4) In this section, ***absolute majority***, in relation to votes, means a number that is more than one-half of the number of unexhausted formal ballot-papers.

11 Tied candidates

- (1) If, on any count of votes, there are 2 candidates in, or remaining in, the election and the numbers of votes cast for the 2 candidates are equal—the candidate whose name is first chosen by lot is taken to have received an absolute majority of votes and is therefore taken to be elected.
- (2) If, on any count of votes, there are 3 or more candidates in, or remaining in, the election and the numbers of votes cast for 2 or more candidates are equal and those candidates are the ones with the lowest number of votes on the count of the votes—the candidate whose name is first chosen by lot is taken to have the lowest number of votes and is therefore excluded.

Part 4 General

12 Choosing by lot

To choose a candidate by lot, the names of the candidates who have equal numbers of votes are written on similar slips of paper by the returning officer, the slips are folded by the returning officer so as to prevent the names being seen, the slips are mixed and one is drawn at random by the returning officer and the candidate whose name is on the drawn slip is chosen.

13 Result

The result of the election (including the name of the candidate elected as mayor or deputy mayor) is—

- (a) to be declared to the councillors at the council meeting at which the election is held by the returning officer, and
- (b) to be delivered or sent to the Secretary and the Chief Executive Officer of Local Government NSW.



NOMINATION FORM FOR ELECTION
OF MAYOR / DEPUTY MAYOR

We, the undersigned, nominate:

Councillor _____

For election to the position of Mayor / Deputy Mayor (*)

Councillor: _____

Signature: _____

Councillor: _____

Signature: _____

Date: _____

CONSENT OF NOMINEE

I agree to the nomination for the election of Mayor / Deputy Mayor (*)

Councillor: _____

Signature: _____

Date: _____

(*) Strike out whichever is not applicable.

ONCE COMPLETED PLEASE SUBMIT THIS FORM TO THE RETURNING OFFICER

REPORT
CM/7.2/23.09**Subject:** Appointment of Councillors to Committees**TRIM No:** SF23/196**Manager:** Emily Scott, General Manager**Director:** Emily Scott, General Manager

RECOMMENDATION:

That Council:

1. Disestablishes the Surf Life Saving Club Committee for the reasons set out in the report.
2. Appoints Councillors to the committees listed in section 4 of the report up to and including 13 September 2024.
3. Appoints delegates to the organisations listed in section 4 of the report up to and including 13 September 2024.

1. Executive Summary

In September each year, Council appoints Councillors, and chairs where required, to its Council committees, technical committees and advisory committees, and appoints delegates to external organisations.

A list of committees and organisations requiring Councillor appointments, and their most recent membership, is included in section 4 of this report.

It is recommended that Council appoints councillors to these positions up to and including 13 September 2024. Councillors cease to hold office on 14 September 2024, which is the date of the next local government elections.

2. Introduction/Background

In September each year, Councillors are appointed to Council's committees and advisory committees, as well as to various organisations, generally for a period of 12 months. The appointments occur in September to align with the cycle of local government elections and the mayoral and deputy mayoral elections. The next local government election will be held on 14 September 2024. The term of appointments will therefore expire on 13 September 2024.

A list of committees and organisations requiring Councillor appointments, and their most recent membership, is included in section 4 of this report.

3. Relevant Council Resolutions

Nil.

4. Discussion

The list of committees below requiring Councillor appointments has been updated, with the following comments:

- Council recently merged the Arts and Culture Advisory Committee and the Public Art Committee into the Arts, Culture and Creativity Advisory Committee. The Arts, Culture and Creativity Advisory Committee is listed below for Councillor appointments.
- The Floodplain Management Committee is the subject of a separate report to be considered by Council.
- The Surf Life Saving Club Committee has not met for several years. The relevant officers believe the current communication channels with each of the clubs have been working sufficiently without the committee structure. This includes monthly Project Control Group meetings with the clubs we are in public private partnerships with, quarterly meetings with the North Bondi club to discuss operational matters related to the building operations and meetings as required throughout the patrol seasons with the Lifeguard Service and Summer Safety Program. It is therefore recommended that Council disestablishes the Surf Life Saving Club Committee.
- The Waverley Business Forum has evolved into the Innovation Forum, which is held once a year in May. There is no membership of the Forum, but Councillors are invited to attend. The Business Forum has accordingly been removed from the list of bodies for Councillor appointment.
- The NSW Public Libraries Association meets quarterly in addition to an annual general meeting. Meetings are held at different Sydney and regional libraries and by video conference. Council's Library Manager also attends the meetings.
- Councillor appointments to the Centennial Parklands Community Trustee Board, Sydney Football Stadium Consultative Committee and Sydney Water Reference Group will be considered at the first meeting of the new Council following the local government elections in 2024.

This term of appointments is up to and including 13 September 2024, as councillors cease to hold office on 14 September 2024, which is the date of the next local government elections. For the next Council term, officers will recommend that Council aligns the term of Councillor appointments with the two-year mayoral term.

The Mayor automatically chairs Council Committees unless she or he declines to do so. If the Mayor declines, Council should appoint the chair of the committee.

The requirements for the appointment of Councillors to Council's other committees are set out in each committee's charter or terms of reference. Unless specified otherwise, the Mayor, or the Mayor's nominee, chairs these committees.

The committees and organisations requiring Councillor appointments and their most recent membership are listed below.

COUNCIL COMMITTEES

Committee name: **Finance, Operations and Community Services Committee**

No. of Councillors to be appointed: All Councillors are members of this committee.

Chair of Committee: The Mayor unless s/he declines in which case Council will appoint the Chair.

Most recent membership: Crs Wy Kanak (Chair), Murray (Deputy Chair) and all other Councillors.

Committee name: **Strategic Planning and Development Committee**

No. of Councillors to be appointed: All Councillors are members of this committee.

Chair of Committee: The Mayor unless s/he declines in which case Council will appoint the Chair.

Most recent membership: Crs Lewis (Chair), Fabiano (Deputy Chair) and all other Councillors.

TECHNICAL COMMITTEES

Committee name: **Traffic Committee**

No. of Councillors to be appointed: Council must appoint one voting representative to the Committee. Council's voting representative may be the Mayor, a Councillor or an employee of Council. Council must also appoint an alternate.

Chair of Committee: The Chair of the Committee is Council's voting representative.

Most recent membership: Cr Masselos (Chair), Crs Kay and Fabiano (Deputy Chairs).

ADVISORY COMMITTEES

Committee name: **Access and Inclusion Advisory Panel**

No. of Councillors to be appointed: Mayor and three councillors.

Chair of Committee: The Mayor, or if the Mayor declines the position, the Mayor shall nominate a Councillor to chair the Committee.

Most recent membership: Crs Keenan (Chair), Gray (Deputy Chair), Fabiano and Kay.

Committee name:	<u>Arts, Culture and Creativity Advisory Committee</u>
No. of Councillors to be appointed:	The Mayor and up to two councillors.
Chair of Committee:	The Mayor, or if the Mayor declines the position, the Mayor shall nominate a Councillor to chair the Committee.
Most recent membership:	Nil.
Committee name:	<u>Audit, Risk and Improvement Committee</u>
No. of Councillors to be appointed:	One and an alternate. The Mayor cannot be a member of this Committee.
Chair of Committee:	An Independent Member (non-Councillor).
Most recent membership:	Cr Wy Kanak (alternates: Crs Murray and Betts).
Committee name:	<u>Cycling Advisory Committee</u>
No. of Councillors to be appointed:	Mayor (or Mayor's nominee) and two Councillors.
Chair of Committee:	The Mayor, or if the Mayor declines the position, the Mayor shall nominate a Councillor to chair the Committee.
Most recent membership:	Crs Lewis (Chair), Keenan (Deputy Chair) and Goltsman.
Committee name:	<u>Sustainability Expert Advisory Panel</u>
No. of Councillors to be appointed:	Mayor (or Mayor's nominee) and three Councillors.
Chair of Committee:	A Councillor appointed by Council.
Most recent membership:	Crs Keenan (Chair), Masselos (Deputy Chair), Fabiano and Nemesh.
Committee name:	<u>Housing Advisory Committee</u>
No. of Councillors to be appointed:	The Mayor (or the Mayor's nominee) and three councillors.
Chair of Committee:	The Mayor, or if the Mayor declines the position, the Mayor shall nominate a Councillor to chair the Committee.
Most recent membership:	Crs Masselos (Chair), Keenan (Deputy Chair) and Betts.

Committee name:	<u>Multicultural Advisory Committee</u>
No. of Councillors to be appointed:	The Mayor (or the Mayor's nominee) and up to three Councillors.
Chair of Committee:	The Mayor, or if the Mayor declines the position, the Mayor shall nominate a Councillor to chair the Committee.
Most recent membership:	Crs Masselos (Chair) and Fabiano (Deputy Chair).

Committee name:	<u>Reconciliation Action Plan Advisory Committee</u>
No. of Councillors to be appointed:	Mayor (or Mayor's nominee) and three councillors.
Chair of Committee:	The Mayor, or if the Mayor declines the position, the Mayor shall nominate a Councillor to chair the Committee.
Most recent membership:	Crs Masselos (Chair), Wy Kanak (Deputy Chair) and Gray.

**APPOINTMENT OF COUNCILLORS AS DELEGATES
TO ORGANISATIONS**

Name:	<u>NSW Public Libraries Association</u>
No. of Councillors to be appointed:	One.
Most recent membership:	Cr Lewis.

Name:	<u>Southern Sydney Regional Organisation of Councils – Board</u>
No. of Councillors to be appointed:	A maximum of two delegates and two alternates (one delegate to be the Mayor).
Most recent membership:	Crs Masselos (Mayor) and Keenan (Deputy Mayor), alternates: Crs Fabiano and Murray.

Name:	<u>Southern Sydney Regional Organisation of Councils – Program Delivery Committee</u>
Description:	Deals with asset management, public works, procurement, waste management and SSROC financial reports.
No. of Councillors to be appointed:	One.
Most recent membership:	Cr Masselos (Mayor), alternate: Cr Wy Kanak.

Name:	<u>Southern Sydney Regional Organisation of Councils – Sustainability Program Committee</u>
Description:	Deals with regional planning, environmental management, transport planning and management, and community development.
No. of Councillors to be appointed:	One.
Most recent membership:	Cr Fabiano, alternate: Cr Murray.

Name:	<u>Sydney Coastal Council Group – Delegate</u>
No. of Councillors to be appointed:	One Councillor (no alternate).
Most recent membership:	Cr Wy Kanak.

Name:	<u>Sydney Coastal Council Group – Executive Committee</u>
No. of Councillors to be appointed:	One Councillor (no alternate and must not be the delegate).
Most recent membership:	Cr Masselos.

5. Financial impact statement/Time frame/Consultation

There is no unbudgeted cost to Council in appointing Councillors to the committees and various organisations.

Time frame

Councillors become members of their respective committees for the term specified by Council as soon as the resolution is passed by Council. The term of appointment is up to and including 13 September 2024, which is the day before the next local government elections, when councillors cease to hold office.

Consultation

The various organisations have been consulted to confirm membership requirements.

6. Conclusion

It is recommended that Council appoints Councillors, and chairs where required, to its Council Committees, technical committees and advisory committees, and appoints delegates to various organisations, as listed in section 4 of this report up to and including 13 September 2024.

7. Attachments

Nil.

**REPORT
CM/7.3/23.09**

Subject: Floodplain Management Committee

TRIM No: A23/0567

Manager: Sam Samadian, Acting Executive Manager, Infrastructure Services

Director: Sharon Cassidy, Director, Assets and Operations

RECOMMENDATION:

That Council:

1. Reinstates the Floodplain Management Committee.
2. Adopts the Terms of Reference for the Floodplain Management Committee attached to the report.
3. Appoints the Mayor and Crs [INSERT NAME] and [INSERT NAME] to the Committee up to and including 13 September 2024.
4. Calls for expressions of interest for up to four community representatives to be appointed to the Committee for a two-year term.

1. Executive Summary

This report seeks Council's approval to reinstate the Floodplain Management Committee, appoint Councillor members to the Committee and conduct an expression of interest for community members. It also seeks Council's adoption of a revised terms of reference for the Committee.

The Floodplain Management Committee was created in 2018 for the term of the Waverley Local Government Area (LGA) Flood Study and has not met since the Flood Study was endorsed by Council in April 2021.

It is proposed that the Floodplain Management Committee be reinstated for the term of the Flood Risk Management Study and Plan and be disestablished once the final documents are approved by Council, which is expected to be approximately two years from the date a consultant is engaged to implement the Flood Risk Management Study and Plan.

2. Introduction/Background

A Floodplain Management Committee was established in 2018 to assist Council in the development and implementation of floodplain management studies and plans. Committee membership comprised Councillors, community representatives, Council staff and State Government representatives. The Committee provided advice to Council and made recommendations on flooding-related policies and objectives as well as the implementation of the floodplain management process. The Waverley LGA Flood Study was endorsed by Council in April 2021 and the Committee has not met since then.

The next stage of the floodplain management process is to engage a consultant to implement the Flood Risk Management Study and Plan for the 12 hotspot areas identified in the 2021 LGA wide Flood Study. It is

recommended that the Floodplain Management Committee be reinstated to provide advice and assist in the process.

It is further recommended that Council appoints Councillor members to the Committee, conducts an expression of interest for community members and adopts a revised terms of reference for the Committee.

3. Relevant Council Resolutions

Meeting and Date	Item Number	Resolution
Strategic Planning and Development Committee 13 April 2021	PD/5.5/21.04	That Council: <ol style="list-style-type: none"> Endorses the Waverley LGA Flood Study attached to the report as Council's current understanding of flood behaviour within the local government area. Uses the knowledge derived from the Waverley LGA Flood Study to mitigate flood risk through applying planning controls to proposed development activities on land identified as flood-affected. Notes the recent grant application to the Department of Planning, Industries and Environment for the Floodplain Risk Management Study and Plan.
Council 19 May 2020	CM/7.8/20.05	That Council: <ol style="list-style-type: none"> Publicly exhibits the draft Waverley LGA Flood Study attached to this report for six weeks, and sends the report to the relevant precincts with an offer of a briefing or presentation should the COVID-19 health orders allow or via Zoom or other appropriate video conferencing platform. Convenes a Waverley Council Floodplain Management Committee meeting to review the findings of the public consultation. Receives a further report for endorsement by Council of the final Waverley LGA Flood Study.
Council 21 August 2018	CM/7.9/18.08	That Council: <ol style="list-style-type: none"> Establishes the Waverley Council Floodplain Management Committee. Adopts the Constitution and Terms of Reference for the Committee attached to this report subject to amending the Constitution by the addition of two more community members chosen by way of expressions of interest so that residents can have input into the process. Appoints the Mayor, or their delegate, as Chair of the committee, and Crs Copeland and Betts as councillor members, and amends the constitution accordingly.

4. Discussion

Terms of reference

The Committee's terms of reference require some amendments since being adopted by Council in 2018. The amendments are as follows and have been marked-up in the draft document attached to the report:

- The name of the Committee has changed to 'Floodplain Management Committee.'
- The heading 'Determinations' has changed to 'Decision-making'.
- Council's values have been updated.
- The following words have been added under the new heading 'Chair': 'The Committee will be chaired by the Executive Manager, Infrastructure Services, or their nominee.'
- The Committee's membership has been updated to include Precincts, Centennial Parklands and relevant Council staff. Members from Randwick Council are no longer required on the committee as the hotspot areas do not affect the Randwick LGA. Table 1 below has been updated in the Terms of Reference to reflect these changes.

Table 1. Revised membership table.

Representative		Number	Method of appointment
Waverley Council	Mayor and Councillors	3	Resolution of Council
	Community representatives	4	EOI
	Council staff	6	By job position
	Precincts	2	Nominated by Precincts
	Centennial Parklands	1	Nominated by Centennial Parklands
	State Emergency Service (SES)	1	Nominated by SES
	Sydney Water	1	Nominated by Sydney Water
	NSW Department of Planning and Environment (DPE)	1	Nominated by DPE

EOI evaluation process

A thorough evaluation process is proposed to be carried out to assess and determine the most suitable applicants to be members of the Floodplain Management Committee. Through the expression of interest (EOI) via Have Your Say (HYS), the community will have the opportunity to apply to be members of the Committee.

The EOI applications will be assessed by a panel according to criteria, including but not limited to; knowledge of flood risk management, genuine interest for the project holistically, and residence in the Waverley LGA. The proposed members will be submitted to Council for approval.

5. Financial impact statement/Time frame/Consultation

Council has received financial support from the State Floodplain Management program, managed by the Environment and Heritage Group (EHG) of Department of Planning and Environment, to undertake a Flood Risk Management Study and Plan.

There is \$113,998 grant funding towards the project and the remainder of the cost will be covered by SAMP.

Should Council resolve to reinstate the Committee, it could be scheduled to become operational by the end of 2023.

The Councillor appointments are up to and including 13 September 2024, which is the day before the next local government elections, when councillors cease to hold office.

6. Conclusion

This report recommends the reinstatement the Floodplain Management Committee. It also provides draft terms of reference. Should Council resolve to reinstate the Committee, it is further recommended that Council adopts the amended terms of reference and appoints the Mayor and two Councillor members to the Committee. Council would then also seek expressions of interest for non-Councillor members of the Committee to serve up to a two-year term from their appointment. Proposed members will subsequently be submitted to Council for approval.

7. Attachments

1. Draft Floodplain Management Committee Terms of Reference [↓](#) .



TERMS OF REFERENCE

~~WAVERLEY COUNCIL~~ FLOODPLAIN MANAGEMENT COMMITTEE

1. Name

The Committee shall be known as the ~~Waverley Council~~ Floodplain Management Committee.

2. Objectives

The objective of the Committee is to oversee the implementation of the State Government's Flood Prone Land Policy in entire area of Waverley Council. That is:

- 2.1 To reduce the impact of flooding and flood damages on individual owners and occupiers of land.
- 2.2 To reduce private and public losses resulting from flooding.
- 2.3 To ensure that flood liable land is recognized as a valuable resource.
- 2.4 To utilize environmentally positive methods wherever possible.

3. Strategies

The strategies that are to be employed by the Committee to meet the objectives are:

- 3.1 Commission Flood Studies or build on existing studies.
- 3.2 Define Hydraulic and Hazard Categories
- 3.3 Determine Management options via Floodplain Management Studies.
- 3.4 Develop and update a Floodplain Management Plan.
- 3.5 Establish development control options.

4. Principles

This Committee will operate under the following guiding principles:

- 4.1 The Committee will work in partnership with Council and other community and government organisations while working within the bounds of the above objectives and the roles and responsibilities referred to below.
- 4.2 The Committee and its members will actively liaise with the local community and council and will regularly communicate its activities and decisions to council.
- 4.3 The Committee will form a view on matters before it and shall respond in a timely manner. In those instances where requests for comment are made by Council, the Committee can request the Council to incorporate such views into council reports being prepared on the subject.
- 4.4 The Committee and its members will seek to reach a consensus position on all issues and matters dealt with by the Committee.
- 4.5 The Committee and its members will continuously identify opportunities for the improvement of the operation of the Committee.

5. ~~Determinations~~Decision - making

The Committee shall be an advisory body, operating on a consensus basis, which submits recommendations for consideration by Waverley Council, ~~and Randwick City Council.~~

Where formal voting is required, each member of the Committee shall have one vote. In the event of an equality of votes the Chairperson shall have a casting vote.

6. Council's Code of Conduct

Committee members agree to abide by Council's adopted Code of Conduct a copy of which will be provided to all Committee members.

7. Values

Committee members agree to abide by Council's adopted values, which are as follows:

- Care
- Respect
- Integrity
- Innovation
- Collaboration

~~Committee members agree to abide by Council's adopted 'TREC' values, which are as follows:~~

~~**Together** is mindful of how our decisions/actions could potentially impact others and is consistently consulting/communicating.~~

~~**Responsible** is accountable and answerable for our own behavior and acting with integrity and honesty.~~

~~**Engaging** is providing quality customer service and building customer relationships.~~

~~**Creative** is being innovative and proactive to explore new ideas and opportunities.~~

8. Responsibilities of members

Committee members are asked to contribute their time and views on matters listed on the agenda of Committee meetings, free of bias. Committee members are required to comply with the Committee adopted Terms of Reference and Constitution and to abide by Council's Code of Conduct and ~~TREC~~ Values.

9. Responsibilities of Council

Council will provide secretariat support, including minute taking and professional officer support as appropriate.

10. Delegated authority

Delegations are functions carried out by the Council that are delegated to employees or other bodies (including community Committees) to carry out on its behalf.

Generally speaking Council's community Committees are advisory and, as such, do not have any delegated authority from Council.

This Committee has not been delegated authority by Council. Any decisions of the Committee must be referred to Council or implemented by a member of staff with an appropriate delegation.

11. Membership

The Committee shall consist of the following members:

Representative		Number	Method of appointment
Waverley Council	<u>Mayor & Councillors</u>	<u>23</u>	Resolution of Council
	Community representatives	4	Criteria specified below
	Council Staff	<u>46</u>	By job position
	<u>Precincts</u>	<u>2</u>	<u>Nominated by Precincts</u>
Randwick Council	<u>Councillors</u>	TBC	<u>Optional</u>
	<u>Council Staff</u>	TBC	<u>Optional</u>
	<u>Centennial Parklands</u>	<u>1</u>	<u>Nominated by Centennial Parklands</u>
	State Emergency Service (SES)	1	Nominated by SES
	Sydney Water	1	Nominated by Sydney Water
	<u>Office of Environment and Heritage (OEH)NSW Department of Planning and Environment (DPE)</u>	1	Nominated by OEH <u>DPE</u>

Community representatives will be sought through, existing community organisations such as the local Precinct Committee and the local Chamber of Commerce and self-nomination. The criteria taken into consideration for membership of the Committee as a community representative are:

- 11.1 Interest in issues relating to flooding and disaster management
- 11.2 Commitment to the interest of the community in flooding issues.
- 11.3 Interest in conserving, maintaining or protecting the natural environment.
- 11.4 Appreciation of Council's role and capabilities.
- 11.5 Ability to be part of the team and meet the common objective of the Committee.
- 11.6 Ability to represent community views in the floodplain management process and inform the community of the outcomes of the floodplain management process.

12. Amendments to terms of reference

These Terms of Reference shall only be amended by a resolution by Waverley Council.

REPORT
CM/7.4/23.09

Subject: Draft Financial Statements 2022-23

TRIM No: A23/0026

Manager: Teena Su, Executive Manager, Finance

Director: Tara Czinner, Director, Corporate Services

RECOMMENDATION:

That:

1. Council, in relation to the financial statements required by section 413(2)(c) of the *Local Government Act 1993*, resolves that in its opinion the General Purpose Financial Statements, Special Purpose Financial Statements and Special Schedules for the year ending 30 June 2023 attached to the report:
 - (a) Have been properly drawn up in accordance with the *Local Government Act 1993*, the *Local Government (General) Regulation 2021*, the Australian Accounting Standards and professional pronouncements, and the Local Government Code of Accounting Practice and Financial Reporting.
 - (b) To the best of the Council's knowledge and belief, present fairly Council's operating result and financial position for the year and accord with Council's accounting and other records.
2. Council is unaware of any matter that would render the financial statements false or misleading in anyway.
3. The Mayor, Deputy Mayor, General Manager and Responsible Accounting Officer sign:
 - (a) The Statement by Councillors and management for the General Purpose Financial Statements and Special Purpose Financial Statements on page 6 of the Annual Financial Statements attached to the report.
 - (b) The Statement by Councillors and management for the Special Purpose Financial Statements on page 3 of the Special Purpose Financial Statements attached to the report.
 - (c) The financial statements attached to the report.
4. Council sends the signed financial statements to Council's auditor for final clearance.
5. Council forwards a copy of the audited financial statements to the Office of Local Government.
6. Council gives public notice of the audited financial statements and presents them at a Council meeting, in accordance with sections 418 and 419 of the *Local Government Act 1993*.

1. Executive Summary

The purpose of this report is to present Council's draft Annual Financial Statements for the year ending 30 June 2023 and to refer the draft Annual Financial Statements for audit.

The high inflation rate, high interest rates, supply chain disruptions and a tight labour market, not experienced for many years, impacted Council's financial performance in 2022-23.

In the 2022-23 financial year, Council's financial performance delivered an operating surplus of \$17.0m, compared to the original budget of \$22.4m, or the revised budget (Q3) of \$24.3m.

Council continued the capital works program with an investment of \$36.6m against the current budget of \$43.5m.

Council has continued to operate successfully during the year despite challenging circumstances. It has achieved a net operating result for the 2022-23 financial year of \$17.0m surplus (2021-22: \$18.0m surplus) and a net operating result before capital grants and contributions of \$1.2m deficit (2021-22: \$6.2m deficit).

Despite the challenging times, Council remains agile and resilient to deliver its broader goals, such as its sustainability commitment.

2. Introduction/Background

Section 413 of the *Local Government Act 1993* (the Act) requires a council to prepare financial statements for each year, and as soon as practical resolve to refer the draft Annual Financial Statements for audit.

A declaration must be attached to the relevant financial statements and signed by the Mayor, Deputy Mayor, General Manager and Responsible Accounting Officer. The purpose sought by the Act is an acceptance of responsibility by the Council's elected members for its published annual financial statements.

Subject to Council's adoption of the recommendations contained in this report, Council will await the receipt of the Auditor's Report. Once received, the audited Annual Financial Statements will be made available for inspection and comments by members of the public.

The Executive Manager, Finance, has prepared the 2022-23 Financial Statements in accordance with the applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, the *Local Government Act 1993* and Regulation and the Local Government Code of Accounting Practice and Financial Reporting 2022-23 (the Code). Attached to this report are the draft Annual Financial Statements, incorporating the following:

- General Purpose Income Statement.
- General Purpose Statement of Comprehensive Income.
- General Purpose Balance Sheet.
- General Purpose Statement of Changes in Equity.
- General Purpose Statement of Cash Flows.
- Special Purpose Income Statement for Council's Other Business Activities.
- Special Purpose Balance Sheet for Council's Other Business Activities.
- Special Schedules (note that these schedules are not subjected to audit).

3. Relevant Council Resolutions

Nil.

