

*Warringah
Annual Report
2013*

HOW TO READ THIS REPORT

This Annual Report compares our performance against what we said we'd do in the 2011-2012 financial year, which was outlined in our Strategic Community Plan 2012: 149,000 residents one shared vision.

KEY

To ensure we meet our community's vision for Warringah we need to plan for and perform against our five Strategic Community Outcomes, which are outlined below. These provide a clear strategic direction and help ensure we are delivering real outcomes for our community and Warringah in the short, medium and long term.

- LIVING ENVIRONMENT
- LIVING COMMUNITIES
- LIVING SPACES
- LIVING ENTERPRISES
- LIVING ORGANISATION

STATUS

Our progress against each satisfaction indicator is illustrated by the following symbols:

- ▲ statistically significant increase
- statistically insignificant change
- ▼ statistically significant decrease

Our progress against each of our commitments is illustrated by the following symbols:

- at least 90% of completion target achieved
- less than 90% of completion target achieved
- ✓ action has been completed

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About Us

WHO WE ARE

We are Warringah Council. We represent 149,000 residents and are guardians of our natural environment. We are a values-based organisation that is always striving to improve.

OUR HISTORY

Originally home to the Guringai people, Warringah is thought to mean 'middle harbour'. Warringah Council was established in 1906.

OUR HOME

We are home to 6,000 hectares of wilderness and open space as well as 14 kilometres of glorious beaches. We enjoy twice as much open space as the average Sydneysider to keep our lives balanced. Warringah has a vitality that makes it special - in work and in play.

WHAT WE DO

We are responsible for delivering 16 key services to our community:

- Certification Services
- Children's Services
- Community Services
- Compliance Services
- Cultural Events
- Development Assessment Services
- Glen Street Theatre
- Information and Library Services
- Kimbriki Environmental Enterprises Pty Ltd
- Natural Environment Services
- Parks, Reserves and Foreshores
- Roads, Traffic and Waste
- Strategic Planning
- Aquatic Centre
- Corporate Support Services
- Good Governance

Our Purpose

COMMUNITY VISION

A vibrant community improving our quality of life by living and working in balance with our special bush and beach environment.

OUR CORPORATE VISION

- Leading our community
- Protecting our environment
- Creating our future

OUR CORPORATE MISSION

A better and exciting Warringah through innovative leadership, partnerships and outstanding service.

OUR CORPORATE VALUES

- Respect
- Integrity
- Teamwork
- Excellence
- Responsibility

STRATEGIC COMMUNITY OUTCOMES

- Living Environment
- Living Communities
- Living Spaces
- Living Enterprises
- Living Organisation

TOTAL EXPENDITURE

2011 - 2012
\$163.3m

\$173.03m

TOTAL CAPITAL SPEND

2011 - 2012
\$28.9m

\$36.467m

NET OPERATING RESULT*

**before capital grants and contributions.*

2011 - 2012
\$4.578m

\$10.853m

% ACTIONS COMPLETE*

**includes actions listed in Strategic Community Plan 2012 that were either completed or on schedule for completion at 30 June 2013.*

2011 - 2012
82%

85%

No. OF ACTIONS COMPLETE*

**includes actions listed in Strategic Community Plan 2012 that were either completed or on schedule for completion at 30 June 2013.*

2011 - 2012
156

151

CAPITAL vs. OPERATIONAL



WHAT IS AN ANNUAL REPORT?

Far from being a mere legislative requirement the Annual Report is an opportunity for us to communicate our story, a snapshot of how we have performed over the 2012-2013 financial year. It's a medium that allows us to report back to our community how we performed against what we said we'd do.

In this way, the Annual Report is the chief reference document for our community, stakeholders, councillors and employees – it's not just a statutory obligation. At Warringah we leverage the Annual Report to help build greater community capacity, informing our community through increased transparency, accountability and disclosure. We believe having knowledge of what Council has done and what it plans to do helps empower our community with the decision making process and helps encourage participatory democracy.

Internationally, better practice standards have evolved. Private and public organisations exhibiting better practice are using more transparent, accountable and meaningful approaches to build a more comprehensive picture of their annual performance – both financial and non-financial.

WHAT IS A STRATEGIC COMMUNITY PLAN?

While the purpose of the Annual Report is to tell the story in retrospect, the Strategic Community Plan (SCP) is responsible for planning ahead. The SCP is our primary forward planning document and aligns our community's vision with a clear strategic direction for Warringah's long-term future. So what's in it?

- a 10 year strategic direction for Warringah, a resourcing strategy (including asset management planning, workforce plan and 10 year financial plan)
- detailed four-year delivery programs for each service including budgets

The SCP brings our strategic and tactical planning documents together. Significant social, cultural, economic, environmental and political factors – including regional, state and federal plans and policies – are also considered. This helps position our planning within a much broader context, considers current and emerging community needs and identifies key

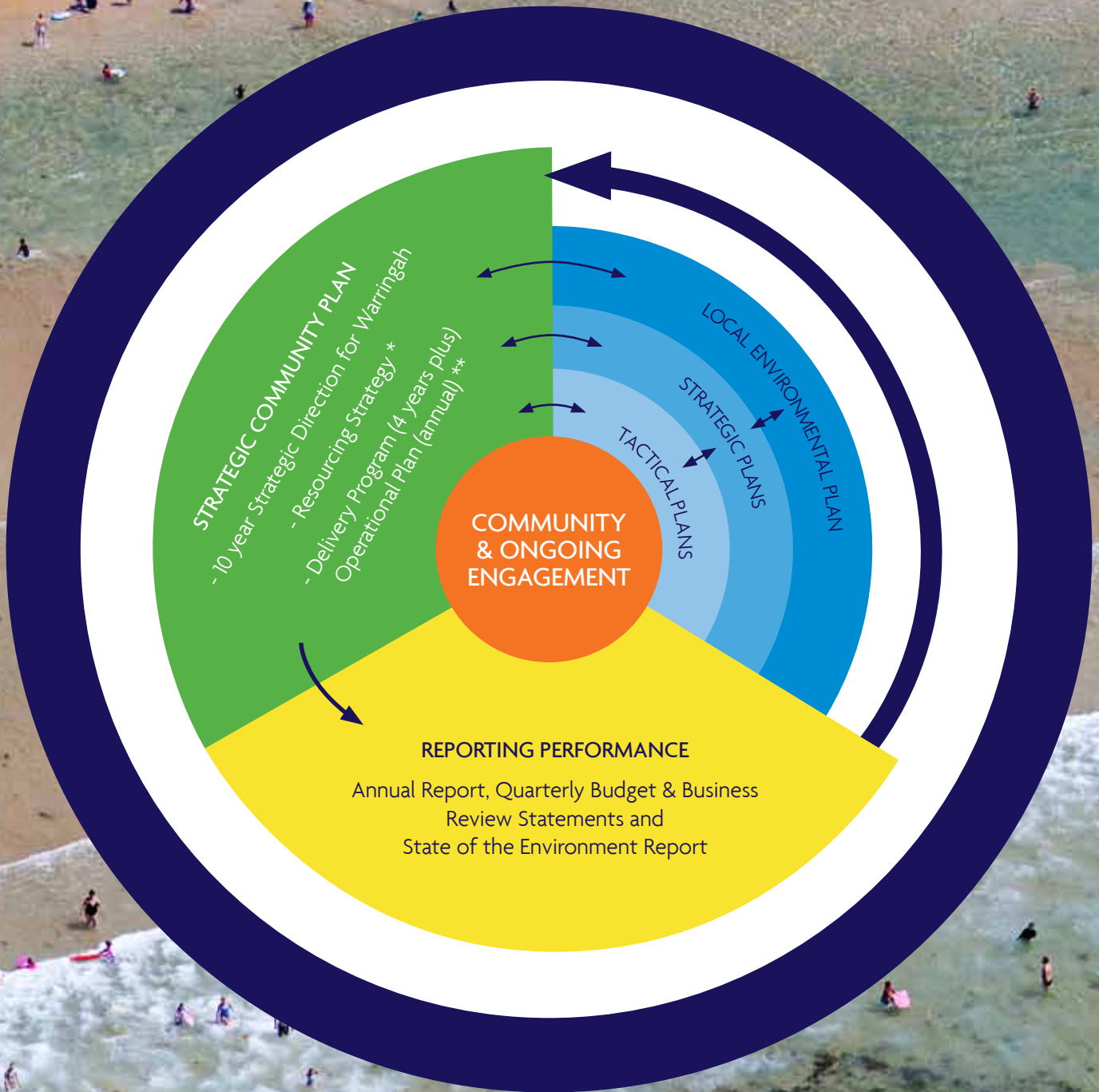
stakeholders and interdependencies, which may affect delivery of appropriate services to our community over time.

Importantly, the SCP negotiates a range of internal and external factors unique to local government. This helps us plan for the long term by prioritising and determining actions and funding for each of our key services. The SCP acts as a central repository, helping to ensure various planning documents complement and speak directly to each other in more integrated, meaningful and streamlined ways to become more holistic, manageable and effective.

Put simply, the SCP outlines what we plan to do, while the Annual Report discusses our progress against this at the end of each financial year.

COMMUNITY STRATEGIC PLAN 2023

This is the final year we shall be reporting against the current SCP framework. From next year the Annual Report will address the outcomes and objectives in the new Community Strategic Plan (CSP) 2023. The development of the Plan has taken more than twelve months and involved a range of consultation with the Warringah community to capture the aspirations for the future. While Council facilitated the development of the Community Strategic Plan, the new vision, outcomes and objectives again belong to the whole Warringah community.



* Financial planning, workforce planning, asset management planning, risk management.

**Outlines how each of our 16 services will contribute towards achieving our strategic community outcomes, goals and strategies. Includes key activities and programs, key initiatives, budget, capital works and key performance measures.

Strategic Plans, e.g. Environmental Sustainability Strategy, Recreation Strategy, Social Plan, Bike Plan, Cultural Plan and other key strategies.

Tactical Plans, e.g. Asset Management Plans, Capital Works Program, Plans of Management, Estuary and Flood Plain Management Plans and other key tactical plans.



MAYOR'S MESSAGE

I was very humbled to have been re-elected your Mayor for this four-year-term and what an exciting start it has been. We have a great new team of Councillors to serve our community. They come with both experience and fresh perspectives and have been working together extremely well to deliver for the community.

The community's aspirations for the future of Warringah are set out in the Community Strategic Plan and Council's program of works. This includes the ambitious Dee Why Town Centre Masterplan. Some key elements of the planned transformation include streetscaping, new open spaces, extra car parking, new bike paths and laneways, a new Police Citizens Youth Club, and a central community hub with a landmark civic plaza. Council will begin its work on the public areas this financial year.

Council has also adopted the proposed Masterplan for a cultural hub at Glen Street Theatre. The innovative plan will see the Belrose library move to the Glen Street site with Council using proceeds of the land sale to fund the redevelopment. Work also continues on the next stage of the Collaroy Accessibility Precinct. When completed it will be a fabulous asset to the community and to visitors of all abilities.

We are also close to completing the Narrabeen Lagoon Multi-use Trail. Works on the bridges and final section of trail will start mid 2013 and users will be able to make a full circuit of the Lagoon once the completed trail opens in 2014.

We will continue to present budget surpluses to ensure new initiatives and projects can be delivered such as the installation of outdoor exercise equipment at Frenchs Forest showground and two new WiFi hotspots at the Forestville Shops and Narrabeen Village. These match the six WiFi hotspots already available at Dee Why Beach, Freshwater Village and the four Warringah libraries. In addition, \$10,000 will go towards public art in Warringah, and \$50,000 is earmarked for the construction of new footpaths at Forestville, Freshwater and Narrabeen.

Your Council has kicked some serious goals in the area of sporting infrastructure over the past 12 months. The Curl Curl Sports Centre upgrade was completed, providing vastly improved amenities and Warringah's first new sportsfield in more than 20 years opened at Cromer Park. In addition to the new No. 5 field, our \$4m investment included the refurbishment of three other fields, a new cricket pitch, a new car park, a new bike path and an innovative water harvesting system which will save millions of litres of water per year. Work will also soon begin on another new field at St Matthews Farm in Cromer which will include new amenities.

In May, we reopened the upgraded playground at Undula Reserve in Belrose. The playground is a great example of Council working in partnership with local residents and the State Government to bring about a positive result.

Another top priority for Council is to continue the care and custodianship of our natural environment. In addition to planting over 1,000 trees each year, we made a commitment to plant a further 400 new trees in Warringah with over 300 along the creek between Fisher Road North and South Creek Road already planted. We will continue to provide support for volunteer groups and provide direct investment to areas such as Manly Dam, Stony Range and various bush regeneration projects across Warringah.

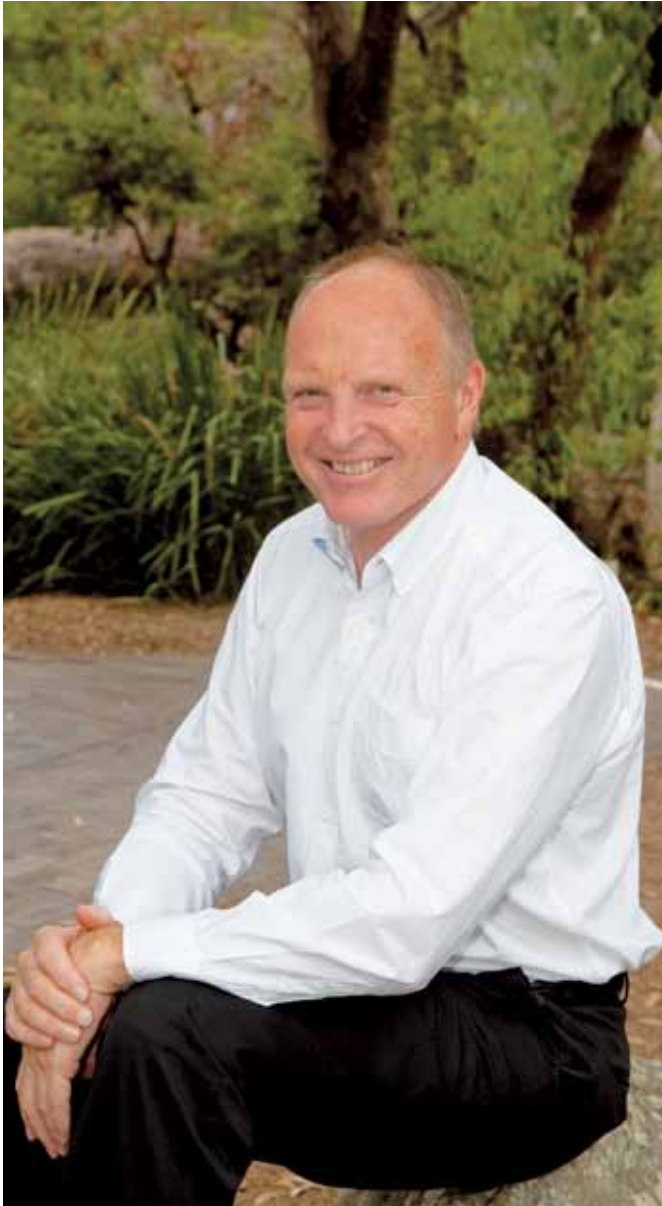
There is a new focus on enhancing and promoting cultural life in Warringah. We are working on developing an integrated Cultural Plan and have launched pop up cafes and established an 'Artist in Residency' program. We will continue to provide major arts events, community grants and prizes, and establish creative space for artists. We believe our rich cultural diversity and natural surroundings should be celebrated, just take a look at the mural at the bus stop on Pittwater Road in Dee Why which we proudly supported.

Traffic remains one of our biggest issues and I will continue to advocate for more immediate solutions particularly now that the State Government has announced funding for essential road upgrades to support the proposed Frenchs Forest hospital however more is needed. This is not the only area we need to address so we will also continue to push the State Government for the immediate implementation of both the North-South Bus Rapid Transit (BRT) system and an East-West BRT along the Warringah Road corridor from Dee Why to Chatswood. We will remind the State Government at every opportunity that this is a priority for the whole of the northern beaches community and needs their immediate attention.

There is always so much happening so take the time to look at the Community Strategic Plan and send us your thoughts, and have a look at our new website and discover some of the amazing things going on in our community.



Mayor Michael Regan



During the last 12 months we have had Council elections, developed with the community a new long term Community Strategic Plan, gone through an audit by the Department of Local Government and had an evaluation of our finances by the Treasury Corporation, had a new Metro Strategy for Sydney released, and seen important announcements on both the future of local government and changes to the NSW planning framework. When you then consider the exciting major projects we have announced this year, as well as the business of actually delivering services, you can understand what a busy year it's been.

WELCOME TO OUR NEW COUNCILLORS

I would like to start by welcoming both our new and returning Councillors. It has been a very positive start, the Councillors have demonstrated strong leadership and a willingness to work together on difficult issues to get the best outcome for the community. I am sure this will continue throughout the duration of their term.

DOING BUSINESS BETTER

We have been using the Business Excellence framework to build a culture that facilitates change, innovation and improvement. We have introduced systems to help us work smarter and equip people with the skills they need to lead the organisation. This year has witnessed 25 improvement initiatives alone.

In June, our new integrated digital web platform was launched. The website focuses on issues you care about, structured around the themes of live, work and play, and showcases Warringah as a destination for recreation. The site is web 2.0 compliant and features adaptive technology which allows you to easily view it from a smart phone, tablet or computer. We have also raised the bar in terms of transparency as part of our goal is to become role models in local government accessibility and open communication.

Our Community Strategic Plan and Long Term Financial Plan are also online and interactive. This means there is no need to publish huge strategic or budget documents at great cost to the community. And, it's only the start of improvements to our online communication.

As part of the revamp of our digital platform we have also developed a new contemporary look and logo for Warringah. This is featured throughout this Annual Report and will be progressively rolled out across Warringah in future months and years.

MAINTAINING QUALITY SERVICES

I am very excited to say that Warringah Council has the fastest development assesment processing times in Sydney. This is the second year in a row our average processing time for Development Applications is under 50 days. I would like to congratulate the Development Assessment team for the hard work they have put in.

The quality of care provided by our Children's Services has been recognised as part of the new National Quality Framework. The Dee Why and Brookvale Centres are rated as meeting the National Quality Standards, while Family Day Care and Narrabeen Children's Centre exceeded the National Quality Standards. Only 14% of providers in NSW have received an 'Exceeds' rating. This reinforces the efforts of staff in providing high quality education and care programs.

We received a clean bill of health from Workcover underscoring our efforts to provide a safe work place. Workcover audited our work, health and safety policies, procedures and practices and recommended the renewal of our self insurers licence for the maximum period of three years. We are one of 13 councils in the state that hold a self insurers licence. This saves the community \$1 million a year in premiums.

STRONG FINANCIAL POSITION

The NSW Treasury Corporation Report on Warringah, which outlines Council's financial health, gave us a first place ranking in five out of ten criteria. Warringah is now in the top three large Councils for financial sustainability. The Report 'Financial Sustainability of the NSW Local Government Sector' assessed the financial capacity, long-term sustainability and financial performance of each of the 152 councils in the state. Key drivers to achieving sustainability were seen as quality management and staff, a responsible Council that understands its role and, good reporting and budgeting.

A similar audit by the Division of Local Government of asset management also found Warringah is ahead of the pack. The Report 'Local Government Infrastructure Audit' found we are one of only five NSW Councils rated as very strong for managing our assets sustainably.

While we are managing our finances wisely, there are calls to increase the level of service and provision of assets to the community. Over the next 12 months we will consult with the community about a special rate increase to fund improvements to service levels.

INDUSTRY REFORMS

The State Government is examining the future of local government to meet the challenges facing the sector over the next 25 years - challenges such as finances, assets, services, population, skills and technology. Council has been actively involved in reviewing all the papers released to date and preparing submissions to outline our views. The Independent Local Government Review Panel's final report will be issued around September and we eagerly await the recommendations.

We have also been involved in discussions on the Planning White Paper which sets out proposals for a new planning system for NSW. The White Paper focuses on the delivery of jobs and houses to support growing cities and regions. It was important that the views of Council and the community are heard by the State Government.

In closing, I would like to thank fellow members of the Leadership Group and Council staff for their commitment to delivering high quality services to our community and contributing to making Warringah a great place to live, work and play.



General Manager
Rik Hart



How We Govern

MAYOR AND COUNCILLORS: ROLES AND RESPONSIBILITIES

Dear resident,

As the elected Council our primary responsibilities are to represent the interests of the community, provide leadership and good governance for Warringah and facilitate communication between the community and the Council. It is our responsibility to set the strategic direction for Warringah Council and deliver a clear vision - a vibrant community improving our quality of life by living and working in balance with our special bush and beach environment.

It is our job to review Warringah Council's performance, delivery of services, Strategic Community Plan and financial planning policies to ensure funding, strategies and the allocation of resources best meet the needs of our local community. We also play a key role in the development and review of public policy.



Mayor Michael Regan

HOW ARE COUNCILLORS ELECTED?

Elections are held every four years to determine who will represent the interests of Warringah, its residents and ratepayers. Residents vote for the Mayor and three Councillors for each of the three wards.

On 8 September 2012, Councillor Michael Regan was re-elected as Mayor and Councillors Vincent De Luca and Bob Giltinan were re-elected for a second term. Councillors Vanessa Moskal, Wayne Gobert, Sue Heins, Pat Daley, Roslyn Harrison, Duncan Kerr and Jose Menano-Pires were elected for their first term.

WHEN ARE THE NEXT ELECTIONS?

The next local government elections will be held in September 2016. Persons registered to vote will go to the poll to elect a Mayor and nine Councillors, i.e. three Councillors for each ward.

WHO STANDS FOR COUNCIL?

Anyone who lives in Warringah, or is a non-resident land owner, can stand for Council. As in State Government elections, a Local Government Councillor can identify either as a candidate of a registered political party or as an independent.

WHAT HAPPENS AT COUNCIL MEETINGS AND WHO CAN ATTEND?

Meetings, chaired by the Mayor, allow members of the public to see their Council in action. Councillors debate and vote on a variety of issues affecting Warringah and the local community.

Members of the public also have an opportunity to address the Council meeting during public forum. Anyone may submit a question, comment or statement



to the public forum session of ordinary Council meetings, provided a written request is submitted before 3pm on the day prior to the meeting. If the day before is a public holiday, the request can be submitted on the day of the meeting (no later than 9.30am). Questions may relate to general policy matters, matters before Council or any other issue relevant to Warringah. Further details or questions relating to public forum can be directed to the Coordinator Governance on 9942 2737.

WHEN ARE COUNCIL MEETINGS HELD?

Council meetings are held monthly with the exception of January, February and December. Meetings begin at 6pm at the Civic Centre, Dee Why, in the Council Chambers.

WHERE CAN I FIND OUT MORE?

Council's business papers, including all agenda items, can be viewed online at warringah.nsw.gov.au. Hard copies of the agenda are also available at our libraries and Customer Service Centre at the Civic Centre in Dee Why on the Thursday prior to the meeting. Limited copies of the agenda and agenda items are available at Council meetings. Council meetings are screened live via webcast and archived online at warringah.nsw.gov.au.

YOUR MAYOR



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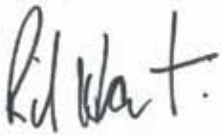
C Ward

GENERAL MANAGER: ROLES AND RESPONSIBILITIES

Dear resident,

As General Manager I am responsible for ensuring day-to-day operations are efficient and effective. I am committed to ensuring we have the right people for the right job. It is my duty to make sure Council as an organisation delivers on the goals, responsibilities and targets set out in the Strategic Community Plan.

I ensure the Councillor's decisions are implemented without undue delay and will continue to lead Council employees toward our Corporate Mission: A better and exciting Warringah through innovative leadership, partnerships and outstanding service.



General Manager, Rik Hart

The Office of the Internal Ombudsman's main purpose is to ensure that all Council's dealings with the community are fair, transparent and accountable. It seeks to ensure that Council acts in the public interest and carries out all its business in an ethical and accountable manner.

The mission of the Office of the Internal Ombudsman is to: champion excellence in probity and accountability through independent and professional complaint handling and investigations.

The Office of the Internal Ombudsman gives guidance and advice to the General Manager and Council officers about how to improve probity and reduce the likelihood of maladministration or misconduct. This is done by both addressing requests for advice and by proactively educating Council in relation to ethical standards and the Code of Conduct.