4. Discussion

The net operating result for the year was a \$17.0m surplus compared to the prior year's \$18.0m surplus. This decline in result is predominately attributed to fair value adjustments and capital grants/contributions. Normalised operating result, adding back the fair valuation adjustment, gain or loss on disposal of assets and capital grants and contributions, showed a deficit in FY 2022-23 of \$1.2m versus \$6.2m deficit for the year prior, a \$5.0m improvement, predominately attributed to the infrastructure assets useful life review, which led to a reduction of \$6m in depreciation expenses.

The high inflation rate, disruption of the supply chain and a tight labour market have increased various service costs and delayed several capital projects, consequently project costs increased materially more than the original contract prices.

Overall income has increased by 0.5% (\$0.7m) to \$162.4m compared to the previous year of \$161.7m, while operating expense has increased by 1.2% (\$1.8m) to \$145.5m plus a \$36.4m investment to renew and upgrade Council's infrastructure assets, plant and office equipment in 2022-23.

Council met all the OLG benchmarks for financial sustainability measures, as summarised in the following table and how it compared with the benchmark and the previous year:

Table 1: Performance against benchmarks.

Indicator Statement	Quantitative Measures	Waverley		Industry	Waverley
		2022-23		Benchmark	2021-22
Operating Performance Ratio	Measures a Council's ability to contain operating expenditure within operating revenue.	1.74%	✓	> 0.00%	-2.58%
Own Source Operating Revenue Ratio	Measures the level of a Council's fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.	81.62%	✓	> 60%	78.25%
Unrestricted current ratio	The Unrestricted Current Ratio is specific to local government and is designed to represent a Council's ability to meet debt repayments as they fall due.	5.50x	✓	> 1.50x	5.42%
Debt Service Cover ratio	This ratio measures the availability of operating cash to service debt including interest, principal and lease payments.	24.41x	✓	> 2x	20.30%
Rates and Annual Charges outstanding percentage	This ratio assesses the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.	4.42%	✓	> 5%	4.75%
Cash expense cover ratio	This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.	9.64 mths	✓	> 3 mths	8.89 mths
Infrastructure asset performance indicators		2022-23		Benchmark	2021-22

Indicator	Quantitative Measures	Waverley		Industry	Waverley
Building and infrastructure renewals ratio	This ratio compares the proportion spent on infrastructure asset renewals and the asset's deterioration measured by its accounting depreciation. Asset renewal represents the replacement or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets or the refurbishment of old assets that increase capacity or performance.	220.29%	✓	>= 100%	290.14%
Infrastructure backlog ratio	This ratio shows what proportion the backlog is against total value of a Council's infrastructure.	1.09%	✓	< 2%	1.61%
Asset maintenance ratio	Compares actual vs required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.	102.90%	✓	> 100%	97.34%
Cost to bring assets to agreed service level	This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.	0.33%		N/A	0.27%

Cash, cash equivalents and investments

Cash, cash equivalents and investments totalled \$130.0m as at 30 June 2023, an increase of \$3.0m from the 2021-22 closing balance of \$127.0m. This is principally attributed to the early receipt of Federal and State Government grants and additional interest income.

In conclusion, Council continues to maintain a strong balance sheet and cash position as shown by the following summary of the income statement, balance sheet, cash and cash investments balance.

Table 2. Summary of the income statement, balance sheet, cash and cash investments balance.

Income statement - \$million	2022-23	2021-22
• Total income from continuing operations	\$162.4m	\$162.2m
• Total expenses from continuing operations	\$145.5m	\$143.7m
• Operating surplus/(deficit) from continuing operations	\$17.0m	\$18.0m
• Operating result before capital grants and contributions	(\$1.2m)	(\$6.2m)

Balance sheet - \$million	2022-23	2021-22
• Total assets	\$1,548.3m	\$1,392.6m
• Total liabilities	\$56.2m	\$56.7m
• Net assets	\$1,492.1m	\$1,336.0m

Cashflow statements - \$million	2022-23	2021-22
• Net operating cash flow	\$39.6m	\$42.0m
• Net Investment cash flow	(\$32.2m)	(\$47.7m)
• Net financial cash flow	(\$0.7m)	(\$0.9m)
• Net cash movements	\$6.7m	(\$6.6m)
• Total Cash, Cash Investments	\$130.0m	\$127.0m

Material effects or estimates

During the financial year, Council undertook a detailed review of its infrastructure assets' useful life in line with Morris Low's 2022 high-level fair value assessment. The detailed review has improved the accuracy of the asset's useful life, and depreciation has been reflected in the draft financial statements. The following table summarises the useful life changes resulting from the review.

Table 3. Useful life changes.

Asset Category – Useful Life	Current Useful Life (in Years)	Revised Useful Life (in Years)	Changes
Transportation asset			
Sealed roads: surface	20	20	0
Sealed roads: structure	50	60	10
Kerb & gutter and footpaths	40	75	35
Road pavements	60	60	0
Stormwater assets			
Drains	80 to 100	82 to 150	2 to 50
Culverts	50 to 80	50 to 80	0
Flood control structures	80 to 100	80 to 100	0
Other Infrastructure assets			
Other Infrastructure	20	30	10
Open Space & Recreations	20	50	30
Seawall	120	120	0

Table 4 below shows the material estimates.

Table 4. Material estimates.

	\$'M	Balance sheet	Income statement
Annual fair valuation of investment properties	(\$0.3)m	Per Note C1-6 reduced by \$0.3m	Recorded as Other Income under note B3-5
Annual fair value increase cash Investments	\$1.5m	Recognised non-cash gain in the value of Investment to make to market	Recorded as Other income \$ 1.5m note B2-6.
Losses on assets	(\$4.9)m	Any existing asset's structure has been demolished for the renewal upgrade works	Recorded as net loss from disposal Note B4-1
Revaluation of Community and Crown land	\$38.6m	Increase in asset value and equity \$38.6m as result of the Valuer General's land valuation December 2022	No impact on the Income Statement as land does not depreciate

	\$'M	Balance sheet	Income statement
Annual fair valuation of building and operating land	\$3.2m	Increase in asset value and equity \$3.2m after an independent desktop fair valuation	Nil, future changes to depreciation on the building category
Revaluation Infrastructure civil assets	\$97.4m	Increase in asset value and equity \$97.4m after a comprehensive valuation	Nil, future changes to depreciation

5. Financial impact statement/Time frame/Consultation

As recommended, Council is required to make various decisions in relation to the draft Financial Statements in accordance with the *Local Government Act 1993*. Once this is done, the Financial Statements will be referred for audit.

The draft Financial Statements will be presented to the Audit, Risk and Improvement Committee (ARIC) before the auditor gives the clearance of the Financial Statements audit.

Upon Council receiving the Auditor's audit report, the Audited Financial Statements FY 2022-23 will be advertised and forwarded to the NSW Office of Local Government. Following this, they will be presented to the next available Council meeting.

6. Conclusion

The Executive Manager, Finance, as the Responsible Accounting Officer, advises that Council's financial position is satisfactory.

The attached Financial Statements are required by section 413 of the *Local Government Act 1993* and the Local Government Code of Accounting Practice to be adopted for the purpose of referring for audit and signed by the Mayor, Deputy Mayor, General Manager and the Responsible Accounting Officer.

7. Attachments

1. Draft Annual Financial Statements - 2022-23 [↓](#) .

Annual Financial Statements

For the financial year ending 30 June 2023

Incorporating: General Purpose Financial Statements, Special Purpose Financial Statements, Special Schedules

waverley.nsw.gov.au



Waverley Council

GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2023

Connecting the city and the sea. A welcoming and cohesive community that celebrates and enhances our spectacular coastline, vibrant places, and rich cultural heritage.



Waverley Council

General Purpose Financial Statements for the year ended 30 June 2023

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Overview

Waverley Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

55 Spring Street
Bondi Junction NSW 2022

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

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

Waverley Council

General Purpose Financial Statements

for the year ended 30 June 2023

Executive Summary

The high inflation rate, high interest rates, supply chain disruptions and a tight labour market, not experienced for many years, impacted the Council's financial performance in 2022/23.

In the 2022/23 financial year, Council's financial performance delivered an Operating Surplus of \$17.0M, compared to the original budget of \$22.4M, or the revised budget (Q3) of \$24.3M.

Council continued the capital works program with an investment of \$36.6M against the current budget of \$43.5M.

The Council has continued to operate successfully during the year despite challenging circumstances. It has achieved a net operating result for the 2022/23 financial year of \$17.0M surplus (2021/22: \$18.0M surplus) and a net operating result before Capital Grants and Contributions of \$1.2M deficit (2021/22: \$6.2M deficit).

Despite the challenging times, the Council remains agile and resilient to deliver its broader goals, such as its sustainability commitment.

Sustainability

Waverley Council's scope 1 and 2 greenhouse gas emissions reduced from 3,511t CO₂e in 2021/22 to 1,715t CO₂e in 2022/23. This significant achievement is attributed to Council's new 100% renewable electricity service agreement with Zen Energy. This moves Council closer to achieving the adopted net zero by 2030 target for Council's own operations.

Council has a community net zero target by 2035 for the whole of the LGA. A key milestone to achieving this was made through the adoption of a new Development Control Plan (DCP) 2022 which includes updated controls for the provision of electric vehicle chargers in apartments, gas free residential kitchens and improved thermal performance of residential buildings.

The ongoing management of bushland sites in Waverley occurred including the protection and conservation of the threatened species plants *Acacia Terminalis* (subs. Eastern Suburbs) at Dover Heights and the management of the Endangered Ecological Community Eastern Suburbs Banksia Scrub at York Rd, Centennial Park.

Council's public Electrical Vehicle charging network continued to expand with new chargers installed at Grafton St, Bondi Junction, Castlefield St, Bondi and Trafalgar St Bronte Beach. These are 22KW AC chargers.

Over 280 households have now participated in the Living Connections program which provides local residents with native seedlings to improve native habitat in the Waverley area for animals such as birds, insects and reptiles.

Financial Results

Net operating result for the year was a \$17.0M surplus compared to the prior year's \$18.0M surplus. This decline in result is predominately attributed to the fair value adjustments and capital grants/contributions. Normalised operating result, adding back fair valuation adjustment, gain or loss on disposal of assets and capital grants & contributions, showed a surplus in FY2022/23 of \$2.6M versus \$3.3M deficit for the year prior, a \$5.9M improvement, predominately attributed to the infrastructure assets useful life review which lead to a reduction of \$6M in depreciation expenses.

The high inflation rate, disruption of the supply chains and a tight labour market increased various service costs and delayed several capital projects, consequently the project's cost increased materially more than the original contract prices.

The underlying result was a surplus of \$2.6M, a \$5.9M improvement on 2021/22. This was a result of a combination of cost reduction and revenue improvement.

	22/23	21/22
Surplus/(Deficit)	17.0	18.0
Add Back		
Capital Grants/Contributions	-18.1	-24.2
Fair Value (increment)/decrement on Investment Properties	+0.3	-4.0
Fair Value (increment)/decrement of financial investments	-1.5	1.6
Asset Disposal	4.9	5.3

Waverley Council

General Purpose Financial Statements

for the year ended 30 June 2023

Underlying (Deficit)	Operating	Surplus/	2.6	-3.3
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Income

Overall income has increased by **0.5% (\$0.7M)** compared to the previous year to **\$162.4M**, while operating expense has increased by 1.2% (\$1.8M) to \$145.5M, plus a \$36.4M investment to renew and upgrade the Council's infrastructure assets, plant and office equipment in 2022/23.

The Council met all the OLG benchmarks for financial sustainability measures, as summarised in the following table:

Indicator	Waverley	Industry
Statement Performance Measures	2022-23	Benchmark
Operating Performance Ratio	1.74% ✓	> 0.00%
Own Source Operating Revenue Ratio	81.62% ✓	> 60%
Unrestricted current ratio	5.50x ✓	> 1.50x
Debt Service Cover ratio	24.41x ✓	> 2x
Rates and Annual Charges outstanding percentage	4.42% ✓	> 5%
Cash expense cover ratio	9.64 mths ✓	> 3 mths
Infrastructure asset performance indicators	2022-23	Benchmark
Building and infrastructure renewals ratio	220.29% ✓	≥ 100%
Infrastructure backlog ratio	1.09% ✓	< 2%
Asset maintenance ratio	102.90% ✓	> 100%
Cost to bring assets to agreed service level	0.33%	N/A

Cash, Cash Equivalents and Investments

Cash, Cash Equivalents and Investments totalled \$130.0M as at 30 June 2023, an increase of \$3.0M from the 2021/22 closing balance of \$127.0M. This is principally attributed to the early receipt of Federal and State Government grants and additional interest income.

Waverley Council

General Purpose Financial Statements

for the year ended 30 June 2023

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2023.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Waverley Council

General Purpose Financial Statements
for the year ended 30 June 2023

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the *Local Government Act 1993* (NSW)

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

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

- present fairly the Council’s operating result and financial position for the year
- accord with Council’s accounting and other records.

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

Signed in accordance with a resolution of Council made on 12 September 2023.

Paula Masselos
Mayor
12 September 2023

Elaine Keenan
Deputy Mayor
12 September 2023

Emily Scott
General Manager
12 September 2023

Teena Su
Responsible Accounting Officer
12 September 2023

Waverley Council | Income Statement | for the year ended 30 June 2023

Waverley Council

Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Income from continuing operations				
67,796	Rates and annual charges	B2-1	67,748	66,595
40,560	User charges and fees	B2-2	39,579	38,965
12,900	Other revenues	B2-3	13,152	11,045
9,650	Grants and contributions provided for operating purposes	B2-4	11,453	10,048
15,969	Grants and contributions provided for capital purposes	B2-4	18,129	24,238
1,090	Interest and investment income	B2-5	3,790	1,016
7,709	Other income	B2-6	8,574	9,772
155,674	Total income from continuing operations		162,425	161,679
Expenses from continuing operations				
70,666	Employee benefits and on-costs	B3-1	73,121	69,239
38,591	Materials and services	B3-2	47,392	41,898
53	Borrowing costs	B3-3	61	73
21,998	Depreciation, amortisation and impairment of non-financial assets	B3-4	16,466	22,752
3,198	Other expenses	B3-5	3,516	4,437
(1,265)	Net loss from the disposal of assets	B4-1	4,894	5,266
133,241	Total expenses from continuing operations		145,450	143,665
22,433	Operating result from continuing operations		16,975	18,014
22,433	Net operating result for the year attributable to Council		16,975	18,014
6,464	Net operating result for the year before grants and contributions provided for capital purposes		(1,154)	(6,224)

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

Waverley Council | Statement of Comprehensive Income | for the year ended 30 June 2023

Waverley Council

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Net operating result for the year – from Income Statement		16,975	18,014
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	139,148	116,954
Total items which will not be reclassified subsequently to the operating result		139,148	116,954
Total other comprehensive income for the year		139,148	116,954
Total comprehensive income for the year attributable to Council		156,123	134,968

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

Waverley Council | Statement of Financial Position | for the year ended 30 June 2023

Waverley Council

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	28,448	21,768
Investments	C1-2	95,581	97,281
Receivables	C1-4	12,553	14,061
Other		835	600
Total current assets		137,417	133,710
Non-current assets			
Investments	C1-2	6,000	8,000
Receivables	C1-4	1,842	1,985
Infrastructure, property, plant and equipment (IPPE)	C1-5	1,287,909	1,133,515
Investment property	C1-6	115,023	115,090
Right of use assets	C2-1	86	345
Total non-current assets		1,410,860	1,258,935
Total assets		1,548,277	1,392,645
LIABILITIES			
Current liabilities			
Payables	C3-1	33,822	31,950
Income received in advance	C3-1	389	610
Contract liabilities	C3-2	3,577	4,859
Lease liabilities	C2-1	143	255
Borrowings	C3-3	472	460
Employee benefit provisions	C3-4	15,515	15,665
Total current liabilities		53,918	53,799
Non-current liabilities			
Lease liabilities	C2-1	–	144
Borrowings	C3-3	1,108	1,581
Employee benefit provisions	C3-4	1,136	1,129
Total non-current liabilities		2,244	2,854
Total liabilities		56,162	56,653
Net assets		1,492,115	1,335,992
EQUITY			
Accumulated surplus	C4-1	709,383	692,408
IPPE revaluation reserve	C4-1	782,732	643,584
Council equity interest		1,492,115	1,335,992
Total equity		1,492,115	1,335,992

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

Waverley Council | Statement of Changes in Equity | for the year ended 30 June 2023

Waverley Council

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	2023			2022		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
Opening balance at 1 July		692,408	643,584	1,335,992	674,394	526,630	1,201,024
Net operating result for the year		16,975	–	16,975	18,014	–	18,014
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	–	139,148	139,148	–	116,954	116,954
Other comprehensive income		–	139,148	139,148	–	116,954	116,954
Total comprehensive income		16,975	139,148	156,123	18,014	116,954	134,968
Closing balance at 30 June		709,383	782,732	1,492,115	692,408	643,584	1,335,992

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

Waverley Council

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Cash flows from operating activities				
Receipts:				
67,454	Rates and annual charges		68,016	66,264
45,766	User charges and fees		38,881	39,994
948	Interest received		2,624	1,134
21,975	Grants and contributions		29,889	35,093
–	Bonds, deposits and retentions received		1,215	477
19,190	Other		29,561	25,403
Payments:				
(66,423)	Payments to employees		(73,257)	(69,947)
(29,340)	Payments for materials and services		(46,381)	(46,381)
(66)	Borrowing costs		(64)	(76)
–	Bonds, deposits and retentions refunded		(346)	(356)
(21,976)	Other		(10,555)	(9,609)
37,528	Net cash flows from operating activities	G1-1	39,583	41,996
Cash flows from investing activities				
Receipts:				
8,806	Sale of investments		78,950	106,600
1,265	Proceeds from sale of IPPE		93	534
Payments:				
(3,555)	Purchase of investments		(73,737)	(89,165)
–	Purchase of investment property		(191)	(259)
(45,260)	Payments for IPPE		(37,300)	(65,386)
(38,744)	Net cash flows from investing activities		(32,185)	(47,676)
Cash flows from financing activities				
Payments:				
(460)	Repayment of borrowings		(462)	(446)
–	Principal component of lease payments		(256)	(436)
(460)	Net cash flows from financing activities		(718)	(882)
(1,676)	Net change in cash and cash equivalents		6,680	(6,562)
29,772	Cash and cash equivalents at beginning of year		21,768	28,330
28,096	Cash and cash equivalents at end of year	C1-1	28,448	21,768
85,287	plus: Investments on hand at end of year	C1-2	101,581	105,281
113,383	Total cash, cash equivalents and investments		130,029	127,049

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

Waverley Council

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Waverley Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 12 September 2023. Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993* (Act) and *Local Government (General) Regulation 2021* (Regulation), and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not-for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

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

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of investment properties – refer Note C1-6
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-5
- (iii) employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

A1-1 Basis of preparation (continued)

The Trust Fund

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

Trust monies and property subject to Council's control have been included in these reports.

The following Trust monies and properties are held by Council but not considered to be under the control of Council and therefore are excluded from these financial statements:

- Staff Charitable Funds

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge

Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

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

New accounting standards and interpretations issued but not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2023 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2023.

Those newly adopted standards had no material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Functions or activities										
Asset Management Services	26,106	30,676	3,745	12,463	22,361	18,213	14,528	15,679	299,677	373,491
Beach Services, Maintenance & Safety	906	259	8,357	8,557	(7,451)	(8,298)	344	–	388	275
Cemetery Services	2,447	1,670	2,504	1,690	(57)	(20)	9	–	65,810	54,892
Child Care Services	8,401	8,371	10,463	10,391	(2,062)	(2,020)	3,766	3,703	10,375	9,884
Community Services	514	447	2,478	2,176	(1,964)	(1,729)	498	400	243,398	167,312
Corporate Support Services	55,785	54,680	20,528	17,793	35,257	36,887	2,390	2,305	77,017	75,131
Cultural Services	364	46	4,872	3,938	(4,508)	(3,892)	–	–	–	–
Customer Services & Communication	1,733	1,537	1,024	612	709	925	–	–	–	–
Development, Building & Health Services	14,783	20,017	22,397	18,382	(7,614)	1,635	6,536	10,546	22,771	22,109
Emergency Management Services	39	101	317	224	(278)	(123)	67	–	863	831
Environmental Services	583	870	3,023	2,987	(2,440)	(2,117)	546	119	27	149
Governance, Integrated Planning & Community Engagement	15	–	2,537	2,030	(2,522)	(2,030)	–	874	–	–
Library Services	369	214	6,000	4,937	(5,631)	(4,723)	324	194	46,617	45,331
Parking Services	24,662	18,593	12,758	11,550	11,904	7,043	353	330	17,668	16,006
Parks Services & Maintenance	1,107	110	9,549	10,932	(8,442)	(10,822)	7	7	179,949	159,278
Place Management	225	66	485	204	(260)	(138)	77	–	–	1
Recreation Services	13	2	355	127	(342)	(125)	–	–	267	264
Regulatory Services	349	323	2,324	2,054	(1,975)	(1,731)	–	–	17	24
Social & Affordable Housing	887	1,179	2,074	2,260	(1,187)	(1,081)	–	–	67,646	70,452
Traffic & Transport Services	37	129	145	173	(108)	(44)	132	129	59,505	46,323
Urban Open Space Maintenance & Accessibility	36	551	6,700	7,681	(6,664)	(7,130)	–	–	433,260	330,126
Waste Services	23,064	21,838	22,815	22,504	249	(666)	5	–	23,022	20,766
Total functions and activities	162,425	161,679	145,450	143,665	16,975	18,014	29,582	34,286	1,548,277	1,392,645

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

Asset Management Services

This service includes planning for renewal of assets, financial management and project delivery of works on vital infrastructure. The Service contributes to every aspect of Council's operations, to our ability to deliver our services cost effectively and to the community's social, environmental and economic well being.

Beach Services, Maintenance & Safety

This service includes beach safety, beach maintenance and cleaning and also supports voluntary surf lifesaving clubs.

Cemetery Services

This service currently includes interment of ashes and remains at two sites, Waverley and South Head. Waverley Cemetery is a fully operational Cemetery with sales in excess of \$1million per annum.

Child Care Services

Providing quality, affordable long day care and family day care for children aged 0-5 as well as parenting programs and counselling for families.

Community Services

Council provides a range of community services within Waverley in addition to supporting a broad range of community organisations. Our services and support for other groups and agencies ensure that the community has access to relevant, accessible and affordable facilities, spaces, programs and activities.

Corporate Support Services

This service includes a range of professional support services for financial planning and management, workforce planning, organisational development and performance management, business systems improvement, risk management and insurance, procurement, telecommunications and IT and special projects to support the Executive in customer service and organisational review.

Cultural Services

Council provides and supports a range of activities that celebrate and strengthen an appreciation of our cultural heritage and diversity.

Customer Services & Communication

This area is responsible for ensuring that customer service is provided in a professional, friendly and timely way, and that our community is informed about Council's plans, initiatives, services and activities.

Development, Building & Health Services

This service involves preparing new Local Environmental Plans, Development Control Plans and Planning Strategies relating to future land use planning and heritage conservation.

It also assesses and determines development applications in accordance with the EP&A Act and provides Council with a digital mapping service.

Emergency Management Services

Waverley and Woollahra have a joint relationship in funding and supporting the local SES unit. It is a requirement under the NSW State Emergency Act.

Environmental Services

This is a growing service area covering all aspects of the aquatic, biological and air environments. Its subservices are specifically geared to meet the requirements of our Environmental Action Plan (EAP). EAP is a key element of Waverley's resourcing strategy for Waverley Community Strategic Plan.

B1-2 Components of functions or activities (continued)

Governance, Integrated Planning & Community Engagement

This service is designed to ensure we can engage with our community in an open and responsive way, discussing and making decisions with them about their future on the basis of sound and balanced judgement and policies. It also ensures that we can be properly held to account for planning decisions and for the efficiency and effectiveness of the services we deliver.

Library Services

The Library offers information, recreation and entertainment as well as opportunities for people to train, learn or simply interact with neighbours and friends. The Library is a major education and community capacity building resource.

Parking Services

This service provides substantial community safety and amenity by ensuring that our very limited supply of public parking opportunities (limited relative to demand) is shared fairly by all. This service is more effectively delivered if its implemented in close conjunction with Environmental Services and Traffic and Transport Services.

Parks Services & Maintenance

This service maintains and cares for Council's 99 parks. The park and reserves are divided into a number of categories including regional parks, coastal reserves, small parks, pocket parks, linkages and remnant vegetation.

Place Management

Bondi Beach and Bondi Junction are important places for Waverley residents and for the wider Sydney community. They contain a world famous beach and one of Sydney's most vibrant retail precincts and play a significant role in delivering recreational and commercial experiences to the region. A Place Management approach has been adopted to allow Council to give special focus to these areas, as well as ensuring that our smaller retail villages continue thrive.

An ongoing challenge for the Place Managers is to find the right balance between the needs of visitors, residents and the business sector.

Recreation Services

This includes all aspects of sport and active leisure, from broad LGA-wide planning, through to the detailed design and construction of specific facilities. A newly emerging area is sports facilities management, programming and maintenance.

Regulatory Services

In the summer season there is an increased demand for this service due to the large influx of visitors. Core areas of focus are:

- Monitoring building sites to ensure adequate pollution control is in place
- Ensuring companion animals are effectively and responsibly managed and cared for in accordance with the Companion Animals Act and Regulation
- Providing education material and information to the public investigating reports of abandoned vehicles and removing them in accordance with Impounding Act
- The quantitative volume of noise, time, place and the frequency of the noise

Social & Affordable Housing

This service includes creating and managing secure housing for local people on very low incomes in addition to providing medium term accommodation at subsidised rents to those on low-to-middle income levels.

Traffic & Transport Services

This service helps ensure that traffic flows as smoothly, efficiently and safely in Waverley as is possible, given the very small amount of road space we have to share, relative to the very high demand of the residents and visitors who use it.

The service also functions to help provide as many alternatives as possible to private car use including planning and design of pedestrian and cycling routes, and negotiation with the community and other levels of government for improved traffic and parking distribution systems such as residential preferred parking schemes.

Urban Open Space Maintenance & Accessibility

This service maintains the roads, footpaths, drains, trees and grass along the 123.46 km of local and regional roads within Waverley Council.

B1-2 Components of functions or activities (continued)

Waste Services

This service provides waste and recycling collection services to 29,753 residential properties as well as a commercial collection to businesses within Waverley Council.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2023	2022
Ordinary rates		
Residential	35,179	34,931
Business	13,038	12,432
Less: pensioner rebates (mandatory)	(253)	(264)
Less: pensioner rebates (Council policy)	(80)	(84)
Rates levied to ratepayers	47,884	47,015
Pensioner rate subsidies received	137	145
Total ordinary rates	48,021	47,160
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	19,217	18,928
Stormwater Management Services	532	531
Section 611 charges	46	49
Less: pensioner rebates (mandatory)	(149)	(158)
Annual charges levied	19,646	19,350
Pensioner subsidies received:		
– Domestic waste management	81	85
Total annual charges	19,727	19,435
Total rates and annual charges	67,748	66,595

Council has used 2019 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

\$ '000	Timing	2023	2022
Specific user charges (per s502 - specific 'actual use' charges)			
Waste management services (non-domestic)	2	3,241	2,864
Total specific user charges		3,241	2,864
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Planning and building regulation	2	2,833	3,040
Section 10.7 certificates (EP&A Act)	2	249	247
Section 603 certificates	2	126	164
Hoarding/crane permits	1	3,360	6,278
Total fees and charges – statutory/regulatory		6,568	9,729
(ii) Fees and charges – other (incl. general user charges (per s608))			
Cemeteries	2	1,972	1,251
Child care	2	4,536	4,580
Leaseback fees – Council vehicles	2	177	176
Park rents	1	456	300
Restoration charges	2	919	2,421
Room/facility hires	1	862	320
Admission and service fees	1	228	106
Bus shelter fees	1	575	1,482
Car parking fees	2	4,455	3,854
Car parking meter income	2	10,637	7,562
Road opening permits	2	492	333
Temporary truck zone permit	1	2,272	2,114
Other	2	2,189	1,873
Total fees and charges – other		29,770	26,372
Total other user charges and fees		36,338	36,101
Total user charges and fees		39,579	38,965
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		7,753	10,600
User charges and fees recognised at a point in time (2)		31,826	28,365
Total user charges and fees		39,579	38,965

Accounting policy

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as joining fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

B2-3 Other revenues

\$ '000	Timing	2023	2022
Ex gratia rates	2	25	24
Fines	2	315	203
Fines – parking	2	10,731	8,192
Legal fees recovery – rates and charges (extra charges)	2	–	3

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B2-3 Other revenues (continued)

\$ '000	Timing	2023	2022
Legal fees recovery – other	2	223	421
Insurance claims recoveries	2	115	2
Recycling income (non-domestic)	2	83	109
Sale of abandoned vehicles	2	24	33
Sales – general	2	4	1
Other	2	1,632	2,057
Total other revenue		13,152	11,045

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		13,152	11,045
Total other revenue		13,152	11,045

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

\$ '000	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	393	1,006	–	–
Financial assistance – local roads component	2	126	75	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	1,797	1,290	–	–
Financial assistance – local roads component	2	533	372	–	–
Amount recognised as income during current year		2,849	2,743	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Pensioners' rates subsidies:					
Child care	2	3,668	3,703	–	–
Community care	2	280	235	–	–
Employment and training programs	2	–	10	–	–
Environmental programs	2	84	582	–	–
Library	2	117	59	–	–
Library – per capita	2	207	135	–	–
Street lighting	2	196	193	–	–
Transport (roads to recovery)	2	278	278	–	–
Transport (other roads and bridges funding)	1	–	–	11,040	13,394
Transport (other roads and bridges funding)	2	1,335	–	–	–
Other specific grants	2	507	158	–	–
Previously contributions:					
Community services	2	628	561	–	–
Other councils – joint works/services	2	934	978	–	–
Recreation and culture	2	16	105	–	–
Roads and bridges	2	354	308	–	–
Other contributions	2	–	–	828	574
Total special purpose grants and non-developer contributions – cash		8,604	7,305	11,868	13,968
Total special purpose grants and non-developer contributions (tied)		8,604	7,305	11,868	13,968
Total grants and non-developer contributions		11,453	10,048	11,868	13,968
Comprising:					
– Commonwealth funding		3,429	3,204	3,091	1,547
– State funding		2,852	1,674	7,949	11,847
– Other funding		5,172	5,170	828	574
		11,453	10,048	11,868	13,968

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Developer contributions:						
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
Cash contributions						
S 7.4 – contributions using planning agreements		2	–	–	2,294	2,415
S 7.12 – fixed development consent levies		2	–	–	3,967	2,691
Total developer contributions – cash			–	–	6,261	5,106
Non-cash contributions						
S 7.4 – contributions using planning agreements			–	–	–	5,164
Total developer contributions non-cash			–	–	–	5,164
Total developer contributions			–	–	6,261	10,270
Total contributions			–	–	6,261	10,270
Total grants and contributions			11,453	10,048	18,129	24,238
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			–	–	11,040	13,950
Grants and contributions recognised at a point in time (2)			11,453	10,048	7,089	10,288
Total grants and contributions			11,453	10,048	18,129	24,238

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B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Unspent grants and contributions				
Unspent funds at 1 July	322	501	4,642	1,730
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,652	216	–	–
Add: Funds received and not recognised as revenue in the current year	–	–	3,293	4,642
Add: operating grant Received for the provision of goods and services in a future	–	63	–	–
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(152)	(458)	–	–
Less: Funds received in prior year but revenue recognised and funds spent in current year				
Less: Funds received in prior year but revenue recognised and funds spent in current year	(63)	–	(4,642)	(1,730)
Unspent funds at 30 June	1,759	322	3,293	4,642
Contributions				
Unspent funds at 1 July	–	–	22,508	24,579
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	6,261	5,106
Add: contributions received and not recognised as revenue in the current year	–	–	576	–
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	(6,574)	(7,177)
Unspent contributions at 30 June	–	–	22,771	22,508

Accounting policy

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income

Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

B2-4 Grants and contributions (continued)

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received

Capital grants

Capital grants received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979*.

While Council generally incorporates these amounts as part of a Development Consent Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

B2-5 Interest and investment income

\$ '000	2023	2022
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	163	146
– Cash and investments	3,627	870
Total interest and investment income (losses)	3,790	1,016
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	163	146
General Council cash and investments	2,418	870
Restricted investments/funds – external:		
Domestic waste management operations	579	–
Other externally restricted assets	630	–
Total interest and investment income	3,790	1,016

Accounting policy

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

Dividends are recognised as income in profit or loss when the shareholder's right to receive payment is established unless the dividend clearly represents a recovery of part of the cost of the investment.

B2-6 Other income

\$ '000	Notes	2023	2022
Fair value increment on investment properties			
Fair value increment on investment properties		–	4,046
Total fair value increment on investment properties	C1-6	–	4,046

Rental income

Investment properties

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B2-6 Other income (continued)

\$ '000	Notes	2023	2022
Lease income		3,110	2,607
Total Investment properties		3,110	2,607
Other lease income			
Other		3,951	3,119
Total other lease income		3,951	3,119
Total rental income	C2-2	7,061	5,726
Fair value increment on investments			
Fair value increment on investments through profit and loss		1,513	–
Total Fair value increment on investments		1,513	–
Total other income		8,574	9,772

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	58,597	56,826
Employee leave entitlements (ELE)	6,469	5,076
Superannuation	6,639	6,008
Workers' compensation insurance	2,882	3,135
Fringe benefit tax (FBT)	154	152
Other	471	223
Total employee costs	75,212	71,420
Less: capitalised costs	(2,091)	(2,181)
Total employee costs expensed	73,121	69,239
Number of 'full-time equivalent' employees (FTE) at year end	627	600
Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies)	718	697

Accounting policy

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

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

\$ '000	Notes	2023	2022
Raw materials and consumables		6,973	5,745
Contractor costs		10,226	7,954
Contractor and consultancy costs (temporary staff)		1,345	695
Audit Fees	F2-1	94	115
Infringement notice contract costs (SEINS)		1,562	1,281
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	467	362
Advertising		550	538
Bank charges		741	620
Cleaning		1,985	1,812
Computer software charges		2,386	1,975
Election expenses		–	384
Electricity and heating		612	489
Insurance		1,770	1,496
Office expenses (including computer expenses)		201	228
Postage		205	236
Printing and stationery		389	300
Street lighting		840	801
Subscriptions and publications		539	417
Telephone and communications		127	145
Valuation fees		97	93
Abandonment of fines by office of state debt recovery		1,234	929
Car park levy		149	141
Family day care subsidy		605	755
Land tax – crown land		771	659
Waste disposal charges		7,152	7,379
Water rates and charges		246	255
Strata Levy		342	352
Training costs (other than salaries and wages)		416	357
Other expenses		773	784
Legal expenses:			
– Legal expenses: planning and development		746	1,235
– Legal expenses: other		1,607	1,006
Variable lease expense relating to usage (IT Network Data and Cloud Charges)		1,554	1,871
Operating leases expense:			
Other (fuel and gas)		688	580
Total materials and services		47,392	41,898

Accounting policy

Expenses are recorded on an accruals basis as the Council receives the goods or services.

B3-3 Borrowing costs

\$ '000	2023	2022
(i) Interest bearing liability costs		
Interest on leases	11	10
Interest on loans	50	63
Total interest bearing liability costs	61	73
Total interest bearing liability costs expensed	61	73
Total borrowing costs expensed	61	73

Accounting policy

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2023	2022
Depreciation and amortisation			
Plant and equipment		1,452	1,803
Office equipment		315	284
Infrastructure:	C1-5		
– Buildings – non-specialised		2,746	3,046
– Buildings – specialised		2,431	3,977
– Other structures		925	869
– Roads		4,493	5,931
– Footpaths		895	1,815
– Stormwater drainage		603	1,131
– Other open space/recreational assets		2,006	3,115
Right of use assets	C2-1	260	431
Other assets:			
– Library books		226	224
– Other		114	126
Total depreciation and amortisation costs		16,466	22,752
Total depreciation, amortisation and impairment for non-financial assets		16,466	22,752

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-5 for IPPE assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

\$ '000	Notes	2023	2022
Fair value decrement on investment properties			
Fair value decrement on investment properties		258	–
Total fair value decrement on investment properties	C1-6	258	–
Fair value decrement on investments			
Fair value decrement on investments through profit and loss		–	1,561
Total Fair value decrement on investments	C1-2	–	1,561
Other			
Contributions/levies to other levels of government		3	26
– Department of planning levy		524	533
– Emergency services levy (includes FRNSW, SES, and RFS levies)		199	109
– NSW fire brigade levy		1,801	1,586
Donations, contributions and assistance to other organisations (Section 356)		731	622
Total other expenses		3,516	4,437

Accounting policy

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

Impairment expenses are recognised when identified.

B4 Gains or losses

B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2023	2022
Gain (or loss) on disposal of plant and equipment	C1-5		
Proceeds from disposal – plant and equipment		93	534
Less: carrying amount of plant and equipment assets sold/written off		(42)	(233)
Gain (or loss) on disposal		51	301
Gain (or loss) on disposal of infrastructure	C1-5		
Less: carrying amount of infrastructure assets sold/written off		(4,945)	(5,567)
Gain (or loss) on disposal		(4,945)	(5,567)
Gain (or loss) on disposal of investments	C1-2		
Proceeds from disposal/redemptions/maturities – investments		78,950	106,600
Less: carrying amount of investments sold/redeemed/matured		(78,950)	(106,600)
Gain (or loss) on disposal		–	–
Net gain (or loss) from disposal of assets		(4,894)	(5,266)

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 21 June 2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Revenues				
Rates and annual charges	67,796	67,748	(48)	0% U
User charges and fees	40,560	39,579	(981)	(2)% U
Other revenues	12,900	13,152	252	2% F
Operating grants and contributions	9,650	11,453	1,803	19% F
Higher operating grants and contributions are mainly attributed to the receipt of the 2023/24 financial assistance grant and the regional and local roads repair program grant.				
Capital grants and contributions	15,969	18,129	2,160	14% F
Higher capital grants and contributions are mainly due to the additional grants for several capital works program projects that were not anticipated in the the original budget				
Interest and investment revenue	1,090	3,790	2,700	248% F
Unforeseen increases in RBA cash rates over the last 12 months resulted in higher returns.				
Other income	7,709	8,574	865	11% F
Fair value increment on investments not budgeted				
Expenses				
Employee benefits and on-costs	70,666	73,121	(2,455)	(3)% U
Materials and services	38,591	47,392	(8,801)	(23)% U
Higher materials and services spent mainly due to several capital works program projects, and the ICT program costs are not capitalisable and had to be recognised as an operating expense when they occurred (\$3.6m). Higher contractors, agency temporary hires, legal expenses and stores & materials are higher than anticipated due to various factors, including supply chain disruptions, high inflation and tight labour market conditions.				
Borrowing costs	53	61	(8)	(15)% U
Interest expense on leased assets was not budgeted.				
Depreciation, amortisation and impairment of non-financial assets	21,998	16,466	5,532	25% F
A lower-than-budgeted depreciation expense is predominately attributed to the infrastructure assets' useful life review.				
Other expenses	3,198	3,516	(318)	(10)% U
Higher other expenses is mainly due to the fair valuation decrement movement on investment properties.				

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B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Net losses from disposal of assets	(1,265)	4,894	(6,159)	487% U
Net losses from disposal of assets are primarily from the replaced infrastructure assets write-off as a result of the renewal/upgrade works.				
Statement of cash flows				
Cash flows from operating activities	37,528	39,583	2,055	5% F
Higher investment income as a result of higher interest rates throughout the year and higher grants and contributions received compared to budget.				
Cash flows from investing activities	(38,744)	(32,185)	6,559	(17)% F
Capital works projects expenditures were lower than anticipated with numerous projects deferred to 23-24 financial year.				
Cash flows from financing activities	(460)	(718)	(258)	56% U
Principal component of lease payments not in the budget.				

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2023	2022
Cash assets		
Cash on hand and at bank	2,029	1,040
Cash equivalent assets		
– Deposits at call	12,327	5,677
– Managed funds	14,092	15,051
Total cash and cash equivalents	28,448	21,768

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	28,448	21,768
Balance as per the Statement of Cash Flows	28,448	21,768

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

C1-2 Financial investments

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Financial assets at fair value through the profit and loss				
NCD's, FRN's	24,581	–	32,781	–
Total	24,581	–	32,781	–
Debt securities at amortised cost				
Long term deposits	71,000	6,000	64,500	8,000
Total	71,000	6,000	64,500	8,000
Total financial investments	95,581	6,000	97,281	8,000
Total cash assets, cash equivalents and investments	124,029	6,000	119,049	8,000

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Fair value through other comprehensive income – equity instruments

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments at fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss.

Other net gains and losses excluding dividends are recognised in the Other Comprehensive Income Statement.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

C1-2 Financial investments (continued)

Council's financial assets measured at fair value through profit or loss comprise investments in FRNs and NCDs in the Statement of Financial Position.

C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2023	2022
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(a) Externally restricted cash, cash equivalents and investments

Total cash, cash equivalents and investments	130,029	127,049
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Less: Externally restricted cash, cash equivalents and investments	(46,007)	(41,452)
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Cash, cash equivalents and investments not subject to external restrictions	84,022	85,597
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External restrictions

External restrictions – included in liabilities

External restrictions included in cash, cash equivalents and investments above comprise:

Specific purpose unexpended grants – general fund	3,293	4,705
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External restrictions – included in liabilities	3,293	4,705
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External restrictions – other

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	22,771	22,508
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Specific purpose unexpended grants (recognised as revenue) – general fund	1,759	259
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Stormwater management	1,303	835
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Domestic waste management	16,881	13,145
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External restrictions – other	42,714	36,747
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Total external restrictions	46,007	41,452
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Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

\$ '000	2023	2022
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(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions	84,022	85,597
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Less: Internally restricted cash, cash equivalents and investments	(75,799)	(78,852)
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Unrestricted and unallocated cash, cash equivalents and investments	8,223	6,745
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Internal allocations

At 30 June, Council has internally allocated funds to the following:

Plant and vehicle replacement	5,495	5,703
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SAMP Infrastructure	4,011	4,525
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Employees leave entitlements	5,208	5,270
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Carry over works	4,482	9,311
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Deposits, retentions and bonds	22,717	19,365
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Affordable housing	1,864	1,946
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Cemeteries	1,841	898
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Election	330	165
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continued on next page ...

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C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2023	2022
Centralised reserve	2,266	4,085
IT Information	3,934	375
Property Investment strategy	13,098	17,829
Parking meters	2,169	1,894
Car Park Parking	2,373	1,994
Social housing	591	546
Other	5,420	4,946
Total internal allocations	75,799	78,852

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

\$ '000	2023	2022
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	8,223	6,745

C1-4 Receivables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Rates and annual charges	1,908	866	2,116	858
Interest and extra charges	172	201	152	184
User charges and fees	1,741	–	1,157	–
Accrued revenues				
– Interest on investments	1,293	–	164	–
– Other income accruals	465	–	1,710	–
Government grants and subsidies	3,426	–	5,145	–
Net GST receivable	1,216	–	1,514	–
Parking fines	2,410	2,158	2,204	2,326
Total	12,631	3,225	14,162	3,368
Less: provision for impairment				
User charges and fees	(78)	–	(101)	–
Parking fines	–	(1,383)	–	(1,383)
Total provision for impairment – receivables	(78)	(1,383)	(101)	(1,383)
Total net receivables	12,553	1,842	14,061	1,985
Externally restricted receivables				
Domestic waste management	1,099	386	1,134	400
Total external restrictions	1,099	386	1,134	400
Unrestricted receivables	11,454	1,456	12,927	1,585
Total net receivables	12,553	1,842	14,061	1,985

\$ '000	2023	2022
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	1,484	1,440
– amounts already provided for and written off this year	(2)	(10)
– Provision recognised/(reduced) during the year	(21)	54
Balance at the end of the year	1,461	1,484

Accounting policy

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

C1-4 Receivables (continued)

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over one years past due, whichever occurs first.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

Accounting policy under AASB 139

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. When a receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Income Statement.

Rates and annual charges outstanding are secured against the property.

Waverley Council | Notes to the Financial Statements 30 June 2023

C1-5 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period							At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000													
Capital work in progress	80,426	—	80,426	15,012	2,673	(1,575)	—	(58,009)	—	—	38,527	—	38,527
Plant and equipment	21,587	(14,801)	6,786	—	1,564	(42)	(1,452)	—	—	—	22,582	(15,726)	6,856
Office equipment	11,719	(10,488)	1,231	—	884	—	(315)	4	(80)	—	8,885	(7,161)	1,724
Land:													
– Crown land	156,201	—	156,201	—	—	—	—	—	—	16,576	172,777	—	172,777
– Operational land	113,575	—	113,575	—	—	—	—	—	—	(1,744)	111,831	—	111,831
– Community land	101,142	—	101,142	—	—	—	—	—	—	21,987	123,129	—	123,129
Infrastructure:													
– Buildings – non-specialised	135,705	(25,304)	110,401	303	—	—	(2,746)	132	—	3,571	147,927	(36,266)	111,661
– Buildings – specialised	111,125	(51,932)	59,193	5,271	—	—	(2,431)	47,890	18	1,386	150,727	(39,400)	111,327
– Other structures	35,540	(11,703)	23,837	2,203	—	(96)	(925)	3,352	62	1,689	39,854	(9,732)	30,122
– Roads	494,008	(238,600)	255,408	2,330	—	(2,045)	(4,493)	4,785	—	50,193	494,693	(188,515)	306,178
– Footpaths	72,787	(31,401)	41,386	3,331	—	(569)	(895)	409	—	12,213	79,534	(23,659)	55,875
– Stormwater drainage	141,709	(58,065)	83,644	1,004	—	(149)	(603)	123	—	9,334	129,095	(35,742)	93,353
– Other open space/recreational assets	176,842	(81,308)	95,534	1,201	—	(511)	(2,006)	292	—	23,943	185,470	(67,017)	118,453
Other assets:													
– Library books	4,386	(3,242)	1,144	—	222	—	(226)	—	—	—	4,524	(3,384)	1,140
– Other	6,219	(2,612)	3,607	400	41	—	(114)	1,022	—	—	7,681	(2,725)	4,956
Total infrastructure, property, plant and equipment	1,662,971	(529,456)	1,133,515	31,055	5,384	(4,987)	(16,206)	—	—	139,148	1,717,236	(429,327)	1,287,909

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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Waverley Council | Notes to the Financial Statements 30 June 2023

C1-5 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period							At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000													
Capital work in progress	45,118	—	45,118	40,336	4,960	(486)	—	(9,502)	—	—	80,426	—	80,426
Plant and equipment	21,774	(13,569)	8,205	—	617	(233)	(1,803)	—	—	—	21,587	(14,801)	6,786
Office equipment	11,083	(10,203)	880	3	626	—	(284)	6	—	—	11,719	(10,488)	1,231
Land:													
– Operational land	78,811	—	78,811	—	—	—	—	—	—	34,764	113,575	—	113,575
– Community land	101,142	—	101,142	—	—	—	—	—	—	—	101,142	—	101,142
– Crown land	156,201	—	156,201	—	—	—	—	—	—	—	156,201	—	156,201
Infrastructure:													
– Buildings – non-specialised	126,022	(49,987)	76,035	392	5,164	—	(3,046)	29	(23)	31,850	135,705	(25,304)	110,401
– Buildings – specialised	129,815	(74,832)	54,983	172	—	(69)	(3,977)	101	(233)	8,216	111,125	(51,932)	59,193
– Other structures	28,631	(10,360)	18,271	4,796	137	(179)	(869)	252	233	1,196	35,540	(11,703)	23,837
– Roads	441,091	(212,651)	228,440	4,272	—	(3,401)	(5,931)	7,165	23	24,840	494,008	(238,600)	255,408
– Footpaths	63,506	(27,075)	36,431	2,486	—	(444)	(1,815)	720	—	4,008	72,787	(31,401)	41,386
– Stormwater drainage	127,411	(51,950)	75,461	2,120	—	(94)	(1,131)	—	—	7,288	141,709	(58,065)	83,644
– Other open space/recreational assets	165,120	(74,690)	90,430	3,092	—	(894)	(3,115)	1,229	—	4,792	176,842	(81,308)	95,534
Other assets:													
– Library books	4,185	(3,018)	1,167	—	201	—	(224)	—	—	—	4,386	(3,242)	1,144
– Other	6,197	(2,486)	3,711	22	—	—	(126)	—	—	—	6,219	(2,612)	3,607
Total infrastructure, property, plant and equipment	1,506,107	(530,821)	975,286	57,691	11,705	(5,800)	(22,321)	—	—	116,954	1,662,971	(529,456)	1,133,515

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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C1-5 Infrastructure, property, plant and equipment (continued)

Accounting policy

Infrastructure, property, plant and equipment are held at fair value. Independent comprehensive valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred. When infrastructure, property, plant and equipment are acquired by Council for nil or nominal consideration, the assets are initially recognised at their fair value at acquisition date.

Land is not depreciated. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Council will obtain ownership at the end of the lease term. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 150
Other plant and equipment	5 to 15	Buildings: other	20 to 100
Other Assets		Stormwater assets	
Library Books	5 to 10	Drains	82 to 150
Other	5 to 100	Culverts	50 to 80
		Flood control structures	80 to 100
Transportation assets		Other infrastructure assets	
Sealed roads: surface	20	Bulk earthworks	20
Sealed roads: structure	60	Swimming pools	100
Unsealed roads	20	Unsealed roads	20
Bridge: concrete	100	Other open space/recreational assets	50
Bridge: other	50	Other infrastructure	30
Road pavements	60	Seawall	120
Kerb, gutter and footpaths	75		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips. Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Externally restricted infrastructure, property, plant and equipment

\$ '000	as at 30/06/23			as at 30/06/22		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Domestic waste management						
Plant and equipment	15,162	9,143	6,019	15,107	8,924	6,183
Total domestic waste management	15,162	9,143	6,019	15,107	8,924	6,183
Total restricted infrastructure, property, plant and equipment	15,162	9,143	6,019	15,107	8,924	6,183

C1-6 Investment properties

\$ '000	2023	2022
Owned investment property		
Investment property on hand at fair value	115,023	115,090
Total owned investment property	115,023	115,090

Owned investment property

At fair value		
Opening balance at 1 July	115,090	110,785
Capitalised subsequent expenditure	191	259
Net gain/(loss) from fair value adjustments	(258)	4,046
Closing balance at 30 June	115,023	115,090

Accounting policy

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including land and buildings for staff office and sub-depots. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases

These leases have between 1 and 5 years.

(a) Right of use assets

\$ '000	Property, Plant & Equipment	Total
2023		
Opening balance at 1 July	345	345
Depreciation charge	(260)	(260)
Balance at 30 June	86	86
2022		
Opening balance at 1 July	777	777
Depreciation charge	(431)	(431)
Balance at 30 June	345	345

(b) Lease liabilities

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Lease liabilities	143	–	255	144
Total lease liabilities	143	–	255	144

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2023					
Cash flows	267	148	–	415	143
2022					
Cash flows	447	415	–	862	399

(d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

\$ '000	2023	2022
Interest on lease liabilities	11	10
Variable lease payments based on usage not included in the measurement of lease liabilities	1,554	1,871

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C2-1 Council as a lessee (continued)

\$ '000	2023	2022
Depreciation of right of use assets	260	431
	1,825	2,312

(e) Statement of Cash Flows

Total cash outflow for leases	(256)	(436)
	(256)	(436)

(f) Leases at significantly below market value – concessionary / peppercorn leases

Accounting policy

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / Concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties; these leases have been classified as operating leases for financial reporting purposes.