EXECUTIVE LEADERSHIP

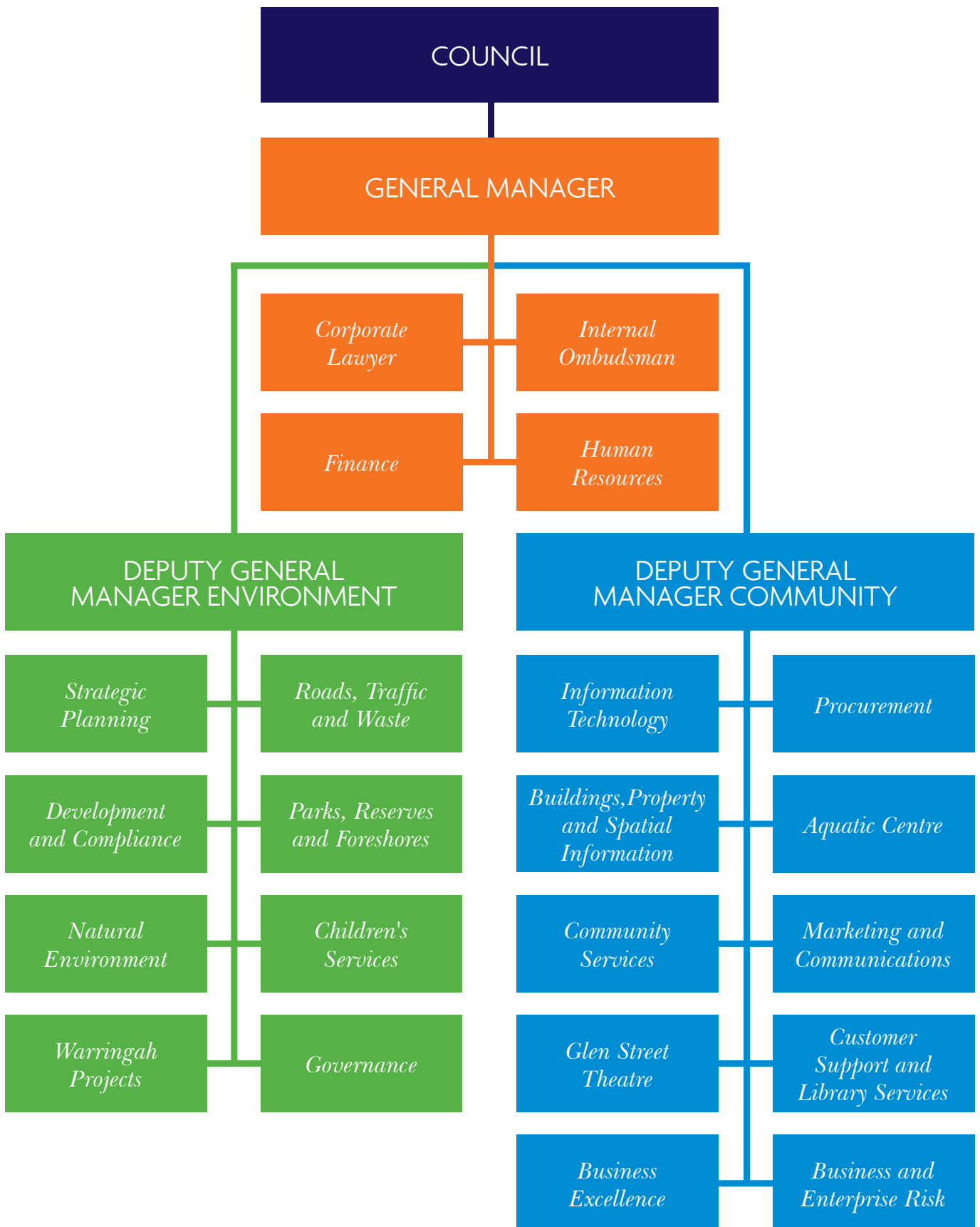
The Executive Management Team (EMT) comprises the General Manager and Directors. This is a forum to discuss strategic and operational issues material to good governance. The General Manager's role is supported and underpinned by EMT, which helps direct the implementation of Council decisions and drive organisational wellbeing.

OFFICE OF THE INTERNAL OMBUDSMAN

The Office of the Internal Ombudsman was established in 2003 to improve Warringah Council's accountability. An initial review of the Office of the Internal Ombudsman was conducted in 2009-2010 resulting in the office being maintained.

Warringah is one of nine Councils in NSW which has instituted an Internal Ombudsman function. The Internal Ombudsman reports directly to the General Manager and operates completely independently of the rest of Warringah Council.

OUR ORGANISATIONAL CHART



W

02

REGULATORY & OPERATING ENVIRONMENT

A BROADER LOOK AT THE CONTEXT IN WHICH WE OPERATE

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In the following pages we take a step back and provide an overview of the environment we operated in during the financial year. In setting our strategic direction for 2012-2013 and beyond we considered a range of social, cultural, political and economic factors. We also monitored these factors closely throughout the year to ensure our organisation remained well positioned to execute its strategic direction and deliver what we said we would to our community - on time, within budget and with the most effective and efficient use of our resources.

We believe this contextual information helps our community and stakeholders assess our performance and also provide some insight into the factors we need to consider in planning for our future. We needed to abide by certain regulatory obligations, but some of the issues unique to local government and Warringah require us to find sustainable solutions for the immediate and longer term.

Council has set eight strategic directions in our new Environmental Sustainability Strategy to inspire change and guide our progress in the long term. These directions have a foundation in what we see as the key focus areas for a more sustainable Warringah.

We distinguish between two types of strategic directions:

COMMITMENTS

These targets relate to Council operations and are within our sphere of control:

- 40% reduction in Council's corporate carbon emissions by 2020 (using a 2000 baseline)
- Support a 40% minimum reduction of carbon emissions in Warringah by 2020 (2000 baseline)
- 50% increase in neighbourhood food production and distribution by 2020 (using 2010 baseline)
- 80% less food waste in the general waste stream by 2020 (using a 2000 baseline)

ASPIRATIONS

These targets relate to areas where Council has only partial ability to influence outcomes and where partnerships with the community and other levels of government are critical to our success:

- Maintain and enhance local indigenous biodiversity in Warringah
- Maintain and enhance waterway function in Warringah
- Minimise the risk to life, property and the environment from natural hazards through partnerships with other levels of government and the community
- Protect the natural and cultural values of council-managed lands while ensuring that visitor access and use is sustainable

Environmental education is a key tool to help our community achieve these aspirations.

Adapting to climate change impacts is a challenge that goes hand in hand with reducing our greenhouse gas emissions. We are building capacity for adapting to climate change in a range of planning and operational contexts including flood studies, coastline hazard mapping, management plans and education.

WHAT ARE SOCIAL JUSTICE PRINCIPLES?

To meet the diverse needs, wants and aspirations of our community we ensure social justice PRINCIPLES inform our planning. The NSW Government's social justice strategy identifies these PRINCIPLES as follows:

EQUITY - there should be fairness in decision making, prioritising and allocation of resources, particularly for those in need. Everyone should have a fair opportunity to participate in the future of the community. The planning process should take particular care to involve and protect the interests of people in vulnerable circumstances.

ACCESS - all people should have fair access to services, resources and opportunities to improve their quality of life.

PARTICIPATION - everyone should have the maximum opportunity to genuinely participate in decisions which affect their lives.

RIGHTS - equal rights should be established and promoted, with opportunities provided for people from diverse linguistic, cultural and religious backgrounds to participate in community life.

WARRINGAH COUNCIL SOCIAL PLAN

To help us understand and plan for the diverse needs, wants and aspirations of our community we produced a Social Plan in 2010. The Social Plan provides valuable demographic information and analyses key issues relevant to the following target groups:

- Children and families
- Women and men
- Young people
- Older people
- People with disabilities, including those with chronic illness
- Aboriginal and Torres Strait Islander people
- People from culturally and linguistically diverse backgrounds

General subject areas relevant to Warringah are also analysed, including:

- Community connectedness and community capacity building
- Community and safety
- Health and wellbeing
- Transport
- Community information provision
- Housing
- Recreation and cultural provision and development

Our Social Plan provides a wealth of information which can help inform future decision making. It defines 'how' we propose to improve social outcomes for Warringah and therefore helps guide 'what' we are going to do in the future. It also forms part of our broader integrated and holistic approach to planning and reporting, helping us to negotiate often complex interdependencies for the benefit of our community. Take a look at the Social Plan on our website for a comprehensive account of local community needs and the kinds of strategies we have in mind to address these.



State and Regional Directions

As a Local Government organisation, we operate within a much broader social, cultural, political and economic environment. We need to negotiate a range of factors to successfully plan for our future. On the following pages we discuss our regulatory and operating environment and some of the issues unique to local government or Warringah.

PLANNING COLLABORATIVELY FOR THE FUTURE

When it comes to planning we need to be mindful of the broader context and impact. Our planning is subject to regional, state and national priorities and we have to plan accordingly, taking into account this framework and our community's needs.

STATE PLAN - NSW 2021

The new State Government was elected in March 2011 and released its State Plan "NSW 2021" in September 2011. It defines the overarching goals that will shape State policy over a ten-year period, driving the actions of government agencies in areas such as health, education, transport and economic development.

Priorities in NSW 2021 include improving the economy and cost of living; jobs and skill development;

investing in critical infrastructure; and improving local environments, community life and transport. The government has been working with local councils, Regional Organisations of Councils (ROCs) and communities to develop local and regional action plans to deliver priority needs for each area. The final regional action plans were released in early 2013 and focus on meeting healthcare needs; improving transport connections from and across the region; protecting the ecological and cultural values of the area; and improving housing availability.

METROPOLITAN PLANNING

The new government will be changing a number of central aspects of the planning system. Provisions for state significant development (Part 3A) have been repealed and a review of the planning legislation is underway.

The Metropolitan Plan from the previous State Government has been reviewed and an updated plan was released in mid 2013. The plan details housing and employment growth targets for the north region (Hornsby, Ku-ring-gai, Manly, Pittwater and Warringah). In anticipation of a predicted growth in population for the region of 81,000 by 2031, State Government has set targets of 37,000 new dwellings and 39,000

new jobs to be created by 2031. While there are no details of the specific targets for Warringah, the plan does identify Dee Why/Brookvale as a major centre for the region with a target of an additional 3,000 jobs by 2031.

REGIONAL DIRECTIONS

The Shore Regional Organisation of Councils (SHOROC) includes Warringah, Pittwater, Manly and Mosman. It undertakes collaborative planning and service delivery for the mutual benefit of the councils and their communities. We provide a contribution of \$138,000 per year to the resourcing of SHOROC. The benefits provided include some savings from joint tendering and contracting, as well as planning and advocacy to State and Federal Government for our region's needs. All four councils have developed and endorsed a SHOROC regional strategy "Shaping our Future", with directions and priorities on transport, roads, health services, housing and jobs. An accompanying sustainability plan addresses the natural environment, waste, energy, transport, development and climate change.

A number of initiatives have arisen from this, including working towards a common waste service by 2014. The strategy also assists in gaining State and Federal Government support for the region's needs, including feasibility studies on a Bus Rapid Transit (BRT) system for the northern beaches, input into other transport infrastructure planning and developing local and regional action plans with the new NSW Government.

INFRASTRUCTURE STRATEGY

The *'State Infrastructure Strategy 2012 – 2032'* is Infrastructure NSW's independent advice to State Government on priority infrastructure investment and reform. The strategy recommends the northern beaches bus corridor improvement plan incorporating Spit Bridge augmentation and priority lanes as a necessary program of works to be undertaken within five to 10 years. Linked to this is a recommendation to construct a tunnel from the Harbour Bridge to the Town Hall for a BRT.

DESTINATION 2036 – LOCAL GOVERNMENT REFORM

Governments at all levels have recognised the increasing pressures on Local Government, and the need for some major shifts if the sector is to serve its communities well into the future. Under its *'Destination 2036'* Action Plan, the NSW Government has continued to consult, research and develop a range of reforms aimed at improving service delivery, governance, financial sustainability, structures and strengthening the state-local government partnership. Potential council groupings for our region were released in the *'Future Directions'* paper from the Independent Local Government Review Panel, which proposed combining the three northern beaches councils into one regional council, or alternatively under an additional County Council structure.

Council has been very active in the discussions, scoping options for our region and developing three comprehensive submissions. We have kept our community closely informed, with access to a range of documents on Your Say Warringah. During 2013-2014 the Minister for Local Government will consider final recommendations from its working groups on the reforms.

KEY RESPONSIBILITIES

To help contextualise our regulatory and operating environment we have put together this table. It identifies key issues for our community and outlines the roles of the State Government alongside our own.

TRAFFIC AND TRANSPORT	STATE	LOCAL
Strategic transport planning to accommodate projected housing and population growth on the peninsula (e.g. designated bus lanes).	✓	✓
Plan for and improve the efficiency of the state road network (e.g. Spit Bridge improvements).	✓	
Advocate for efficiency of the state road network.		✓
Provide grant funding for local roads.	✓	
Maintenance of state roads (e.g. Warringah Road, Mona Vale Road, Pittwater Road, Forest Way, Condamine Road) and planning to reduce congestion.	✓	
Maintenance of local roads and planning to reduce congestion.		✓
Provision and maintenance of traffic lights and road regulatory signage (e.g. Give Way, speed limits).	✓	
Construct traffic calming devices on regional and local roads (e.g. speed humps, pedestrian crossings etc) to reduce speed and improve safety for pedestrians and other road users as approved by the Traffic Committee.		✓
Road safety education.	✓	✓
Liaise with the Roads and Maritime Services, the police and other key agencies to improve road safety and the efficiency of the road network.		✓
Operate Sydney Buses and manage regional bus contracts (e.g. Forest Coach Lines).	✓	
Liaise with State Government and bus operators about service gaps in public transport.		✓
Provision and maintenance of infrastructure that supports the efficiency of the bus network i.e. provision of bus shelters and seats.		✓
Promote public transport as a way of reducing congestion and impact on the environment.	✓	✓
Enforcement of road rules (e.g. speeding, load limits).	✓	
Enforcement of load limits in local streets (e.g. 4 tonne load limit).		✓
Enforcement of on and off-street parking restrictions.		✓
Provision and maintenance of Council off street car parks.		✓

BIKE PATHS / CYCLE WAYS / FOOTPATHS	STATE	LOCAL
Provide grant funding for bike paths, cycle ways and footpaths.	✓	
Promote and plan for cycle ways, bike paths and footpaths as alternate modes of transport.	✓	✓
Plan for interconnected networks of cycle ways, bike paths and footpaths across Warringah and the region (i.e. Bike Plan and Pedestrian Access and Mobility Plan).		✓
Maintain and build new cycle ways, bike paths and footpaths associated with state roads.	✓	
Maintain existing pavements and bike infrastructure.		✓
Build new sections of bike paths, footpaths, cycle ways and associated bike infrastructure.		✓

UTILITIES – ENERGY (ELECTRICITY AND GAS), WATER AND SEWERAGE	STATE	LOCAL
Plan and deliver new energy, water, and sewerage infrastructure to meet service gaps and/or increased loads from business, housing and population growth.	✓	
Plan for improvements to the storm water network in response to local flooding or development.		✓
Maintenance and renewal of the storm water network including sweeping of streets and clearing of pits and pipes.		✓
Operation of public corporations that provide energy, water, and sewerage.	✓	
Education programs and incentives to reduce consumption of energy and water.	✓	
Information and education programs for households to reduce energy and water consumption that complement the state’s program.		✓
Water and energy savings initiatives to reduce our overall usage i.e. installation of water tanks at the Aquatic Centre.		✓
Paying for street lighting and lighting in public places.		✓
Installation and maintenance of street lighting and lighting in public places.	✓	
Working with the energy provider to determine safety lighting needs in streets and public places.		✓
Lopping of street trees under power lines (i.e. trimming).	✓	
Removal and trimming of trees on public land.		✓

HEALTH SERVICES	STATE	LOCAL
Development of public health policy.	✓	
Provision and planning for state wide public health services and infrastructure (e.g. public hospitals, ambulance service, the new Northern Beaches Hospital).	✓	
Work with the community to identify gaps in health service / emerging health needs within Warringah and advocate for solutions on behalf of our community.		✓
Ensure land use plans provide appropriate locations for health services.		✓
Health promotion and education.	✓	
Provide an information and referral service on health issues to target groups in the community (e.g. youth and aged).		✓

LAW ENFORCEMENT	STATE	LOCAL
Provision and management of NSW Police Force (primary law enforcement agency in NSW) to: <ul style="list-style-type: none"> • prevent, detect and investigate crime • monitor and promote road safety • maintain social order (e.g. dealing with noisy parties and drunk and disorderly conduct) • perform and coordinate emergency and rescue operations 	✓	
Provision of Council Rangers, Building Surveyors, Environmental Health Officers and Development Control Officers who enforce compliance and issue infringement notices relating to: illegal parking (on and off street parking); abandoned vehicles on public streets; dog attacks; illegal building work; unauthorised land uses; environmental; public health and safety breaches.		✓
Issuing and revoking licences for restaurants, clubs and pubs to serve alcohol, including conditions of operation.	✓	
Working with relevant agencies to develop and implement crime prevention initiatives.		✓

RESIDENTIAL AND COMMERCIAL DEVELOPMENT	STATE	LOCAL
Development of state, regional and sub-regional planning strategies.	✓	
Provide growth targets for residential and commercial developments (e.g. Metropolitan Strategy).	✓	
Establish State Environmental Planning Policies (SEPP) to address significant issues of the state and for the people of NSW. SEPPs override council local environmental plans.	✓	
Approve development applications that are significant to the state of NSW and its residents.	✓	
Assess and determine development applications in accordance with the Local Environmental Plan, Development Control Plan and SEPPs.		✓
Hear appeals against Council decisions on development applications (Land and Environment Court).	✓	
Provide a standard framework for councils to develop local land use plans (e.g. Local Environment Plan and Development Control Plan).	✓	
Approve local land use plans (e.g. Warringah Local Environmental Plan).	✓	
Develop local land use plans for Warringah (e.g. Local Environmental Plan and Development Control Plan) that define the activities (e.g. residential, commercial uses) and the structures that can be built on the land. The Local Environmental Plan needs to accommodate growth targets for business, housing and population growth set by the State Government.		✓
Adopt Development Control Plans.		✓
Accredit private certifiers to oversee compliance with development conditions and construction certificates (Building Professionals Board). Investigate non compliance with approvals that they have been appointed to oversee.	✓	
Ensure compliance with development consent conditions when Council is appointed the principal certifying authority. Where a private certifier is appointed principal certifying authority, Council reports any breaches of approval to the Building Professionals Board – State Government.		✓

ENVIRONMENT	STATE	LOCAL
Natural resource management policies, plans and education (e.g. biodiversity, climate change, adaptation and mitigation, coastal zone, floodplains, waterways, water cycle and heritage).	✓	✓
Protecting native animals and plants, including threatened species, tree preservation orders and development conditions of consent.	✓	✓
Managing national parks, aquatic reserves, intertidal protected zones and crown land.	✓	*
Managing local reserves and lagoons (e.g. water quality, biodiversity, bush regeneration, weeds and pests, fire, recreation and access).		✓
Pollution (water, air, noise and land) by a licensed industry and premises, vehicles, dangerous goods, boats and ships, algal blooms and fish kills.	✓	
Pollution (water, air, noise and land) on all unlicensed premises including residences, small business and development sites.		✓
Drinking water quality and supply and sewer overflows.	✓	
Waste collection, recycling and cleaning of streets and facilities.		✓
Waste – illegal dumping.	✓	✓

* Long Reef Aquatic Reserve is jointly managed with the National Parks and Wildlife Service, to protect wildlife from dogs, illegal harvesting of fish and shellfish and other activities.

WHAT AND WHY?

In April 2013, some 600 Warringah residents participated in the community survey to measure overall satisfaction and importance of services. This information provides valuable insights into the needs and priorities of our residents, and is a good basis for further engagement, consultation and research. It informs our strategic planning, quality improvement processes and ultimately the delivery of services.

MAJOR ISSUES OF CONCERN

	2013
Traffic management	21%
Roads	11%
Public Transport	7%
Development	6%
Housing	6%
Overpopulation	4%
	2012
Traffic management	12%
Transport	12%
Development issues	11%
Housing	6%
Population growth	6%
Roads	6%

OVERALL SATISFACTION

Overall satisfaction with Council has significantly increased from a low of 57% in 2010 to 78% in 2013. For the most part we consolidated gains in 2013 although there was a slight overall decrease in satisfaction from 2012.

The top three factors that contribute to overall satisfaction with Council, from the highest to lowest, are community engagement, environmental services and planning and development.

SURVEY	% SATISFIED (score greater than 6 out of 10)
2007	69%
2008	67%
2009	69%
2010	57%
2011	67%
2012	79%
2013	78%

The number of satisfied residents, that scored Council more that 6 out of 10, is 78% of respondents.

SURVEY MEAN SCORE 2013

SURVEY	MEAN SCORE
Warringah	6.5
NSW benchmark mean	5.8
NSW best	7.0
NSW worst	3.5
Warringah 2012	6.6
Warringah 2011	6.0

Warringah's mean score for overall satisfaction of 6.5 out of 10 is above the NSW average satisfaction score of 5.8.

INDIVIDUAL COUNCIL SERVICES AND FACILITIES

The survey covered 45 Council services and facilities. The majority maintained high satisfaction levels of 2012 with nine showing a significant decrease. Satisfaction with a number of essential services exceeded the NSW benchmark including satisfaction with maintaining local roads, facilities and services for people with disabilities, facilities and services for youth, provision of car parking, environmental protection and enforcement, parks and recreation areas and household waste collection.

In-depth analysis revealed a number of priorities for improvement. Traffic management remains the highest ranked item while managing residential development has moved from second in 2012 to seventh.

1. Traffic management
2. Council responsiveness to community needs
3. Maintaining major roads
4. Consultation with the community by Council
5. Development approvals process
6. Maintaining local roads
7. Managing residential development

STAFF AND COUNCILLOR PERFORMANCE

Satisfaction with staff remains high with 75% of residents who had contact with Council staff satisfied with their performance. However, satisfaction with the performance of the Mayor and Councillors was moderate coming in at 53%. This is down from 59% in 2012, but well above 29% and 44% respectively achieved in 2010 and 2011.

COMMUNITY CONNECTEDNESS

Our residents continue to feel they live in a safe community with increases in most measures of neighbourhood perceptions and Warringah as a place to live. Some 95% feel safe in their own homes and there was a significant increase in the number of people who feel safe walking around their neighbourhood, from 86% in 2012 to 90% in 2013.

Warringah continues to have a strong sense of community connectedness, 85% felt that they belonged to the community they lived in, 90% felt their community was a friendly place to live and 89% felt they could call on a neighbour or local relative if they needed assistance.

Our residents also have a strong sense of local identity, with 89% of survey respondents agreeing that people in Warringah are proud of where they live.

FUTURE OUTLOOK

The results of the survey will inform Council's activities and projects into the future. The results also indicate a number of areas that could potentially be the focus of business improvement approaches. They will continue to guide Council in its decision making and future long term planning.

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COMMUNITY OUTCOMES

DETAILED ACCOUNT OF OUR PERFORMANCE
AGAINST WHAT WE SAID WE'D DO

31	Living Environment
42	Living Communities
57	Living Spaces
77	Living Enterprises
87	Living Organisation

Our progress against each satisfaction indicator is illustrated by the following symbols:

- ▲ statistically significant increase
- statistically insignificant change
- ▼ statistically significant decrease

Our progress against each of our commitments is illustrated by the following symbols:

- at least 90% of completion target achieved
- less than 90% of completion target achieved
- ✓ action has been completed

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Living Environment

A COMMUNITY THAT VALUES THE NATURAL ENVIRONMENT, PROTECTING ITS HEALTH AND DIVERSITY

KEY SERVICES

- 113 Compliance Services
- 124 Kimbriki Environmental Enterprises Pty Ltd
- 126 Natural Environment
- 130 Parks, Reserves and Foreshores
- 133 Roads, Traffic and Waste
- 140 Aquatic Centre
- 142 Corporate Support Services
- 146 Good Governance

KEY CONTRIBUTORS	ADVOCATE	FUNDER	SERVICE PROVIDER	REGULATOR	PARTNER
Warringah Council	●	●	●	●	●
NSW Office of Environment and Heritage		●	●	●	●
Environmental groups	●		●		●
Other government agencies and departments		●	●	●	●
Community groups including volunteers			●		●

Our Goal

1.1 PROTECTING THE NATURAL ENVIRONMENT SO IT IS HEALTHY AND DIVERSE

Strategies

- Maintain the diversity of natural environments at their current levels or better
- Manage Warringah's catchments, waterways and marine environments in a sustainable way
- Ensure Council is recognised as a leader in corporate sustainability

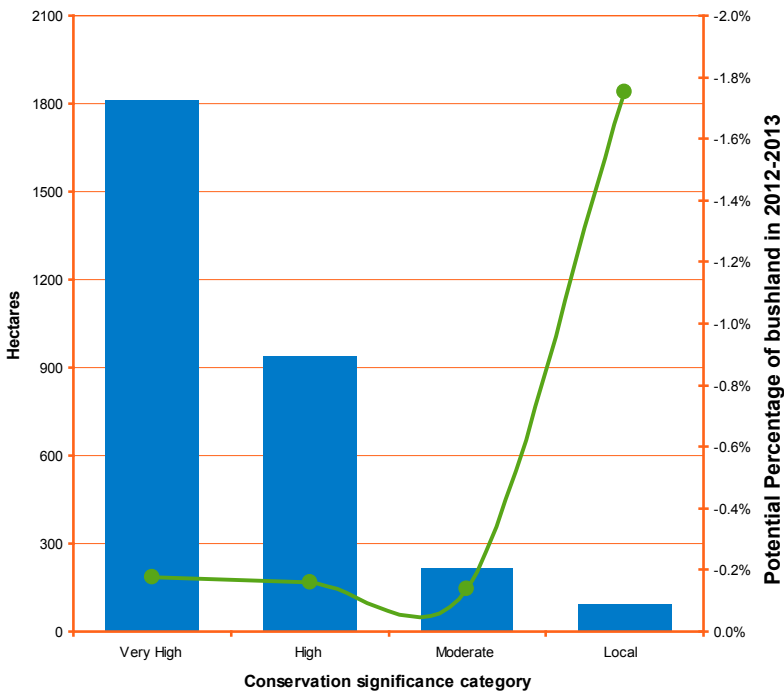
COMMUNITY SUSTAINABILITY INDICATORS

HEALTH OF BUSHLAND

What do we measure?

Annual number of hectares (ha) that can potentially be lost from each of the bushland conservation significance categories. This will be based on the amount of bushland included in approved development applications with 2012-2013 as the baseline.

Health of Bushland



Warringah has more than 3,000 ha of bushland outside of National Parks. The Warringah Biodiversity Conservation Study (WBCS), prepared in 2011, indicates that 59.2% of this habitat has very high conservation significance, whilst only 3% fits into the lowest category (of local conservation significance only). In the 2012-2013 financial year, Council reviewed approximately 100 development applications (DAs) to assess the impacts of proposed development on native vegetation, threatened species and wildlife corridors. Of the approved DAs, approximately 6.6 ha of vegetation was proposed to be cleared. The proportion of this clearing against the differing categories of significance are:

- Very High Conservation Significance - 3.2 ha
- High Conservation Significance - 1.5 ha
- Moderate Conservation Significance - 0.3 ha
- Local Conservation Significance - 1.6 ha

A larger proportion of Local Conservation Significance bushland could potentially be lost.

DESIRED DIRECTION

Minimise overall loss of bushland and direct losses to areas of lower conservation significance.

COMMUNITY SUSTAINABILITY INDICATORS

WATER QUALITY

What do we measure?

Cleanliness of beaches: The annual grading of Warringah's beaches, by NSW Office of Environment and Heritage, for susceptibility to faecal pollution following inspection and water quality measurements. Beaches are graded very good (green), good (green), fair (amber), poor or very poor (red).

Manly Dam: The percentage of time each year Manly Dam is suitable for swimming based on testing for potentially toxic blue-green algae together with a visual assessment of water clarity.

BEACHWATCH RATING

BEACH	GRADE 2010-11	GRADE 2011-12	GRADE 2012-13
Collaroy	Good	Good	Good
Dee Why	Good	Very Good	Good
Freshwater	Good	Good	Good
Long Reef	Good	Good	Good
North Curl Curl	Good	Good	Good
North Narrabeen	Good	Good	Good
South Curl Curl	Very Good	Very Good	Good
OTHER LOCATIONS			
Narrabeen Lagoon (at Birdwood Park)	Poor	Poor	Poor

SUITABILITY FOR SWIMMING AT MANLY DAM

YEAR	PERCENTAGE OF DAYS
2006-07	100
2007-08	100
2008-09	100
2009-10	100
2010-11	100
2011-12	100
2012-13	100

Note: Manly Dam is freshwater and is located within Manly Warringah War Memorial Park. These readings do not apply to Manly Lagoon which is estuarine and is located at North Manly.

Water quality for swimming suitability is high in most locations monitored by Beachwatch, based on preliminary results for the year. All seven beaches maintained good levels of cleanliness for swimming. Narrabeen Lagoon entrance at Birdwood Park is still rated as poor, though it is usually suitable for swimming during dry weather. Both Warringah Council and Pittwater Council continue to work with Sydney Water and residents to improve these results. The lake at Manly Dam was suitable for swimming 100% of the time in 2012-2013 based on blue-green algae results.

DESIRED DIRECTION

Maintain the current high level of quality.

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Natural Environment	KI	Narrabeen Lagoon Flood Study	●	
	KI	Ecological Assessment of Warringah Estuaries	●	
	KI	Dee Why South Catchment Flood Study	●	
	KI	Coastal Zone Management Plan	●	
	KI	Stormwater Asset Management Plan	●	
	KI	Manly Lagoon Flood Study	●	
	KI	Natural Areas Asset Management Plan	●	
Kimbriki	C	Kimbriki land improvements	●	
	C	Kimbriki plant, site works, equipment and road renewals	●	
Natural Environment	C	Emergency stormwater works	●	
Parks, Reserves & Foreshores	C	Manly Dam - trail renewal	●	
	C	North Narrabeen - landscape masterplan development and implementation	●	
	C	Dee Why beach - foreshore renewal	●	✓
	C	Sportsfields - water supply irrigation program	●	✓
Aquatic Centre	C	Tri-generation project	●	

Our Goal

1.2 LIVING IN HARMONY WITH OUR ENVIRONMENT

Strategies

- Ensure Warringah's community is a recognised leader in sustainable living practices
- Build capacity to reduce carbon emissions, increase renewable energy production, increase water saving and catchment management devices, respond to and reduce the impacts of climate change and enhance sustainability practices

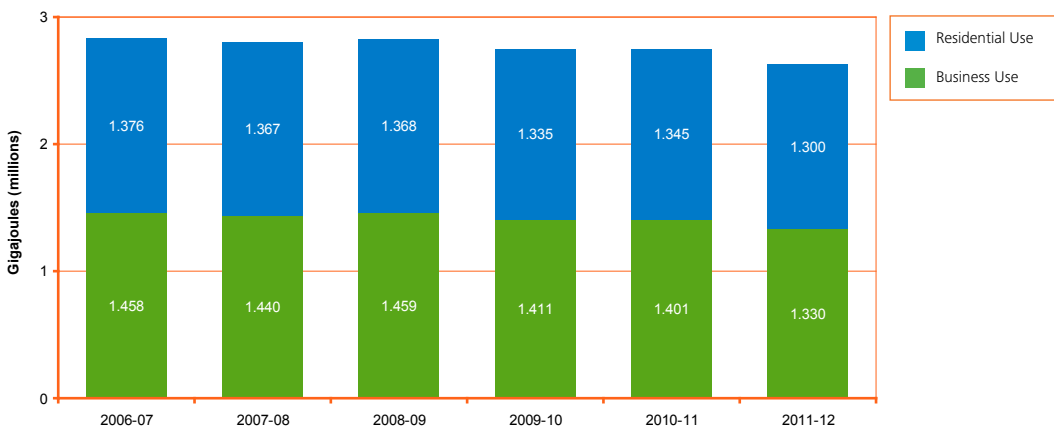
COMMUNITY SUSTAINABILITY INDICATORS

ELECTRICITY CONSUMPTION*

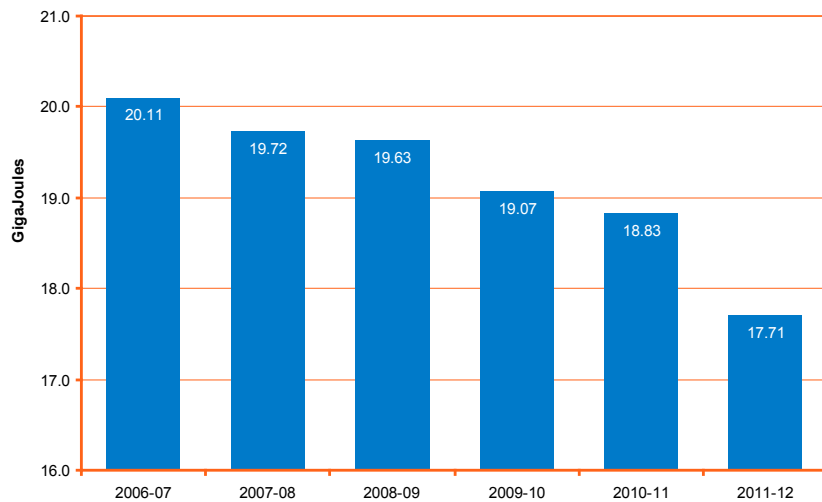
What do we measure?

The total amount and per capita amount of electricity consumed within the Warringah local government area (LGA).

Annual Electricity Consumption



Per Capita Energy Use (Residential and Business)



The long-term trend is for declining energy consumption on a per capita basis since 2008-2009, reflecting greater application of energy saving measures in response to rising power prices. However, it should also be noted that electricity consumption is highly weather-dependent and fluctuates with the seasons. One feature is the increasing contribution of roof top photovoltaics (PV) to the Warringah LGA energy profile. Local PV represents about 5.8 MW of installed generation capacity and it is estimated that local PV exported to the grid in 2011-2012 is the equivalent of around 1% of the electricity demand for the LGA.**

DESIRED DIRECTION

Decreasing electricity consumption.

* Source: AusGrid

** Note: Data for 2012-2013 unavailable at the time of publishing

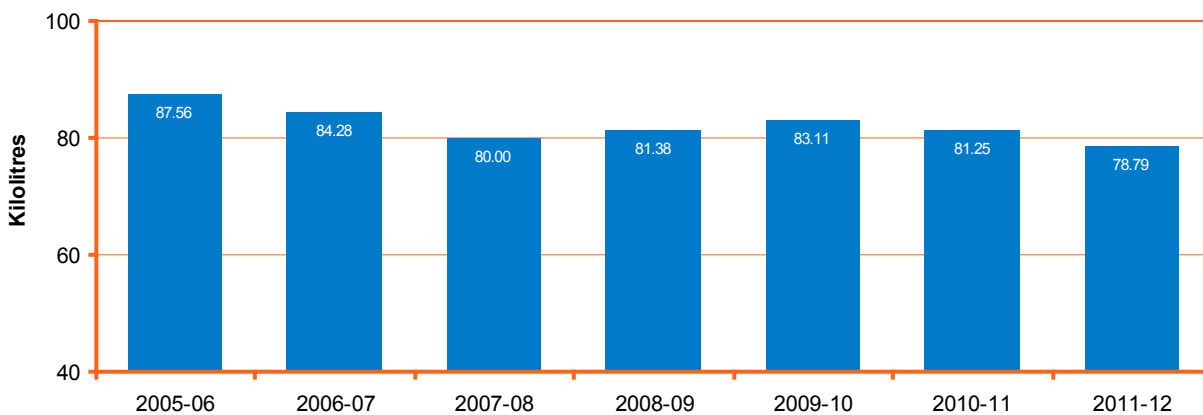
COMMUNITY SUSTAINABILITY INDICATORS

WATER CONSUMPTION*

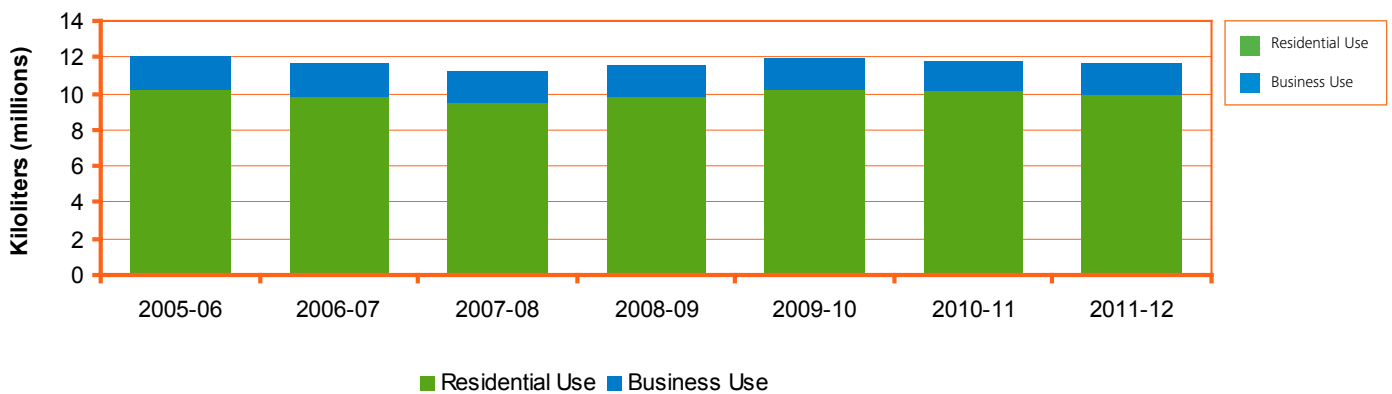
What do we measure?

The total annual amount and per capita annual amount of water consumed in Warringah, including breakdown by sector.

Warringah LGA Annual Water Consumption - Kilotres per Capita



Warringah LGA Annual Water Consumption



Water consumption for 2012-2013 has been estimated due to the unavailability of data from Sydney Water at the time of preparing this report. Final data will be available by October 2013 and our online information will then be updated. Based on trends from previous years, total water consumption across the residential and commercial sectors is assumed to be largely static. The per capita consumption reflects the impact of water-saving programs over the last decade, though the easing of water restrictions in 2009-2010 saw a small increase in consumption.**

DESIRED DIRECTION

Decreasing water consumption.

* Source: Sydney Water

** Note: Data for 2012-2013 unavailable at the time of publishing

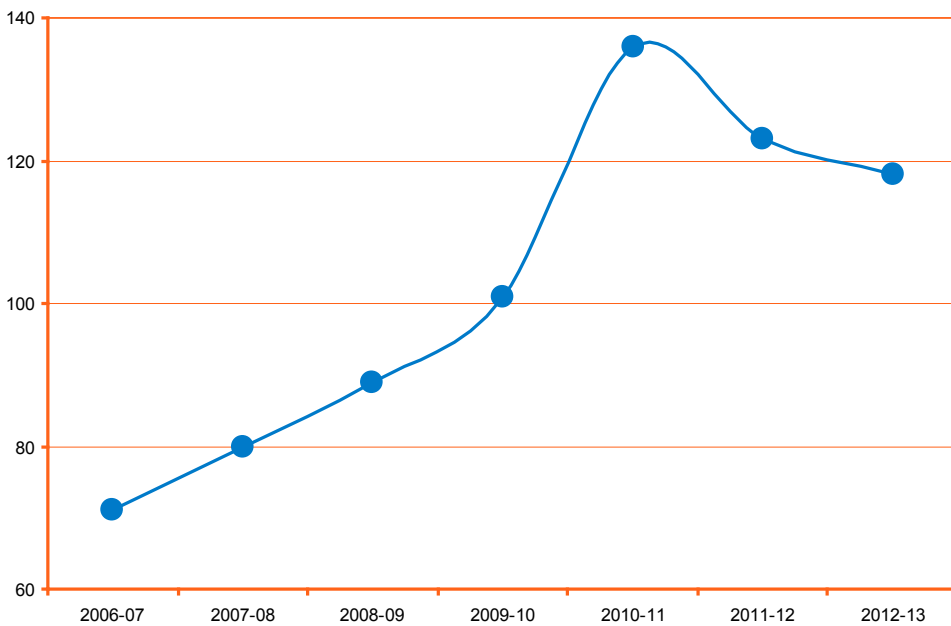
COMMUNITY SUSTAINABILITY INDICATORS

AIR QUALITY COMPLAINTS

What do we measure?

Number of air quality complaints received by Council.

Air Quality Complaints



Air quality complaints have decreased in recent years after a period of sustained increase. While the earlier rise may be a result of increased pollutants in the local atmosphere, it could also reflect greater community knowledge of, and willingness to report, breaches. Air pollution effects are commonly very localised within 5 properties of the source and usually related to dust, smoke or odour.

DESIRED DIRECTION

A decrease in the number of complaints.

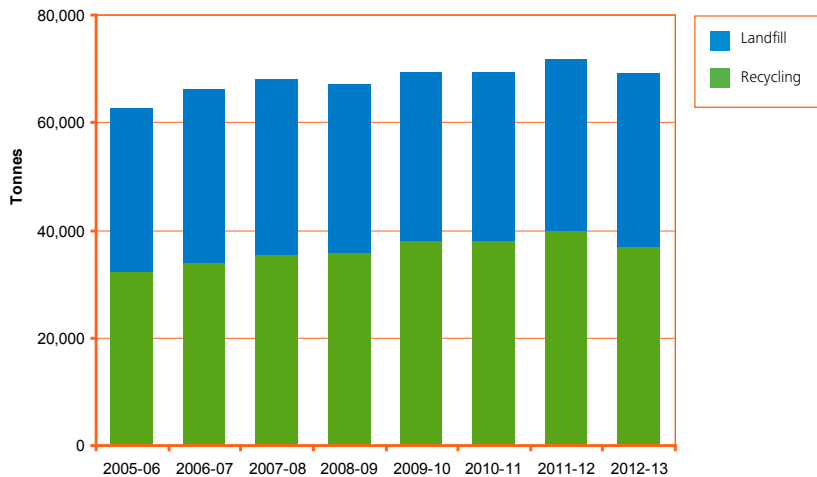
COMMUNITY SUSTAINABILITY INDICATORS

WASTE AND RECYCLING

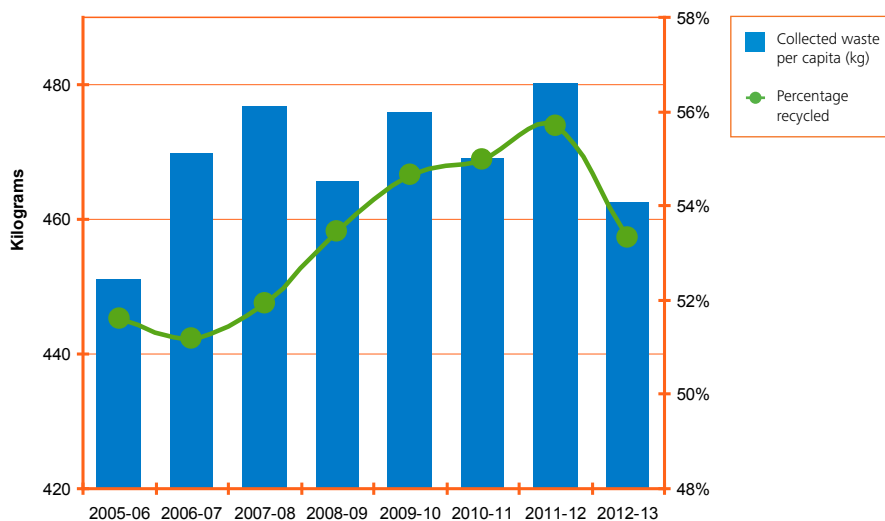
What do we measure?

The total volume and per capita volume of domestic material collected through Warringah Council's kerbside waste and recycling collection service, including the proportion of recycled waste.

Annual Domestic Waste Collection



Total Waste Collection per Capita and Percentage Recycled



While our total waste production has been increasing, the amount going to landfill has been steadily falling since 2007. The amount and proportion of waste recycled (i.e diverted from landfill) continues to increase yearly and now stands at 56% of all waste. Annual vegetation recycling has increased by almost 38% since the introduction of a fortnightly wheelie bin service in July 2009. Hundreds of tonnes per year of E-waste is also diverted from landfill for recycling.

DESIRED DIRECTION

A decrease in total and per capita waste produced and an increased percentage of total waste recycled.

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Natural Environment	KI	Oxford Falls Constraints Study	●	
Roads, Traffic and Waste	KI	Review domestic waste and recycling service in preparation for new waste processing facilities at Kimbriki in 2014	●	
Kimbriki	C	Kimbriki land improvements	●	
	C	Kimbriki plant, site works, equipment, and road renewals	●	
Natural Environment	C	Dee Why CBD - stage 2A construction	●	
Parks, Reserves and Foreshores	C	Sportsfields - water supply irrigation program	●	✓
	C	North Narrabeen - landscape masterplan development and implementation	●	
	C	Dee Why Beach - foreshore renewal	●	✓
Roads, Traffic and Waste	C	Bike Plan implementation	●	✓
Aquatic Centre	C	Tri-generation project	●	

Living Communities

A COMMUNITY THAT VALUES THE NATURAL ENVIRONMENT, PROTECTING ITS HEALTH AND DIVERSITY

KEY SERVICES

- 107 Children's Services
- 109 Community Services
- 113 Compliance Services
- 115 Cultural Services
- 119 Glen Street Theatre
- 121 Information and Library Services
- 140 Aquatic Centre
- 142 Corporate Support Services
- 146 Good Governance

KEY CONTRIBUTORS	ADVOCATE	FUNDER	SERVICE PROVIDER	REGULATOR	PARTNER
Warringah Council	●	●	●	●	●
Department of Family and Community Services		●	●	●	●
Other government agencies and departments		●	●	●	●
Police Local Area Command	●		●	●	●
Department of Attorney General and Justice		●			●
Not for profit organisations	●		●		●
Community groups	●		●		●

Our Goal

2.1 PROMOTING A SUPPORTIVE, CARING COMMUNITY

Strategies

- Build a community that works in partnership with government, community-based and private organisations to achieve real and lasting improvement
- Build an informed and empowered community
- Build a resourceful community that draws on the diversity, skills and expertise of its residents
- Actively encourage and support the community to use open space and participate in recreation
- Build a healthy community that is free of public health risks
- Build a vibrant community that reflects the culture, heritage and lifestyle of the people in Warringah
- Build a community that shows pride in its sense of identity where people are comfortable meeting and interacting in public spaces

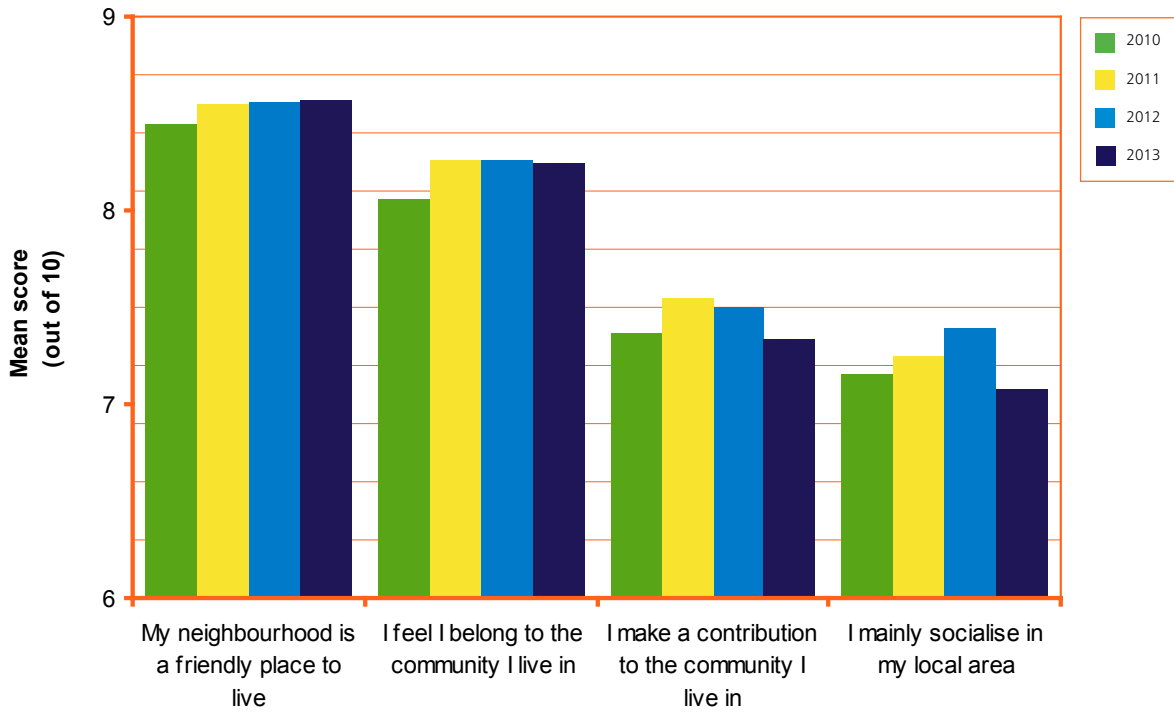
COMMUNITY SUSTAINABILITY INDICATORS

COMMUNITY CONNECTEDNESS*

What do we measure?

The mean satisfaction scores recorded by residents when asked four questions about community connectedness.

Community Connectedness



There is a strong and increasing sense of community connectedness among residents as expressed in the annual Community Survey.

DESIRED DIRECTION

An increase in community connectedness.

* Community Surveys by Iris Research (2009 and 2010), Micromex (2011, 2012 and 2013)

COMMUNITY SUSTAINABILITY INDICATORS

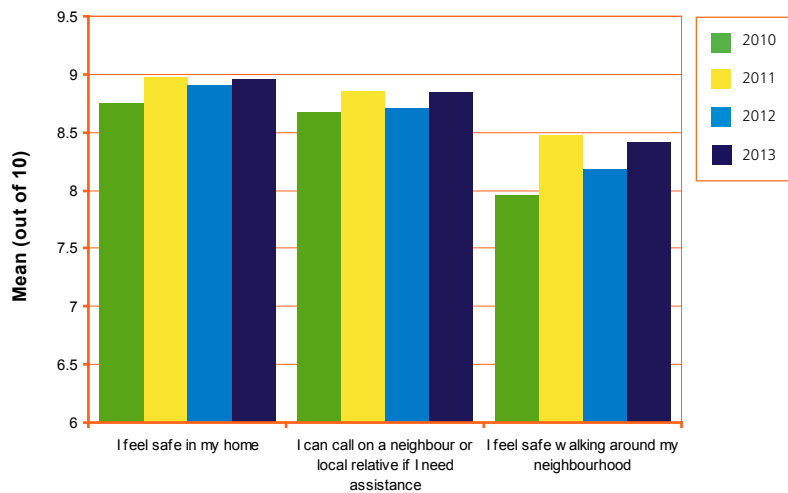
COMMUNITY SAFETY

What do we measure?

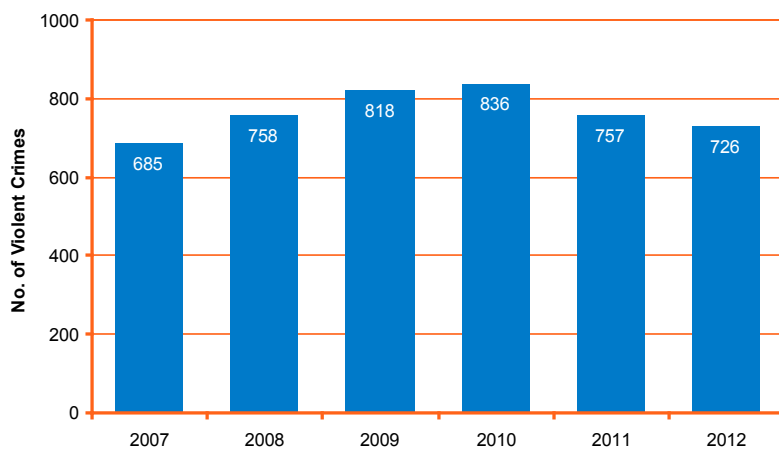
Perception of safety - residents' perceptions of safety as expressed by participants in response to three questions in the annual Community Survey.*

Violent crimes - the total number of crimes recorded by Bureau of Crime Statistics and Research (BOCSAR) in the assault and robbery categories (seven categories altogether). **

Perception of Safety



Annual Number of Violent Crimes in Warringah (based on BOCSAR Annual Report 2012)



Warringah has low crime rates compared with other local government areas in Sydney, and has experienced decreases in violent crimes over the previous two years. Assaults and sexual offences continue to trend down but robberies have increased slightly. There has been a slight increase in the community's safety perception this year.