\$ '000	2023	2022
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(i) Assets held as investment property

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below

Lease income (excluding variable lease payments not dependent on an index or rate)	3,110	2,607
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C2-2 Council as a lessor (continued)

\$ '000	2023	2022
Total income relating to operating leases for investment property assets	3,110	2,607
Operating lease expenses		
Direct operating expenses that generated rental income	(2,464)	(2,257)
Direct operating expenses that did not generate rental income	(531)	(437)
Total expenses relating to operating leases	(2,995)	(2,694)

(ii) Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	3,951	3,119
Total income relating to operating leases for Council assets	3,951	3,119

(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	5,549	3,937
1–2 years	5,346	2,567
2–3 years	5,093	2,368
3–4 years	4,591	2,166
4–5 years	1,019	1,983
> 5 years	4,652	5,227
Total undiscounted lease payments to be received	26,250	18,248

Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components, the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Payables				
Goods and services – operating expenditure	5,072	–	4,061	–
Goods and services – capital expenditure	4,722	–	5,583	–
Accrued expenses:				
– Borrowings	10	–	13	–
– Salaries and wages	388	–	381	–
– Other expenditure accruals	59	–	1,829	–
Security bonds, deposits and retentions	2,579	–	1,710	–
Builders deposits	20,137	–	17,655	–
Other	165	–	96	–
Prepaid rates	690	–	622	–
Total payables	33,822	–	31,950	–
Income received in advance				
Payments received in advance	389	–	610	–
Total income received in advance	389	–	610	–
Total payables	34,211	–	32,560	–

Payables relating to restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Externally restricted assets				
Domestic waste management	441	–	474	–
Payables relating to externally restricted assets	441	–	474	–
Total payables relating to restricted assets	441	–	474	–
Total payables relating to unrestricted assets	33,770	–	32,086	–
Total payables	34,211	–	32,560	–

C3-1 Payables (continued)

Current payables not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	20,137	17,655
Total payables	20,137	17,655

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	3,207	–	4,642	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	86	–	63	–
Total grants received in advance		3,293	–	4,705	–
Upfront fees	(iii)	284	–	154	–
Total user fees and charges received in advance		284	–	154	–
Total contract liabilities		3,577	–	4,859	–

Notes

(i) Council has received funding to construct assets including sporting facilities, bridges, library and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) Operating grants received in advance. The revenue is expected to be recognised in the next 12 months.

(iii) These are mainly from upfront income for roads restorations, car parks, library and bus shelter.

Contract liabilities relating to restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Externally restricted assets				
Unspent grants held as contract liabilities (excl. Water & Sewer)	3,293	–	4,705	–
Contract liabilities relating to externally restricted assets	3,293	–	4,705	–

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C3-2 Contract Liabilities (continued)

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Total contract liabilities relating to restricted assets	3,293	–	4,705	–
Total contract liabilities relating to unrestricted assets	284	–	154	–
Total contract liabilities	3,577	–	4,859	–

Revenue recognised that was included in the contract liability balance at the beginning of the period

\$ '000	2023	2022
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	4,642	1,730
Total revenue recognised that was included in the contract liability balance at the beginning of the period	4,642	1,730

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Loans – secured ¹	472	1,108	460	1,581
Total borrowings	472	1,108	460	1,581

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

Borrowings relating to restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Total borrowings relating to unrestricted assets	472	1,108	460	1,581
Total borrowings	472	1,108	460	1,581

Current borrowings not anticipated to be settled within the next twelve months

The following borrowings, even though classified as current, are not expected to be settled in the next 12 months.

(a) Changes in liabilities arising from financing activities

\$ '000	2022		Non-cash movements				2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	2,041	(461)	–	–	–	–	1,580
Lease liability (Note C2-1b)	399	(256)	–	–	–	–	143

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C3-3 Borrowings (continued)

Total liabilities from financing activities	2,440	(717)	–	–	–	–	1,723
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	2021	Non-cash movements					2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	2,487	(446)	–	–	–	–	2,041
Lease liability (Note C2-1b)	836	(437)	–	–	–	–	399
Total liabilities from financing activities	3,323	(883)	–	–	–	–	2,440

(b) Financing arrangements

\$ '000	2023	2022
Total facilities		
Bank overdraft facilities ¹	250	250
Credit cards/purchase cards	30	30
Total financing arrangements	280	280
Undrawn facilities		
– Bank overdraft facilities	250	250
– Credit cards/purchase cards	30	30
Total undrawn financing arrangements	280	280

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or borrowing costs.

C3-4 Employee benefit provisions

	2023 Current	2023 Non-current	2022 Current	2022 Non-current
\$ '000				
Annual leave	6,312	–	6,801	–
Sick leave	1,272	–	1,355	–
Long service leave	7,388	1,136	6,992	1,129
Gratuities	303	–	331	–
Time off in lieu	240	–	186	–
Total employee benefit provisions	15,515	1,136	15,665	1,129

C3-4 Employee benefit provisions (continued)

Employee benefit provisions relating to restricted assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Externally restricted assets				
Domestic Waste Management	1,083	217	1,103	217
Employee benefit provisions relating to externally restricted assets	1,083	217	1,103	217
Total employee benefit provisions relating to restricted assets	1,083	217	1,103	217
Total employee benefit provisions relating to unrestricted assets	14,432	919	14,562	912
Total employee benefit provisions	15,515	1,136	15,665	1,129

Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	11,443	11,578
	11,443	11,578

Description of and movements in provisions

\$ '000	ELE provisions				Total
	Annual leave	Sick leave	Long service leave	Other employee benefits	
as at 30/06/23					
At beginning of year	6,801	1,355	8,121	517	16,794
Additional provisions	4,330	–	1,957	182	6,469
Amounts used (payments)	(4,819)	(83)	(1,554)	(156)	(6,612)
Total ELE provisions at end of year	6,312	1,272	8,524	543	16,651
as at 30/06/22					
At beginning of year	6,652	1,532	9,167	532	17,883
Additional provisions	4,337	–	598	141	5,076
Amounts used (payments)	(4,188)	(177)	(1,644)	(156)	(6,165)
Total ELE provisions at end of year	6,801	1,355	8,121	517	16,794

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured

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C3-4 Employee benefit provisions (continued)

as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

D Council structure

D1 Interests in other entities

D1-1 Interests in joint arrangements

(i) Joint operations

Principal activity	
(a) Council is involved in the following joint operations (JO's)	
Name of joint operation:	
Bourke Road Integrated Facility	Council main depot operation is a shared operations facility with Woollahra Council
Council assets employed in the joint operations	
\$ '000	20232022
Council's own assets employed in the operations	
Current assets:	
Receivables	323317
Non-current assets	
Property, plant and equipment	25,23824,550
Total assets – Council owned	25,56124,867
Total net assets employed – Council and jointly owned	25,56124,867

Accounting policy

The council has determined that it has only joint operations.

Joint operations:

In relation to its joint operations, where the Council has the rights to the individual assets and obligations arising from the arrangement, the Council has recognised:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

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E1-1 Risks relating to financial instruments held (continued)

\$ '000	Carrying value 2023	Carrying value 2022	Fair value 2023	Fair value 2022
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	28,448	21,768	28,448	21,768
Receivables	14,395	16,046	14,395	16,046
Investments				
– Debt securities at amortised cost	77,000	72,500	77,000	72,500
Fair value through profit and loss				
Investments				
– Available for sale	24,581	32,781	24,581	32,781
Total financial assets	144,424	143,095	144,424	143,095
Financial liabilities				
Payables	33,822	31,950	33,822	31,950
Loans/advances	1,580	2,041	1,580	2,041
Total financial liabilities	35,402	33,991	35,402	33,991

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – interest rate and price risk

\$ '000	2023	2022
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	1,304	1,273
Impact of a 10% movement in price of investments		
– Equity / Income Statement	2,458	3,278

E1-1 Risks relating to financial instruments held (continued)

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

\$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
2023				
Gross carrying amount	–	2,774	–	2,774
2022				
Gross carrying amount	–	2,974	–	2,974

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	0 - 30 days	Overdue debts 31 - 60 days	61 - 90 days	> 91 days	Total
2023						
Gross carrying amount	7,056	2,650	131	104	3,141	13,082
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	46.50%	11.16%
ECL provision	–	–	–	–	1,461	1,461
2022						
Gross carrying amount	10,426	717	27	101	3,285	14,556
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	37.16%	8.39%
ECL provision	–	–	–	–	1,484	1,484

E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2023							
Payables	0.00%	–	9,797	24,025	–	33,822	33,822
Borrowings	2.68%	–	472	1,108	–	1,580	1,580
Total financial liabilities		–	10,269	25,133	–	35,402	35,402
2022							
Payables	0.00%	–	9,644	22,306	–	31,950	31,950
Borrowings	2.68%	–	460	1,581	–	2,041	2,041
Total financial liabilities		–	10,104	23,887	–	33,991	33,991

Loan agreement breaches

No breaches to loan agreements which have occurred during the reporting year.

Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

E2-1 Fair value measurement (continued)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Fair value measurement hierarchy					
\$ '000	Notes	Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2023	2022	2023	2022	2023	2022
Recurring fair value measurements							
Financial assets							
Financial investments	C1-2						
At fair value through profit or loss		24,581	32,781	–	–	24,581	32,781
Investment property	C1-6						
Investment properties		115,023	115,090	–	–	115,023	115,090
Total investment property		115,023	115,090	–	–	115,023	115,090
Infrastructure, property, plant and equipment							
	C1-5						
Buildings – non-specialised		–	–	111,661	110,401	111,661	110,401
Buildings special		–	–	111,327	59,193	111,327	59,193
Community land		–	–	123,129	101,142	123,129	101,142
Crown Land		–	–	172,777	156,201	172,777	156,201
Operational land		–	–	111,831	113,575	111,831	113,575
Footpaths		–	–	55,875	41,386	55,875	41,386
Roads		–	–	306,178	255,408	306,178	255,408
Stormwater drainage		–	–	93,353	83,644	93,353	83,644
Office equipment and furniture		–	–	1,724	1,231	1,724	1,231
Plant and equipment		–	–	6,856	6,786	6,856	6,786
Open space and recreation		–	–	118,453	95,534	118,453	95,534
Library books and resources		–	–	1,140	1,144	1,140	1,144
Other structures		–	–	30,122	23,837	30,122	23,837
Other assets		–	–	4,956	3,607	4,956	3,607
Total infrastructure, property, plant and equipment		–	–	1,249,382	1,053,089	1,249,382	1,053,089

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Financial assets

At fair value through profit and loss are represented by Floating Rate Notes, Covered Bonds and Term Deposits. Council obtains valuations from its Investment Advisor on a monthly basis and at the end of each accounting period to ensure the financial statements reflect the most up to date valuation. The valuations of Floating Rate Notes are sourced base on mid-market prices. That is, valuations are marked at the mid-point of the bid and ask prices in the secondary market. This price represents a general market value for the asset.

There has been no change to the valuation techniques during the reporting period.

Investment property

The valuation of Council's investment properties was undertaken at June 2023 by APV Valuers & Asset Management, RICS Registered Valuer - 1169941.

Investment properties such as commercial units, commercial terraces and retail shops have been valued as market value, having regard to the "highest and best use", taking in consideration the criteria of physical possibility, legal permissibility

E2-1 Fair value measurement (continued)

and financial feasibility. Implied within these criteria is the recognition of the contribution of that specific use to community environment or to community development goals, in addition to wealth maximisation to the individual owner.

The valuation technique utilised is Level 2 inputs (observable inputs), where applicable, included:

- Current rental income
- Rent reviews
- Capitalisation rate
- Price per square metre
- Direct comparison to sales evidence
- Zoning
- Location
- Land area and configuration
- Planning controls

Other investment properties such as public car park and shopping centre office space have been valued using Cost approach with Level 3 valuation inputs in the past.

Infrastructure, property, plant and equipment (IPPE)

Operational Land

The asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993. The last valuation was undertaken at June 2023 by APV Valuers & Asset Management, RICS Registered Valuer – 1169941.

Operational land has been valued at market value, having regard to the "highest and best use", after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land's description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

Since extensive professional judgements were required to determine the inputs these assets were classified as having been valued using Level 3 valuation input. There has been no change to the valuation process during the reporting period.

Community Land and Crown Land

Valuations of all Council's Community Land and Council managed land were based on either the land value provided by the Valuer-General or an average unit rate based on land value for similar properties where the Valuer-General did not provide a land value having regard to the highest and best use for this land. As these rates were not considered to be observable market evidence they have been classified as Level 3. There has been no change to the valuation process during the reporting period.

Buildings – Non Specialised and Specialised

Council's buildings are valued at June 2023 by APV Valuers & Asset Management, RICS Registered Valuer – 1169941.

The approach estimated the replacement cost of each building and componentising of significant parts with different useful lives and taking into account a range of factors. The unit rates could be supported by market evidence (Level 2 inputs), other inputs (such as estimates of residual value, useful life and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value.

As such, these assets have been valued using Level 3 inputs. There has been no change to the valuation process during the reporting period.

Roads

The roads asset class includes roads, defined as the trafficable portion of a road, between but not including the kerb and gutter. It also includes "other roads" assets including Bridges, Carparks, Kerb and Gutter and Traffic facilities.

The 'Cost Approach' using Level 3 inputs was used to value the road carriageway and other road infrastructure. Valuations for the road carriageway, comprising surface, pavement and formation were based primarily on unit rates derived from the Councils schedule of rates tender. Other inputs (such as estimated pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to

E2-1 Fair value measurement (continued)

limitations in the historical records of very long lived assets there is some uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Footpaths

The 'Cost Approach' using Level 3 inputs was used to value footpaths. Valuation for the footpath was based primarily on unit rates derived from the Councils schedule of rates tender. Other inputs (such as estimated pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there some uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Stormwater Drainage

Assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit on similar could be supported from market evidence (Level 2) other inputs) such as estimates of pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant and Equipment Trucks, tractors, ride on mowers, street sweepers, earthmoving equipment, buses and motor vehicles
- Office Equipment Refrigerators, electronic appliances, flat-screen monitors and computer equipment
- Furniture & Fittings Chairs, desks and display systems.

The key unobservable inputs to the valuation are the remaining useful life and residual value. Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption, estimated remaining useful life and the residual value. There has been no change to the valuation process during the reporting period.

Other Open Space / Recreational Assets

Assets within this class comprise Soft Fall Surfaces, BBQs, Regional Sporting Facilities, Playgrounds and Seawalls. All assets in this class were valued in-house by experienced engineering & asset management staff. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. There has been no change to the valuation process during the reporting period.

E2-1 Fair value measurement (continued)

Library Books and Resources

Library Books are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption, estimated remaining useful life and the residual value. There has been no change to the valuation process during the reporting period.

Other Structures

This asset class comprises Mall Light, Shade Structure, Flag Pole, Planter Boxes and Garden Beds.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

Other Assets

This asset class comprises other miscellaneous assets.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

E2-1 Fair value measurement (continued)

Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Buildings	Non-Specialised Buildings: Market Value Specialised Buildings: Depreciated replacement cost	* Gross replacement cost * Asset Condition * Remaining useful life
Community Land and Crown Land	Land values obtained from the NSW Valuer-General	* Price Per square metre
Operational Land	Market Value	* Price Per square metre
Footpaths	Unit rates per m2 or length	* Gross replacement cost * Asset Condition * Remaining useful life
Roads	Unit rates per m2 or length	* Gross replacement cost * Asset Condition * Remaining useful life
Stormwater Drainage	Unit rates per m2 or length	* Gross replacement cost * Asset Condition * Remaining useful life
Plant & Equipment	Historical Cost	* Gross replacement cost * Remaining useful life
Office Equipment	Historical Cost	* Gross replacement cost * Remaining useful life
Open Space & Recreation	Depreciated replacement cost	* Gross replacement cost * Asset Condition * Remaining useful life
Library Books	Historical Cost	* Gross replacement cost * Remaining useful life
Other Structures	Depreciated replacement cost	* Gross replacement cost * Asset Condition * Remaining useful life
Other Assets	Historical Cost	* Gross replacement cost * Remaining useful life

E2-1 Fair value measurement (continued)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Buildings		Land		Plant & equipment		Infrastructure	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	169,594	131,018	370,918	336,154	8,017	9,085	499,809	449,033
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	244	40,065	36,819	34,764	(80)	–	97,372	42,124
Other movements								
Purchases (GBV)	58,328	5,859	–	–	2,452	1,252	19,091	26,525
Disposals (WDV)	–	(325)	–	–	(42)	(233)	(3,370)	(5,012)
Depreciation and impairment	(5,178)	(7,023)	–	–	(1,767)	(2,087)	(8,921)	(12,861)
Closing balance	222,988	169,594	407,737	370,918	8,580	8,017	603,981	499,809

\$ '000	Other assets		Total	
	2023	2022	2023	2022
Opening balance	4,751	4,878	1,053,089	930,168
Recognised in other comprehensive income – revaluation surplus	–	–	134,355	116,953
Purchases (GBV)	1,685	222	81,556	33,858
Disposals (WDV)	–	–	(3,412)	(5,570)
Depreciation and impairment	(340)	(349)	(16,206)	(22,320)
Closing balance	6,096	4,751	1,249,382	1,053,089

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

E3-1 Contingencies (continued)

Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are::

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

* For 180 Point Members, Members, Employers are required to contribute 8.0% of salaries for the year ending 30 June 2023 (increasing to 8.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2023 was \$329,857.11. The last valuation of the Scheme was performed by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2022.

The amount of additional contributions included in the total employer contribution advised above is \$241,641.96. Council's expected contribution to the plan for the next annual reporting period is \$359,643.84.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2023 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,290.9	
Past Service Liabilities	2,236.1	102.4%
Vested Benefits	2,253.6	101.7%

* excluding member accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to Council is 1.21%.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	6% per annum
Salary inflation *	3.5% per annum

continued on next page ...

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E3-1 Contingencies (continued)

Increase in CPI	6% per annum for FY 22/23 2.5% per annum thereafter

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6/2022 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

E3-1 Contingencies (continued)

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.
They included 12 councillors and five senior staff in FY2022/23:

- Councillors,
- General Manager, and
- Directors

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2023	2022
Compensation:		
Short-term benefits	2,020	2,442
Post-employment benefits	115	103
Other long-term benefits	21	25
Termination benefits	–	606
Total	2,156	3,176

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2023	2022
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	46	41
Councillors' fees	273	227
Other Councillors' expenses (including Mayor)	148	94
Total	467	362

F2 Other relationships

F2-1 Audit fees

\$ '000	2023	2022
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During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services		
Audit and review of financial statements	94	115
Remuneration for audit and other assurance services	94	115
Total Auditor-General remuneration	94	115
Total audit fees	94	115

G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
Net operating result from Income Statement	16,975	18,014
Add / (less) non-cash items:		
Depreciation and amortisation	16,466	22,752
(Gain) / loss on disposal of assets	4,894	5,266
Non-cash capital grants and contributions	–	(5,164)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investments classified as 'at fair value' or 'held for trading'	(1,513)	1,561
– Investment property	258	(4,046)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	1,674	2,157
Increase / (decrease) in provision for impairment of receivables	(23)	44
(Increase) / decrease of other current assets	(235)	90
Increase / (decrease) in payables	1,011	(4,483)
Increase / (decrease) in accrued interest payable	(3)	(3)
Increase / (decrease) in other accrued expenses payable	(1,763)	610
Increase / (decrease) in other liabilities	3,267	3,405
Increase / (decrease) in contract liabilities	(1,282)	2,882
Increase / (decrease) in employee benefit provision	(143)	(1,089)
Net cash flows from operating activities	39,583	41,996

(b) Non-cash investing and financing activities

Developer contributions 'in kind'	–	5,164
Total non-cash investing and financing activities	–	5,164

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2023	2022
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	2,682	11,325
Plant and equipment	2,829	517
Infrastructure	15,556	10,954
Total commitments	21,067	22,796
These expenditures are payable as follows:		
Later than one year and not later than 5 years	792	1,386
Within the next year	20,275	21,410
Total payable	21,067	22,796
Sources for funding of capital commitments:		
Unrestricted general funds	2,855	337
Future grants and contributions	4,890	1,210
Section 7.11 and 64 funds/reserves	3,450	1,105
Unexpended grants	1,336	23
Externally restricted reserves	1,903	47
Internally restricted reserves	6,633	20,074
Total sources of funding	21,067	22,796

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

Waverley Council | Notes to the Financial Statements 30 June 2023

G4 Statement of developer contributions as at 30 June 2023

G4-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
S7.12 levies – under a plan	3,036	3,967	–	–	125	(3,739)	–	3,389	–
Total S7.11 and S7.12 revenue under plans	3,036	3,967	–	–	125	(3,739)	–	3,389	–
S7.4 planning agreements	19,472	2,294	–	–	451	(2,835)	–	19,382	–
Total contributions	22,508	6,261	–	–	576	(6,574)	–	22,771	–

Under the Environmental Planning and Assessment Act 1979, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

S7.12 Levies – under a plan

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
S7.12 LEVIES – UNDER A PLAN									
Roads	3,036	3,967	–	–	125	(3,739)	–	3,389	–
Total	3,036	3,967	–	–	125	(3,739)	–	3,389	–

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	2022	Indicators 2021	2020	Benchmark
1. Operating performance ratio						
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1, 2}	2,485	1.74%	(2.58)%	(3.43)%	(8.58)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	142,783					
2. Own source operating revenue ratio						
Total continuing operating revenue excluding all grants and contributions ¹	131,330	81.62%	78.25%	80.61%	79.17%	> 60.00%
Total continuing operating revenue	160,912					
3. Unrestricted current ratio						
Current assets less all external restrictions	96,311	5.50x	5.42x	5.51x	7.22x	> 1.50x
Current liabilities less specific purpose liabilities	17,521					
4. Debt service cover ratio						
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	19,012	24.41x	20.30x	18.18x	11.18x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	779					
5. Rates and annual charges outstanding percentage						
Rates and annual charges outstanding	3,147	4.42%	4.75%	4.24%	5.06%	< 5.00%
Rates and annual charges collectable	71,221					
6. Cash expense cover ratio						
Current year's cash and cash equivalents plus all term deposits	105,448	9.64 months	8.89 months	12.40 months	13.38 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	10,943					

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

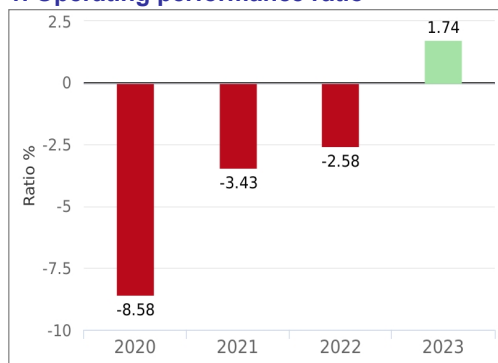
(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2022/23 result

2022/23 ratio 1.74%

In 2022/23 financial year, Council's operating performance ratio of 1.74% compares well with the industry benchmark of 0.00%. It shows Waverley Council is recovering from Covid impacts.

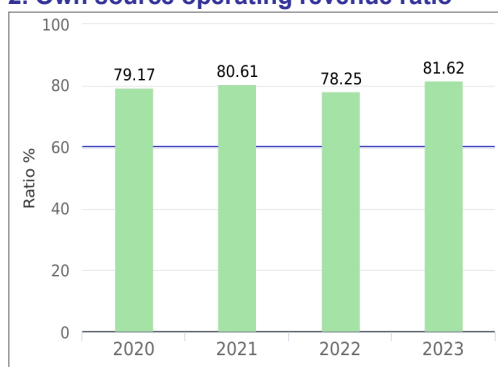
Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2022/23 result

2022/23 ratio 81.62%

The ratio compares well with the industry benchmark of greater than 60.00%, it shows Waverley Council is less reliant on external funding sources to carry out its services & activities.

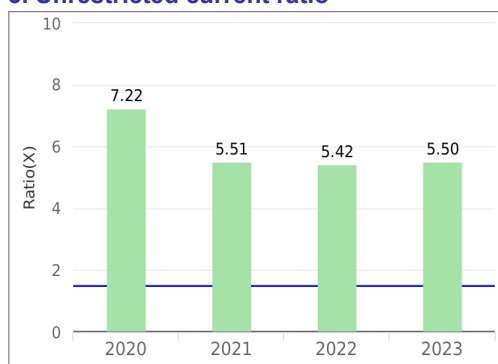
Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2022/23 result

2022/23 ratio 5.50x

Council's liquidity remains strong with sufficient liquid assets on hand to meeting short term obligations as they fall due. It compares well against the industry benchmark of 1.50x.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

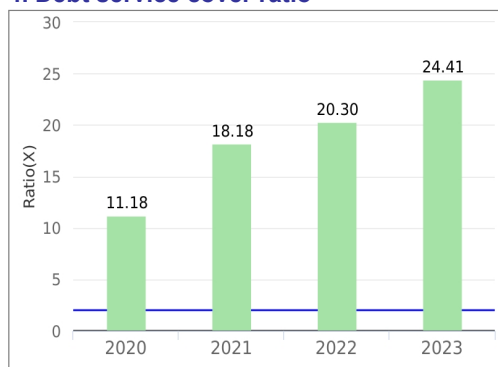
Ratio is outside benchmark

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H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2022/23 result

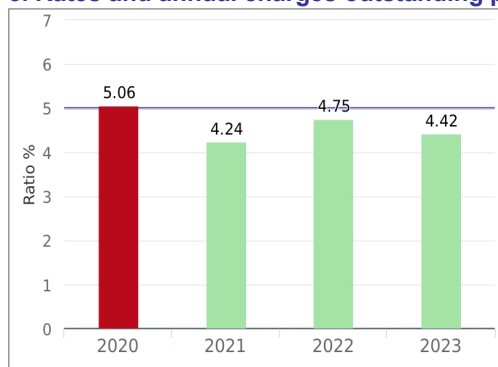
2022/23 ratio 24.41x

This ratio shows that Waverley Council has strong capacity to repay additional debt and provides a favorable comparison with the industry benchmark of greater than 2.00x.

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Benchmark: — < 5.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2022/23 result

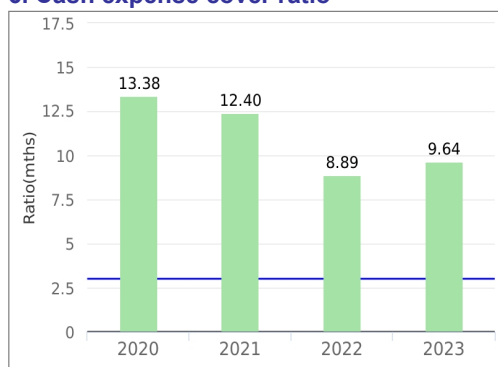
2022/23 ratio 4.42%

The ratio compares well with the industry benchmark of less than 5.00%.

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Purpose of cash expense cover ratio

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

Commentary on 2022/23 result

2022/23 ratio 9.64 months

This ratio compares favorably with the industry benchmark of greater than 3.00 months.