DESIRED DIRECTION

Decreasing crime rates and increasing perceptions of safety.

* Source: Community Surveys by Iris Research (2009 and 2010), Micromex (2011, 2012 and 2013)

** Source: NSW Bureau of Crime Statistics and Research (BOCSAR): Annual Report 2012

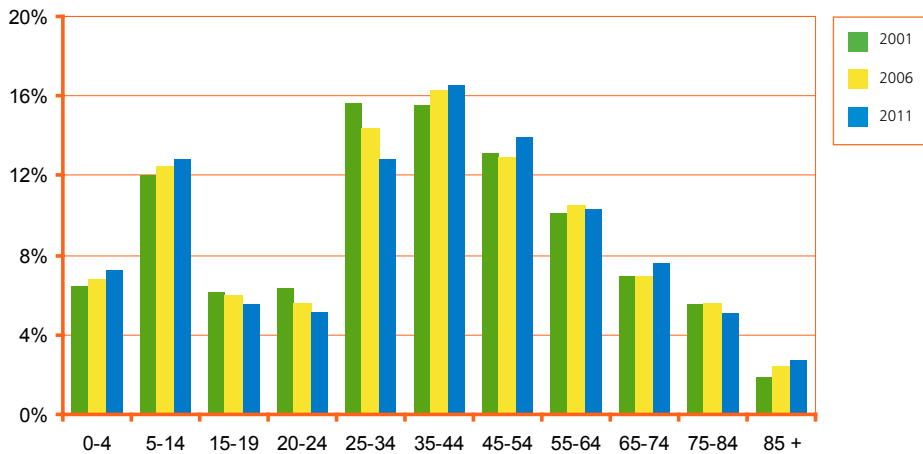
COMMUNITY SUSTAINABILITY INDICATORS

AGE DIVERSITY*

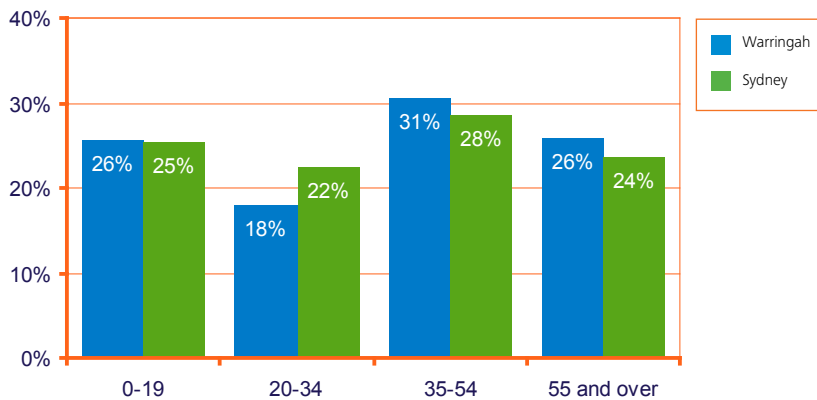
What do we measure?

The age structure of the population over time and compared with Metropolitan Sydney.

Age Distribution in Warringah



Age Distribution in Warringah and Sydney 2011



As of 2011, 26% of residents were aged 55 years or older, compared with 25% in 2001. The median age of people living in Warringah has also increased slightly from 37 to 38 in the same period. This difference in age distribution is fairly constant and follows the national trend.

This is an indicator over which we have limited influence. It shows the demographic reality of our community and provides us with direction for various service areas.

DESIRED DIRECTION

Maintain a healthy age distribution that supports our local economy and reflects an area that is attractive to all age groups.

* Source: Australian Bureau of Statistics, Census of Population and Housing 2001, 2006 and 2011

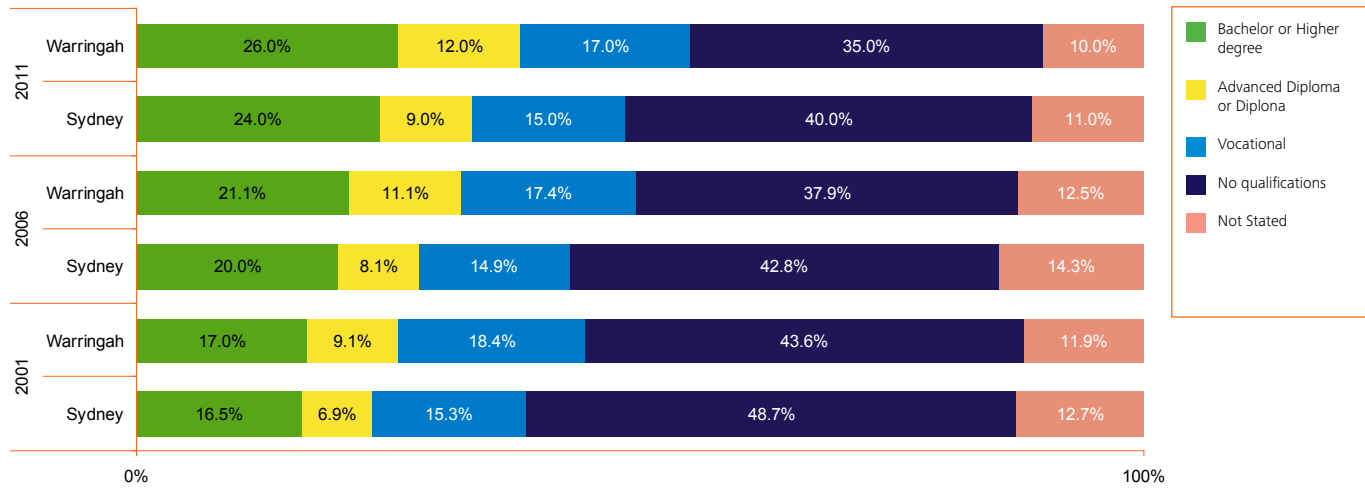
COMMUNITY SUSTAINABILITY INDICATORS

AVERAGE WEEKLY EARNINGS*

What do we measure?

The weekly gross income of households in Warringah compared with Metropolitan Sydney.

Educational Qualifications: Warringah Compared with Sydney



Warringah households earn well above the average for Metropolitan Sydney, with 48% earning \$2,000 or more compared with 39% for Sydney Metropolitan, and this gap is widening.

DESIRED DIRECTION

Maintain Warringah household income position relative to Sydney Metropolitan.

* Source: Australian Bureau of Statistics, Census of Population and Housing 2001, 2006 and 2011

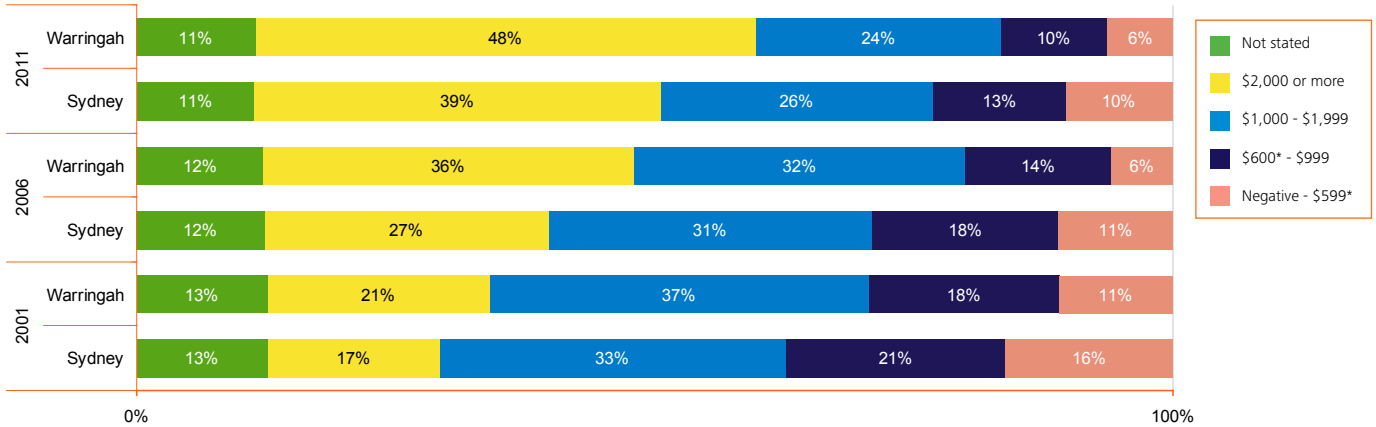
COMMUNITY SUSTAINABILITY INDICATORS

EDUCATIONAL QUALIFICATIONS*

What do we measure?

Highest completed educational qualifications of residents aged 15 years and over.

Average Weekly Earnings by Household



Between 2001 and 2011 the percentage of Warringah residents 15 years or older holding a bachelor degree or higher increased from 17% to 26%. This trend towards a higher-educated population was also seen across Sydney, but the overall level of education remains higher in Warringah.*

DESIRED DIRECTION

Maintain a balanced mix of educational qualifications that matches and supports our local economy.

* Source: Australian Bureau of Statistics, Census of Population and Housing 2001, 2006 and 2011

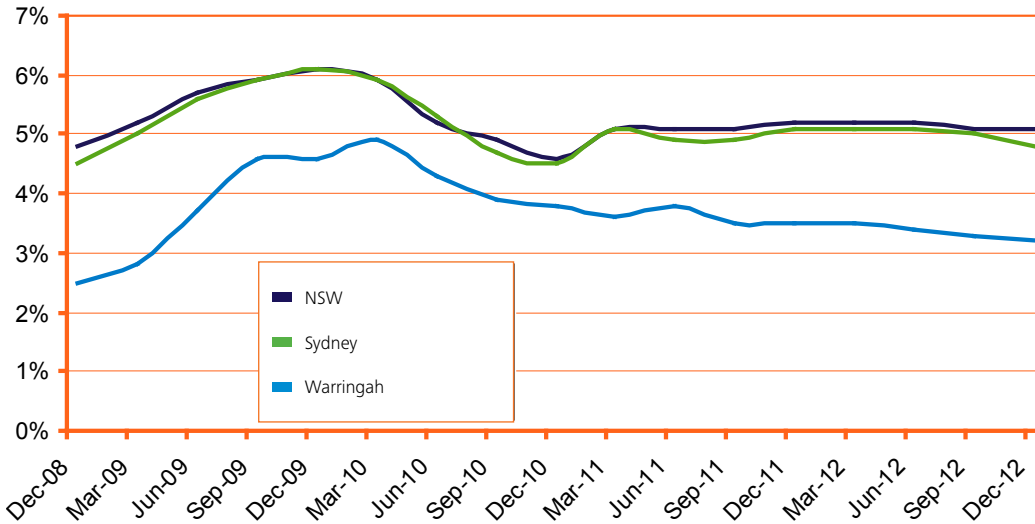
COMMUNITY SUSTAINABILITY INDICATORS

UNEMPLOYMENT RATE*

What do we measure?

Percentage of Warringah residents unemployed compared with metropolitan Sydney and NSW.

Unemployment Rates (December 2008 to March 2012)



Warringah residents have traditionally enjoyed lower rates of unemployment than their counterparts in metropolitan Sydney and NSW. Unemployment has come down from the high levels associated with the onset of the Global Financial Crisis (GFC) in 2009, but has not totally recovered to the very low rates enjoyed pre-GFC.

DESIRED DIRECTION

Hold low percentage relative to Sydney Metro and NSW.

** Source: Australian Government Department for Education, Employment and Workplace Relations, Small Area Labour Markets - March Quarter 2013*

COMMUNITY SUSTAINABILITY INDICATORS

HOUSING AFFORDABILITY

What do we measure?

Housing affordability is generally measured in relation to the proportion of income spent on housing costs. When a low-or moderate-income household is spending more than 30% of its gross income on housing costs, it is likely to be in 'housing stress'.

TREND

The trend is towards decreasing housing affordability within Warringah.

In 2011, 6.9% of Warringah's households were experiencing housing stress compared with 11.5% across metropolitan Sydney. However it is important to note the variations across the Warringah area. Proportions ranged from a low of 3.3% in Davidson to a high of 11.1% in Dee Why.

THE FIVE AREAS WITH THE HIGHEST PERCENTAGES WERE:	
Dee Why	11.1%
Brookvale	10.8%
Manly Vale	10.4%
Narraweena	10.3%
Narrabeen	7.8%

DESIRED DIRECTION

One of our greatest challenges for the coming decades is to do our part to help increase housing affordability and decrease housing stress for our residents. We cannot do this alone but will need to partner with Federal and State Governments and the private sector.

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL/KI	ACTION	STATUS	COMPLETED?
Corporate Support	KI	Implement an external customer satisfaction survey	●	✓
Cultural Services	KI	Deliver a program of events	●	✓
Information and Libraries	KI	Introduction of e-books to the collection	●	✓
	KI	National Year of Reading program of author talks and literary events	●	✓
	KI	Festival of Children's Literature	●	✓
Good Governance	KI	Respond to the Local Government Reform Agenda	●	✓
	KI	Review the long term Community Strategic Plan	●	✓
	KI	Establish the Delivery Program for 2013-2017	●	✓
	KI	Develop the annual Operational Plan and Budget	●	✓
	KI	Publish the Annual Report	●	✓
	KI	Conduct the Annual Community Survey	●	✓
	KI	Prepare the Internal Ombudsman's Annual Report	●	✓
	KI	Council elections	●	✓
	KI	Develop a Healthy Ageing Strategy	●	
	KI	Develop a Youth Strategy	●	✓
Community and Safety	C	Replacement of Beach Services equipment	●	✓
Corporate Support	C	Dee Why Town Centre parking and community facility - design and construction	●	
	C	Dee Why Community Hub	●	✓
	C	Fishermans beach surf club building - renewal and upgrade	●	✓
	C	Collaroy Accessibility Precinct - public amenities upgrades	●	✓
	C	Cromer Soccer Club, St Matthews Farm - public amenities renewals	●	✓

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL/KI	ACTION	STATUS	COMPLETED?
	C	Amenities buildings program - renewal works	●	✓
	C	Community buildings - Disability Discrimination Act upgrades	●	✓
	C	Community buildings - renewal works	●	✓
	C	Tramshed toilet and kitchen - Building Code of Australia and Disability Discrimination Act renewals	●	
	C	New Brookvale Occasional Care Centre	●	✓
	C	Brookvale Children's Centre - renewal and expansion	●	✓
	C	Beach and surf club buildings - renewal works	●	✓
	C	Sporting club buildings - renewal works	●	✓
Glen Street Theatre	C	Network wiring	●	✓
	C	Minor asset renewal	●	✓
	C	Concept plans - design	●	✓
Information and Libraries	C	Library book vote - renew book stock	●	✓
Natural Environment	C	Rhoker Reserve - trail upgrade	●	
Parks, Reserves and Foreshores	C	Playground improvement program	●	✓
	C	St Matthews Farm, Cromer - new skate facility	●	
	C	Collaroy Accessibility Precinct - playground and reserve improvements	●	
Roads, Traffic and Waste	C	Collaroy Accessibility Precinct - streetscape improvements	●	✓

Our Goal

2.2 A TRANSPARENT, OPEN AND TRUSTING RELATIONSHIP BETWEEN COUNCIL AND THE COMMUNITY

Strategies

- Increase community understanding of demographics and population change and their effect on community needs and trends
- Provide consistent and effective policies that are understood and supported by the community
- Have a stronger voice for local people in regional, metropolitan, state and federal affairs
- Achieve effective communication between the community and Council that recognises and balances needs and expectations with constraints
- Show effective Council leadership by communicating with people and organisations
- Manage funding and resources effectively and efficiently so we achieve better outcomes for the community

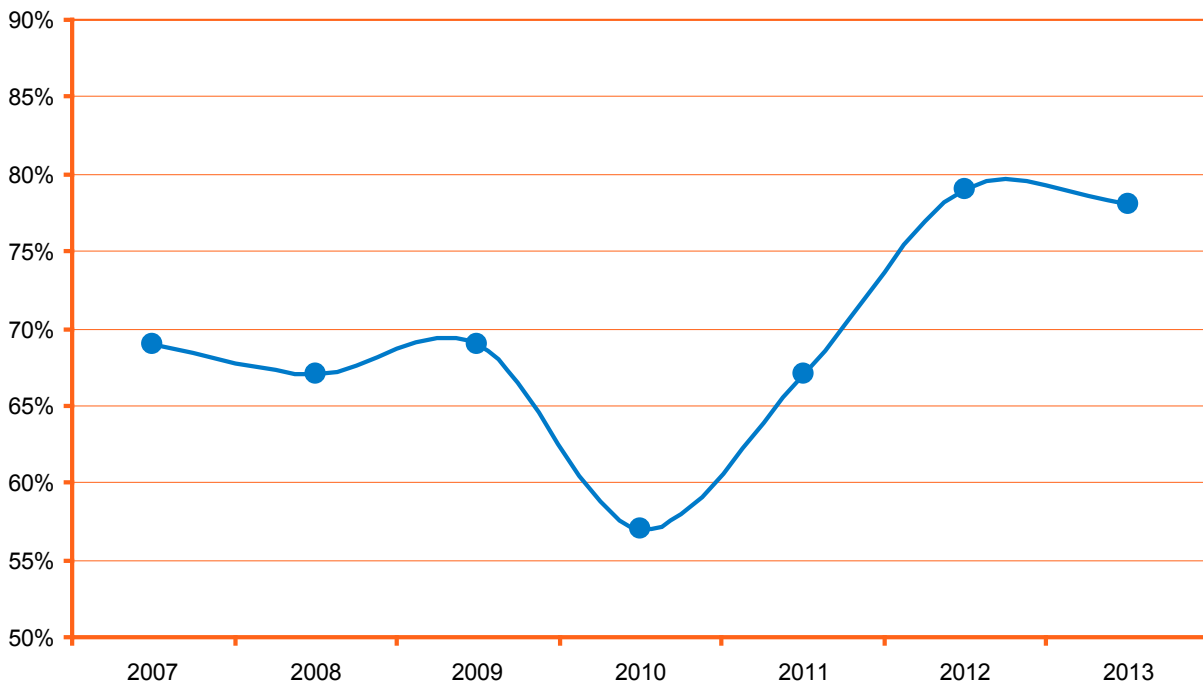
COMMUNITY SUSTAINABILITY INDICATORS

SATISFACTION WITH COUNCIL'S PERFORMANCE*

What do we measure?

The proportion of residents satisfied with Council's overall performance as expressed in the annual Community Survey.

Proportion of Residents Satisfied with Council's Overall Performance



The proportion of residents satisfied with Council's overall performance was 78% in 2013 which is on par with last year and a significant increase on previous years.

DESIRED DIRECTION

Increase resident satisfaction.

* Community Surveys by Iris Research (2007, 2008, 2009 and 2010), Micromex (2011, 2012 and 2013)

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL/KI	ACTION	STATUS	COMPLETED?
Corporate Support	KI	Increase the range of self-help services available online	●	✓
	KI	Redesign Council's website	●	✓
	KI	Implement an external customer satisfaction survey	●	✓
Good Governance	KI	Respond to the Local Government Reform agenda	●	✓
	KI	Review the long term Community Strategic Plan	●	✓
	KI	Establish the Delivery Program for 2013-2017	●	✓
	KI	Develop the annual Operational Plan and Budget	●	✓
	KI	Publish the Annual Report	●	✓
	KI	Conduct the Annual Community Survey	●	✓
	KI	Prepare the Internal Ombudsman's Annual Report	●	✓
	KI	Council elections	●	✓
Parks, Reserves and Foreshores	C	Sports clubs capital assistance grants	●	✓



Living Spaces

SAFE OUTDOOR SPACES THAT ARE WELL MAINTAINED,
ACCESSIBLE, SYMPATHETIC TO THE ENVIRONMENT
AND MEET THE NEEDS OF THE COMMUNITY

KEY SERVICES

- 109 Community Services
- 113 Compliance Services
- 117 Development Assessment
- 119 Glen Street Theatre
- 126 Natural Environment
- 130 Parks, Reserves and Foreshores
- 133 Roads, Traffic and Waste
- 137 Strategic Planning
- 140 Aquatic Centre
- 142 Corporate Support Services

KEY CONTRIBUTORS	ADVOCATE	FUNDER	SERVICE PROVIDER	REGULATOR	PARTNER
Warringah Council	•	•	•	•	•
Roads and Maritime Services		•	•	•	•
Transport for NSW		•	•	•	•
Private bus companies			•		
Department of Planning and Infrastructure	•	•	•	•	•
Other government agencies and departments		•	•	•	•
Community groups			•		•

Our Goal

3.1 SAFE AND WELL MAINTAINED PUBLIC SPACES THAT REFLECT COMMUNITY NEEDS

Strategies

- Provide a diverse range of high quality open space and recreation facilities to meet the needs of the community
- Provide recreational access to natural areas while ensuring the sustainability of the natural environment

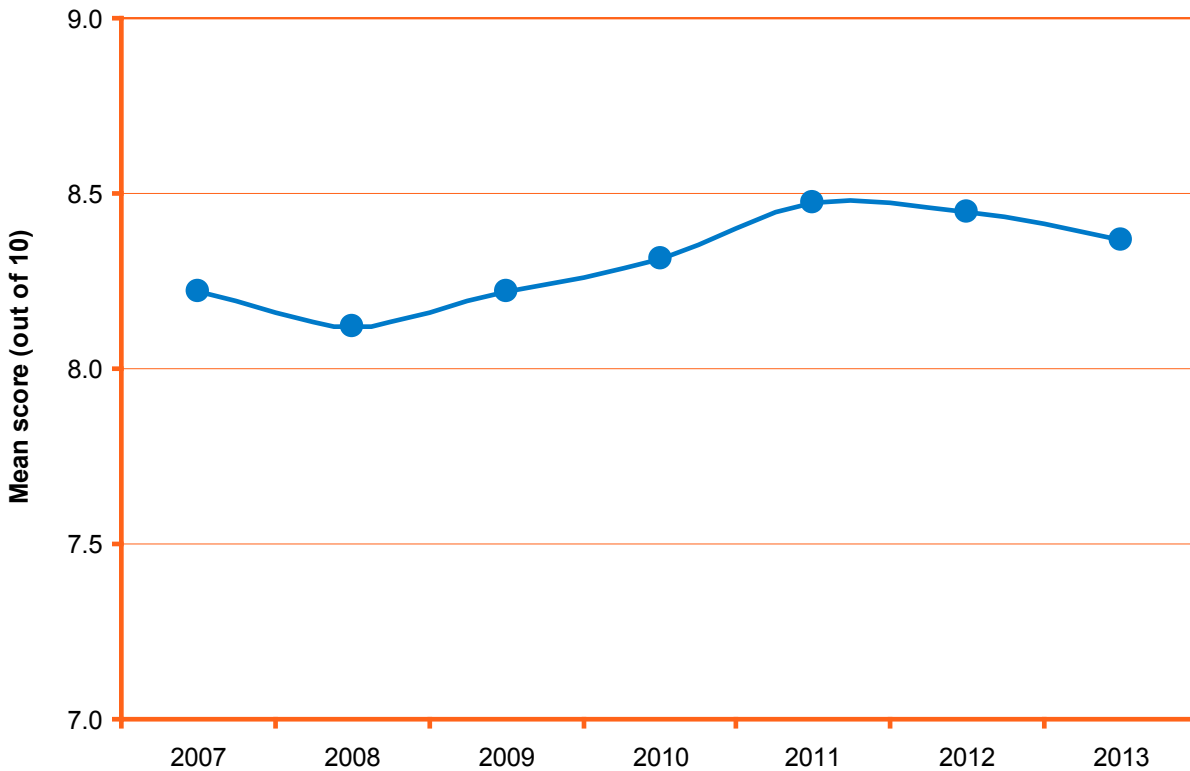
COMMUNITY SUSTAINABILITY INDICATORS

COMMUNITY PRIDE*

What do we measure?

Residents' ratings for how proud they are of their local area. All residents' ratings averaged out of 10. Data is collected via the annual Community Survey.

Residents Ratings for Pride in their Local Area



The previous two years have seen a slight decrease in residents' level of community pride.

DESIRED DIRECTION

Steady increase in residents' level of community pride over time.

* Community Surveys by Iris Research (2007, 2008, 2009 and 2010), Micromex (2011, 2012 and 2013)

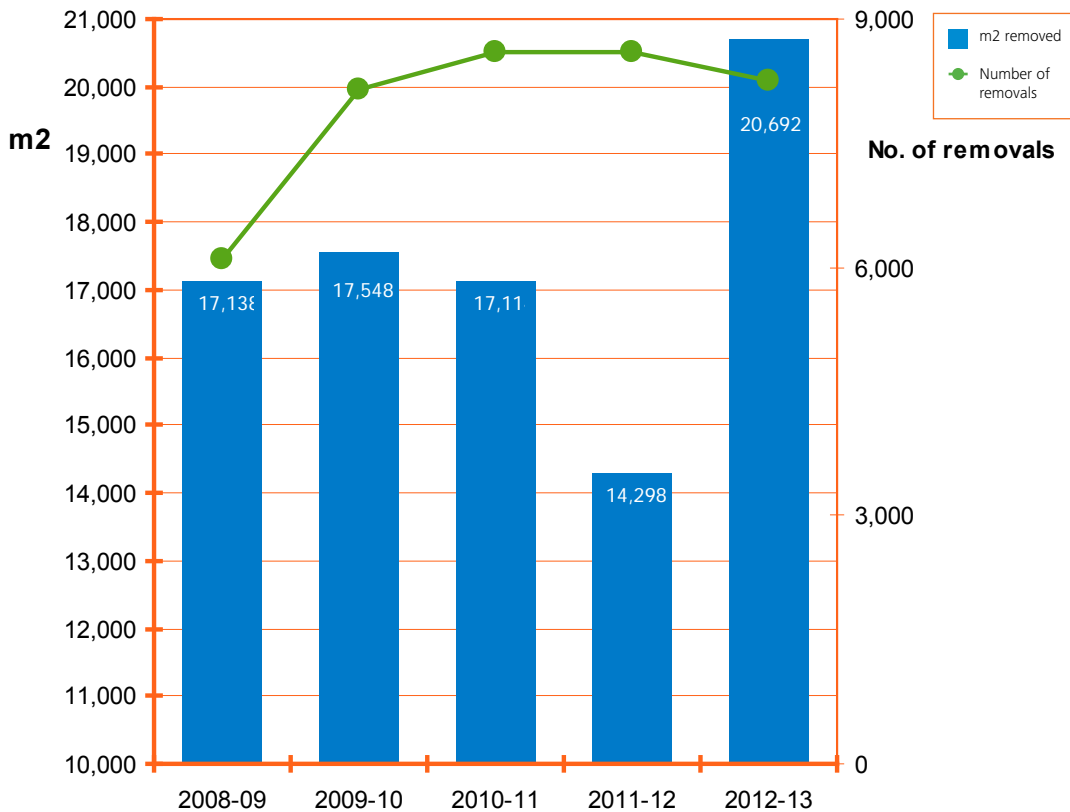
COMMUNITY SUSTAINABILITY INDICATORS

LEVEL OF GRAFFITI VANDALISM

What do we measure?

Total number of graffiti removals and the total area cleansed from public open space or private property fronting open space.

Graffiti Vandalism



The number of graffiti removal jobs decreased slightly while the area (m²) removed increased significantly. Removal technicians indicate this is due to new graffiti vandals becoming active in the area and working together in groups. However, a snapshot audit in September 2012 showed a 30% reduction in visible graffiti compared with a similar audit conducted in 2008. The continuation of the Rapid Removal Program is expected to discourage graffiti vandals.

DESIRED DIRECTION

Decrease the incidence of graffiti vandalism.

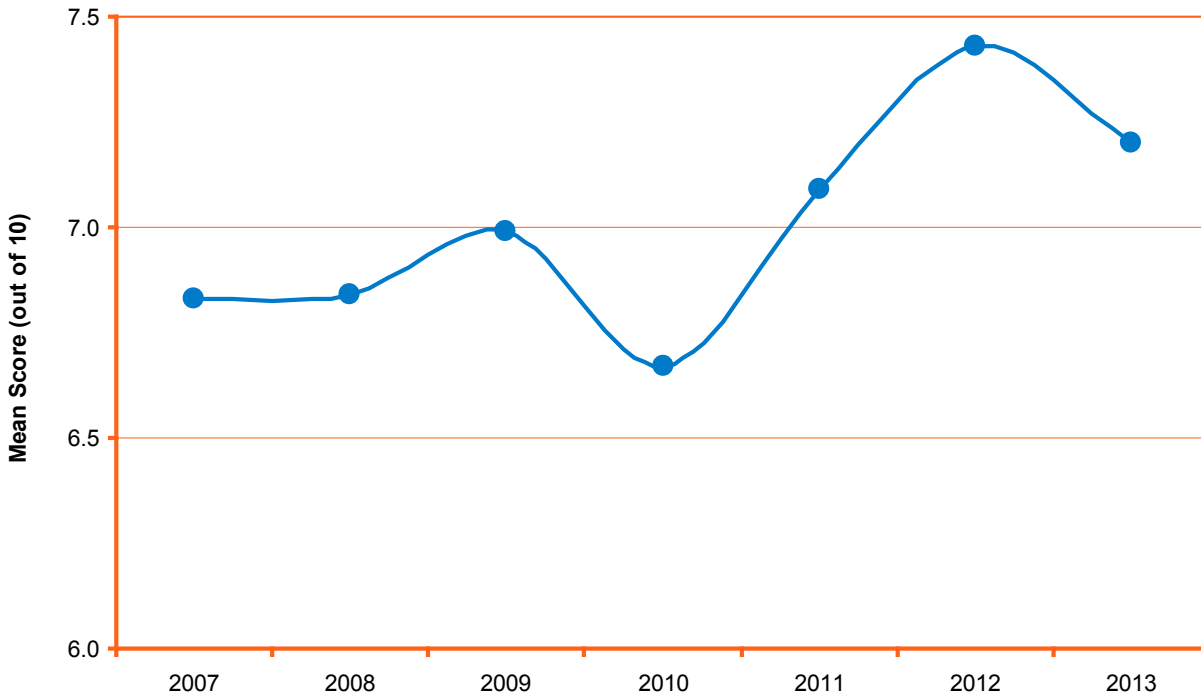
COMMUNITY SUSTAINABILITY INDICATORS

SATISFACTION WITH PARKS AND RECREATION, INCLUDING PLAYGROUNDS*

What do we measure?

Mean satisfaction score (out of 10) recorded by residents in the annual Community Survey.

Satisfaction with Parks and Recreation Areas



There has been a slight decrease this year but the general trend has been for a gradual increase in satisfaction levels since 2007.

DESIRED DIRECTION

General increase in satisfaction over time.

** Community Surveys by Iris Research (2007, 2008, 2009 and 2010), Micromex (2011, 2012 and 2013)*















PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Natural Environment	KI	Coastal Zone Management Plan	●	
Parks, Reserves and Foreshores	KI	Review the Coastal Lands Plan of Management	●	
	KI	Maintenance of new Narrabeen Lagoon Trail	●	✓
Community and Safety	C	Replacement of beach services equipment	●	✓
Corporate Support	C	17B Crown Road, Freshwater - demolition and remediation	●	✓
	C	Administration buildings - minor renewal works	●	✓
	C	Community buildings - minor renewal works	●	✓
	C	Beach and surf club buildings - renewal works	●	✓
	C	Sporting club buildings - renewal works	●	✓
	C	Collaroy Access Tourism Precinct - public amenities upgrades	●	✓
	C	Cromer Soccer Club, St Matthews Farm - public amenities renewals	●	✓
	C	Amenities buildings program - renewal works	●	✓
	C	Community buildings - Disability Discrimination Act upgrades	●	✓
	C	Community buildings - renewal works	●	✓
	C	Tramshed toilet and kitchen - Building Code of Australia and Disability Discrimination Act renewals	●	
	C	New Brookvale Occasional Care Centre	●	✓
	C	Brookvale Children's Centre - renewal and expansion	●	✓
	C	Griffith Park Amenities	●	✓
	C	Brookvale Oval Planned Asset Upgrade Works	●	✓

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Glen Street Theatre	C	Network wiring	●	✓
	C	Minor asset renewal	●	✓
	C	Concept plans - design	●	✓
Kimbriki	C	Kimbriki land improvements	●	
	C	Kimbriki plant, site works, equipment and road renewals	●	
Natural Environment	C	Allenby Park - design of track and trail upgrades	●	
	C	Narrabeen Lagoon - multi-use trail	●	
	C	Rhoker Reserve - trail upgrade	●	
Parks, Reserves and Foreshores	C	Sportsfields - minor rectification works	●	✓
	C	Cromer Park, Cromer – creating a new field (field 5) and rectification of fields 3 and 4	●	✓
	C	Melwood Oval, Forestville - sportsfield rectification program	●	
	C	Parks - minor renewal works	●	✓
	C	Millers Reserve, Manly Vale - floodlighting improvement	●	✓
	C	Sportsfields - water supply irrigation program	●	✓
	C	Sports clubs capital assistance grants	●	✓
	C	St Matthews Farm, Cromer - new skate facility	●	
	C	Manly Dam - trail renewal	●	
	C	Stony Range Flora Reserve, Dee Why - renewal	●	✓
C	Collaroy Accessibility Precinct - playground and reserve improvements	●		

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
	C	Playground improvement program		✓
	C	Manly Dam - carpark and turning area		
	C	Manly Dam - renewals		✓
	C	Freshwater rockpool - upgrade		✓
	C	Queenscliff rockpool - upgrade		
Roads, Traffic and Waste	C	Blackbutts Road, Belrose - upgrade refuge island east of Athol Street		✓
	C	Pittwater Road, Dee Why - widening and signal adjustments		✓
	C	Crown Road, Queenscliff - median island and landscape kerb blisters		✓
	C	Dalley Street, Queenscliff - partial closure		✓
	C	Tramore Place, Melwood Avenue and Starkey Street, Killarney Heights - kerb blister islands		✓
	C	Bike plan implementation		✓
Aquatic Centre	C	Tri-generation project		
	C	Conceptual design for revitalising the Aquatic Centre		
	C	Disability Access and Renewal Project		

Our Goal

3.2 SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE URBAN DEVELOPMENT

Strategies

- Provide housing that responds to the changing demographic profile of the community and reflects local needs and expectations
- Ensure housing development is sensitive to the natural and built environments
- Ensure buildings and landscaping are suitable for their immediate environment and reflect community values
- Create living streets that give priority to neighbourhood amenity, safety and improved urban design
- Plan appropriately for future developments in Warringah with a focus on working towards the reduction of emissions and resource consumption, including water, in our suburbs
- Ensure Ecologically Sustainable Development PRINCIPALS are incorporated and prioritised in planning strategy and policies

COMMUNITY SUSTAINABILITY INDICATORS

It is difficult to quantify achievement against this goal because what counts as 'responsible development' is largely subjective, and also such changes only occur over a long period of time. However, Council's planning and development strategies and its policies are designed to guide development in Warringah towards greater social and environmental sustainability.

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Natural Environment	C	Allenby Park - design of track and trail upgrades	●	
	C	Emergency stormwater works	●	
	C	Narrabeen Lagoon - multi-use trail	●	
	C	Narrabeen Lagoon - recreation	●	
	C	Dee Why CBD - stage 2A construction	●	
	C	Rhoker Reserve - trail upgrade	●	
	C	Collaroy Reserve - trail upgrade	●	✓
Roads, Traffic and Waste	C	Freshwater Village shade structure	●	✓
	C	Collaroy Accessibility Precinct - streetscape improvements	●	✓
	C	Bike plan implementation	●	✓
	C	Blackbutts Road, Belrose - upgrade refuge island east of Athol Street	●	✓
	C	Pittwater Road, Dee Why - widening and signal adjustments	●	✓
	C	Crown Road, Queenscliff - median island and landscape kerb blisters	●	✓
	C	Dalley Street, Queenscliff - partial closure	●	✓
Strategic Planning	C	Tramore Place, Melwood Avenue and Starkey Street, Killarney Heights - kerb blister islands	●	✓
	KI	Initiation of a street life improvement program for Dee Why Town Centre	●	
	KI	Develop an Employment Lands Strategy to meet the future employment targets	●	✓

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
	KI	Amend the Warringah Development Control Plan	●	
	KI	Evaluate Planning Proposals lodged by external parties	●	
	KI	Review zoning classifications of Council car parks and land	●	
	KI	Complete the Urban Form Study and further master planning for Dee Why Town Centre	●	
	KI	Develop a Section 94A Development Contribution works program	●	✓
	KI	Develop a policy on voluntary planning agreements	●	
	KI	Contribute to the review of the Environmental Planning and Assessment Act	●	✓
	KI	Contribute to the finalisation of the Northern Beaches Regional Plan	●	✓
	KI	Frenchs Forest Planning - amendment to the Development Control Plan	●	
	KI	Review planning controls for Oxford Falls and Belrose North area (deferred lands)	●	
	KI	Review the Local Environmental Plan to reflect the findings of the Brookvale traffic study	●	
	KI	Amend the Local Environmental Plan to reflect the Heritage review findings	●	

Our Goal

3.3 SAFE, CONVENIENT AND ACCESSIBLE TRANSPORT OPTIONS

Strategies

- Create efficient movement networks where streets and paths support and encourage walking and cycling, integrated with adequate green spaces
- Integrated land use and transport planning to provide convenient transport services and efficient movement around Warringah resulting in reduced demand for travel in private cars
- Provide a public transport network that is more accessible to a greater number of people
- Reduce congestion on roads, improve the capacities for road networks and improve safety of movement for all users

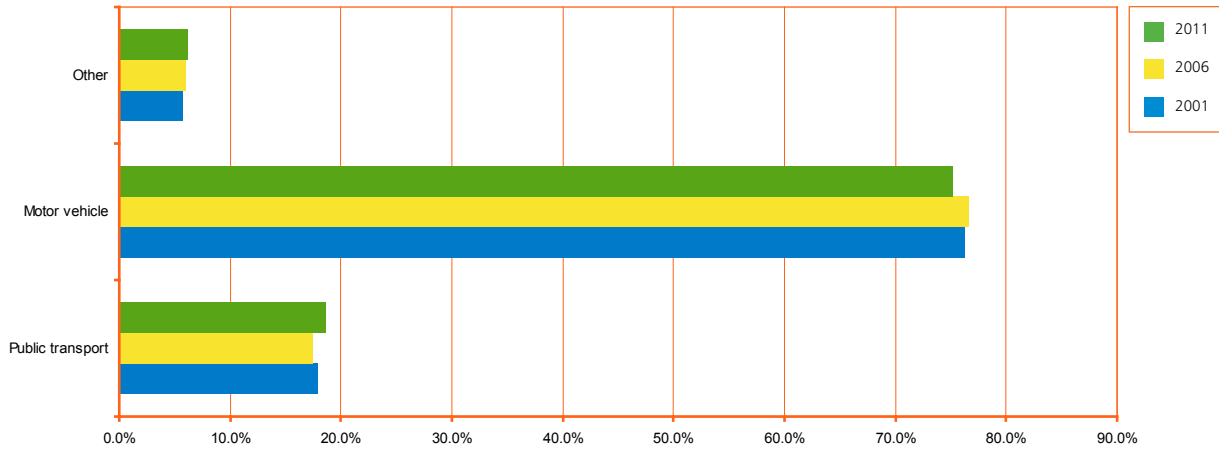
COMMUNITY SUSTAINABILITY INDICATORS

MODE OF TRANSPORT TO WORK*

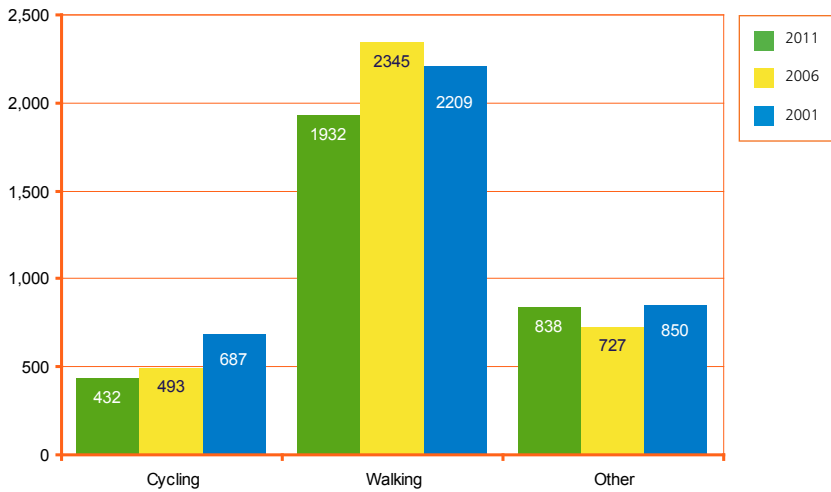
What do we measure?

We measure two things: mode of transport to work expressed as a percentage of all workers and total number of people cycling or walking to work.

Mode of Transport to Work



Breakdown of 'Other' Category



Census figures show that since 2001 there has been an increase in the proportion of residents using public transport, predominantly buses. Data from the Bureau of Transport Statistics shows a marked increase in active transport such as walking and cycling. There is still however a high reliance on private motor vehicles at about 75% in 2011, though it did drop 2% due to an apparent increase in car pooling (as passenger trips increased from 25% in 2007 to 28% in 2011).

DESIRED DIRECTION

Continue the trends towards more public transport usage and more cycling and walking.

* Source: Australian Bureau of Statistics Census data 2001, 2006 and 2011

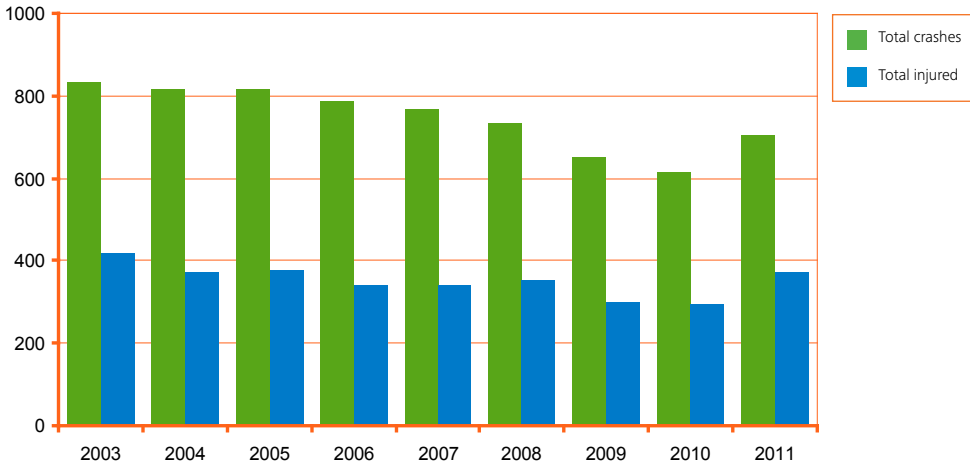
COMMUNITY SUSTAINABILITY INDICATORS

ROAD SAFETY*

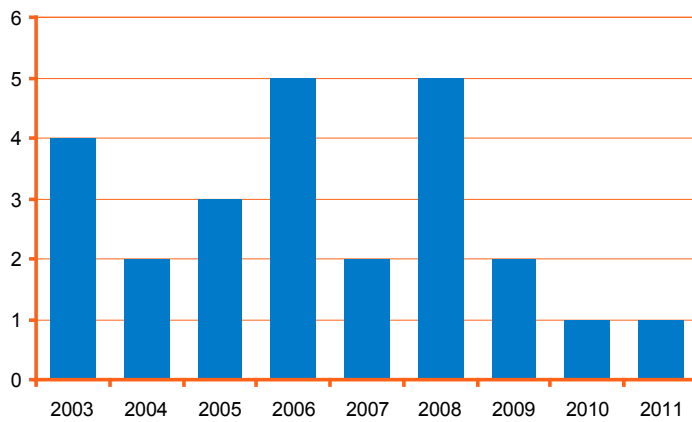
What do we measure?

The total number of road accidents and total number of casualties in Warringah LGA, including deaths.**

Annual Number of Road Crashes and injuries in Warringah



Annual Number of Road Deaths in Warringah



The trend from 2003 onwards has shown a gradual decrease in total accidents and injuries on Warringah roads, a good result considering the number of registered vehicles increases yearly. Results for 2011 show a rise in crashes and injuries. NSW Police advise that this may reflect increased reporting of minor accidents for insurance purposes, and more crashes during this wettest year in northern Sydney since 1998. Speed is involved in 10% of crashes and alcohol in less than 3%. The total number of people killed on Warringah Roads has remained in single figures so is statistically too small to see any patterns or draw conclusions. Council runs a comprehensive road safety education program in response to crash data - details can be found at http://www.warringah.nsw.gov.au/community/safety_road.aspx.

DESIRED DIRECTION

Decline in both total accidents and in number of people killed or injured.

* Source: RMS Crash Statistics

** Note: Data for 2012 unavailable at the time of publication



PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Corporate Support	C	Dee Why Town Centre parking and community facility - design and construction	●	✓
		Dee Why Community Hub	●	✓
Parks, Reserves and Foreshores	C	Manly Dam - carpark and turning area	●	
Roads, Traffic and Waste	C	Carpark renewal program	●	✓
	C	Kerb and gutter renewal program	●	✓
	C	Road resheeting program	●	✓
	C	Footpaths new	●	✓
	C	Footpath renewals	●	✓
	C	Bus stop renewals	●	✓
	C	Retaining wall renewals	●	✓
	C	Collaroy Accessibility Precinct - streetscape improvements	●	✓
	C	Bike plan implementation	●	✓
	C	Blackbutts Road, Belrose - upgrade refuge island east of Athol Street	●	✓
	C	Pittwater Road, Dee Why - widening and signal adjustments	●	✓
	C	Crown Road, Queenscliff - median island and landscape kerb blisters	●	✓
C	Dalley Street, Queenscliff - partial closure	●	✓	
C	Tramore Place, Melwood Avenue and Starkey Street, Killarney Heights - kerb blister islands	●	✓	

Our Goal

3.4 WELL-MAINTAINED PUBLIC INFRASTRUCTURE THAT SUPPORTS SUSTAINABLE LIVING

Strategies

- Provide infrastructure that serves current and future community needs, shares the benefits and costs equitably and supports a healthy and sustainable environment

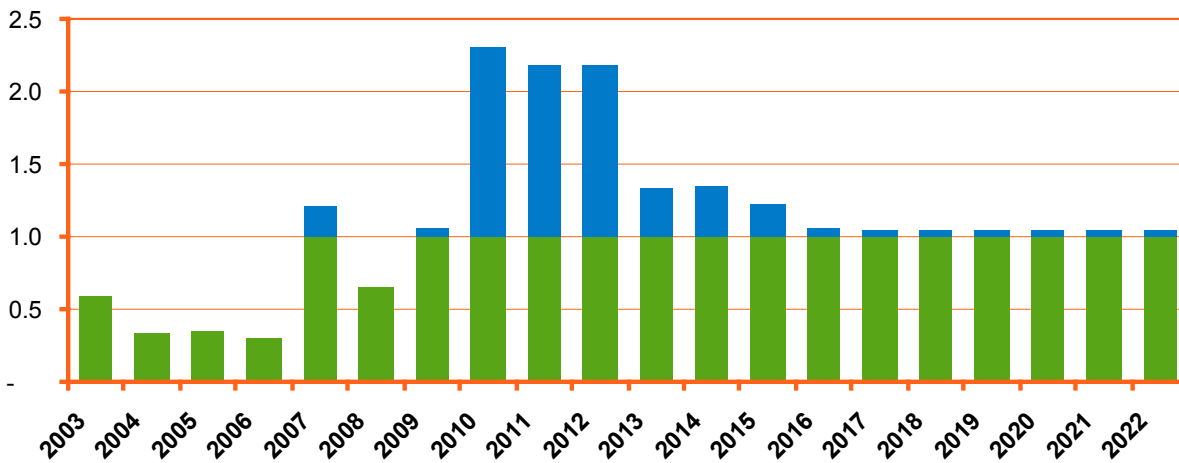
COMMUNITY SUSTAINABILITY INDICATORS

ASSET RENEWAL RATIO

What do we measure?

The amount spent on renewing existing assets (as opposed to maintaining them) divided by their annual depreciation (loss of value). A ratio of 1.0 or greater is preferred.

Asset Renewal Ratio



Financial sustainability now and in the future is a top priority and also applies to the assets that Council manages on behalf of the community. In the last few years we have increased our asset renewal ratio from well below the minimum preferred rate of 1.0 to 2.3 in 2009-2010. For the coming years we have budgeted ratios ranging from 1.5 to 2.1, ensuring that we can keep our assets at the desired service levels for the longer term.

DESIRED DIRECTION

An actual ratio of greater than 1.0 annually.