Ratio achieves benchmark

Ratio is outside benchmark

H1-2 Financial review

Key financial figures of Council over the past 5 years

\$ '000	2023	2022	2021	2020	2019
Inflows:					
Rates and annual charges revenue	67,748	66,595	65,151	63,403	61,429
User charges revenue	39,579	38,965	33,786	32,450	37,278
Interest and investment revenue (losses)	3,790	1,016	1,860	3,383	5,266
Grants income – operating and capital	23,321	24,016	22,081	20,404	10,858
Total income from continuing operations	162,425	161,679	150,611	147,638	141,037
Sale proceeds from IPPE	93	534	359	469	992
Outflows:					
Employee benefits and on-cost expenses	73,121	69,239	68,278	70,122	63,857
Borrowing costs	61	73	82	128	90
Materials and contracts expenses	47,392	41,898	41,173	43,639	21,666
Total expenses from continuing operations	145,450	143,665	141,516	191,357	133,537
Total cash purchases of IPPE	37,300	65,386	56,261	37,703	19,978
Total loan repayments (incl. finance leases)	721	882	857	786	412
Operating surplus/(deficit) (excl. capital income)	(1,154)	(6,224)	(10,090)	(64,803)	(1,911)
Financial position figures					
Current assets	137,417	133,710	168,006	170,332	163,095
Current liabilities	53,918	53,799	53,579	45,541	37,438
Net current assets	83,499	79,911	114,427	124,791	125,657
Available working capital (Unrestricted net current assets)	(9,880)	(9,155)	(4,150)	(3,750)	5,892
Cash and investments – unrestricted	8,223	6,745	10,207	12,638	7,779
Cash and investments – internal restrictions	75,799	78,852	103,778	128,765	141,958
Cash and investments – total	130,029	127,049	152,607	172,646	179,429
Total borrowings outstanding (loans, advances and finance leases)	1,580	2,041	2,487	2,923	3,346
Total value of IPPE (excl. land and earthworks)	1,482,276	1,448,254	1,326,154	1,264,894	1,157,203
Total accumulated depreciation	429,327	529,456	530,821	502,802	394,961
Indicative remaining useful life (as a % of GBV)	71%	63%	60%	60%	66%

Source: published audited financial statements of Council (current year and prior year)

H1-3 Council information and contact details

Principal place of business:
Customer Service Centre, 55 Spring Street Bondi Junction

Contact details

PO Box 9
Bondi Junction
NSW 1355

Telephone: 02 9083 8000

Opening hours:
9:00am - 5:00pm
Monday to Friday

Internet: www.waverley.nsw.gv.au
Email: info@waverley.nsw.gv.au

Officers

Emily Scott
General Manager

Teena Su
Responsible Accounting Officer

Richard Coelho
Public Officer

Auditors
The Audit Office of New South Wales
Level 19, Darling Park Tower 2
201 Sussex Street
Sydney NSW 2000

Elected members

Paula Masselos
Mayor

Councillors
Cr Dominic Wy Kanak
Cr Leon Glotsman
Cr Michelle Gray
Cr Sally Betts
Cr Steven Lewis
Cr Will Nemesh
Cr Angela Burrill
Cr Elaine Keenan
Cr Ludovico Fabiano
Cr Tim Murray
Cr Tony Kay

Other information

ABN: 12 502 583 608

Waverley Council

General Purpose Financial Statements for the year ended 30 June 2023

Independent Auditor's Reports:

On the Financial Statements (Sect 417 [2])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (opinion) for inclusion in the GPFS report (via the Home screen).

Waverley Council

General Purpose Financial Statements for the year ended 30 June 2023

Independent Auditor's Reports: (continued)

On the Financial Statements (Sect 417 [3])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (commentary) for inclusion in the GPFS report (via the Home screen).

Waverley Council

SPECIAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2023

Connecting the city and the sea. A welcoming and cohesive community that celebrates and enhances our spectacular coastline, vibrant places, and rich cultural heritage.



Waverley Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Waverley Council

Special Purpose Financial Statements

for the year ended 30 June 2023

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government *Code of Accounting Practice and Financial Reporting*.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 12 September 2023.

Paula Masselos
Mayor
12 September 2023

Elaine Keenan
Deputy Mayor
12 September 2023

Emily Scott
General Manager
12 September 2023

Teena Su
Responsible Accounting Officer
12 September 2023

Waverley Council | Income Statement of Property | for the year ended 30 June 2023

Waverley Council

Income Statement of Property
for the year ended 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
Income from continuing operations		
User charges	2,509	2,103
Other income	3,183	7,240
Total income from continuing operations	5,692	9,343
Expenses from continuing operations		
Employee benefits and on-costs	599	568
Materials and services	677	685
Other expenses	1,643	1,510
Total expenses from continuing operations	2,919	2,763
Surplus (deficit) from continuing operations before capital amounts	2,773	6,580
Surplus (deficit) from continuing operations after capital amounts	2,773	6,580
Surplus (deficit) from all operations before tax	2,773	6,580
Less: corporate taxation equivalent (25%) [based on result before capital]	(693)	(1,645)
Surplus (deficit) after tax	2,080	4,935
Plus accumulated surplus	115,121	110,751
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	693	1,645
Less:		
– Dividend paid	(3,150)	(2,210)
Closing accumulated surplus	114,744	115,121

Waverley Council | Income Statement of Commercial waste | for the year ended 30 June 2023

Waverley Council

Income Statement of Commercial waste

for the year ended 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
Income from continuing operations		
User charges	3,241	3,043
Total income from continuing operations	3,241	3,043
Expenses from continuing operations		
Employee benefits and on-costs	1,146	1,333
Materials and services	62	44
Other expenses	1,377	1,704
Total expenses from continuing operations	2,585	3,081
Surplus (deficit) from continuing operations before capital amounts	656	(38)
Surplus (deficit) from continuing operations after capital amounts	656	(38)
Surplus (deficit) from all operations before tax	656	(38)
Less: corporate taxation equivalent (25%) [based on result before capital]	(164)	–
Surplus (deficit) after tax	492	(38)
Plus accumulated surplus	(215)	(142)
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	164	–
Less:		
– Dividend paid	(621)	(35)
Closing accumulated surplus	(180)	(215)
Subsidy from Council	–	38

Waverley Council | Income Statement of Cemetery | for the year ended 30 June 2023

Waverley Council

Income Statement of Cemetery
for the year ended 30 June 2023

\$ '000	2023 Category 2	2022 Category 2
Income from continuing operations		
User charges	2,382	1,670
Interest and investment income	53	–
Other income	2	–
Total income from continuing operations	2,437	1,670
Expenses from continuing operations		
Employee benefits and on-costs	772	692
Materials and services	318	206
Depreciation, amortisation and impairment	54	80
Other expenses	364	397
Total expenses from continuing operations	1,508	1,375
Surplus (deficit) from continuing operations before capital amounts	929	295
Surplus (deficit) from continuing operations after capital amounts	929	295
Surplus (deficit) from all operations before tax	929	295
Less: corporate taxation equivalent (25%) [based on result before capital]	(232)	(74)
Surplus (deficit) after tax	697	221
Plus accumulated surplus	15,409	15,197
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	232	74
Add:		
– Subsidy paid/contribution to operations	(1,974)	(83)
Less:		
Closing accumulated surplus	14,364	15,409
Return on capital %	1.5%	0.5%
Subsidy from Council	1,643	1,714

Waverley Council | Statement of Financial Position of Property | for the year ended 30 June 2023

Waverley Council

Statement of Financial Position of Property

as at 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
ASSETS		
Current assets		
Receivables	262	224
Total current assets	262	224
Non-current assets		
Investment property	115,023	115,090
Total non-current assets	115,023	115,090
Total assets	115,285	115,314
LIABILITIES		
Current liabilities		
Payables	448	104
Employee benefit provisions	93	89
Total current liabilities	541	193
Total liabilities	541	193
Net assets	114,744	115,121
EQUITY		
Accumulated surplus	114,744	115,121
Total equity	114,744	115,121

Waverley Council | Statement of Financial Position of Commercial waste | for the year ended 30 June 2023

Waverley Council

Statement of Financial Position of Commercial waste

as at 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
ASSETS		
Current assets		
Receivables	108	77
Total current assets	108	77
Total assets	108	77
LIABILITIES		
Current liabilities		
Payables	109	104
Employee benefit provisions	179	188
Total current liabilities	288	292
Total liabilities	288	292
Net assets	(180)	(215)
EQUITY		
Accumulated surplus	(180)	(215)
Total equity	(180)	(215)

Waverley Council | Statement of Financial Position of Cemetery | for the year ended 30 June 2023

Waverley Council

Statement of Financial Position of Cemetery

as at 30 June 2023

\$ '000	2023 Category 2	2022 Category 2
ASSETS		
Current assets		
Cash and cash equivalents	1,841	898
Total current assets	1,841	898
Non-current assets		
Infrastructure, property, plant and equipment	63,968	54,892
Total non-current assets	63,968	54,892
Total assets	65,809	55,790
LIABILITIES		
Current liabilities		
Payables	29	25
Employee benefit provisions	138	134
Total current liabilities	167	159
Total liabilities	167	159
Net assets	65,642	55,631
EQUITY		
Accumulated surplus	14,364	15,409
Revaluation reserves	51,278	40,222
Total equity	65,642	55,631

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2021* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Waverley Council Property Services

Comprising the whole of the operations and assets of the property services, commercial properties controlled by Waverley Council.

b. Waverley Council Trade Waste Services

Comprising the whole of the operations and assets of the commercial waste services which service the area of Waverley. This service collects and disposes of waste collected from commercial premises.

Category 2

(where gross operating turnover is less than \$2 million)

a. Waverley & South Head Cemeteries

Comprising the whole of the operations and assets of both the Waverley & South Head Cemeteries.

This business operates from offices located at Waverley Cemetery dealing with maintenance, sales and burials.

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

Note – Significant Accounting Policies (continued)

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 25%

Land tax – the first \$822,000 of combined land values attracts **0%**. For the combined land values in excess of \$822,000 up to \$5,026,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$5,026,000 a premium marginal rate of **2.0%** applies.

Payroll tax – **4.85%** on the value of taxable salaries and wages in excess of \$1,200,000.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

continued on next page ...

Page 11 of 13

Note – Significant Accounting Policies (continued)

The rate of return is calculated as follows:

Operating result before capital income + interest expense
Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.02% at 30/6/23.

(iii) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Waverley Council

Special Purpose Financial Statements
for the year ended 30 June 2023

Waverley Council

SPECIAL SCHEDULES for the year ended 30 June 2023

Connecting the city and the sea. A welcoming and cohesive community that celebrates and enhances our spectacular coastline, vibrant places, and rich cultural heritage.



Waverley Council

Special Schedules
for the year ended 30 June 2023

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Waverley Council | Permissible income for general rates | for the year ended 30 June 2023

Waverley Council

Permissible income for general rates

\$ '000	Notes	Calculation 2022/23	Calculation 2023/24
Notional general income calculation ¹			
Last year notional general income yield	a	48,285	48,974
Plus or minus adjustments ²	b	(156)	(4)
Notional general income	c = a + b	48,129	48,970
Permissible income calculation			
Special variation percentage ³	d	1.75%	0.00%
Rate peg percentage	e	0.00%	3.70%
Plus special variation amount	h = d x (c + g)	842	—
Plus rate peg amount	i = e x (c + g)	—	1,812
Sub-total	k = (c + g + h + i + j)	48,971	50,782
Plus (or minus) last year's carry forward total	l	35	32
Sub-total	n = (l + m)	35	32
Total permissible income	o = k + n	49,006	50,814
Less notional general income yield	p	48,974	50,865
Catch-up or (excess) result	q = o – p	32	(51)
Carry forward to next year ⁴	t = q + r + s	32	(51)

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable, the Crown land adjustment.
- (4) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

Permissible income for general rates

Permissible income for general rates: PLUS PDF inserted here

Council needs to uplift custom PDF here - please uplift via "PLUS PDF" choice in the Home/TOC screen

Waverley Council | Report on infrastructure assets as at 30 June 2023 | for the year ended 30 June 2023

Waverley Council

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2022/23 Required maintenance ^(a)	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Buildings	Council Offices/ Administration Centres	588	588	552	882	13,698	28,726	1.1%	11.5%	35.9%	51.5%	0.0%
	Council Works Depot	—	—	818	912	11,644	13,369	74.0%	25.7%	0.3%	0.0%	0.0%
	Council Public Halls	—	—	222	295	70,629	85,785	73.2%	10.6%	15.7%	0.5%	0.0%
	Libraries	—	—	534	665	26,427	40,522	12.5%	52.0%	14.0%	21.5%	0.0%
	Cultural Facilities	21	21	1,461	1,293	17,625	23,608	23.6%	62.4%	12.0%	2.0%	0.0%
	Other Buildings	2,217	2,217	1,385	1,469	77,857	99,007	13.1%	43.2%	29.9%	1.3%	12.5%
	Specialised Buildings	29	29	617	705	5,108	7,635	8.8%	54.5%	20.0%	12.4%	4.3%
	Sub-total	2,855	2,855	5,589	6,221	222,988	298,652	32.6%	33.0%	21.2%	8.9%	4.3%
Other structures	Other structures	475	—	136	145	30,122	39,828	50.3%	19.8%	23.1%	6.8%	0.0%
	Sub-total	475	—	136	145	30,122	39,828	50.3%	19.8%	23.1%	6.8%	0.0%
Roads	Roads	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads	403	354	3,563	3,530	82,617	118,151	13.4%	63.4%	21.7%	1.3%	0.2%
	Footpaths	604	159	4,392	4,356	55,875	79,534	16.8%	60.7%	18.2%	4.3%	0.0%
	Other road assets	215	—	2,620	2,506	23,692	32,503	31.4%	42.6%	22.2%	3.7%	0.1%
	Sealed roads structure	1	—	—	—	110,361	216,725	2.0%	0.2%	97.8%	0.0%	0.0%
	Kerb and Gutter	1,112	637	—	1	89,508	127,313	25.1%	44.9%	25.4%	4.5%	0.1%
	Other road assets (incl. bulk earth works)	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	2,335	1,150	10,575	10,393	362,053	574,226	13.2%	33.9%	50.8%	2.1%	0.0%
Stormwater drainage	Stormwater drainage	—	—	676	728	26,508	34,169	27.4%	67.8%	4.8%	0.0%	0.0%
	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Stormwater Conduits	394	—	—	—	66,845	94,926	11.4%	69.4%	18.1%	0.6%	0.5%
	Sub-total	394	—	676	728	93,353	129,095	15.6%	69.0%	14.6%	0.4%	0.4%
Open space / recreational assets	Open Space & Recreational Assets	3,351	—	5,386	5,523	118,453	185,497	22.5%	26.5%	41.6%	9.0%	0.4%
	Sub-total	3,351	—	5,386	5,523	118,453	185,497	22.5%	26.5%	41.6%	9.0%	0.4%
Total – all assets		9,410	4,005	22,362	23,010	826,969	1,227,298	20.8%	35.8%	37.5%	4.8%	1.1%

(a) Required maintenance is the amount identified in Council's asset management plans.

continued on next page ...

Page 5 of 8

Waverley Council

Report on infrastructure assets as at 30 June 2023 (continued)

Infrastructure asset condition assessment 'key'

1	Excellent/very good	No work required (normal maintenance)	4	Poor	Renewal required
2	Good	Only minor maintenance work required	5	Very poor	Urgent renewal/upgrading required
3	Satisfactory	Maintenance work required			

Explanation of the two estimated costs:

Estimated Cost to Agreed Level of Service:

- This cost indicates bringing Council assets that have reached the intervention level agreed by the community to an agreed condition. This condition varies with each asset class and subclass.
- Council has a range of asset condition service levels that are agreed upon., e.g. road assets to be 80% in conditions 1 & 2 with the remainder across conditions 3, 4 & 5.
- This cost provides a meaningful snapshot of the proportion of outstanding renewal works compared to the total suite of assets that the Council has under its care and stewardship.
- Cost to Agreed Level of Service is different from Cost to Satisfactory as it is a measure that does not set a minimum condition standard of 3. Allowing assets to be more accurately represented through their asset lifecycles, whilst reporting on the cost to meet the "Agreed Levels of Service".

Estimated Cost to Satisfactory Standard

- The level of satisfactory condition is set at condition 3 for all asset classes. This requires all assets to be strictly maintained at a level of condition 3 and above.
- In determining the cost, Council estimates the amount required to be spent on existing infrastructure only. We take the replacement value of Condition 4 & 5 assets back to Condition 3 or "Satisfactory", e. the expected cost to bring the assets up to Condition 3.
- This cost does not take into account the cost to bring assets back to conditions 1 and 2. Utilising asset condition valuation percentages, we estimate the cost to match the minimum condition of 3.

Waverley Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2023	Indicator 2023	2022	Indicators 2021	2020	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals ¹	30,655					
Depreciation, amortisation and impairment	14,099	217.43%	290.14%	268.81%	155.45%	>= 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard	9,410					
Net carrying amount of infrastructure assets	865,496	1.09%	1.61%	1.09%	0.99%	< 2.00%
Asset maintenance ratio						
Actual asset maintenance	23,010					
Required asset maintenance	22,362	102.90%	97.34%	104.59%	108.19%	> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council	4,005	0.33%	0.27%	0.25%	0.56%	
Gross replacement cost	1,227,298					

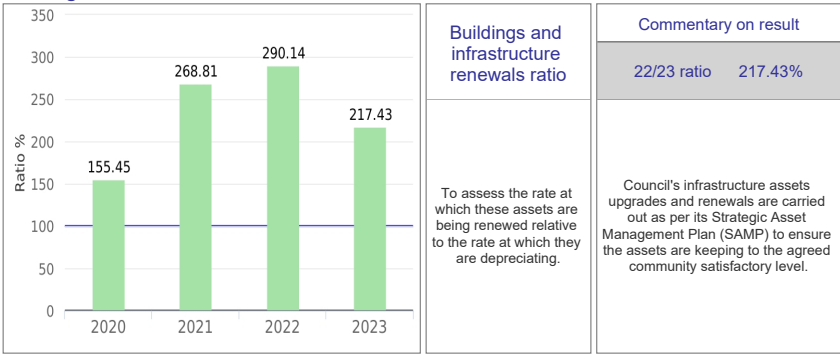
(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Waverley Council

Report on infrastructure assets as at 30 June 2023

Buildings and infrastructure renewals ratio



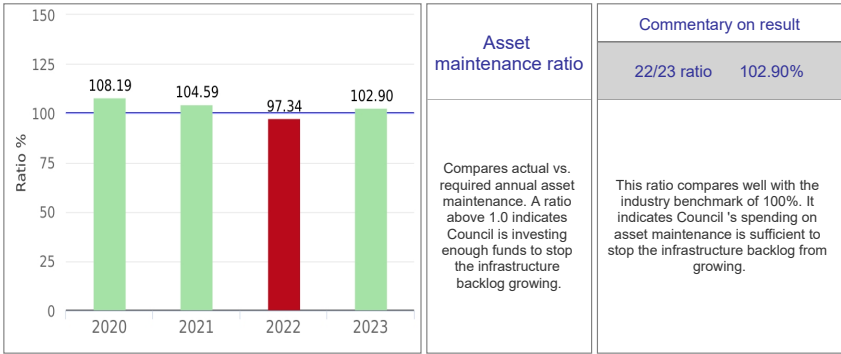
Benchmark: — $\geq 100.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Asset maintenance ratio



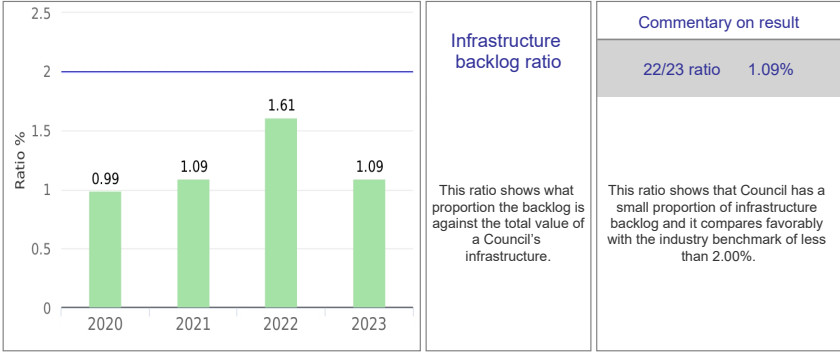
Benchmark: — $> 100.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Infrastructure backlog ratio



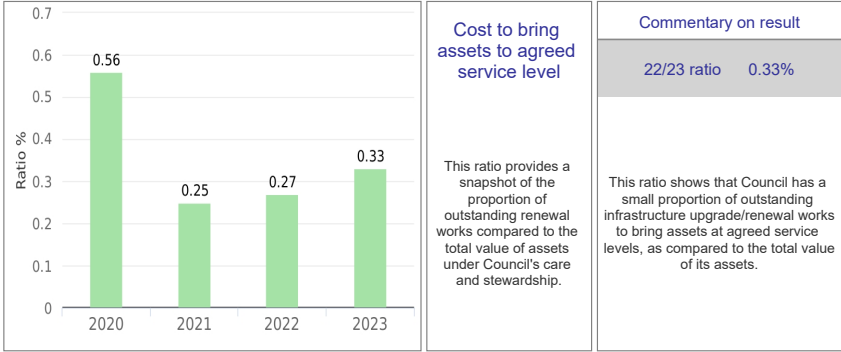
Benchmark: — $< 2.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Cost to bring assets to agreed service level





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REPORT
CM/7.5/23.09

Subject: Audit, Risk and Improvement Committee Meeting - Minutes - 8 June 2023

TRIM No: SF23/1014

Manager: Richard Coelho, Executive Manager, Governance

Director: Tara Czinner, Director, Corporate Services

RECOMMENDATION:

That Council notes the minutes of the Audit, Risk and Improvement Committee meeting held on 8 June 2023 attached to the report.

1. Executive Summary

Council established the Audit, Risk and Improvement Committee (ARIC) in February 2019. In accordance with the ARIC Charter, once the minutes of a meeting have been confirmed by the ARIC they are reported to Council for noting.

The minutes of the meeting held on 8 June 2023 were confirmed by the ARIC at its meeting on 27 July 2023 and are attached to this report.

2. Introduction/Background

The ARIC provides independent assistance to Council by monitoring, reviewing and providing advice on governance processes, risk management and control frameworks, and external accountability obligations.

The Committee is supported by an internal audit function and together they are one mechanism Council uses to ensure its internal controls and management approaches are effective for the management of risk across the organisation.

In accordance with section 9.6 of the ARIC Charter, the minutes are reported to Council after being confirmed by the Committee.

3. Relevant Council Resolutions

Nil.

4. Discussion

Nil.

5. Financial impact statement/Time frame/Consultation

Nil.

6. Conclusion

The minutes of the ARIC meeting held on 8 June 2023 have been confirmed by the ARIC and are attached to this report for noting.

7. Attachments

1. ARIC - 8 June 2023 - Minutes [↓](#) .



**MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING
HELD AT WAVERLEY COUNCIL CHAMBERS, CNR PAUL STREET AND BONDI ROAD, BONDI JUNCTION ON
THURSDAY, 8 JUNE 2023**

Voting Members Present:

Elizabeth Gavey (Chair)	Independent Member
John Gordon	Independent Member
Councillor Sally Betts	Alternate Councillor Member

In Attendance:

Emily Scott	General Manager
Tara Czinner	Director, Corporate Services
Jarrold Lean	Internal Auditor (Engagement Partner, Grant Thornton Australia)
Mahesha Rubasinghe	Internal Auditor (Engagement Manager, Grant Thornton Australia)
Richard Coelho	Executive Manager, Governance and Risk
Teena Su	Executive Manager, Finance
Kevin Trinh	Acting Chief Information Officer (Item 5.7)
Kerrie Pryke	Executive Manager, Human Resources, Safety & Wellbeing (Item 5.9)
Nik Zervos	Executive Manager, Infrastructure Services (Item 5.6)
Al Johnston	Committee Secretary

At the commencement of proceedings at 9.07 am, those present were as listed above.

Prior to the commencement of the meeting the General Manager gave a presentation to the ARIC members on municipal emergencies from a strategic risk management perspective.

ACKNOWLEDGEMENT OF INDIGENOUS HERITAGE

The Chair read the following Acknowledgement of Indigenous Heritage:

The Waverley Audit, Risk and Improvement Committee respectfully acknowledges the Indigenous heritage and recognises the ongoing Aboriginal traditional custodianship of the land which forms the Waverley Local Government Area.

1. Apologies

Apologies were received from Cr Dominic Wy Kanak, Councillor member; Sharon Cassidy, Director, Assets and Operations; Lawrissa Chan, Director, Financial Audit, Audit Office of NSW; and Brett Hanger, External Auditor (Nexia Australia).

2. Declarations of Pecuniary and Non-Pecuniary Interests

The Chair called for declarations of interest, in addition to those standing declarations of interests made by members, and the following was received:

- 2.1 John Gordon advised the Committee that he has retired from the Inner West Council Audit, Risk and Improvement Committee.

3. Confirmation of Minutes

ARIC/3.1/23.06 Confirmation of Minutes - Audit, Risk and Improvement Committee Meeting - 6 April 2023 (SF23/20)

DECISION

That the minutes of the Audit, Risk and Improvement Committee meeting held on 6 April 2023 be received and noted, and that such minutes be confirmed as a true record of the proceedings of that meeting.

4. Actions from Previous Meetings

ARIC/4.1/23.06 Actions from Previous Meetings (SF23/1012)

DECISION

That the Committee notes the status of the actions from previous meetings as at 8 June 2023 attached to the report.

DISCUSSION

The Committee noted that the penetration testing analysis is not included in the Information Management and Technology report and the action status in the table will need updating.

5. Reports

ARIC/5.1/23.06 Audit Office of NSW - Matters to Report (A23/0026)

DECISION

That the Committee notes that the Audit Office of NSW has no matters to report to this meeting.

DISCUSSION

The Committee was advised that the preparation of the 2022/23 financial statements is on track, noting that the second interim audit has been pushed back to early July due to some asset data collection being delayed, and the issue with migrating asset data in Tech 1 remains but is being managed. The Executive Manager, Finance confirmed that the Audit Office of NSW has reviewed Morrison Low's report on the useful life of infrastructure assets.

ARIC/5.2/23.06 Investment Portfolio Performance - April 2023 (A03/2211)

DECISION

That the Committee notes the April Investment Summary Report attached to the report, which was considered at the Council meeting on 16 May 2023.

DISCUSSION

The Committee discussed the nature of the NSW T-Corp investment, whether it has been verified in the T-Corp audit to confirm existence, and its management within the investment portfolio. Management advised that they have gone to the market for investment advisor services and an advisor should be appointed by the end of next month.

ARIC/5.3/23.06 Quarterly Budget Review (Q3) - March 2023 (A03/0346)

DECISION

That the Committee notes the Q3 budget review attached to the report, which was approved at the Council meeting on 16 May 2023.

DISCUSSION

The Committee expressed satisfaction with the budget report and forecast. It noted that revenue from fees and charges for childcare had dropped and asked whether this trend was expected to continue. The General Manager responded that management is working towards ascertaining the true cost of some of the services, through service reviews, and then adjust the fees and charges accordingly. The General Manager agreed that the revenue in family day care has declined in recent times and stated that Council is mindful of the community reaction to fee increases.

In relation to the quarterly budget result, the Committee noted that Council would still be slightly in the black without the \$4M reduction in depreciation (due to the re-assessment of useful lives) and that the reduction in capital expenditure is due to the collapse of Lloyds Group and the stalling of the construction projects they were involved in.

ARIC/5.4/23.06 General Manager's Update (SF23/1010)**DECISION**

That the Committee notes the General Manager's verbal update provided at the meeting.

DISCUSSION

The General Manager provided a verbal update to the Committee. The key points mentioned were:

Budget Priorities

- Delivering Council's priorities.
- Ensure Council's financial sustainability.
 - Operational Ratio > 0%.
 - Balanced budget.
 - Restore fiscal resilience.
 - Understand capital priorities and available funds.
- Build organisation capability and service delivery to meet community expectations.
- Modernisation and tech-enabled improvement.
- Respond to trends, sector changes.
- Continue capital expenditure program on asset renewal, upgrade, health and safety.

2023-24 Budget Timeline

ELT endorses draft budget	16 March 2023
Preparation of draft Long Term Financial Plan 6.1	17 March – 25 March 2023
Council budget workshop	28 March 2023
Draft budget endorsed by Council	18 April 2023
Community Strategic Plan, Delivery Program, Operational Plan and Budget on public exhibition	24 April–21 May 2023
Final budget adopted by Council	27 June 2023

Submissions on Draft 2023/24 Pricing Policy, Budget and Long-Term Financial Plan

- Pricing Policy – 4 submissions received
 - 2 re children's services fee increase
 - 1 about first residential parking permit
 - 1 in support of proposed Fees & Charges
 - No proposed changes or budget implications from the submissions
- Proposed Budget 2023/24
 - ELT workshop to be held

Draft Budget Impacts

- Operational income predicted to increase by \$864K (due to high interest rates on investments)
- Operational expenditure predicted to increase:
 - \$332K reduction from State Cover workers compensation
 - Increase \$120K Sydney Region Development Fund Levies to reflect legislated CPI increase of 3.5%
 - \$462K increase for the NSW State Emergency Service Levy (\$187K increase SES Levy and \$240K Fire and Rescue)
- Expected overall positive budget impact
- Working through proposed capital increases with ELT
- No impacts on Long Term Financial Plan proposed at this stage

WHS obligations briefing for Councillors

- May briefing session on WHS obligations
 - Why it needs to be a focus for the organisation
 - WHS performance in review (StateCover)
 - Psychosocial safety legislative changes
 - Considerations for Councillors at managing obligations
 - Parramatta Council safe work notice case study (Lander & Rogers)
- Next steps
 - ELT – 2 workshops on psycho-social risk assessment for the organisation
 - Developing a risk mitigation strategy for ELT endorsement
 - Brief at future ARIC

Lloyds Group Voluntary Administration and Liquidation

- Information about the impact on Council's construction contracts of Lloyds Group's liquidation was presented to the Committee.

ICT Modernisation Timeline

- Stage 2 Select Tender – RFT Advertised in the week after Easter until the end of May 2023.
- Tender Evaluation – June 2023.
- Report to Council – July 2023.

Salary Review Project

- The salary review project is an enterprise project and a priority for the ELT
- It was agreed that project would explore options to consider a new pay band structure to simplify the system and more directly align to the bands and levels of the Award
- An important part of this project is also reviewing position descriptions, some of which have not been updated for some time.
- The first milestone – the PD review is to be delivered by June 2023 with a broader review of the proposed framework shared by December 2023.

The Committee discussed the Lloyd Group collapse and the impact on Council's construction contracts and the management of sub-contractors.

The salary review project was also discussed along with management's intention to re-centralise the position descriptions and recruitment functions in the Human Resources department. The effect of the salary review and the payroll remediation and timesheet and attendance project on the payroll department was acknowledged, and the Committee expressed satisfaction that the management of the risks associated with the payroll function was not impacted.

The regulation of unoccupied buildings in the Waverley area was discussed with management confirming that all Council owned buildings comply with NSW fire safety regulations.

ARIC/5.5/23.06 Investment Policy Review 2023 (A05/0197)**DECISION**

That the Committee:

1. Notes the revised Investment Policy attached to the report.
2. Notes that the revised Investment Policy is:

- (a) Consistent with the Ministerial Investment Order 2011 and OLG Investment Policy Guidelines.
- (b) Supports Council's ethical, social, environmental and financial sustainability objectives.
- (c) Aligns with the TCorp's investment framework for borrowing criteria.

DISCUSSION

The Committee discussed the ethical investments section of the Policy and the category's compliance with the *NSW Modern Slavery Act 2018*, noting that the category will be incorporated into the modern slavery checklist in due course.

The Committee suggested the last two paragraphs on page 7 of the report be reviewed for readability.

ARIC/5.6/23.06 Infrastructure Assets Useful Life Review (A23/0277)**DECISION**

That the Committee notes the results of the current useful lives review of infrastructure assets (excluding buildings).

DISCUSSION

The Committee discussed Morrison Low's data collection process and review methodology, heritage building and stormwater asset condition reporting, asset management audits and programs of work as well as the availability of the asset management plans on Council's website.

The Committee was satisfied that Council's asset maintenance backlog of less than the 2% benchmark supports the fair assessment of its asset condition and believed the review to be a thorough exercise.

The review was triggered by an Executive Leadership Team budget exercise looking at Council's depreciation costs, which were considered high compared to other similar councils.

ARIC/5.7/23.06 Information Management and Technology - ICT Strategy and Work Program Update (A18/0665)**DECISION**

That the Committee:

1. Notes the progress on the implementation of the ICT Modernisation and major work programs, as set out in the report.
2. Receives a complete report on the penetration testing at the July 2023 meeting.

DISCUSSION

The Committee discussed the number of EOIs received for the Technology Partner and Delivery Partner positions within the ICT Modernisation project, the Information Management Program, and the annual self-assessment of Council's records and information management maturity, which was completed in 2022 but has not yet been completed this year.

The Committee discussed the penetration testing that has been completed as part of the program of cyber security initiatives and requested that it receive a complete report on the testing at its next meeting.

ARIC/5.8/23.06 Fraud and Corruption Prevention - Update (SF22/923)**DECISION**

That the Committee:

1. Notes the status of the Fraud and Corruption Control Plan 2022–23 attached to the report (Attachment 1).
2. Notes the Fraud and Corruption Control Plan 2023–24 attached to the report (Attachment 2).

DISCUSSION

The Committee discussed the fraud and corruption training program that is being implemented throughout the organisation and expressed satisfaction with the progress management has made with developing the plans.

The Committee was advised that a new procurement manager has commenced at Council and it can expect to see some initiatives around contract management in the coming months.

ARIC/5.9/23.06 Governance Report (SF23/1015)**DECISION**

That the Committee notes the Governance Report.

DISCUSSION

The Committee discussed the cx (customer experience) dashboard and the development of a dashboard specifically for complaints management, including service level standards, which will be reported to the Committee at its next meeting. Compliance with response time for access to information requests, new public interest disclosure legislation, and rules around access to closed circuit television footage was also discussed.

Regarding the WHS Safe Space reports, outstanding site safety inductions, and an incident involving the severing of a gas line and claims regarding industrial deafness were discussed. The Committee noted that the number of incident categories being reported has increased as the new system is rolled out and additional data has been inputted to the system and agreed that it is proving a useful tool for management providing greater insights into work, health and safety trends and issues across the organisation.

The biannual Uprise Report is expected shortly and will be presented to the Committee at its next meeting providing its receipt permits the Executive Leadership Team to review it beforehand.

ARIC/5.10/23.06 Internal Audit Plan 2023-24 and Four Year Program (A21/0369)**DECISION**

That the Committee:

1. Notes the Four Year Strategic Internal Audit Program for the financial years 2024-2027 attached to the report.

2. Endorses the 2023-24 Internal Audit Plan attached to the report.

DISCUSSION

The Committee discussed the Four Year Program and the planned audits of Asbestos, 10.7 Certificates, Privacy, Legislative Compliance, and Billing and Collections, and their relationship to the risk register.

ARIC/5.11/23.06 Annual Internal Audit Plan 2022-23 - Status Update - June 2023 (A21/0369)**DECISION**

That the Committee notes the status of the 2022/2023 Internal Audit Plan attached to the report.

DISCUSSION

The Committee noted that the swimming pool management audit has now commenced.

ARIC/5.12/23.06 Completed Internal Audit Reports 2022-23 (A21/0368)**DECISION**

That the Committee notes the following completed Internal Audit Reports attached to the report:

1. Contract Management – April 2023.
2. Work Health and Safety Follow-up – March 2023.

DISCUSSION*Contract Management*

The Committee expressed satisfaction with the audit report and management's responses to the recommendations. It suggested management pay particular attention to the contracts associated with the major ICT Modernisation project, noting however, that low value contracts are more of a risk because they are not usually scrutinised as much as those of high value. The Internal Auditor advised the Committee that a new procurement manager is now in place and driving a centre led process model which will improve the implementation of the contract management framework, and they are expecting to see some uplift in this area.

Work Health and Safety Follow-up

The Committee discussed the reasons the recommendations of an audit of Council's WHS Framework have not been implemented and the actions management have in place to address the situation.

ARIC/5.13/23.06 Outstanding Audit Recommendations - Status Update - June 2023 (A21/0368)**DECISION**

That the Committee notes:

1. The Outstanding Audit Recommendations - June 2023 attached to the report.
2. There will be no report presented to the July 2023 meeting as there is insufficient time before the next meeting for management to significantly progress any actions.

DISCUSSION

The Committee agreed that the Outstanding Audit Recommendations Report need not be presented to the July 2023 meeting because there is insufficient time between meetings for staff to significantly progress the recommendations.

The Internal Auditor sought guidance from the Committee on the format of the report with respect to the Rating of Overdue Actions and the level of detail provided for the High category. The Committee was satisfied with the report and its current format.

ARIC/5.14/23.06 Review of ARIC Work Program 2023 (SF23/1013)**DECISION**

That the Committee endorses the ARIC Work Program 2023 attached to the report, subject to the deletion of the Outstanding Audit Recommendations Report being presented to the July 2023 meeting.

DISCUSSION

The Committee agreed that the Outstanding Audit Recommendations Report need not be presented to the July 2023 meeting because there is insufficient time between meetings for staff to significantly progress the recommendations. The Emergency Response Plan and details of the outstanding Audit Office recommendations are expected at the July 2023 meeting in accordance with the plan.

6 Other Business**ARIC/6.1/23.06 – ARIC Meeting Dates 2023**

The Committee noted the remaining meeting dates for 2023:

- 9am, 27 July 2023
- 9am, 3 October 2023
- 9am, 30 November 2023

ARIC/6.2/23.06 – Expression of Interest for ARIC Independent Member Vacancy

The General Manager informed the Committee that the EOI for the vacant ARIC independent member position has been advertised and candidate interviews will be occurring over the next several weeks.

7. Meeting Closure

THE MEETING CLOSED AT 12.12 PM.

.....
SIGNED AND CONFIRMED
CHAIR
27 JULY 2023

REPORT
CM/7.6/23.09

Subject: Arts and Culture Advisory Committee Meetings - Minutes
- 27 March 2023 and 17 July 2023

TRIM No: A23/0237

Manager: Tanya Goldberg, Executive Manager, Arts, Culture and Events

Director: Ben Thompson, Director, Community, Culture and Customer Experience

RECOMMENDATION:

That Council notes the minutes of the Arts and Culture Advisory Committee meetings held on 27 March 2023 and 17 July 2023 attached to the report.

1. Executive Summary

Council's Arts and Culture Advisory Committee (ACAC) has been active since January 2021, providing input and advice on a range of issues relating to arts and culture activities in Waverley. The Terms of Reference were last updated in March 2021. The Committee's inaugural members were recruited to join the ACAC in late 2020 and their tenure was extended by Council on 6 September 2022.

Attached to this report are the minutes of the final two meetings of the Arts and Culture Advisory Committee. These were held on 27 March 2023 and 17 July 2023.

2. Introduction/Background

The Arts and Culture Advisory Committee was formed in September 2020 as the Cultural Advisory Committee. On 8 December 2020, Council endorsed its inaugural members, their two-year term commencing in January 2021 and concluding in January 2023.

Due to disruptions to in-person meetings and to arts and culture program activity during the COVID-19 pandemic and ensuing lockdowns, on 6 September 2022 Council determined to offer Arts and Culture Advisory Committee members the opportunity to extend their membership term by an additional 12 months, so that expectations upon commencing their committee engagement would have time to be met. Current members, listed in these minutes, are serving until January 2024.

Council has subsequently disestablished the committee as of September 2023, with the newly established Arts, Culture and Creativity Advisory Committee to commence operation from October 2023.

3. Relevant Council Resolutions

Nil.

4. Discussion

The Arts and Culture Advisory Committee Terms of Reference states the Committee's objectives are to:

- *Support Waverley Council in the on-going delivery of its Arts and Culture Plan by providing input into Council's arts and culture processes and projects.*
- *Contribute to the development and enhancement of a strong, recognisable profile for arts, culture and innovation in Waverley that reflects the local identity, diversity, and values of Waverley.*
- *Support and contribute to Council's aspirations to establish Waverley as an international arts and culture destination.*
- *Provide input to consideration of Council's priorities for innovation, arts and cultural development within the Waverley area, within the parameters of Council's strategies and policies.*
- *Facilitate communication between community representatives, cultural organisations and Council in arts and cultural related disciplines, and assist in gathering input from the local creative community in future cultural planning opportunities.*
- *Contribute to the reviews of Council's arts and cultural strategies, policies, programs and services*
- *Provide input into the assessment of applications or proposals related to cultural residencies programs and related recommendations.*
- *Identify funding sources for culture in Waverley, including sponsorship and philanthropic opportunities for Council's consideration.*

Attached to this report are the minutes for the meetings of the ACAC held on 27 March 2023 and 17 July 2023.

5. Financial impact statement/Time frame/Consultation

The operations and administration of the ACAC requires the commitment of Councillor, volunteer and staff resources and any relevant costs are included in Council's operational budget.

6. Conclusion

This report provides meeting minutes of the Arts and Culture Advisory Committee for noting held on 27 March 2023 and 17 July 2023.

7. Attachments

1. ACAC - 27 March 2023 - Minutes [↓](#)
2. ACAC - 17 July 2023 - Minutes [↓](#) .



MINUTES		Date: Monday 27 March 2023			Time: 6:30pm-8:00pm
Title: Waverley Arts and Culture Advisory Committee Minutes		Location: In person and zoom – Bronte Room, Level 2, Waverley Council Chambers			
Participants: Su Goldfish, Mark Gould, Jonathan Nolan, Faith Wieland, Ben Thompson (Director Community, Culture & Customer Experience), Tanya Goldberg (Executive Manager Arts, Culture and Events), Alistair Graham (Executive Manager Community Library and Recreation Venues), Chris Bendall (Artistic Director Bondi Pavilion), Tim Williams (Manager Urban Design & Heritage), Alice Farley (Acting Manager Arts and Culture), Joanna Dinning (Acting Senior Producer Arts and Culture).					
Online: Michaela Boland, Cr Tony Kay, Cr Elaine Keenan, Sophia Thalys.					
Apologies: Cr. Paula Masselos, Danella Bennett.					
Chair: Cr. Elaine Keenan		Minutes: Joanna Dinning			
NO.	SUBJECT				MINUTES
1.	Welcome, Introduction of new Committee members & Apologies				Meeting commenced at 6.31 pm. Cr Elaine Keenan (Chair) welcomed all and delivered the Acknowledgment of Country Apologies: Cr Paula Masselos, Danella Bennett
2.	Confirmation of Minutes from meeting of 24 November 2022				Minutes formally accepted; no amendments required. Moved: Jonathan Nolan. Seconded: Faith Wieland. Carried unanimously
3.	Urban Planning, Policy & Design presentation on Bondi Junction place management and activation				Tim Williams, Manager Urban Design & Heritage, presented Urban Planning Policy and design Bondi Junction Activation and Management document and noted how this impacts arts and culture as it contributes to placemaking, urban design and heritage. With more activities in Bondi Junction, Norman Lee Place and the Boot Factory, it is a good time to make a presentation. Placemaking explained as the interconnection of all elements that define the character, identity and usability of a space, and contribute to its activation and enlivening: architecture, design, planning controls, crowd movement and flow, gathering spaces, functional uses and other activities.



			<p>Presentation shares existing projects like Bondi Bounce as well as blue-sky thinking projects. Bondi Bounce is a pedestrian journey from Bondi Junction to Bondi Beach, funded by NSW Government Streets As Shared Spaces initiative, endorsed by Council. Currently Council is seeking feedback on Have Your Say. Project included parklets, signage, games for children, a lighting project in Waverley Mall, community meeting spots and more. Community feedback was very positive.</p> <p>ACAC members were also positive about this project and the presentation and future project possibilities.</p> <p>Discussion ensued around opening up Oxford Street Mall to flow better, consider the importance of our local history and sharing it with the Sydney and international community. Consideration of the placemaking approaches of other Councils.</p> <p>Action: Cr Keenan suggested for all committee members to feedback on the Have Your Say page and to share this with networks, including praise and ideas.</p>
4.	Artistic Director, Bondi Pavilion		<p>Ben Thompson, Director Community, Culture and Customer Experience briefly introduced Chris Bendall.</p> <p>Chris Bendall shared his background and discussed his vision to share all that the Pavilion has to offer the community, the strategic vision being developed to enliven and activate the Pavilion, and that art is for everyone and everywhere at the Pavilion. He is currently planning and programming – research, audience development and experimentation, what works and doesn't through learnings. Activation of the theatre is a priority. Also keen to get music in the Courtyards and have the Yalagang room filled with local artists making work. He is looking at short and long-term planning for the Pavilion which will include programming and involving locals.</p> <p>Mentioned the Local Creatives networking event in the Yalagang room the following night to launch the new Local Creatives Collaborations EOI program. This program will be open for EOIs by the end of April.</p> <p>Committee comments included shade and seating in the Pavilion and use of outdoor spaces.</p>



				Actions: Chris Bendall to look at further engagement with Committee members..
4.	Bondi Pavilion			<p>Bondi Pavilion Operations Update from Alistair Graham, Executive Manager Community, Library, Recreation Venues, including a summary of the six tenancies and timeframe to full operations. Last tenancy to be fitted out by end May.</p> <p>Eastside Radio has now been in the space for six months. Regular meetings in place regarding their plans at the venue and working with Council.</p> <p>Good demand for regular and one-off bookings, high volume of casual functions, conferences and small events. Bookings are open until the end of this year. Once Council's Arts and Culture team have their programming set for 2024, then bookings for hire would open.</p> <p>Questions around challenges to park and misuse of music studios. Both being looked into further.</p>
5.	Local Creatives			<p>Tanya Goldberg, Executive Manager Arts Culture and Events, update on Local Creatives Register since previous update in November 2022. Register was kept open over the summer period on the committee's recommendation. There were 129 responses giving broad information. TG summarised some core take aways e.g., demographic information, art forms and priority needs for artists, and how these are informing programming direction.</p> <p>Discussion around local respondents and non-local respondents with respect to accessing upcoming opportunities. Conclusion that best to keep what qualifies as local relatively broad - as long as someone in the project group is local this is sufficient for access to opportunities earmarked for locals only. Discussion regarding need to balance engagement with local and non-local artists and support Waverley's broader responsibility to the community and wider community, audiences and participants.</p>



				<p>Council's creative programming and hireable spaces would be balanced with respect to access, with consideration to strategically audience development, and discussions with other arts organisations such as Sydney Fringe and Sydney Festival to leverage off other activities in Sydney.</p> <p>Further that creatives networking drinks are happening and also free marketing workshops for local creatives are currently in train.</p> <p>Action: TG to circulate the presentation to the committee</p> <p>Action: TG to keep the Local Creatives Register open as recommended by the committee</p>
6.	Street Performance Policy endorsement			<p>Tanya Goldberg gave an update on final details on the Street Performers Policy and guidelines that it had been adopted by Council with amendments. That the policy was being referred to the Reconciliation Action Plan (RAP) committee for further discussion on busking as a cultural practice. Then the policy will be rolled out. Tanya thanked the committee for their past input on this policy.</p>
7.	Arts and Culture program – general update			<p>Alice Farley updated on Arts and Culture programming over summer, Sydney World Pride, the Nib Award's new prize money to be announced in April, music programs, up-coming exhibitions in the gallery, Waverley Artists Studio Residents, school holiday programming and Bondi Festival's programming to be locked down in May.</p>
8.	General business			N/A
	Meeting closed at 8:00pm			



Waverley Arts and Culture Advisory Committee Minutes

Monday 17 July 2023

Bronte Room, Waverley Council Chambers and ZOOM

Chair: Cr Elaine Keenan Minute Taker: Tanya Goldberg		
Participants: Danella Bennett, Michaela Boland, Alice Farley, Alistair Graham, Mark Gould, Cr. Tony Kay, Jonathan Nolan, Sophia Thalys, Ben Thompson, Faith Wieland, Guests: Armando Chant, Elizabeth Reidy Apologies: Chris Bendall, Su Goldfish, Cr. Paula Masselos		
Item	Subject	Minutes
1.	Welcome & Apologies	Meeting commenced 6.43pm. Chair gave an Acknowledgement of Country and welcomed all, noting this is the last time that this committee will gather. Introductions around table. Apologies from Chris Bendall, Su Goldish and Cr Masselos (Mayor)
2.	Visual Arts / Public Art Committee update	Presentation from Waverley Artist Studio resident Armando Chant regarding his use of the Bondi Pavilion Artist Studio space and the development of his professional practice. Armando spoke to: <ul style="list-style-type: none"> - His experience in the Waverley Artist Studio program, the importance of the program and the location of the Bondi Pavilion studio to his practice and his developing work. He spoke to the value of being part of a cohort with other Studio artists, and of the opportunity to work like this for a year, on site, with both an individual and group experience. He expressed the huge benefit for artists to develop their professional experience in a guided way through the studio. - The light in the studio has a unique value to him as his work relates to light. So hard for artists to find spaces that provide the ideal conditions to make work, making this an exceptionally valuable residency.



WAVERLEY COUNCIL

		<ul style="list-style-type: none"> - The benefit of meeting the other studio artists, connecting with a new community, and being able to fully embrace his artistic work as his profession, and that the studio space facilitates that. <p>Discussion centred around questions relating to connection to other artists at the Pavilion as well as the interaction of the community passing by, and the connection of the Artist Studio to the Art Gallery. Also discussed was the importance that Bondi Pavilion is a space of art creation that can facilitate an understanding of the art-making process which can be otherwise mysterious to audiences who are unfamiliar with the process. Having a visible artist on site adds a layer of understanding that pure exhibition doesn't convey. Engagements like Artist Talks adds further to this.</p> <p>Armando explained that this is important in Waverley as every community has artists and creators within it. If space is not made for their practice and process, then the richness of a community is limited. It's a small gesture that continues to have ongoing impact.</p> <p>Presentation from Elizabeth Reidy, Waverley Council Curator and Visual Arts Coordinator for information and discussion outlining:</p> <ul style="list-style-type: none"> • Current public art projects • Visual arts program overview <p>Discussion focused on questions regarding the percentage of development budget designated in the DCP that must go towards fabrication of public art work. This amount is 1% of the overall development project budget. Further discussion explored exhibition turn around times at Bondi Pavilion Art Gallery, the commercial selling of work and the value of the Waverley Art Prize, all of which is reviewed on an ongoing basis, so that program performance is assessed and improved over time.</p>
3.	Bondi Festival 2023 quick summary	<p>Festival concluded on Sunday 16 July.</p> <p>This is a to-date summary of festival highlights with a detailed analysis to follow in future.</p> <ul style="list-style-type: none"> - Internal partnerships with Visual Arts and Economic Development walking tour series. - External partnership success with Blue Hotel, Bondi Wash, Hours After, Impala Skate, Badlamps Barbers, Bondi and Districts Chamber of Commerce. - Massive media engagement across festival. Strong coverage Sunrise, Sky News. - Strong diversity component in programming outcomes.



		The committee acknowledged the incredible efforts of the team who have been so creative with the components of the festival and indicated that the festival is a wonderful utilisation of the Pavilion venue.
4.	Bondi Pavilion venue update	<p>Alistair Graham updated the committee on</p> <ul style="list-style-type: none"> - The achievement of staffing stability in the venue team - High volume of casual bookings ongoing and the EOI for regular hirers for 2024 closed recently with a strong response. - Final tenant Surfish is now open so hospitality is complete across the venue. - Bondi Festival demonstrated a strong use of building, a was great showcase of what hirers can do. - FIFA World Cup courtyard screenings of Matilda games start on Thursday 20 July. - Upcoming usage summarised, some interesting events in the next few months.
5.	Bondi Pavilion creative program 2023 update	<p>Tanya Goldberg presented on Chris Bendall's behalf on the Bondi Pavilion creative program for the remainder of 2023, for information.</p> <p>Committee discussion centered around program promotion and publicity with suggestions to:</p> <ul style="list-style-type: none"> - Leverage other government agency objectives, for example, advocate to the NSW Minister of the Arts who is also Minister for Tourism and keen for opportunities to drive tourism. Bondi is a global destination. Council can help the minister make it more visible – share showreels for Destination NSW. - Emulate Darlinghurst Theatre Company and the Hayes who use lists of various groups – pensioners, artists etc. to fill houses every night. Locals night – this might generate more audiences to flow on.
7.	Local Creatives update	<ul style="list-style-type: none"> • Local Creatives Training and Networking Opportunities • Registration vs attendance discussion • Inaugural Local Creative Collaborations EOI (Yalagang Room, focusing on creative development) • Local Creative Collaborations EOI (Theatre) <p>Very positive committee feedback regarding our recent networking session and recommendation that these programs continue so that Council continues to drive community connection.</p>
8.	Arts and Culture program - recent activity update	<p>For information and discussion outlining:</p> <ul style="list-style-type: none"> • Make Music Day • Bondi WAVE



		<ul style="list-style-type: none"> • WAP • Easter School Holidays success wrap up video • Nib Award developments • Conclusion of Housewarming Program Political Animals • Street Performers Policy launch
8.	Arts, Culture and Creativity Committee	<p>Recent Council decision discussed.</p> <p>Strong feedback from most committee members that the merger is the right move, and acknowledgement of the strong contribution and success of this committee, which has led to the formation of the new ACCAC.</p> <p>It was flagged that the task of maintaining the success of opening Bondi Pavilion is a huge one and there is still a lot of work, with some concern that the new committee won't be able to get through everything. Increasing the length of meetings was discussed to facilitate a higher volume of activity.</p> <p>Discussion also focused on how to make meeting agendas more manageable, and it was suggested that meeting items are divided into those for information with no need to discuss, those for information and discussion and those for formal briefing and discussion.</p>
9.	General business	<p>None.</p> <p>Meeting concluded at 8.10pm</p>

REPORT
CM/7.7/23.09

Subject: Public Art Committee Meeting - Minutes - 10 August 2023

TRIM No: A20/0106

Manager: Tanya Goldberg, Executive Manager, Arts, Culture and Events

Director: Ben Thompson, Director, Community, Culture and Customer Experience

RECOMMENDATION:

That Council notes the minutes of the Public Art Committee meeting held on 10 August 2023 attached to the report.