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Corporate Support	C	Administration buildings - renewal works	●	✓
	C	Civic Centre - roof membrane renewal	●	✓
	C	Civic Centre - upgrade to Customer Service Centre	●	✓
	C	Civic Centre - fire services and Building Code of Australia upgradess	●	
	C	Fishermans beach surf club building - renewal and upgrade	●	✓
	C	Beach and surf club buildings - renewal works	●	✓
	C	Sporting club buildings - renewal works	●	✓
	C	Dee Why Town Centre parking and community facility - design and construction	●	✓
	C	Collaroy Accessibility Precinct - public amenities upgrades	●	✓
	C	Cromer Soccer Club, St Matthews Farm - public amenities renewals	●	✓
	C	Wheeler Park - new public amenity	●	
	C	Amenities buildings program - renewal works	●	✓
	C	Community buildings - Disability Discrimination Act upgrades	●	✓
	C	Community buildings - renewal works	●	✓
	C	Tramshed toilet and kitchen - Building Code of Australia and Disability Discrimination Act renewals	●	
	C	Stony Range pavilion upgrade	●	✓
	C	Curl Curl Sports Centre - Stage 2 construction and comissioning	●	✓
	C	17B Crown Road, Freshwater - demolition and remediation	●	✓
Kimbriki	C	Kimbriki land improvements	●	
	C	Kimbriki plant, site works, equipment, and road renewals	●	

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Natural Environment	C	Allenby Park - design of track and trail upgrades	●	
	C	Emergency stormwater works	●	
	C	Narrabeen Lagoon - multi-use trail	●	
	C	Narrabeen Lagoon - recreation	●	
	C	Dee Why CBD - stage 2A construction	●	
	C	Rhoker Reserve - trail upgrade	●	
Parks, Reserves and Foreshores	C	North Narrabeen - landscape masterplan development and implementation	●	
	C	Dee Why beach - foreshore renewal	●	✓
	C	Queenscliff rockpool - upgrade	●	
	C	Freshwater rockpool - upgrade	●	✓
	C	Sportsfields - minor rectification works	●	✓
	C	Cromer Park, Cromer – creating a new field (field 5) and rectification of fields 3 and 4	●	✓
	C	Melwood Oval, Forestville - sportsfield rectification program	●	
	C	Parks - minor renewal works	●	✓
	C	Millers Reserve, Manly Vale - floodlighting improvement	●	✓
	C	Sportsfields - water supply irrigation program	●	✓
	C	St Matthews Farm, Cromer - new skate facility	●	
	C	South Curl Curl Rockpool - Stage 1	●	✓
Roads, Traffic and Waste	C	Carpark renewal program	●	✓
	C	Kerb and gutter renewal program	●	✓
	C	Road resheeting program	●	✓

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
	C	Footpaths new	●	✓
	C	Footpath renewals	●	✓
	C	Bus stop renewal	●	✓
	C	Retaining wall renewals	●	✓
	C	Blackbutts Road, Belrose - upgrade refuge island east of Athol Street	●	✓
	C	Pittwater Road, Dee Why - widening and signal adjustments	●	✓
	C	Crown Road, Queenscliff - median island and landscape kerb blisters	●	✓
	C	Dalley Street, Queenscliff - partial closure	●	✓
	C	Tramore Place, Melwood Avenue and Starkey Street, Killarney Heights - kerb blister islands	●	✓
Aquatic Centre	C	Tri-generation project	●	
	C	Conceptual design for revitalising the Aquatic Centre	●	

W

Living Enterprises

A STRONG LOCAL ECONOMY THAT PROVIDES EMPLOYMENT AND TRAINING OPPORTUNITIES

KEY SERVICES

- 105 Certification Services
- 113 Compliance Services
- 115 Cultural Services
- 117 Development Assessment Services
- 130 Parks, Reserves and Foreshores
- 133 Roads, Traffic and Waste
- 137 Strategic Planning
- 146 Good Governance

KEY CONTRIBUTORS	ADVOCATE	FUNDER	SERVICE PROVIDER	REGULATOR	PARTNER
Warringah Council	•	•	•	•	•
Chambers of Commerce	•	•			•
Local Enterprises		•	•		•
Department of Planning and Infrastructure	•			•	
Other government agencies and departments	•	•	•	•	•

Our Goal

4.1 SUSTAINING A STRONG LOCAL ECONOMY THAT PROVIDES EMPLOYMENT AND TRAINING OPPORTUNITIES

Strategies

- Understand business needs and trends based on a broad range of data
- Develop Council policies that encourage an appropriate and accessible range of businesses and services to meet the service and employment needs of the local and regional community
- Ensure employment and training for the community is available locally and for businesses in Warringah to have ready access to appropriately skilled workers
- The location of commercial, industrial and retail development to be convenient for users, to provide ready access for employees and to avoid conflicts about land uses
- To reduce the demand for travel through more local jobs and services
- Funding to enable Council support for business development in Warringah
- Develop strategies, policies and incentives to attract and encourage the creation and establishment of green industries and jobs

STRATEGIC PERFORMANCE MEASURES

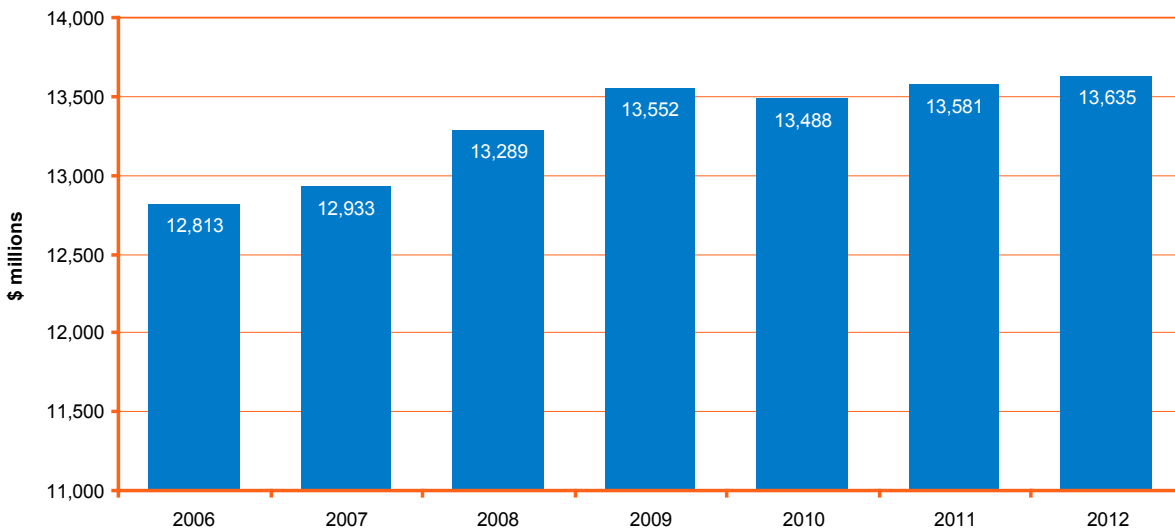
GROSS REGIONAL PRODUCT (GRP)*

What do we measure?

The total amount of wealth generated in the region, (i.e. Manly, Mosman, Pittwater and Warringah local government areas).

Note: GRP figures are recalculated after every census and therefore figures listed here for 2007 to 2011 are amended ABS figures and will not align with those in previous annual reports.

Gross Regional Product



There has been a general pattern of growth in GRP. The drop in 2010 was a reflection of a general slow down in the national economy following the initial wave of the Global Financial Crisis. Since then, the economy in general has picked up which is reflected locally in improved GRP in 2011 and 2012.

DESIRED DIRECTION

Steady increase in GRP over time.

* Source: SHOROC Economic Profile – economy id

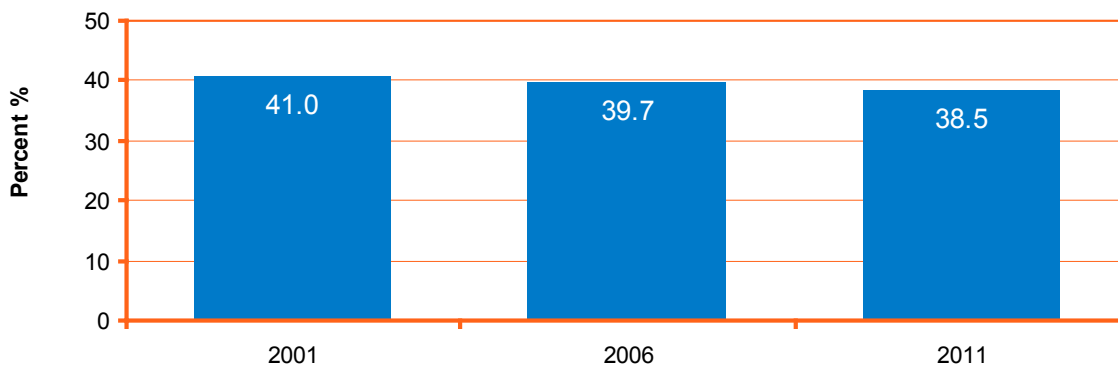
COMMUNITY SUSTAINABILITY INDICATORS

EMPLOYMENT CONTAINMENT*

What do we measure?

The employment location of Warringah residents.

Percentage of Warringah Residents Employed in the Local Area



On census night in 2011, 38.5% of residents worked in Warringah compared with 39.7% in 2006. Despite this small drop, employment containment in Warringah is higher than the metropolitan average. Also, it is worth noting that 51.1% of residents remain in the region for their employment (i.e. the local government areas of Pittwater, Warringah, Manly and Mosman).

DESIRED DIRECTION

Hold or increase containment rate, to minimise transport challenges and keep our local economy diverse and vibrant.

** Source: ABS Census Data 2011*

COMMUNITY SUSTAINABILITY INDICATORS

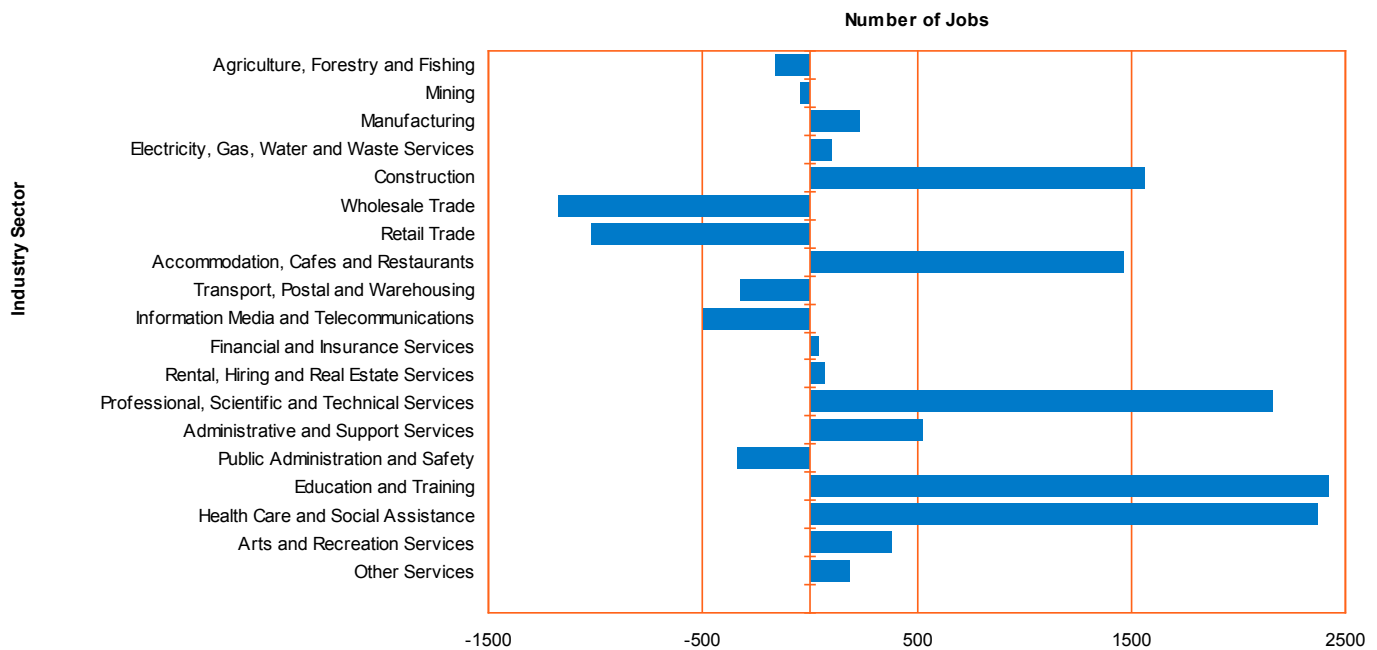
QUALIFICATION/LOCAL INDUSTRY MIX*

What do we measure?

We measure two things:

- (a) Industry breakdown of the workforce of Manly, Mosman, Pittwater and Warringah area (SHOROC region).
- (b) Industry change for the same workforce over a five year period. These figures are estimated.

*Change in Employment by Industry Sector, Shore Regional Organisation of Councils 2006-2011
(ANZSIC 2006 - Latest industry classifications) - Estimated*



The latest available results look at the change in employment sectors from 2006-2011, showing that the top four industry sectors employed nearly half of the regional workforce. They are retail (13.8%); construction (11.4%); health care and social assistance (11.2%); and professional, scientific and technical services (10.3%). Over those five years the jobs market grew by nearly 5,000 jobs, focussed in health care and social assistance; professional, scientific and technical services; and education and training. This reflects a more qualified workforce with more people now holding degrees and diplomas (see the indicator for educational qualifications on page 48).

DESIRED DIRECTION

This indicator should be viewed in conjunction with the previous indicator 'Employment Containment' (page 80). The better the match between the educational qualifications of the local work force and the industry mix, the higher employment containment can be.

* Source: National Institute of Economic and Industry Research 2011

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Good Governance	KI	Respond to the Local Government Reform agenda		✓
	KI	Host the Warringah Business Expo		✓
	KI	Establish a Warringah Pittwater business portal		
Strategic Planning	KI	Initiation of a street life improvement program for Dee Why Town Centre		
	KI	Develop an Employment Lands Strategy to meet the future employment targets		✓
	KI	Complete the Urban Form Study and further master planning for Dee Why Town Centre		

Our Goal

4.2 BALANCING THE ECONOMIC BENEFITS OF VISITORS AND THE IMPACT ON LOCAL RESOURCES AND THE COMMUNITY

Strategies

- Manage the impact of visitors to Warringah to balance the effect on the residents' lifestyles and economic development

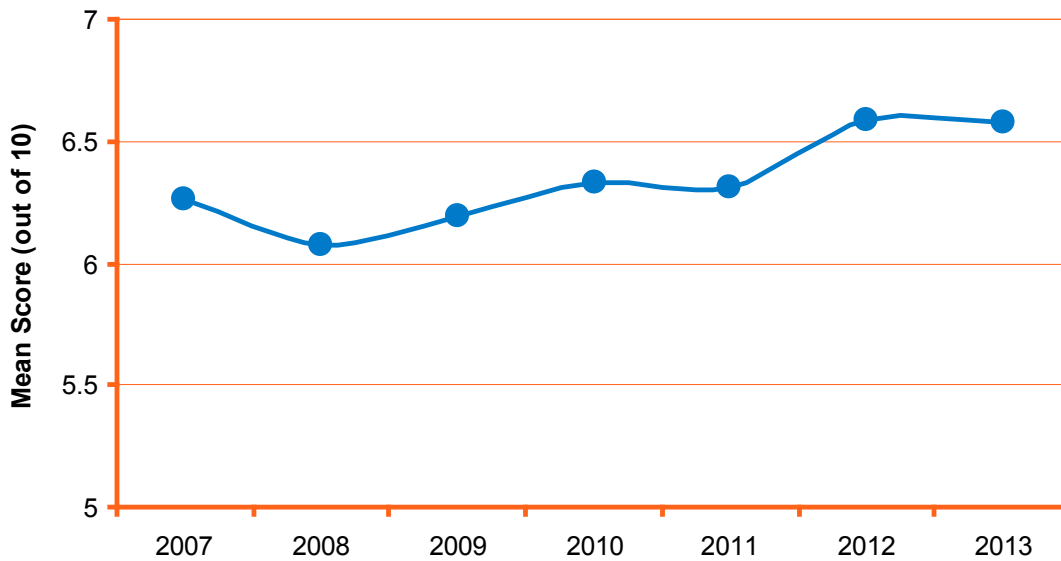
COMMUNITY SUSTAINABILITY INDICATORS

SATISFACTION WITH THE WAY COUNCIL MANAGES THE IMPACT OF VISITORS*

What do we measure?

Mean satisfaction score (out of 10) recorded by residents in the annual Community Survey.

Managing the impact of Visitors to the Area



Residents' satisfaction levels with Council's performance in this area have remained fairly stable over the last five years, but have increased in 2013 towards a more desirable level.

DESIRED DIRECTION

General increase in satisfaction over time.

**Community Surveys by Iris Research (2007, 2008, 2009 and 2010), Micromex (2011, 2012 and 2013)*

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Cultural Services	KI	Deliver a program of events	●	✓
Natural Environment	KI	Coastal Zone Management Plan	●	
Parks, Reserves and Foreshores	KI	Review the Coastal Lands Plan of Management	●	
Good Governance	KI	Host the Warringah Business Expo	●	✓
Corporate Support	C	Replacement of Beach Services equipment	●	✓
	C	Dee Why Town Centre parking and community facility - design and construction	●	✓
Natural Environment	C	Collaroy Accessible Precinct - public amenities upgrades	●	✓
Parks, Reserves and Foreshores	C	Dee Why CBD - stage 2A construction	●	
	C	Sports clubs capital assistance grants	●	✓
	C	Collaroy Accessibility Precinct - playground and reserve improvements	●	
	C	Queenscliff rockpool - upgrade	●	
	C	Freshwater rockpool - upgrade	●	✓
	C	North Narrabeen - landscape masterplan development and implementation	●	
Roads, Traffic and Waste	C	Dee Why beach - foreshore renewal	●	✓
	C	Freshwater Village shade structure	●	✓
	C	Collaroy Accessibility Precinct - streetscape improvements	●	✓

Our Goal

4.3 WELL-MANAGED BUSINESS INFRASTRUCTURE TO SUPPORT A THRIVING LOCAL ECONOMY

Strategies

- Ensure the supply and cost of utilities and services meets the commercial, industrial and retail needs of Warringah

COMMUNITY SUSTAINABILITY INDICATORS

There is currently no indicator to measure progress against this goal.

W

Living Organisation

AN INNOVATIVE AND EFFECTIVE ORGANISATION WITH STRONG LEADERSHIP

KEY SERVICES

142 Corporate Support

146 Good Governance

KEY CONTRIBUTORS	ADVOCATE	FUNDER	SERVICE PROVIDER	REGULATOR	PARTNER
Warringah Council	•	•	•	•	•
Local Government and Shires Association	•		•		•
Department of Premier and Cabinet, Local Government Division				•	•
SHOROC	•		•		•
Other professional associations (LGMA etc)	•		•		•

Our Goal

5.1 AN EFFECTIVE AND EFFICIENT ORGANISATION

Strategies

- Ensure long term financial sustainability through effective short and long term financial management
- Improve communication with the community and increase awareness and understanding of Council's decisions
- Attract, develop and retain highly-skilled staff who enjoy a safe work environment

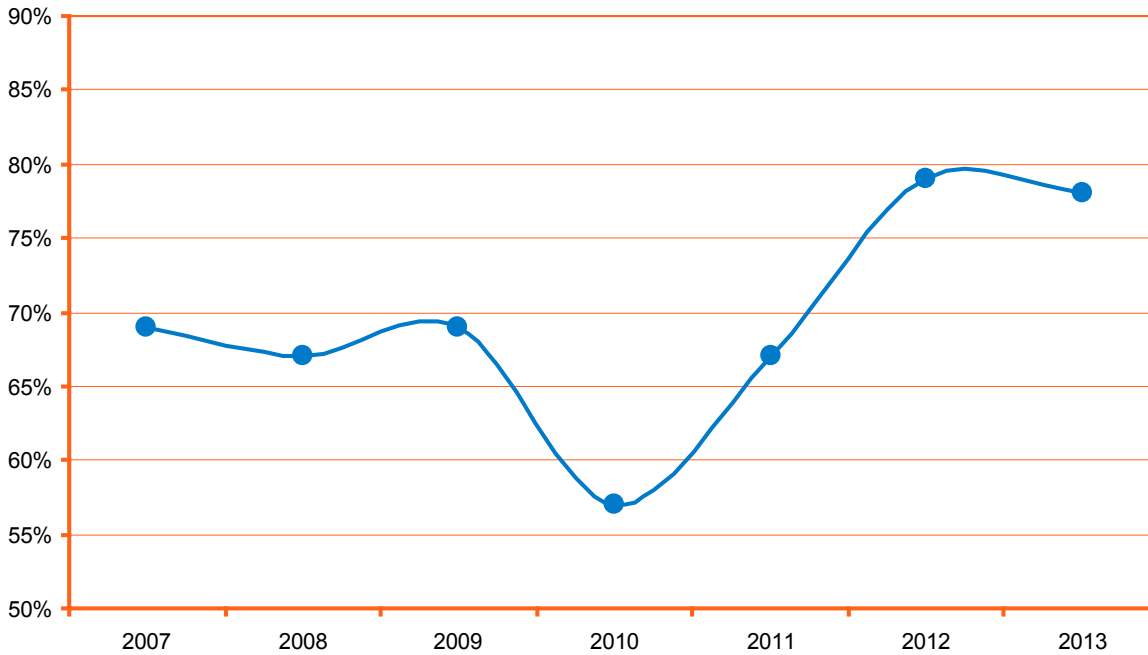
COMMUNITY SUSTAINABILITY INDICATORS

COMMUNITY'S OVERALL SATISFACTION WITH COUNCIL'S PERFORMANCE*

What do we measure?

The proportion of residents satisfied with Council's overall performance as expressed in the annual Community Survey.

Proportion of Residents Satisfied with Council's Overall Performance



The proportion of residents satisfied with Council's overall performance was 78% in 2013 which is on a par with last year and a significant increase on previous years.

DESIRED DIRECTION

Increase resident satisfaction.

* Community Surveys by Iris Research (2007, 2008, 2009 and 2010), Micromex (2011, 2012 and 2013)

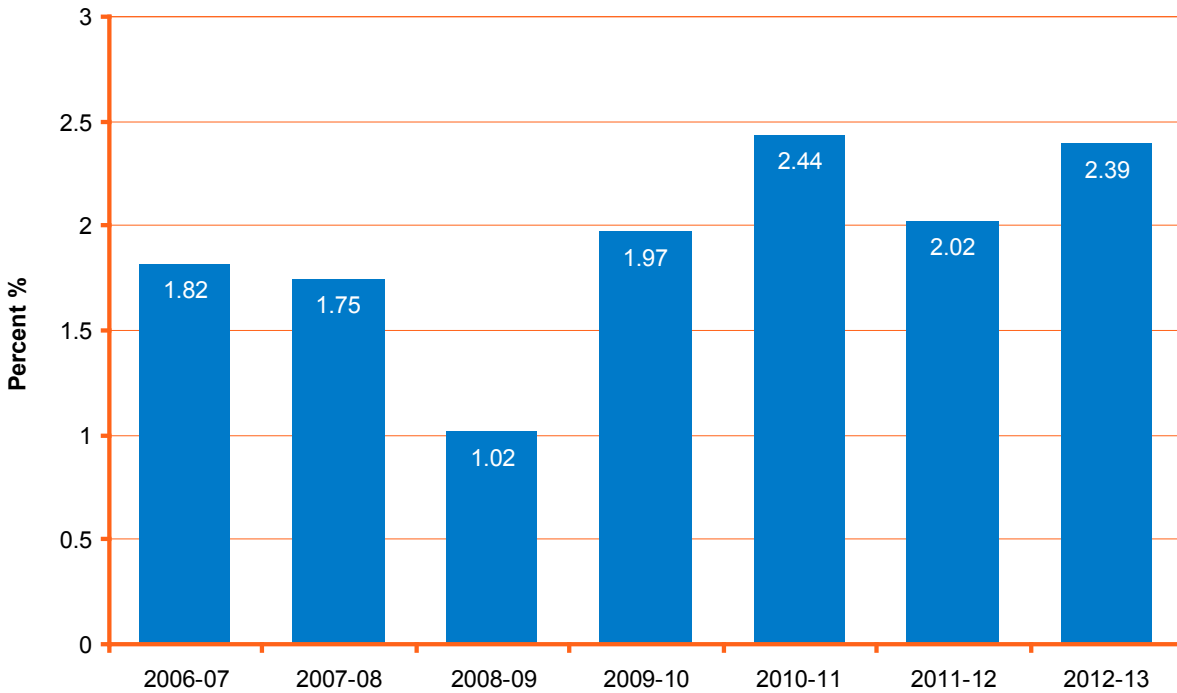
COMMUNITY SUSTAINABILITY INDICATORS

WORKPLACE HEALTH AND SAFETY

What do we measure?

Lost-time rate owing to injuries or disease. This is expressed as a percentage of the total number of employees.

Lost Time Rate owing to injuries or disease



Council continuously seeks to improve safe working conditions and procedures. Over the last year the time-lost rate has increased but still compares favourably with most other self-insured Councils.

DESIRED DIRECTION

The Triple Zero (i.e. zero incidents, zero accidents and zero lost time due to workplace injuries and disease).

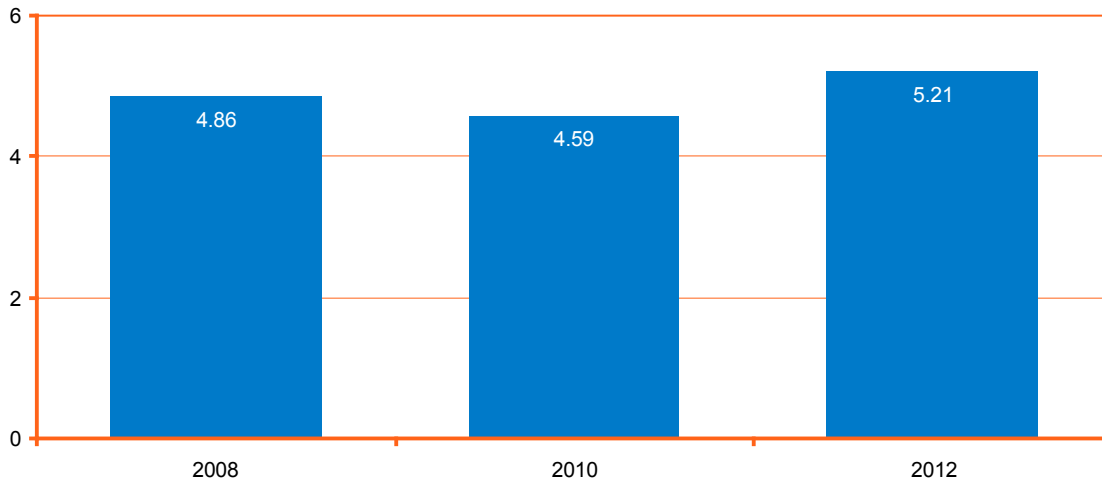
COMMUNITY SUSTAINABILITY INDICATORS

OVERALL STAFF SATISFACTION AND WELLBEING

What do we measure?

Mean averaged score (out of seven) provided by staff in the 2008, 2010 and 2012 Employee Opinion Surveys.

Staff Satisfaction Score (out of 7)



High overall satisfaction is a positive indicator of employee commitment to the organisation, pride in the organisation and desire to remain with the organisation. Our staff rated us at 4.86 out of 7 in 2008 which was the third highest rating of 12 comparable councils that also completed the survey. In 2010 this score had dropped to 4.59 with areas for improvement identified as leadership and investing in people. A long-term program of staff consultation was established to improve the organisation in respect of these matters, and the increase to 5.21 in 2012 shows that significant improvement has been made.

DESIRED DIRECTION

Maintain high level of staff satisfaction.

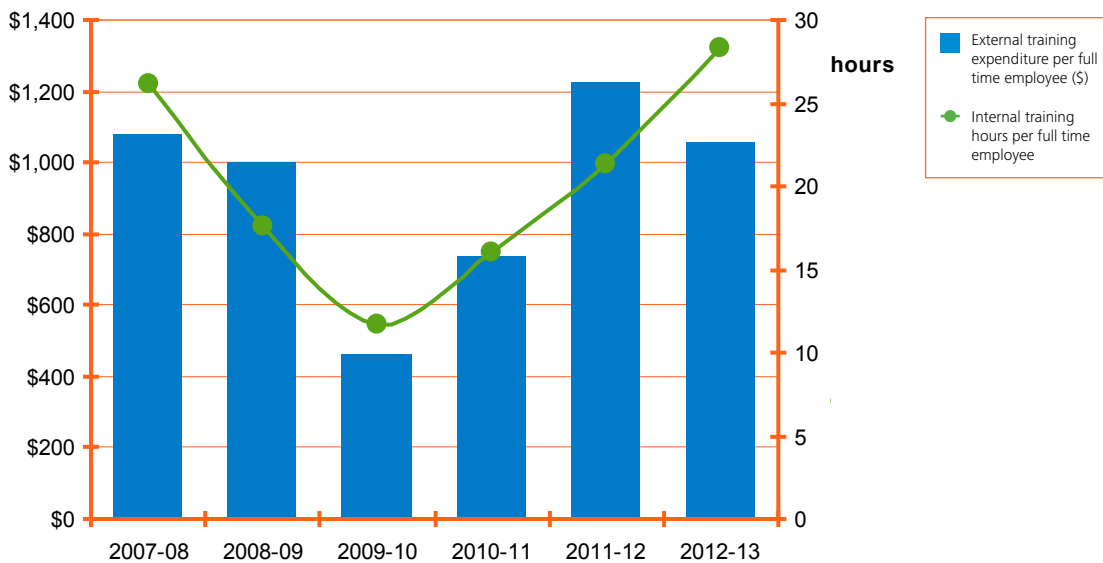
COMMUNITY SUSTAINABILITY INDICATORS

STAFF TRAINING

What do we measure?

Expenditure on external training per equivalent full-time employee and internal training hours per equivalent full-time employee.

Staff Training



High levels of investment in 2007-2009 reflected the roll out of new systems in finance, property and rating and records. A scaling back followed, with investment increasing again between 2010 and 2013 as new initiatives were rolled out to enhance leadership, customer-service skills, contract and project management and an education program in regard to bullying and harassment. The drop in overall external expenditure reflects a greater use of e-Learning to deliver savings for mandatory training such as Workplace Health and Safety.

DESIRED DIRECTION

Maintain commitment to external and internal training of staff.

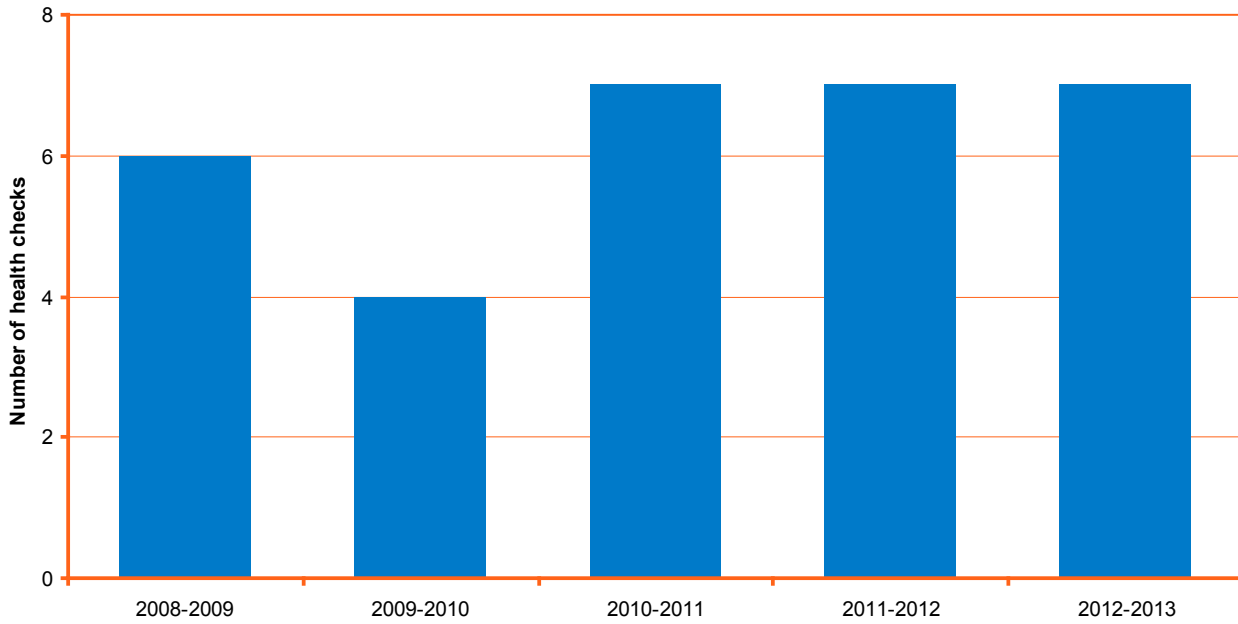
COMMUNITY SUSTAINABILITY INDICATORS

FINANCIAL HEALTH CHECK COMPLIANCE

What do we measure?

Our overall performance against seven Financial Health Checks.

Financial Health Check Compliance



Council was again compliant with all seven financial health checks.

DESIRED DIRECTION

Pass all seven health checks.

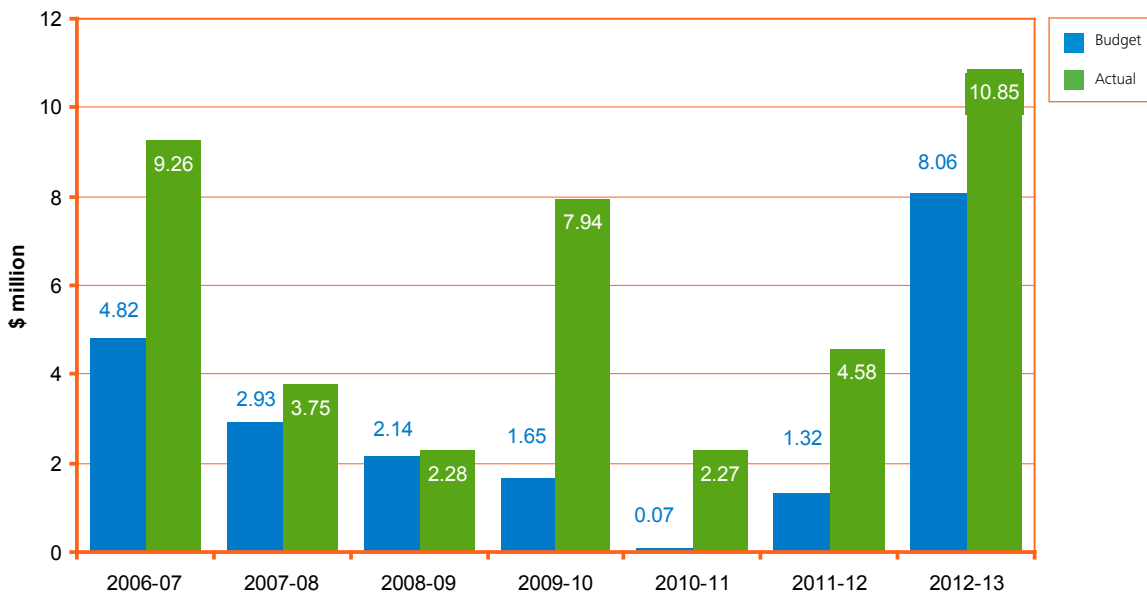
COMMUNITY SUSTAINABILITY INDICATORS

OVERALL BUDGET PERFORMANCE

What do we measure?

Whether the actual Operating Result for the year before Capital Grants and Contributions is within a 10% bandwidth of the budget.

Operational Result Before Capital Grants and Contributions



The net operating surplus before capital grants and contributions was \$10.85 million at the end of the 2012-2013 financial year compared to an original budget position of \$8.06 million. This is largely due to an increase in net gains from the disposal of assets as well as the rollover of a proportion of the WaSIP grant (Waste and Sustainability Improvement Program), insurance claims related to the fire at South Curl Curl Surf Lifesaving Club, and changes in the discount rate used to calculate Council’s future liability for insurance claims and employee leave entitlements .

DESIRED DIRECTION

Remain within bandwidth of +/- 10%.

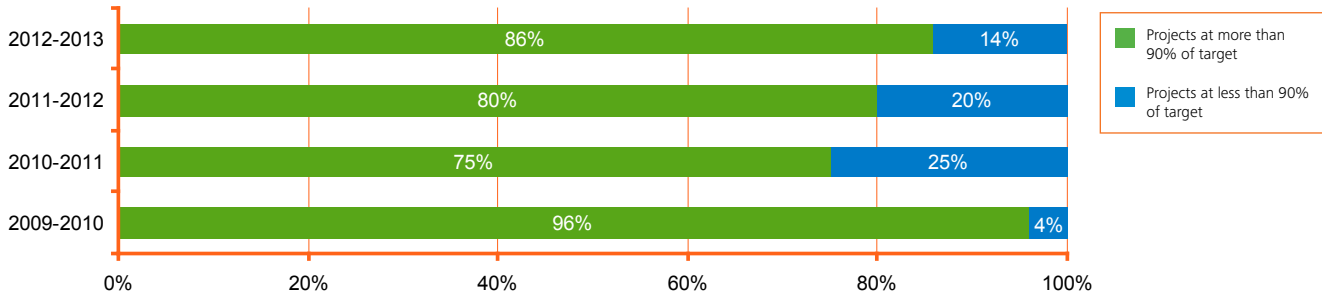
COMMUNITY SUSTAINABILITY INDICATORS

SCHEDULED CAPITAL WORKS COMPLETED

What do we measure?

Percentage of capital works with at least 90% progress target achieved by the end of the financial year.

Progress of Scheduled Capital Works



Some 86% of works were completed or on schedule by the end of the 2012-2013 financial year. Reasons for delays included resources being diverted to higher priority projects, weather delays and awaiting advice from external stakeholders. Performance has improved on the previous financial year and the target has been met.

DESIRED DIRECTION

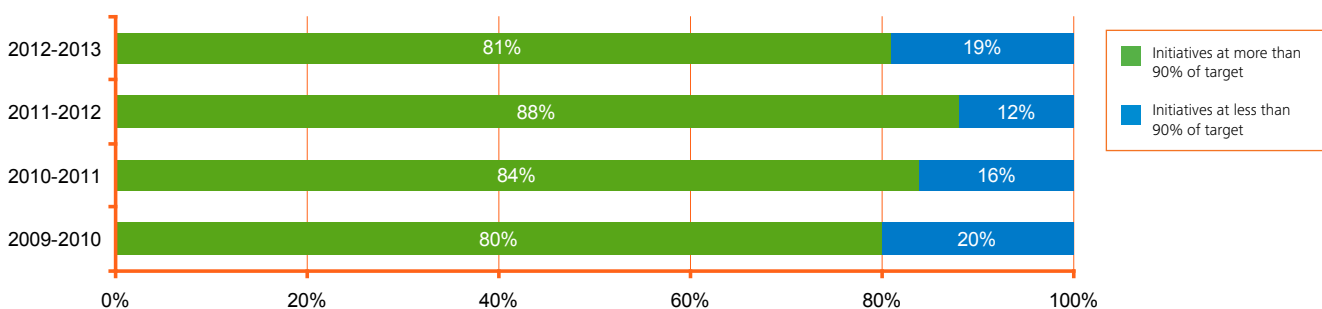
At least 85% of capital works at 90% or more of the progress target for the financial year.

SCHEDULED PROJECTS COMPLETED

What do we measure?

Percentage of key initiatives with at least 90% of progress target achieved by the end of the financial year.

Progress of Scheduled Key Initiatives



Some 81% of initiatives were completed or on schedule by the end of the 2012-2013 financial year. Delays to other projects and reviews to services led to the target being narrowly missed.

DESIRED DIRECTION

At least 85% of projects at 90% or more of the progress target for the financial year.

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Corporate Support	KI	Review ratings structure based on new land valuations	●	✓
	KI	Undertake an employee opinion survey of Council staff	●	✓
	KI	Support a 'Triple 0' policy on workplace accidents/incidents/injuries	●	✓
	KI	Implement the Enterprise Risk Management Program	●	✓
	KI	Implement and manage the Business Continuity Program	●	✓
Information and Libraries	KI	Introduce online booking to library programs	●	
	KI	Introduce mobile phone access to the library website/catalogue	●	
Natural Environment	KI	Stormwater Asset Management Plan	●	✓
	KI	Natural Areas Asset Management Plan	●	✓
Roads, Traffic and Waste	KI	Review the domestic waste and recycling service in preparation for new waste processing facilities at Kimbriki in 2014	●	
Corporate Support	C	Heavy plant replacement program	●	✓
	C	Light plant replacement program	●	✓
	C	Civic Centre - upgrade to Customer Service Centre	●	✓
	C	Civic Centre - fire services and building code of Australia upgrade	●	
	C	Civic Centre - upgrade air conditioning plant	●	
Information and Libraries	C	Installation of radio frequency identification in library items	●	

Our Goal

5.2 AN INNOVATIVE AND PROGRESSIVE ORGANISATION

Strategies

- Be a value-driven organisation
- Delivering timely services based on community needs
- Demonstrate effective civic leadership and advocacy at both local and regional levels
- Manage risks appropriately to sustain and enhance service delivery while ensuring organisational and community well-being
- Continued focus on Business Excellence, including ongoing improvement of systems and processes to provide efficient and value-added services to the community
- Set in place strategies and policies aimed to reduce as much possible carbon emissions and resource consumption and minimise the overall ecological footprint of council operations

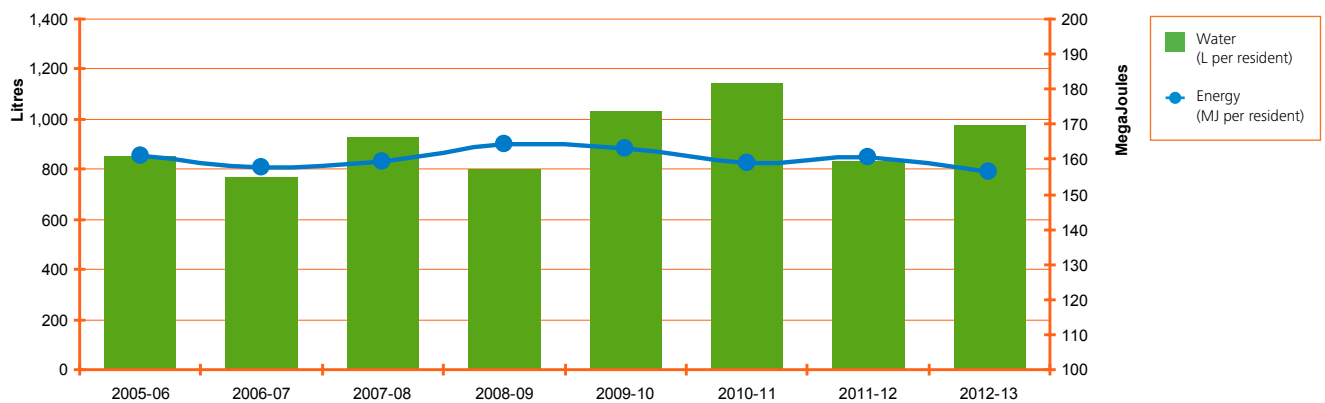
STRATEGIC PERFORMANCE MEASURES

CORPORATE ENVIRONMENTAL SUSTAINABILITY

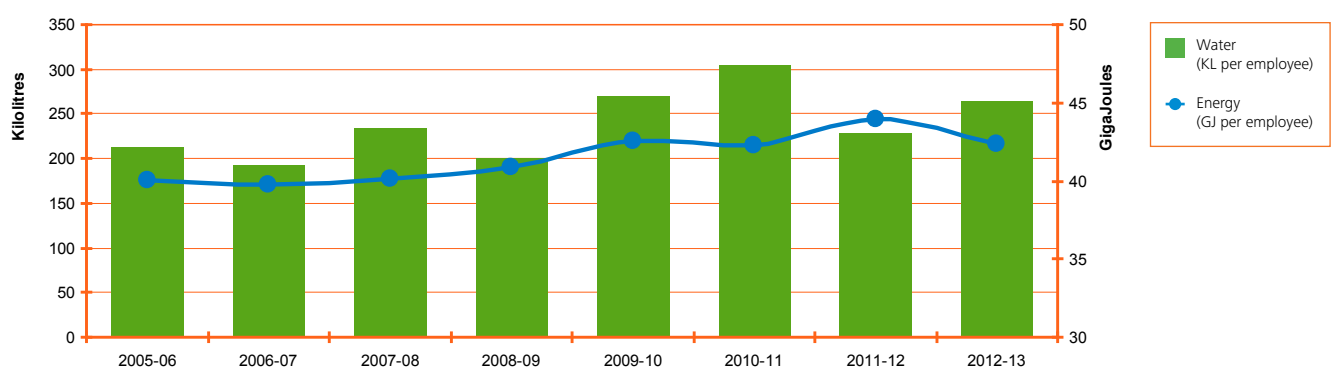
What do we measure?

Water and energy consumption for all Council operations (excluding street lighting) per resident and per employee.

Council's Water and Energy Use Per Resident



Council's Water and Energy Use Per Employee



Council's energy consumption decreased by nearly 4%. This can be attributed to energy efficiency improvements across the organisation as well as facility upgrades which have replaced older and less efficient plant and equipment. Water consumption increased by nearly 16%. However, part of this increase appears to be the result of a dubious meter reading at one of our playing fields. This recorded an enormous increase for one billing quarter. No operational fault or increase in usage could be identified to explain the massive one-off increase and it is therefore being investigated further with Sydney Water.

DESIRED DIRECTION

Decrease the consumption per employee.

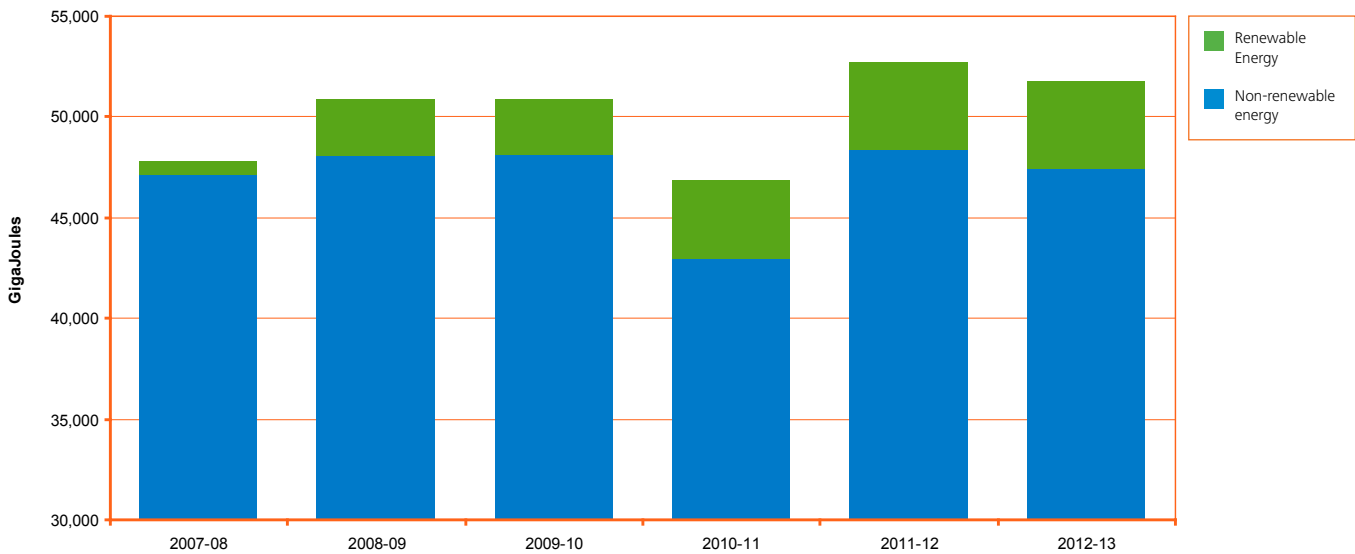
STRATEGIC PERFORMANCE MEASURES

RENEWABLE ENERGY USAGE (COUNCIL)

What do we measure?

Although we cannot yet measure the renewable energy usage for the entire population, we do know the percentage that Council purchases through GreenPower (in GigaJoules).

Warringah Council Annual Energy Consumption (GJ) - Including stree lighting



Overall energy use from Council operations (excluding streetlights) declined by nearly 4%. This can be attributed to more efficient use of our facilities and facility upgrades which have replaced older less efficient technologies. Despite increasing our portfolio of renewable energy sources to 77 KW of installed capacity, our proportion of renewable energy declined to 5% as we ceased purchasing GreenPower from January 2013. This will enable funding to be switched directly into renewable energy and energy efficiency projects which will deliver greater benefits in the longer term. Unfortunately, this has resulted in a temporary decline in the proportion of renewable energy as we transition funding into new projects.

DESIRED DIRECTION

Increase the percentage of renewable energy usage.

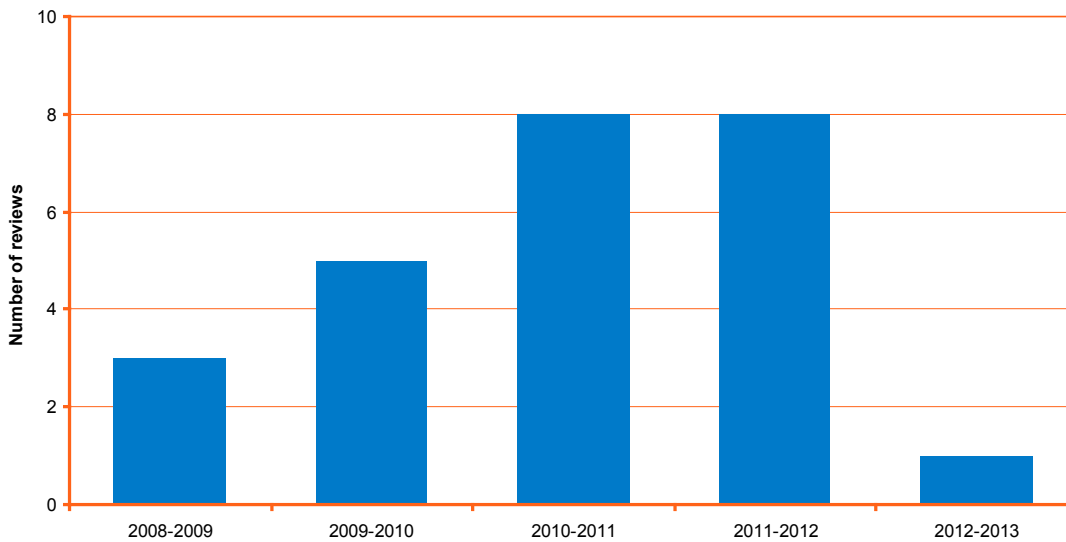
STRATEGIC PERFORMANCE MEASURES

SERVICE REVIEWS CONDUCTED

What do we measure?

Reviews undertaken of Council services during the financial year.

Service Reviews Completed



There were eight service reviews conducted over the financial year 2012-2013. Areas reviewed included Community and Cultural Services, Property and Commercial Development, Finance Services, Building Certification and Fire Safety, Development Engineering, Warringah Projects and Sullage Service. This resulted in either minor or major changes to the services concerned.

DESIRED DIRECTION

Ongoing program of service review reflecting Council's commitment to Business Excellence.

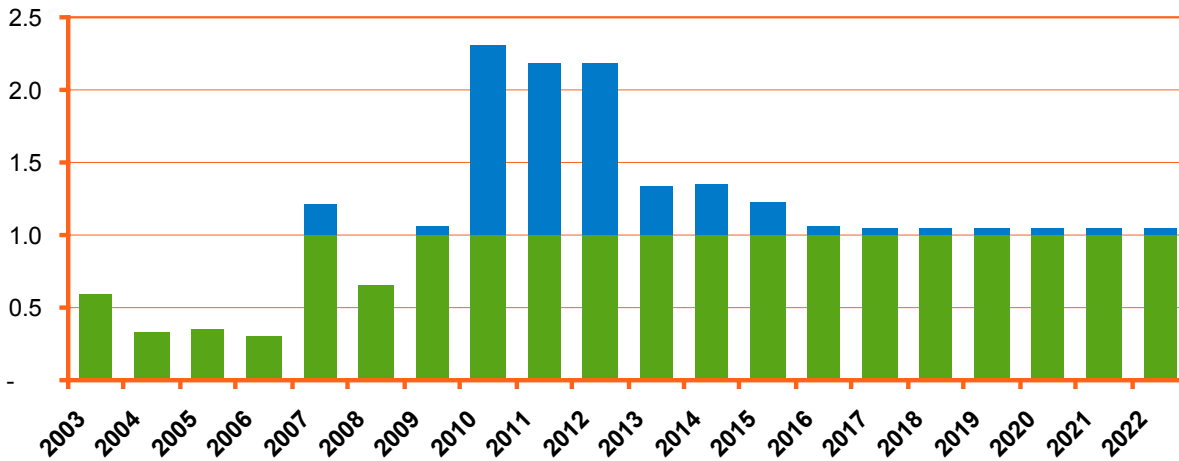
STRATEGIC PERFORMANCE MEASURES

ASSET RENEWAL RATIO

What do we measure?