1. Executive Summary

The purpose of this report is to note the minutes of the Public Art Committee (PAC) meeting held on 10 August 2023.

2. Introduction/Background

Council established the Public Art Committee in 1992. In December 2017, Council endorsed the current Terms of Reference for the Committee.

As per the Terms of Reference, the Public Art Committee aims to:

- *Foster the ongoing development of quality, diverse and creative public art and visual art so as to enhance public access and experience of the arts.*
- *Select and develop public artworks that serve as important markers reflective of our heritage and cultural identity.*
- *Involve the community through information and promoting public art programs.*

Members of the Public Art Committee listed in these sets of minutes were appointed by Council in 2020.

In September 2022, the term of the Committee was extended by 12 months due to delays in projects incurred as a result of the COVID-19 pandemic.

Council has subsequently disestablished the committee as of September 2023, with the newly established Arts, Culture and Creativity Advisory Committee to commence operation from October 2023.

3. Relevant Council Resolutions

Nil.

4. Discussion

The minutes have been confirmed by Committee members via email and are attached to this report.

5. Financial impact statement/Time frame/Consultation

The operations and administration of the Public Art Committee requires the commitment of Councillor, volunteer and staff resources and any relevant costs are included in Council's operational budget.

6. Conclusion

This report provides meeting minutes of the Public Art Committee held on 10 August 2023 for noting.

7. Attachments

1. PAC - 10 August 2023 - Minutes [↓](#) .

Date: 10 August 2023 Time: 6:30pm-7:45pm		Location: Yalagang Room, Bondi Pavilion		
Participants: Steven Thomson, Rohan Hawthorn, Liane Rossler, Annette Trubenbach, Tanya Goldberg, Elizabeth Reidy, Cr. Paula Masselos				
Guests: Christopher Nelius, Pauline Menczer Statue Campaign Lead, Evan Blake from Gillie and Marc				
Apologies: Jerome Harris, Kimberly Croft, Cr. Elaine Keenan, Cr. Angela Burrill.				
Chair: Cr. Paula Masselos				
Minute taker: Tanya Goldberg				
	Subject	Type	Minutes	Who
1	Welcome, Introductions & Apologies	For information	Meeting commenced at 6.25pm with introductions around the table. Apologies: Jerome Harris, Kimberly Croft, Cr. Elaine Keenan, Cr. Angela Burrill.	Chair / All
2	Pauline Menczer public artwork gift/acquisition presentation	For information and questions	Christopher Nelius talked to presentation. He summarised the enormous shifts in Bondi and surfing culture since the 80s when Pauline Menczer started to surf. The statue proposal is a monument to that history and acknowledgement of the profound impact her achievements have had on the sport of surfing, the normalisation of women’s participation in it, and her singular and inspirational world title achievement. A statue celebrates her and the progressive attitude that has always been in the DNA of Bondi Beach that she represents. He spoke to the deep roots of support from the community, including testimonials and strong support from media including: Nine Media, Fox Sports, SMH, surfing publications, and extensive network through the <i>Girls Can’t Surf</i> film.	CN

		<p>The statue fundraising campaign needs approximately \$80,000 and has currently raised \$30,000. Campaign organisers are confident in their ability to raise the remaining funds, and have artists Gille and Marc on board, who have reduced the cost of creating a bronze statue via their initiative Statues for Equality which addresses the disproportionate amount of statues of men rather than women in public spaces (currently, about 6% of statues in Australia are of women, and most of those feature dead queens).</p> <p>The committee reviewed and discussed Design Options 1 and 2.</p> <p>Option 1 celebrates Pauline Menczer's unique surfing style. Its fabrication is bronze and stainless steel, reflecting the surrounding environment. It would be more labour intensive. Suggested location is halfway between South End and Skate Park.</p> <p>Option 2 presents a more reflective image of a younger Pauline Menczer looking out to the surf, with an invitation for anyone to stand with her, look out to the water and take on the world. Fabrication is entirely bronze. Suggested location is on the South End of the park pathway, at the crossroads between the beach and Icebergs, where it can both blend into the landscape and be visible from a distance.</p> <p>Questions focused on:</p> <ul style="list-style-type: none">- Maintenance of the work and how the materiality would change over time. A yearly wax treatment would protect the bronze from corrosion and colourisation of patina over time, and is a minimal cost. Artists can provide a maintenance program.- Valuation of the work, based on the valuation certificate which would be transferred at time of accepting the statue as a gift. <p>Committee recommendation:</p>	
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			<p>- Design 2 is preferred as it is a more reflective, less literal work. However, committee would like to see a further development of this design concept, to ensure that the artistic merit of the proposed statue gift matches the outstanding merit of Pauline Menczer's unique achievement. Committee have requested renders depicting a refined design in situ, to demonstrate how the work fits to place. Committee have also requested that the environmental impact of the statue's manufacture be considered and minimised.</p>	
3	<p>Public Art in the Private Domain</p> <ul style="list-style-type: none"> 194-214 Oxford St and 2 Nelson St Bondi Junction Rowe St Bondi Junction (transport terminal ramp and building ways) 	For information and questions	<p>Elizabeth Reidy spoke to the presentation, summarised the projects and noted that following changes to Council's Development Control Plan, the process approvals are appropriately incentivising developers to work closely with Council to ensure public art planning is incorporated at the pre-DA stage.</p> <p>For Rowe Street project, public art and Connection to Country consultants are already engaged.</p> <p>Conditions for public art have also been triggered by Bronte Surf Club project.</p>	ER
4	Whale Dreaming Public Art Project	For information	<p>Elizabeth Reidy spoke to the presentation.</p> <p>Bondi Mermaids – three designs received will progress to detailed concept design.</p>	ER

	Bondi Mermaids Public Art Project	and questions	<p>Whale Dreaming – artists Alison Page and Shane Youngberry design is progressing. A well-developed concept design will come before the new committee in October/November.</p> <p>Boot Factory public art work – due for installation in late 2023/early 2024.</p>	
5	<p>Bondi Beach public art</p> <p>Sea wall turnover</p> <p>Dolphin statue</p>	For information and questions	<p>Elizabeth Reidy spoke to the presentation.</p> <p>Sea wall recent turnover undertaken, with great new works including five Indigenous works by artists of different nationhoods.</p> <p>Dolphin Court dolphin statue conservation project. Conservation report revealed dolphin required urgent attention due to degradation of statue base. Team is working with landscape architects on a new base, and an improved location that will place it closer to Diana Webber's Lifeguard work – the two works together will be a kind of gateway to the park. Diana Webber's sons have indicated their pleasure at the proposed location change.</p>	ER
6	Exhibition update	For information and questions	<p>ArtExpress opens Friday 18 August. First time Waverley has hosted this exhibition. In partnership with NSW Education.</p> <p>Waverley Art Prize – wrap up. 16,000 visitors as of meeting date. Caroline Craig's prizewinning work contained mixed media elements.</p> <p>Bedrock by Hannah Quinlivan opens in October.</p> <p>Head On Photography Festival Portrait Prize opens in November.</p> <p>Summer exhibition featuring Tamara Dean and others, slated for December 2023 to January 2024.</p> <p>On 4 November we will also be hosting the Australian Conservation Foundation Wild at Art exhibition in the Yalagang Room.</p>	ER

7	Arts, Culture and Creativity Advisory Committee – recent Council decision	For information and questions	Tanya Goldberg spoke to the presentation.	TG
8	General business		<p>Liane Rossler expressed her thanks for the committee, saying it's been a pleasure and a joy to be a part of it.</p> <p>Cr Masselos expressed her thanks to all for their contributions, noting it has been an honour to have members of such high calibre work with us on this committee.</p> <p>Meeting closed at 8.05pm.</p>	

REPORT
CM/7.8/23.09

Subject: Motion for the 2023 LGNSW Conference - Cost-Shifting

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW increases its advocacy to oppose any cost-shifting that impacts member councils, including returning 100% of income from the waste levy to all NSW councils and reimbursing councils for the mandatory pensioner rate rebates.

Background

Cost-shifting undermines the financial sustainability of the local government sector by forcing councils to assume responsibility for more infrastructure and services, without sufficient corresponding revenue.

The major types of cost-shifting are generally considered to be:

- The withdrawal or reduction of financial support once a program is established and or transferred to local government.
- The transfer of assets without appropriate funding support.
- The requirement to provide concessions and rebates without adequate compensation payments.
- Increased regulatory and compliance arrangements.
- Failure to provide for indexation of fees and charges for services prescribed under various legislation or regulation.

Cost-shifting clearly impacts on councils' available funds with which it is able to deliver quality services and infrastructure for the community. If councils were not impacted by cost-shifting or to the degree that they currently impacted, this would mean councils could spend additional funds on:

- Additional services to the community.
- Increasing existing service levels to the community.
- New capital/renewal infrastructure works.
- Increased spending on maintenance of council assets.

The majority of cost-shifting impacts on metropolitan councils come from the NSW State Government, with the most significant areas being the waste levy and contribution by councils to Fire and Rescue NSW. Fees and charges levied by the State represent approximately 4.9% of Waverley Council's operating expense and is growing at an accelerated rate.

REPORT
CM/7.9/23.09

Subject: Motion for the 2023 LGNSW Conference - Local Government's Contribution to Arts and Culture

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW steps up concerted advocacy efforts with State and Federal government decision-makers, including at the newly established federal Creative Australia agency, Create NSW and Destination NSW, to support urgently needed recognition and support of the significant contribution made by local government to the arts and culture sector.

Background

While some State and Federal arts and culture funding opportunities are available for local government organisations, it is rare for many councils to achieve positive grant outcomes. However, local governments make a massive contribution to both cultural infrastructure and programming, and should be better supported with funding by working in a more coordinated and empowered way with state and federal agencies.

Through arts and culture, architecture and design, language, community engagement and leisure, local government plays a significant role in enabling people to participate in artistic and cultural expression. Existing quantitative data vastly under-represents the actual commitment of councils in NSW to arts and culture.

In an era of increasing global homogeneity, local production and participation is especially important. Arts and culture also have serious economic value for communities.

Local governments deliver, fund, host, support and promote arts and culture in their communities. This includes managing more than 4,000 cultural infrastructure sites throughout NSW, as well as delivering services, programs, events and local cultural planning that supports a thriving arts and culture sector ecology.

Some of the ways in which Councils are involved in arts and culture include:

- Hosting events, festivals, performances, workshops, tours and other activities.
- Commissioning, installing and maintaining public artworks.
- Providing spaces for artists and arts program participation.
- Providing subsidies or direct funding for artists and arts program participation.
- Running arts and culture programs in dedicated spaces as well as in adjacent arenas like libraries.
- Investing in the development and maintenance of cultural infrastructure, owning and managing

- local museums and galleries, performing arts centres, creative studios and more.
- Attracting touring shows to local areas, including performing in council-owned and managed venues.
- Being custodians of local heritage assets.
- Being facilitators of First Nations cultural exchange.

NSW local government invested \$520 million in arts, screen and culture in 2015-16 (the Economic Value of Arts, Screen and Culture in NSW, July 2018).

Given its economic importance, ability to reach hyper-local contingents of the arts and culture sector and its substantial investment in creative infrastructure and the arts, culture and creative industries, local government deserves better recognition from state and federal arts funding bodies.

The NSW Government is currently working towards the State's first Arts, Culture and Creative Industries Policy and LGNSW should be using this opportunity to ensure that local government support of practitioners and audiences is appropriately included and valued in that policy process.

REPORT

CM/7.10/23.09



Subject: Motion for the 2023 LGNSW Conference - Early Education and Care

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW:

1. Establishes a taskforce to work collaboratively with the State and Federal governments on urgently needed sector reforms following this year's early childhood education and care services inquiries by the Australian Competition and Consumer Commission, the Independent Pricing and Regulatory Tribunal and Deloitte.
2. Advocates to the NSW Government to set up a dedicated local government funding stream in recognition of councils' significant role and status in the early education and care sector.

Background

The early childhood education and care sector (ECEC) is in crisis. The cost of care has significantly increased; administrative, regulatory, and quality assurance processes are complex and unnecessarily laborious; coordinated planning to ensure adequate supply is largely absent; and providers are struggling to attract qualified staff.

These and other issues have been the subject of three major inquiries in 2023: ACCC, IPART, Deloitte. With findings expected to be made public towards the end of this year, now is the time for LGNSW to act and for its status to be recognised as a collaborative partner of state and federal governments in bringing about structural and long lasting reforms for the benefit of our communities.

Local government plays a critical role in the planning, coordination, provision and support of locally focused, stable, and inclusive early childhood education and care services. Its reputation for delivering on quality, price, equitable access, and good governance has remained strong but the cost burden needs to be shared.

LGNSW is in a unique position to:

- Establish a taskforce to work in partnership with State and Federal Governments to address structural issues, lack of planning, innovative service models, staff shortages, and funding inequities.
- Advocate to the NSW Government to consider setting up a dedicated local government funding stream in recognition of councils' significant role and status in the early education and care sector.

REPORT
CM/7.11/23.09

Subject: Motion for the 2023 LGNSW Conference - Unaffordable Rents and Rent Increases

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW steps up concerted advocacy efforts with decision-makers, government agencies, the newly established office of Rental Commissioner and the broader community to support urgently needed rental reforms, intervention and innovation across the housing system to effectively address escalating rents and the lack of renters' rights through measures that ensure rents do not increase faster than inflation and that promote longer and more secure tenure.

Background

Steep rent increases are placing significant pressure on renting households across NSW. The Tenants' Union of NSW is urging decision makers to remove barriers faced by renters in accessing safe, secure and affordable housing.

A recent study undertaken for HOPE Housing by researchers at the University of Sydney reveals that the situation for essential workers attempting to find affordable housing has significantly worsened in the past five years. The research shows that in the most recent Census period, the greatest net losses of essential workers were from the Eastern Suburbs (-11%), Inner East (-11%), Parramatta (-9%) and Inner West (-8%).

Pressures in the Eastern Suburbs, an area with escalating rental increases on top of existing affordability challenges, are intense, made worse by impacts of short term visitor accommodation providers such as Airbnb.

Apart from government efforts to boost supply of affordable housing, consultative and collaborative efforts at all government levels need to focus on rental reforms that address no grounds evictions, the keeping of pets, the use of personal information, bonds and unaffordable rent increases.

REPORT
CM/7.12/23.09

Subject: Motion for the 2023 LGNSW Conference - Short-Term Rental Accommodation and the Rental Housing Market

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW:

1. Notes that:
 - (a) There is a rental crisis facing Greater Sydney and NSW, with rents increasing significantly in recent years.
 - (b) The Housing State Environmental Planning Policy allows non-hosted (whole house) short-term rental accommodation as exempt development in a dwelling for 180 days per year in Greater Sydney and nominated regional NSW local government areas (LGAs), and 365 days per year in all other locations
2. Advocates to the NSW Department of Planning and Environment to allow councils to limit the number of nights in non-hosted short-term rental accommodation as exempt development in a dwelling to 60 days per year in Greater Sydney and nominated regional NSW LGAs to increase long-term rental availability and affordability.

Background*Prevalence of short term rental accommodation*

There has been an increase in the use of private dwellings for short-term stays, manifest in the increasing ubiquity of sites such as Airbnb. Sydney is the 10th largest Airbnb market worldwide, with listings concentrated in and around the Sydney CBD and the northern and eastern beaches (Figure 1 below).

Airbnb offers almost 3,000 listings in Waverley, representing a larger market than the traditional tourist accommodation market combined; although this number fluctuates throughout the seasons. These listings provide a mix of shared rooms, private rooms, units and houses. Overall, around 9% of dwellings in Waverley are listed on Airbnb; more than double the City of Sydney, which has 4% of dwellings listed on Airbnb. As some listings are only available for part of the year, it should be noted that a listing on Airbnb does not indicate that a dwelling's primary use is for short-term stay. Furthermore, data related to how often the property is being used for short-term accommodation is generally unavailable and it is likely that many properties are only listed while the household is away.

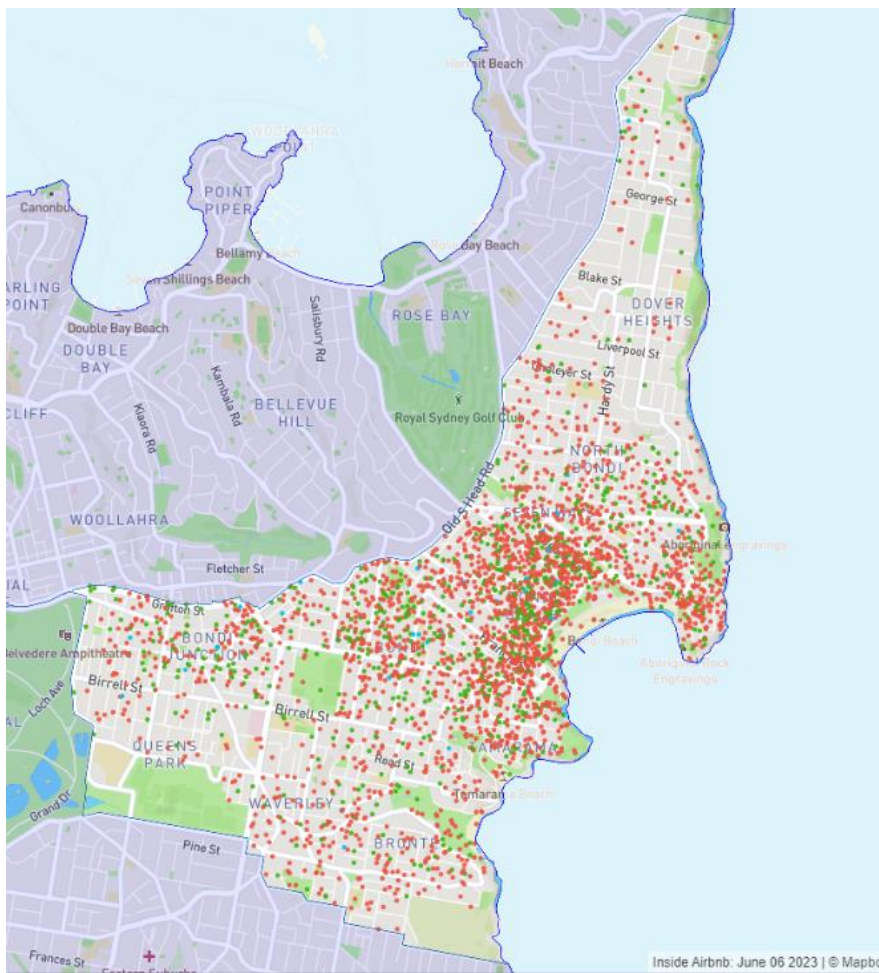


Figure 1. Airbnb listings, Waverley LGA (source: Inside Airbnb, 2023). Note: green = private rooms for hire, red = entire dwellings for hire.

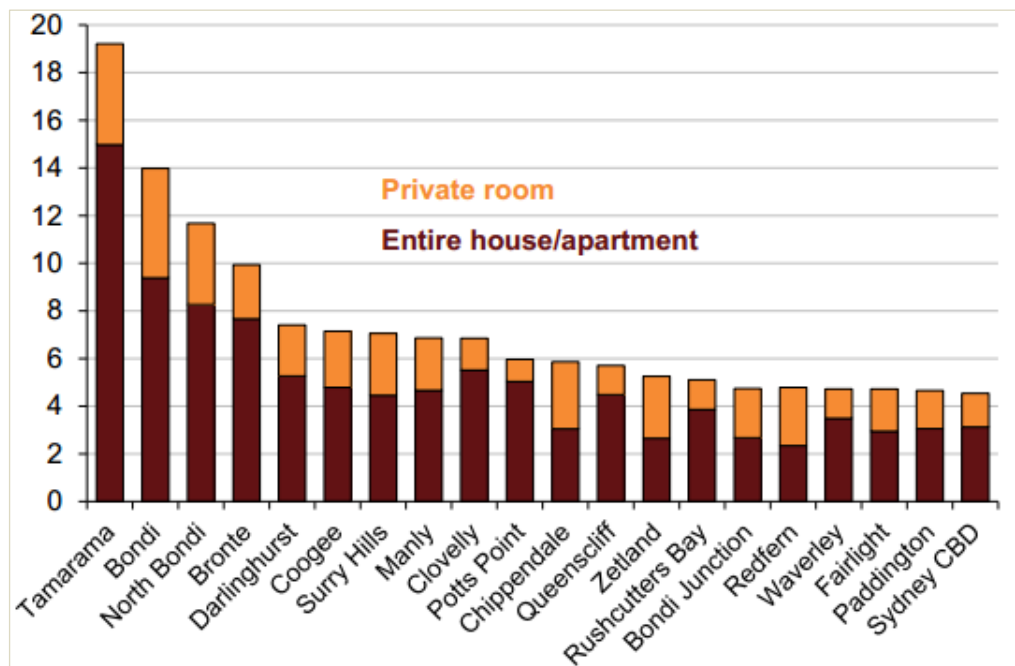


Figure 2. Airbnb listings as a percentage of dwellings (source: Grattan Institute, 2016). Note: dwellings may only be listed for a short time throughout the year. Bondi Beach is included in Bondi.

Rental availability and affordability: impact of short-term rental accommodation on local housing markets

There is increasing concern surrounding of the impact of short-term rental on local housing markets, particularly its effect on rental prices. The argument is that a landlord or tenant renting out a spare room or entire apartment above market rents can outbid competitors, as their ability to pay is increased due to this short-term accommodation rental income. In turn, this increases aggregate demand for housing and drives up the price of sales and rentals on these units. For instance, a household that aims to rent out a spare bedroom for extra income will be able to pay more to rent a particular dwelling than another household with similar circumstances.

Evidence in Australia suggests that short term rentals absorb ‘about half of Sydney’s current rental vacancy rate based on the Inside Airbnb data on frequently available listings’ (Gurran and Phibbs, *When Tourists Move In: How Should Urban Planners Respond to Airbnb?*). The situation is worse in LGAs like Waverley where ‘the number of whole dwellings frequently available on Airbnb is more than three times the vacancy rate in the locality. This suggests that Airbnb rentals have a sizeable impact on the availability of permanent rental housing in the Waverley local government area with consequent pressure on rents.’ (Gurran and Phibbs, *When Tourists Move In: How Should Urban Planners Respond to Airbnb?*). Research in New York has shown that an increase in localised Airbnb availability is associated with an increase in property values (both rental and sales). For example, a doubling of Airbnb listings is associated with increases of up to 18% in house values, all other things being equal. (Sheppard S and Udell A, *Do Airbnb properties affect house prices?*). For these reasons, a number of North American and European cities, including London, Berlin and Amsterdam have either banned or heavily regulated Airbnb.

Renting out single rooms is also much more prevalent in Waverley (around 4% of total dwelling stock), than other LGAs (2.3% in City of Sydney to 0.1% in Parramatta). Renters or home owners yield around 10% of the LGAs median rent or mortgage expenses per month; this additional revenue can be used to outbid long-term tenants or mortgagors and push prices and rents upwards.

The Grattan Institute completed research on the impact of Airbnb on affordability titled *Peer-to-Peer Pressure: Policy for the Sharing Economy*. The report found that on a broader Sydney scale the number of Airbnb listings was still a small fraction, and on that basis ‘concerns about rents are overblown.’ However, the report did highlight that there are ‘localised’ impacts on displacement revealing that ‘long-term tenants have clearly been displaced from the inner city beachside suburbs’, such as Bondi and North Bondi.

The NSW Government has implemented a statewide regulatory framework for short-term rental accommodation (STRA), which came into effect on 1 November 2021. The planning framework is within the Housing SEPP and includes:

- A definition for short-term rental accommodation, hosted STRA and non-hosted STRA.
- An exempt development approval pathway for hosted and non-hosted STRA, facilitating:
 - Hosted STRA as exempt development in a dwelling, 365 days per year.
 - Non-hosted STRA as exempt development in a dwelling, 180 days per year in Greater Sydney and nominated regional NSW LGAs, and 365 days per year in all other locations
 - An exemption of bookings of 21 consecutive days or more from the 180 day limit on non-hosted STRA.

In 2022, Byron Shire Council voted for a 90-day cap for short term rental accommodation, but the former NSW Government did not support the plan. The case was taken to the Independent Planning Commission (IPC) recommended against the proposed 90-day cap for short term rentals, finding it would ‘not adequately achieve its stated objectives and may have unintended adverse economic consequences.’ Instead, the IPC found that tightening the rules to 60 days would provide sufficient incentive to get people to put properties on to the longer term rental market, while supporting ‘incidental use of homes’ as holiday rentals.

Given the rental crisis facing Greater Sydney and most of NSW—where rents have increased by around one-third in the past two years—and the context of record population growth in Greater Sydney, there is a need to retain dwellings for long-term rentals to maintain affordability and accommodation population growth.

REPORT
CM/7.13/23.09

Subject: Motion for the 2023 LGNSW Conference - Rezoning Reviews and Local Strategic Planning Statements

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW:

1. Notes the importance of the Local Strategic Planning Statements (LSPS) as councils' key strategic planning document setting the vision for its area.
2. Notes that there have been rezoning review decisions that have directly contravened councils' LSPS.
3. Advocates to the NSW Department of Planning and Environment to adopt changes that ensure that:
 - (a) When planning proposals are inconsistent with a council's adopted LSPS, then a planning proposal should not be allowed to proceed to a rezoning review.
 - (b) A representative from the Greater Cities Commission is involved in any rezoning review decision to ensure the LSPS is being considered.

Background*The importance of the Local Strategic Planning Statement (LSPS)*

According to the Act, the LSPS is 'the basis for strategic planning in the area.' It is an embodiment of the strategic-plan-led planning system in NSW, where a strategic planning hierarchy developed by the Greater Cities Commission—from the Greater Sydney Region Plans through to the District Plans, LSPSs, local environmental plans (LEPs) and development control plans—informs individual development decisions.

The planning system must be strategic-plan-led because the adoption of a strategy by the community, various stakeholders and governments is the best expression of the public's interest in the allocation of rights to the use of land.

LSPSs incorporate trade-offs across multiple balanced issues up front with all factors considered, such as environmental issues, whereas ad hoc, isolated spot rezonings are seen through the narrow lens of a single site and do not enable holistic consideration of trade-offs. This is a key reason they are an inferior public process at reflecting public values.

Strategic plans coordinate land use and infrastructure growth to ensure that infrastructure investment is

efficient and optimised, particularly transport infrastructure. The public interest is not only expressed in the achievement of valued place outcomes—but also the need for the public to achieve orderly development and an optimum return on investment in public (and private) infrastructure and services alongside growth. A risk with large unplanned spot rezonings is that new housing can be relatively isolated from infrastructure and services, with underutilised infrastructure in other planned growth fronts.

A strategic-plan-led system is more timely and efficient. It is a pre-requisite for a ‘risk weighted’ planning system. It enables assessment pathways for strategically aligned development to proceed in a more streamlined manner, while higher risk applications are scrutinized more rigorously. Importantly, it respects the time and effort behind community and stakeholder input focused on plan-making when all the issues and trade-offs are on the table.

Consideration of the LSPS in rezoning reviews

Until relatively recently, councils and their communities had significant power in making their zoning rules in their LEPs, with limited NSW government intervention. In 2012, the NSW DPE introduced the rezoning review.

The ability to appeal a rezoning decision is a unique appeal right. An appeal to a refused development application might be a perfectly reasonable part of our judicial system, where there is a contest around the interpretation of laws, similar to processes beyond the planning world. But to be able to appeal the policy development process itself is a unique issue to planning, and one which increases the risk of corruption—capturing the system to have it deliver windfall gains.

There is concern that the current rezoning review can be akin to a rubber-stamping process, where fewer than one in five reviews have upheld a council’s refusal.

There have been cases of councils across Greater Sydney refusing speculative rezonings on the basis that they are not consistent with a council’s LSPS—a Greater Cities Commission endorsed strategy.

There needs to be greater weight given to the LSPS in strategic planning decision-making. Where planning proposals are inconsistent a council’s adopted LSPS, then a planning proposal should not be allowed to proceed to a rezoning review. Furthermore, a representative from the Greater Cities Commission should be involved in any rezoning review decision to ensure the LSPS is being considered.

REPORT CM/7.14/23.09



Subject: Motion for the 2023 LGNSW Conference - Private Certification

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW requests the NSW Government to take steps towards abolishing or substantially reforming the private certification system so that:

1. Compliance powers are returned to councils for developments up to \$30 million.
2. A transition period is determined to allow councils to plan, fund and deliver this responsibility.
3. Pending the above, the regulatory role of Council is clarified in dealing with complaints about building works being conducted under a principal certifying authority.
4. Mechanisms are established for councils to report poor performance directly to the Private Certification Board for disciplinary action.

Background

NSW councils are now receiving and handling a significant volume of complaints about private certification. Councils have limited authority to hold to account others relied upon to verify the compliance of specific matters such as:

- Certifiers not issuing written direction notices as soon as evidence was presented of any breaches.
- Works would continue with the intent of lodging a building information certificate.
- Interpretation of development standards by the *State Environmental Planning Policy (Exempt and Complying Code) 2008*.
- Missed inspections would be reliant on lodging a building information certificate.
- Accountability between the roles of the certifiers, builders or applicant.
- The penalty for the breach generally factored as a contingency in the development costs.

One of the main problems with the current system is the need for higher penalties to provide greater incentives for certifiers to do the right thing.

Legislation governing building and certification regulation must contain stronger penalties for non-compliance with conditions of consent or breaches of the relevant Code of Conduct by private certifiers.

Where enforcement action is necessary (e.g. orders, fines, court action and physical rectification), councils

are expending significant resources resolving regulatory planning issues without resorting to 'formal' regulatory action, with limited mechanisms for councils to recover compliance costs.

To support an improvement of the current system, an improved audit framework for certifiers and faster responses from Fair Trading NSW to complaints from residents and council is necessary.

The number of building compliance matters being investigated by councils is the highest it has been for many years, which is symptomatic of the extent of concerns about the industry as a whole.

REPORT
CM/7.15/23.09

Subject: Motion for the 2023 LGNSW Conference - Electric Vehicle Chargers

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW:

1. Urgently advocates to the NSW Government against the mandatory requirement for councils to undergo an assessment and produce a review of environmental factors (REF) for on-street electric vehicle (EV) chargers under the new *State Environmental Planning Policy (Transport and Infrastructure) Amendment (Electric Vehicles) 2023*.
2. Notes that while LGNSW fully supports the NSW Government's efforts to promote electric mobility and reduce greenhouse gas emissions, it believes that this particular regulatory requirement is unnecessary and will significantly delay the roll-out of EV chargers across NSW.

Background

In early 2023, the NSW Government amended legislation so that kerbside EV chargers were required to undergo a Part 5 approval process under the *Environmental Planning and Assessment Act 1979*. This is a redundant process, as Councils can already install a range of infrastructure under the *Roads Act 1993*, including on-street EV chargers. These existing processes encompass environmental impact assessments, traffic studies and community consultations. Requiring an additional REF process for every EV charger project duplicates efforts and hinders the swift implementation of much-needed charging infrastructure. The additional delay in implementation will inevitably slow down the rollout of EV chargers, hindering the transition to a low-carbon transport system.

REPORT
CM/7.16/23.09

Subject: Motion for the 2023 LGNSW Conference - Tourism Impacts

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW increases its advocacy to ensure local councils receive fair funding from both the Federal and State governments in order to manage security-related risks and anti-social behaviour, including removal of user pays for government services, and to meet the additional costs from waste and cleansing from the impacts of tourism, in particular the influx of visitors to the local area.

Background

Local government plays a pivotal role in tourism activity, with councils actively involved in promoting tourism, providing infrastructure and services to support tourism and managing the impacts of tourism. Waverley Council (Waverley) covers 9 km² along Sydney's eastern suburbs of Bronte, Tamarama and Bondi, north to Dover Heights and Rose Bay, west to Queens Park, Bondi Junction and Charing Cross, and south to Bronte. Located on Sydney's eastern seaboard, Waverley is just a few kilometres from the city centre and a must-see destination for visitors and with three famous beaches. Bondi, Bronte and Tamarama attracts visitors in excess of 1.5 million per year, placing huge demands on its infrastructure and services, including roads, waste lifeguards and other services.

During the summer months, Waverley's beaches have tens of thousands of tourists and visitors from across Sydney, in particular around Christmas Day, Australia Day and other public holidays, estimated to exceed around 50,000 people.

Below are costs of operations provided at our key beaches during the peak summer period currently borne by ratepayers:

- Coastal precinct open space maintenance: approximately \$1,476,342 per annum.
- Summer crews to carry out public place cleansing at our beaches: \$150,000 (summer months only).
- Additional public place cleansing evening services: approximately \$700,000 per annum.
- User-pays police to crowd control and manage anti-social behaviour: approximately \$68,270 (\$41,410 for Christmas and New Year's public holiday period plus \$13,430 for Australia Day).
- Summer Safe Program; approximately \$97,432 (includes an on-site operations manager and up to five public space ambassadors for four months: November to February).
- Lifeguard service: approximately \$1,839,591 per annum in salaries and an additional \$200,00 for casuals employed over the summer period, and \$163,463 per annum operating expenses.

The above costs do not include key events such as Sculpture by the Sea. These events will often require

additional costs to open space management to replace and repair assets.

REPORT
CM/7.17/23.09

Subject: Motion for the 2023 LGNSW Conference - Hostile Vehicle Mitigation

TRIM No: A13/0314

Manager: Emily Scott, General Manager

Director: Emily Scott, General Manager

RECOMMENDATION:

That Council submits the following motion for consideration by the 2023 Local Government NSW Conference:

That LGNSW advocates to the State and Federal governments to support councils' risk and safety requirements as specified by the Federal Government by funding programs to protect the community at identified crowded places.

Background

In 2017, the Federal Government published Australia's Strategy for Protecting Crowded Places from Terrorism. The release of this document, particularly the duty of care requirements contained within it in relation to local government, placed a clear obligation on councils to deliver appropriate protection measures for crowded places.

There are key locations in NSW that attract high number of visitors and hence require planning, design and construction of hostile vehicle mitigation measure in relation to crowded space safety. The hostile vehicle mitigation design solutions need to seamlessly integrate into the relevant public domain locations to provide safe and accessible pedestrian environment while providing controlled and secure vehicle access for the ongoing management of the public domain.

Given the numerous nationally significant locations, local government seeks recognition from State and Federal funding bodies to support the delivery of the required projects.

NOTICE OF MOTION

CM/8.1/23.09



Subject: Dog Control Enforcement - Bondi Beach

TRIM No: A21/0449

Submitted by: Councillor Goltsman
Councillor Kay

MOTION:

That Council:

1. Notes that dogs are prohibited from beaches unless otherwise signposted under the *Companion Animals Act 1998*.
2. Organises a Council Ranger blitz of Bondi Beach, especially between 5 am and 8 am, to enforce the prohibition of off-leash and on-leash dogs found on the sand.
3. Assesses the effectiveness of the blitz through data collection, such as the number of warnings and fines issued and public feedback received.
4. Officers prepare a report to Council on the findings from the blitz, including any additional or ongoing actions that may be necessary.

Background

Over the past several months, residents and regular beachgoers have attempted to make numerous complaints regarding the increasing presence of dogs on Bondi Beach during early morning hours. The complaints are generally related to safety concerns, environmental impacts and the nuisance caused by dogs that are either off-leash or on-leash but still present on the sand, violating the NSW *Companion Animals Act 1998*.

Given the current law that prohibits dogs on beaches unless specifically signposted otherwise, Council must enforce these regulations to ensure that Bondi Beach remains a clean, safe and welcoming space for everyone.

The proposed Council Ranger blitz aims to educate the public and enforce existing regulations actively. Council Rangers can target a time frame where many of these incidents have been reported by focusing on the morning hours of 5 am to 8 am. This blitz will also serve as a strong deterrent against future violations.

General Manager's comment

Dogs are prohibited on any part of Bondi Beach (and all other beaches in our local government area), with signage placed in conspicuous locations at reasonable intervals.

The work hours for Councils Rangers are determined by an enterprise agreement, which limits their range of hours to between 6 am and 8 pm daily.

Council Rangers are currently conducting daily morning patrols at Bondi Beach between the hours 6 am and 8 am and again between 4 pm and 6 pm in winter months. In summer months, daily morning patrols occur between the hours of 6 am and 8 am and between 4 pm and 8 pm, seven days a week.

To improve ongoing compliance, officers will also be updating Council's website to better reflect responsible dog ownership, specifically for dogs in prohibited areas such as the beaches.

In addition, Council will be implementing an education program on responsible dog ownership. This program will be led by Rangers and will include 'open days' where the public will be engaged with on-site. The beach and surrounding areas of Bondi Beach will be prioritised for this activity.

The data in Table 1 below is for non-compliances with *Companion Animals Act 1998* and Table 2 is for complaints from residents about dogs off-leash and dogs in prohibited areas in the Bondi Beach area.

Non-compliance for dogs in a prohibited areas is lower than dogs off-leash for the same area over the three-year period. Warnings are not issued for dogs in a prohibited area, as this is a serious non-compliance.

In the past 12 months, there have been 137 infringements issued for all dog off-leash offences on Bondi Beach.

Table 1. Offences resulting from proactive patrols by Rangers 2020-2023.

Location	Ranger patrols	Offence	Warnings issued	Infringements Issued
Bondi (Bondi Beach, North Bondi Pools)	657	Dog off leash/	797	363
Bondi (Bondi Beach, North Bondi Pools)		Dog in prohibited place		38
TOTALS	657		797	401

Table 2. Complaints received in 2020-2023 for Bondi Beach (and surrounds).

Total complaints	Dog attacks	Dog off-leash	Dog in prohibited place
88	20	35	30

Fletcher Rayner
Director, Planning, Sustainability and Compliance

NOTICE OF MOTION CM/8.2/23.09



Subject: Parking Permits - Adult Education Centres and Local Businesses

TRIM No: A23/0529

Submitted by: Councillor Fabiano

MOTION:

That Council, in order to support workers of local businesses, adult students attending local art school/colleges and residents in a more equitable way, and as part of the comprehensive review of the resident parking scheme being undertaken this financial year:

1. Investigates the possibility of a daily parking permit within the hours of 9 am and 5 pm for adult students attending local adult education centres.
2. Investigates the parking problems associated with employees of small businesses within the local government area.

Background

A number of local residents, businesses owners and employees have contacted me about not being able to find parking while they are attending work and classes at local educational centres.

The adult students parking permits are for the Waverley Woollahra Art School and the community college on Bondi Road. Many students need to carry equipment for the classes they attend.

Also, there are early childhood education facilities and bakeries that need employees that have to arrive and leave at difficult hours for public transport.

General Manager's comment

A comprehensive review of the resident parking scheme is due to commence prior to the end of 2023. The items suggested for consideration in this review can certainly be included.

Sharon Cassidy
Director, Assets and Operations

NOTICE OF MOTION CM/8.3/23.09



Subject: Repair Cafe - Repair Skill-Sharing and Upcycling

TRIM No: A18/0410

Submitted by: Councillor Fabiano

MOTION:

That Council:

1. Notes that the recent ABC program *War on Waste* has increased interest in the repair and reuse of materials.
2. Investigates the possibility and opportunity for a repair café, repair skill-sharing and/or upcycling location and facilities within the Waverley local government area.
3. Officers prepare a report to Council on the outcome of the investigation, including potential locations for the repair cafe, constraints and opportunities in implementing it, and possible grant and funding opportunities.

Background

Due to the potential loss of the Waverley Men's Shed at the Waverley War Memorial Hospital and the recent popularity of the new series of the ABC program *War on Waste*, local residents and local environment and community groups are asking where in Waverley they can go to repair items, or learn how to repair, mend etc. There is significant potential in the provision of a dedicated space for the local community to repurpose and reduce the number of items finding its way to landfill and assist with transitioning to a circular economy.

General Manager's comment

Reducing waste to landfill and transitioning to a circular economy require a range of initiatives and a significant change in how we consume and dispose of materials. In Sydney, there are a number of spaces to repair, share and transform goods and equipment. These range from small community group activities and one-off stalls, through to men's sheds and permanent organisations. A report on opportunities for Waverley can be prepared as outlined in this notice of motion.

Fletcher Rayner

Director, Planning, Sustainability and Compliance

NOTICE OF MOTION CM/8.4/23.09



Subject: Bondi Skatepark

TRIM No: A02/0634

Submitted by: Councillor Gray

MOTION:

That Council:

1. Notes that in 2016, Council undertook extensive consultation to develop a feasibility study for the redevelopment of Bondi Skatepark.
2. Subject to funding, engages skatepark specialists to review the feasibility work completed in 2016 and update the costing for the redevelopment of Bondi Skatepark.
3. Officers present the results of the review and updated costing at a Councillor briefing session.
4. Following confirmation of feasibility and cost estimates, considers including the project in the Long Term Financial Plan when it comes to Council in early 2024.

Background

Bondi Skatepark is a well-loved community space.

The asset is coming towards the end of its life, and over the next few years maintenance costs are expected to rise significantly (circa \$50,000 per annum).

Further, many in the Bondi community have been advocating (over a number of years) for an upgrade of the Bondi Skatepark to cater for a broader age range (including junior skaters), and to reduce the risk of collisions between experienced and inexperienced users.

In 2016, Council engaged skatepark specialist consultants CONVIC to undertake the project for a junior skatepark extension to the existing Bondi Skatepark.

Council engaged with the community to gather information and further develop ideas to start the design of the Junior Skatepark Extension. The community showed great interest in this project, with over 420 people providing feedback via our online survey and many people contributing to stakeholder consultations, workshops and Have Your Say Days.

Based on the community's valuable feedback and professional analysis, it became clear that the current skatepark at Bondi Beach needed significant improvements. The current design has limited functionality and usability, limited capacity to safely hold more than two to three skaters at a time, safety issues, and its lifespan limited without immediate repair works. Many in the Bondi skating community were advocating for the skatepark to be completely redeveloped.

Based on the community response and professional advice, the direction of the project and its priorities had clearly changed.

Council did not have sufficient funding in 2016 to redevelop the site. At the time, Council's first priority was to repair and maintain the current skatepark, to ensure risk and safety were attended to and the skatepark remained usable for the community.

The refurbishment works were completed in October 2017 with the intention of extending the lifespan of the facility for another five years while Council sought opportunities to fund a redevelopment of the site.

To date, Council have been unable to fund a larger redevelopment project.

A report was submitted to the Finance, Operations and Community Services Committee on 4 April 2023 in response to a petition to Council seeking another skatepark facility in Waverley. At that meeting, Council resolved to investigate further funding opportunities and committed to upgrading Bondi Skatepark in the future. The estimated cost of the redevelopment was noted as being in excess of \$4 million and that the project was currently not included in the Long Term Financial Plan (LTFP).

The purpose of this motion is to pick up on the works completed in 2016 with a view to developing a costed feasibility study for the skatepark redevelopment for inclusion in the next iteration of the LTFP.

General Manager's comment

Bondi Skatepark has become a much-loved feature in the Bondi park and beach landscape. Through the adoption of the Plan of Management in 2014, Council demonstrated its commitment to retaining this facility for the skating community at Bondi.

Bondi Skatepark has become recognised worldwide, thanks in part to the annual Bowl-A-Rama competition, which ran until 2018 which made the 'Bondi bowl' a must-skate destination for many skateboarders, adding skate tourism into Waverley's local economy. But at its heart it still remains a local facility, synonymous with the beach culture of Bondi and a grassroots development ground for future athletes supported by the local Bondi Board Riders club.

The inclusion of skateboarding in the 2020 Tokyo Olympics has taken skateboarding from an extreme sport with counter-culture roots to mainstream audiences showcasing these dedicated athletes and the sacrifices they make for their sport. The Tokyo 2020 Olympics featured the disciplines of street and park and had separate competitions for men and women. In 2024, skateboarding will once again be on the program for the Paris Olympics. Bondi Skatepark was fundamental in the early development of our own skateboarding world champion, Poppy Olsen, who went on to represent Australia in Tokyo.

Council is dedicated to providing facilities that foster grassroots sports through to professional level athletes. With only one skatepark serving the local government area, Council recognises the importance of this facility in fulfilling our community needs and aspirations.

The Bondi Park, Beach and Pavilion Plan of Management recognised the gap in facility provisions for junior athletes entering into skateboarding as a sport and leisure activity. Bondi Skatepark caters for intermediate to advanced riders only, not allowing beginner and novice skaters the opportunity to develop their skills and experiences.

In 2016, Council engaged external skatepark specialists CONVIC to investigate the potential for a junior skatepark extension. Following extensive community engagement and feedback and specialist advice, it was clear the skatepark was not fulfilling everyone's needs and was reaching the end of its serviceable lifespan. It was clear that Council would need to look to the future and plan for the long-term redevelopment of the site while undertaking restoration works in the short-term to keep the facility safe and functional.

With Bondi Skatepark officially turning 20 years old next year in 2024, it is timely that Council looks to secure the future of skateboarding at Bondi for the next generation, investigate the costs to redevelop the site and include the project in Council LTFP.

Funding is available this financial year to engage consultants to update the work completed in 2016 to current construction costs and present this to Council for consideration.

Sharon Cassidy
Director, Assets and Operations

NOTICE OF MOTION CM/8.5/23.09



Subject: 53 Francis Street, Bondi Beach - Building Information Certificate

TRIM No: BC-48/2022

Submitted by: Councillor Wy Kanak

MOTION:

That Council:

1. Notes the motion, background and resolution of Council dated 15 November 2022 (CM/8/1/22.11) concerning a complying development certificate issued by a privately appointed registered certifier for 53 Francis Street, Bondi Beach.
2. Places on file the previous and recent submissions from Mr Wright and other persons who raised concerns and objections with the construction process leading to the proponent's present building information certificate for 53 Francis Street.
3. Requests that officers consider these previous concerns and submissions, and extend the time frame for receiving current submissions, in their assessment of the building information certificate.
4. Officers provide an update on how Council's website has been updated to provide information on the complying development certificate process, including links to the NSW Fair Trading website on how to make complaints about registered certifiers.
5. Continues to advocate to Local Government NSW (LGNSW) at the 2023 annual conference and supports conference resolutions seeking changes in the public interest to the complying development, private certification and building information certificate legislation and regulations.

Background

The Bondi community continues to be dissatisfied with the performance of the private certification system in relation to complying development, leading to unsatisfactory community and planning outcomes.

General Manager's comment

Council has conducted and completed a preliminary assessment of the proposed building information certificate (BIC) for 53 Francis Street. A BIC is applied for when work is undertaken without the appropriate approval being issued by Council or an accredited certifier.

Following a recent meeting with the owners and their appointed legal representative, it was agreed that no works would continue on site until:

- A new complying development certificate (CDC) was prepared considering the proposed and executed works.

- Works not considered part of the CDC would be the subject of a development application to be lodged.
- The BIC would only relate to unauthorised works already undertaken.

As Councillors would be aware, the NSW State Environmental Planning Policy (Exempt and Complying Codes) 2008 does not require neighbour notification for the purpose of submissions. The certifier need only notify the immediately affected neighbours that works are going to commence within a stated period of time.

In relation to the current BIC under assessment, officers notified neighbouring residents to support feedback on matters of merit. Officers can extend this time frame based on the submission of additional information as outlined above, noting there is no statutory requirement to notify a BIC.

Council's website was updated in June 2023 with additional information on the building information certificate process. Further updates are under preparation in relation to complying development and how to report illegal or non-complying building work, noting that Council already accepts customer requests to investigate work on private property via its website.

Further updates on improvements to Council's website will be distributed via the Precincts.

Fletcher Rayner
Director, Planning, Sustainability and Compliance

URGENT BUSINESS
CM/10/23.09**W A V E R L E Y**
COUNCIL**Subject:** Urgent Business**Manager:** Emily Scott, General Manager

In accordance with clause 9.3 of the Waverley Code of Meeting Practice, business may be considered at a meeting of Council even though due notice of the business has not been given to councillors. However, this can happen only if:

1. The business to be considered is ruled by the chair to be of great urgency on the grounds that it requires a decision by Council before the next scheduled ordinary meeting of Council, and
2. A motion is passed to have the business considered at the meeting.

Such a motion can be moved without notice.

Only the mover of the motion can speak to the motion before it is put. A motion to have urgent business transacted at the meeting requires a seconder.

For business to be considered urgent, it must require a decision by Council before the next scheduled ordinary meeting of Council.

The mover of the motion must, when speaking to the motion, explain why he or she believes it requires a decision by Council before the next scheduled ordinary meeting of Council.

CLOSED SESSION
CM/11/23.09

Subject: Moving into Closed Session

Manager: Emily Scott, General Manager

RECOMMENDATION:

That:

1. Council moves into closed session to deal with the matters listed below, which are classified as confidential under section 10A(2) of the *Local Government Act* for the reasons specified:

CM/11.1/23.09 CONFIDENTIAL REPORT - Wairoa Baby Health Clinic, North Bondi - Community Tenancy Lease

This matter is considered to be confidential in accordance with Section 10A(2)(c) of the Local Government Act, and the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.

CM/11.2/23.09 CONFIDENTIAL REPORT - Oxford Street Mall - Small Umbrellas - Procurement Exemption

This matter is considered to be confidential in accordance with Section 10A(2)(d)(i) of the Local Government Act, and the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest as it deals with commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

2. Pursuant to section 10A(1), 10(2) and 10A(3) of the *Local Government Act*, the media and public be excluded from the meeting on the basis that the business to be considered is classified as confidential under section 10A(2) of the *Local Government Act*.
3. The correspondence and reports relevant to the subject business be withheld from the media and public as provided by section 11(2) of the *Local Government Act*.

Introduction/Background

In accordance with section 10A(2) of the Act, Council may close part of its meeting to deal with business of the following kind:

- (a) Personnel matters concerning particular individuals (other than councillors).
- (b) Personal hardship of any resident or ratepayer.
- (c) Information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.

- (d) Commercial information of a confidential nature that would, if disclosed:
 - (i) Prejudice the commercial position of a person who supplied it: or
 - (ii) Confer a commercial advantage on a competitor of Council;
 - (iii) Reveal a trade secret.
- (e) Information that would, if disclosed, prejudice the maintenance of law.
- (f) Matters affecting the security of Council, Councillors, Council staff and Council property.
- (g) Advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.
- (h) Information concerning the nature and location of a place or an item of Aboriginal significance on community land.
- (i) Alleged contraventions of any Code of Conduct requirements applicable under section 440.

It is my opinion that the business listed in the recommendation is of a kind referred to in section 10A(2) of the *Local Government Act 1993* and, under the provisions of the Act and the *Local Government (General) Regulation 2021*, should be dealt with in a part of the meeting that is closed to members of the public and the media.

Pursuant to section 10A(4) of the Act and clauses 14.9–14.10 of the Waverley Code of Meeting Practice, members of the public may make representations to the meeting immediately after the motion to close part of the meeting is moved and seconded, as to whether that part of the meeting should be closed.

RESUMING IN OPEN SESSION CM/12/23.09

Subject: Resuming in Open Session
Manager: Emily Scott, General Manager



RECOMMENDATION:

That Council resumes in open session.

Introduction/Background

In accordance with clause 14.21 of the Waverley Code of Meeting Practice, when the meeting resumes in open session the chair will announce the resolutions made by Council while the meeting was closed to members of the public and the media.