The amount spent on renewing existing assets (as opposed to maintaining them) divided by their annual depreciation (loss of value). A ratio of 1.0 or greater is preferred.

Asset Renewal Ratio



Financial sustainability now and in the future is a top priority and also applies to the assets that Council manages on behalf of the community. In the last few years we have increased our asset renewal ratio from well below the minimum preferred rate of 1.0 to 2.3 in 2009-2010. For the coming years we have budgeted ratios ranging from 1.5 to 2.1, ensuring that we can keep our assets at the desired service levels for the longer term.

DESIRED DIRECTION

An actual ratio of greater than 1.0 annually.

PERFORMANCE AGAINST PRINCIPAL ACTIVITIES

SERVICE	CAPITAL / KI	ACTION	STATUS	COMPLETED?
Corporate Support	KI	Document Council's core business processes, in line with the PRINCIPALS of Business Excellence	●	
	KI	Increase the range of self-help services available online	●	
	KI	Redesign Council's website	●	✓
Information and Libraries	KI	Introduction of e-books to the collection	●	✓
	KI	Introduction of online booking to library programs	●	
	KI	Introduction of mobile phone access to the library website/catalogue	●	
Strategic Planning	KI	Contribute to the finalisation of the northern beaches Regional Plan	●	✓
Corporate Support	C	IT infrastructure - new works	●	✓
	C	IT software - new works	●	✓
	C	IT infrastructure - renewals	●	✓
	C	IT software - renewals	●	
Glen Street Theatre	C	Network wiring	●	
	C	Concept plans - design	●	✓
Aquatic Centre	C	Conceptual design for revitalising the Aquatic Centre	●	

W




04

SERVICE HIGHLIGHTS




A CLOSER LOOK AT PERFORMANCE BY SERVICE
FOR 2012-2013

105	Certification Services
107	Children's Services
109	Community Services
113	Compliance Services
115	Cultural Services
117	Development Assessment
119	Glen Street Theatre
121	Information and Library Services
124	Kimbriki Environmental Enterprises Pty Ltd
126	Natural Environment Services
130	Parks, Reserves and Foreshores
133	Roads, Traffic and Waste
137	Strategic Planning
140	Aquatic Centre
142	Corporate Support Services
146	Good Governance

Our progress against each satisfaction indicator is illustrated by the following symbols:

-  statistically significant increase
-  statistically insignificant change
-  statistically significant decrease

Our progress against each of our commitments is illustrated by the following symbols:

-  at least 90% of completion target achieved
-  less than 90% of completion target achieved
-  action has been completed

Certification Services

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$0.7m

Total expenses
from continuing
operation

FAST FACTS

- 142 building certificate applications processed
- 46 construction certificates processed
- 6 strata certificate applications
- 133 construction stage inspections

KEY ACTIVITIES AND PROGRAMS

- Issue certificates and approvals (including Construction Certificates, Occupations Certificates, Strata Certificates, Compliance Certificates and Building Certificates)
- Conduct principal certifying authority functions
- Building certification

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
% of market share for private certification	%	12	5	▼

ACCREDITATION OF CERTIFICATION OFFICERS

The Certification Services team provides impartial building and subdivision certification services by assessing and determining strata subdivision applications and construction certificate applications, along with associated “critical stage” inspection of buildings during construction. The Building Professionals Board is the statutory body that regulates certifiers within NSW and all of Council’s certifiers continue to maintain unblemished disciplinary records.

BUILDING CERTIFICATION AND FIRE SAFETY SERVICES AUDIT

A full audit of the Building Certification and Fire Safety Team’s processes and procedures was undertaken by external auditors in 2012. Whilst the audit found no significant areas for concern, suggested improvements have been implemented over the past 12 months.

NEW LEGISLATIVE REQUIREMENTS – BOARDING HOUSES AND SWIMMING POOL SAFETY

We have been gearing up to play our part in making swimming pools in the community safer. New laws require owners of backyard swimming pools to register on a State-wide register and have fencing

inspected and certified as safe every three years. Our staff have been assisting pool owners register their details on line and inspecting pool fencing. Similar legislative changes have also been made to improve the health and safety standards of boarding houses. Both initiatives will reduce the number of preventable drowning and health issues in the community.

FIRE SAFETY

We continue to audit premises for fire safety and operate a register of properties required to maintain essential fire safety measures. More than 200 fire safety related inspections were conducted and 141 premises were added to the fire safety register. This work makes an unheralded, but invaluable, contribution to community safety against fire.

Children's Services

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$7m

Total expenses from continuing operation

FAST FACTS

- 714 children per week (on average) cared for in four Long Day Care centres with 367 families and 477 children accessing Occasional Care during the year. Approximately 450 children per week are utilising Family Day Care
- 845 separate families (on average) used Vacation Care each holiday period, catering for an average of 950 children per holiday program
- Approximately 3,300 families received regular information on children's and family services
- 10,670 total bookings taken by the five Vacation Care centres over the year

KEY ACTIVITIES AND PROGRAMS

- Long Day Care, Mobile Occasional Care and Family Day Care
- Recreational, leisure, vacation programs and events for children and their families
- Provide information and referral service for children and their families
- Provide family and community education
- Provide opportunities for increased service participation for families from culturally and linguistically diverse communities and Aboriginal and Torres Strait Islander communities
- Promote service integration and support services to vulnerable families

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with provision of childcare services	Mean score	6.50	6.33	▼
No. of days children with additional support needs accessing - Family Day Care	Days	N/A	57	-
No. of days children with additional support needs accessing - Long Day Care	Days	N/A	950	-
% of Council Child Care Centres that are fully accredited	%	100	100	■

NATIONAL QUALITY FRAMEWORK

Our Family Day Care service and Children's Centres at Narrabeen, Brookvale and Dee Why were assessed as part of the new National Quality Framework. The Dee Why and Brookvale Centres were rated as meeting the National Quality Standards, while Family Day Care and Narrabeen Children's Centre exceeded the National Quality Standards. Only 14% of providers in NSW have received an 'Exceeds' rating. This reinforces the efforts of our staff in providing high quality education and care programs to the community.

The development of our staff is important to maintaining quality care. In addition to providing access to training and industry based courses, seven educators were supported in completing a Diploma or Certificate III in Children's Services. Our services also continue to support the development of professionals in the early childhood industry by providing supervised practical placements for 20 students from university or TAFE during the year.

UPGRADES TO CHILDCARE FACILITIES

Work was completed on the new Brookvale Occasional Care Centre and it will soon be open for use. Dee Why Children's Centre is upgrading the dining room and play area to allow children rest, sleep or quiet experiences. Narrabeen Children's Centre is undergoing playground works including the redevelopment of the outdoor play spaces which is due to be completed in early September. Planning is also underway for improving the Belrose Children's Centre. These works will occur next year and involve upgrades to the playground, including the development of an outdoor play space for the

0-2 year-olds room and improving the office and staff room. All services have been awarded Sunsafe accreditation by the NSW Cancer Council.

INCLUSION SUPPORT AND COMMUNITY

We deliver an inclusive and community-based program to children enrolled in the services. More than 84 families using our Long Day Care services are bilingual. Our services also support children with a disability or additional needs with seven children in Long Day Care, two in Family Day Care and seven in Vacation Care.

All services maintain strong links within the community including partnerships with local public schools to support children's transition to school. We also work with outside agencies such as speech therapists, occupational therapists and the Spilstead Centre to develop united approaches to children's needs.

SERVICE ACHIEVEMENTS

All services participated in the Screening and Diagnostic Test Evaluation Program (STEPS) which tests children's eyesight in the year prior to starting school. This early intervention initiative allows the child and their family to better prepare for school.

Vacation care achieved its highest utilisation rate since 2008 with 93% usage during the autumn school holiday period. We have also seen a growth in our Family Day Care service with five new educators joining the team to bring the number of educators to 48. This provides more choice for families looking for care.

Community Services

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$8.4m

Total expenses
from continuing
operation

FAST FACTS

- More than 2.9 million people visited our nine beaches in 2012-2013
- 176,900 pre-emptive actions, 1,149 rescues and 3,352 first-aid treatments were performed by Beach Services
- 23,000 infringements of beach reserve regulations were acted upon to ensure our beaches remain a safe, appealing and welcoming destination. Hazards included water regulations, dogs on beaches, littering and anti-social behaviour.
- 15 schools participated in the Beach Awareness Safety Education Program
- 663,379 people attended our community centres
- 868 casual functions were held at our community centres
- More than 300 regular hirers participated in the annual Hirers Customer Survey
- \$104,807 was distributed under the Community Development Grants Program (2012-2013)

KEY ACTIVITIES AND PROGRAMS

- Build community capacity of individuals, groups and services for seniors and people with a disability, among others, to optimise health and wellbeing, social inclusion and independence
- Participate in local and regional planning for community service provision, with other government and community sector organisations
- Provide a professional beach management service across Warringah's nine beaches, seven days per week during the beach season, including the Beach Awareness and Safety Education (BASE) community program
- Manage and promote Council's network of community centres to meet the diverse needs of the community
- Manage the community development grants program to fund evidence-based community initiatives which build community capacity, community connectedness and a sense of place
- Promote service integration and support services to vulnerable families

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with facilities and services for older people	Mean score	6.69	6.68	▬
Residents satisfied with facilities and services for people with disabilities	Mean score	6.46	6.58	▲
Residents satisfied with facilities and services for youth	Mean score	6.10	5.88	▼
Residents satisfied with community centres	Mean score	6.94	6.85	▼
Residents satisfied with provision of lifeguards on the beach	Mean score	8.55	8.59	▲
No. of days occupied by children with additional support needs - Vacation Care	Days	N/A	162	-
Community members who feel safe in the community	Mean score	8.18	8.41	▲
Utilisation of community centres	%	49	47	▼
Scheduled projects completed (capital)	%	85	100	●

COMMUNITY CENTRES

It's been a huge year for our Community Centres. Record numbers of visitors, upgrades to several centres, a review of the current booking system, and not forgetting the major 'community blitz' style Jamie Durie makeover of Cromer Community Centre. This special event engaged volunteers, Council staff and community groups to transform the lounge area and garden into a funky, contemporary space. The blitz featured on the Australian Women's Weekly Easter television special.

Staff began engaging with our community on a major upgrade to the Tramshed Community Arts Centre. The launch of Council's new website also provided an opportunity to update floor plans, and audit facilities and equipment for all 26 community centres – this is now online for easy access.

In order to improve the experience for users, work was also completed at Curl Curl Sports Centre, Collaroy Swim Club, and the Griffith Park Sports Facility.

BEACH SERVICES

This summer was particularly hot and long with record numbers visiting Warringah's beaches. Our lifeguards performed 1,149 rescues and kept thousands of people safe and happy during the hot weather. There were a few serious incidents and our lifeguards responded with care and diligence, and demonstrated compassion for the families.

Seniors Week activities included a CPR refresher course for over 55s by the lifeguards. Our lifeguards also had lots of fun with the Brewarrina Sister City Youth Exchange kids during a beach safety day, taking them through the do's and don'ts of water safety and enjoying a spin on the jet ski.

Lifeguards now use iPads in the field to complete and submit their daily beach and incident reports. The new electronic forms were recognised by Surf Lifesaving Australia's northern beaches branch as the best reports submitted by a Council across Australia.

COMMUNITY DEVELOPMENT (AGED, DISABILITY, YOUTH, ARTS & CULTURE)

YOUTH SERVICES - An extensive mix of activities was provided for young people and their families. The youth of Warringah were entertained with regular music events, the annual Northern Composure Band Competition, Youth Week activities, and of course the ever popular Discobility.

Warringah's teens learnt new skills with the annual 24/7 Film Competition, Urban Art workshops and the Brewarrina Sister City Youth Exchange. New activities such as roller disco were introduced to encourage the involvement of young girls. The Warringah Youth Advisory Committee (WYAC) helped us out with all these good times.

This year, the annual Youth Forum was used to collect information for our new Youth Strategy. This document was produced with input from staff, local services, parents, and the survey responses of more than 1,000 Warringah Youth.

Families of young people were supported with the regular series of Speakers Nights focussing on youth specific topics – drugs and alcohol, cyber bullying, and making it through the HSC. The Triple P (Positive Parenting Program) for teens was run every term and booked out. Youth Services also continued to work with the police and local service providers on a number of joint projects to support struggling youth.

We were successful in securing important funding for projects supporting the young people of Warringah, including the development of a PCYC at Dee Why; a Headspace mental health resource centre for the northern beaches; and funding for a mobile phone app to connect youth with safe entertainment and important services. Our staff also contributed to regional Youth and Aged Strategy Projects as part of the NSW Government Road Map.

AGED SERVICES - We delivered a large array of events and services, as well as partnering with local and regional services to provide the best outcomes for the older people of Warringah. Seniors Week was a massive success with more than 60 events and workshops. This included the sensational flash mob at

Warringah Mall where 80 seniors serenaded shoppers with a stirring rendition of Blue Moon. 'Untold Stories' celebrated both Youth and Seniors Weeks with an intergenerational film competition. Our staff also worked with Manly and Pittwater Councils to produce the highly utilised Services, Activities and Housing Directory for Seniors. The team also continued to develop Council's Healthy Ageing Strategy.

DISABILITY SERVICES - The International Day of Disability was celebrated with an event at the Collaroy All-abilities precinct. The community turned out in beautiful weather for lunch and a performance of the Lion King. We continue to work with a broad range of services to provide information and support for people with disabilities and their carers. This includes producing the comprehensive monthly Disability Services Information Newsletter.

Our staff also undertook an audit of the MLAK keys, this is a new and innovative scheme that uses a universal lock and key to allow people with disabilities 24-hour access to public facilities.

ARTS & CULTURAL SERVICES - Arts & Cultural Services have been very busy, engaging the Warringah community through a broad range of events - Zine Workshops, Yarn Bombs, Pop-up Cafés and the Weaving Bridges project as part of the Guringai Festival. A Pop-up Café promoting Council was held at the Dee Why Business Chambers Expo.

An Artist in Residence program commenced at Cromer Community Centre which included mosaic workshops, and a similar program at Kimbriki is being explored. Council's art collection was also audited and work has started toward a dedicated Creative Space at Abbott Road, Curl Curl.

COMMUNITY DEVELOPMENT - The team attended regular network and interagency meetings with other government and non-government agencies. These included: Home and Community Care; Peninsula Youth Services Inc.; Medicare Local; Community Safety Precinct Committee; Community Builders; Northern Beaches Multicultural Network; Domestic Violence Working Party and Manly Warringah Pittwater

Interagency. As part of these groups, Council supported and took part in several events including the Domestic Violence Forum; Multicultural Hub; Community Builders Forum; CDAT "Supply means Supply" campaign (supply of alcohol to minors); and the Employment and Services Expo at TAFE.

A new community garden was established at Crown Reserve Queenscliff by Friends of Freshwater Inc. with the help of a Council grant, and Manly Vale Community Garden continued to gain interest from the public and successfully held events including a fete. Our annual Community Grant program was successfully rolled out. Community Development, Cultural Development and Sporting Club Capital Assistance grants were consolidated into one process, and for the first time we moved to a completely online grants process using SmartyGrants for the 2013-2014 grants. Feedback from applicants, assessors and staff has been overwhelmingly positive and business processes were improved, cutting down on staff time and resources.

Compliance Services

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$5.2m

Total expenses from continuing operation

FAST FACTS

- 654 food inspections were conducted in Warringah in accordance with our partnership agreement with the NSW Food Authority
- 356 service requests about land, noise, air, water pollution and unauthorised land uses were responded to
- 654 food shops, 37 cooling towers, 13 public swimming pools, 43 skin penetration premises and 132 on site wastewater systems were inspected on a risk-based basis to ensure public health standards in the community are maintained
- 1,786 buildings on the Council's fire safety register

KEY ACTIVITIES AND PROGRAMS

- Investigate and enforce compliance relating to unlawful building works, unlawful land uses, fire safety and breach of consent
- Implement public safety and health projects, programs, education and complaints investigation (e.g. food safety, skin penetration, Legionella prevention, on-site sewage management systems)
- Environmental health education, protection and investigations
- Fire safety compliance for class two to nine buildings
- Development control investigation
- Rangers enforce compliance with legislation and investigate complaints within Warringah
- Issue penalties and commence legal proceedings (when necessary)
- Animal management (companion animals) and education of dog and cat owners
- Registration of companion animals
- Regulation and enforcement of restricted dog breeds and declared dangerous dogs

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with management and control of domestic pets	Mean score	6.68	6.56	▼
Residents satisfied with environmental protection and enforcement	Mean score	6.63	6.49	▼
Residents satisfied with hygiene standards of retail food outlets	Mean score	6.78	6.74	▬
No. of foodborne illness notifications issued	No.	N/A	12	-
No. of fire safety orders issued	No.	N/A	130	-

REGULATORY COMPLIANCE

Our team responded to more than 4,900 community requests for assistance with parking enforcement, dumped rubbish, companion animals, unauthorised works, unauthorised tree removal, and incidents of pollution. Rangers also conducted regular patrols to identify breaches of regulations and issued nearly 20,000 penalties.

They were also successful in prosecuting those who committed more serious breaches of legislation, which include damage to the environment.

To assist in educating the community during the last 12 months, we were involved with educational talks at schools as well as our big community event Dogs Big Day Out which was held at Frenchs Forest in August. Over 4,000 people attended and it was a great success.

ENVIRONMENTAL HEALTH AND PROTECTION

All registered food premises in Warringah were inspected, and we also responded to more than 1,300 customer requests. The team focused on a number of areas including waste water (septic tank) systems, inspecting skin penetration premises (ear piercing / tattoo etc), checking the registration of Regulated Systems (cooling towers and warm water system), and water quality inspections at public pools. The team also ran food handler courses, provided talks to schools, and were successful in prosecuting matters in court.

The team has also been working on new processes and systems to deal with changes in legislation on registering and inspecting boarding houses. This will commence in 2013-2014.

Cultural Services

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$1.1m

Total expenses
from continuing
operation

FAST FACT

- 900 new citizens from more than 80 countries welcomed in citizenship ceremonies held throughout 2012-2013
- \$20,000 distributed under the Cultural Grants Program
- Delivery of major events including: Brookvale Show, Christmas by the Beach and opening of the new Strand, New Year's Eve Family Fireworks, 15 citizenship ceremonies; four Australia Day breakfast venues with entertainment at Beacon Hill, Dee Why, Forestville and Narrabeen; four Music In March concerts on Dee Why Beach and the Warringah art Exhibition
- Delivery of other community events including: Warringah Classic Food & Wine Fair to support the Beachley Classic; dedication ceremony for the Freshwater World Surf Reserve; Guringai Music showcase; Remembrance Day and ANZAC Day ceremonies

KEY ACTIVITIES AND PROGRAMS

- Coordinate civic events (e.g. citizenship ceremonies)
- Coordinate landmark events (e.g. Australia Day)
- Cultural development projects and cross cultural events
- Community festivals
- Exhibitions
- Encourage community involvement and ownership of cultural programs through the cultural development grants program

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with community events and festivals	Mean score	7.16	6.89	▼
Scheduled projects completed (operational)	%	85	100	●

A program of 49 events was delivered including citizenship ceremonies, civic receptions and large community events. An estimated 90,000 people attended the events throughout the year. Events play an important role in bringing the community together to connect, share and celebrate in Warringah. Some of the largest community events include:

AUSTRALIA DAY BIG BREAKFASTS

Our Australia Day celebrations continue to grow in popularity and an estimated 27,000 people took part in Council run activities this year. As well as the regular Dee Why beach and Berry Reserve breakfasts, an all day Pool Party was held at the Aquatic Centre for the first time and a traditional ceremony was also held at the Governor Philip Lookout, Beacon Hill.

BROOKVALE SHOW

Following the success of the centenary celebrations and by popular demand, the Brookvale Show has been reintroduced as an annual event to the Warringah calendar. It attracted more than 15,000 people who enjoyed a range of displays and activities. The event pays tribute to the agricultural past of the show and celebrates the significance of Brookvale Park.

NEW YEAR'S EVE FAMILY FIREWORKS

Dee Why beach was again transformed as an estimated 20,000 people enjoyed a picnic dinner on the foreshore while watching a spectacular display of fireworks at sea. Crowds lined the beach from Long Reef headland to Dee Why and took advantage of the night from every viewing angle.

CHRISTMAS BY THE BEACH

More than 10,000 people descended on Dee Why beach to enjoy all day shopping at markets lined along The Strand. Our special guest, Santa Claus, arrived on stage escorted by our Lifeguards, and children and families enjoyed a twilight concert of carols by the sea.

CITIZENSHIP CEREMONIES

Some 3,000 friends and family members came together during 15 citizenship ceremonies to celebrate 900 Warringah residents as new Australian citizens.

WARRINGAH ART EXHIBITION

The Warringah Art Exhibition is the key event of Warringah's cultural calendar. The event provides 152 artists with the chance to showcase their work in a professional gallery during the exhibition and \$9,000 in prizes were awarded.

ANZAC DAY AND REMEMBRANCE DAY

ANZAC Day and Remembrance Day at Manly Dam continue to draw large crowds and provide children with an opportunity to learn about Australia's significant commemoration days.

Development Assessment

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$5.1m

Total expenses from continuing operation

FAST FACTS

- 1,502 Development Applications determined (including 731 tree applications)
- 246 Modification of Consent Applications determined
- 21 Review of Determination Applications determined (including 13 tree reviews)
- Total value of all applications exceeds \$443m
- 112 pre-lodgement meetings
- 1,371 compliance investigations

KEY ACTIVITIES AND PROGRAMS

- Assess development and subdivision applications
- Provide technical advice on development issues
- Civil engineering services and advice
- Approve applications and manage the Warringah Development Assessment Panel
- Represent Warringah Council in the Land and Environment Court
- Coordinate Mediation Service

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with development assessment process	Mean score	5.54	5.15	▼
Total value of developments approved within Warringah	\$	N/A	\$324m	-
Development applications median turnaround time - delegations	Days	60	56	●
Development applications median turnaround time - Warringah Development Approval Panel	Days	100	118	●

DEVELOPMENT APPLICATIONS

More than 1,500 development applications were determined this financial year, which represents a total development value exceeding \$324 million. The number is down from 1,662 last year but the value has decreased from \$408 million.

The number of applications determined by panels has decreased slightly compared with the previous year. More than 98%, or 1,474, were determined under delegated authority by our staff, 12 by the Application Determination Panel (staff panel) and 11 by the Warringah Development Assessment Panel. Of the remaining applications, two were determined by the State Government appointed Joint Regional Planning Panel and three by the Land and Environment Court.

NUMBER ONE FOR DEVELOPMENT APPLICATION PROCESSING

Our processing time for Development Applications was the fastest in the Sydney Region during 2011-2012, achieving an average of 47 days to assess and determine applications. This was shared with another council and is recognition for a lot of hard

work undertaken by our staff. The community benefits from a more cost effective system in dealing with applications in Warringah by avoiding the cost implications of unnecessary delays for applicants and residents.

We continue to improve our processes and this year refined our online application assessment tool "Assessor" to process applications under the new Warringah Local Environmental Plan 2011. This has allowed us to achieve consistency in assessments and decision making.

BETTER DEVELOPMENT OUTCOMES

Our team has been successful in the Land and Environment Court in achieving better development outcomes for the community on two key sites, an open air cinema and bulky goods complex at Terrey Hills and a Waste Management Facility at Belrose. The result was improved design, amenity and environmental outcomes.

Glen Street Theatre

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$2.7m

Total expenses
from continuing
operation

FAST FACTS

- Over 6,000 young people performed on the Glen Street stage
- Nine professional productions presented (115 performances)
- Over 2,500 subscribers
- Eight concerts performed as part of the Music at the Glen Series
- 25 community hirers and four commercial hirers using the theatre for their own work and productions

KEY ACTIVITIES AND PROGRAMS

Annual subscription season of professional performing arts

- KidsPlay program
- Present literary lunches
- Music at the Glen
- Literary Lunch program
- Management of a venue for use by professional performing art presenters, community groups, schools and corporate users
- Operation of dining, bar and catering services to patrons and users of the theatre

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with Glen Street Theatre	Mean score	6.93	6.98	▲
Scheduled projects completed (capital)	%	85	100	●
Scheduled projects completed (operational)	%	85	100	●

ANNUAL SUBSCRIPTION SEASON

Productions presented in 2012-2013 included the all-time favourite, *The Wharf Revue* written by Jonathan Biggins, Phil Scott and Drew Forsythe; *Managing Carmen* by David Williamson; *It's My Party* by Elizabeth Coleman starring Henri Szeps, and *Jack Charles v The Crown* starring the co-author, Uncle Jack Charles. There was great diversity in the program which attracted a wide range of ages to Glen Street during the year. During the last year nine professional productions were presented and also attracted a diverse audience.

MUSIC AT THE GLEN

The annual morning music concerts continued to boast a variety of leading Australian artists including new talent and a selection of regular favourites. These concerts were well attended thanks in part to our partnership with Forest Coach Lines that provides wheelchair accessible transport for residents from local retirement villages, as well as collecting patrons from other pick-up points and transporting them to Glen Street. This is an invaluable service to our community.

LITERARY LUNCHES

Glen Street's partnership with Lindfield Bookshop continues to provide high profile authors as guests speakers at bi-monthly literary lunches in Sorlies Bistro. Featured authors included David Malouf, Iris Makler, Anne Deveson, Andrew Tink and Sarah Turnbull.

KIDSPRAY

The youth and family programming arm of Glen Street presented children's productions. It is always a great pleasure to see young happy and excited faces entering the theatre for what may be a first theatrical experience.

COMMUNITY USE OF THE THEATRE

The annual Sydney North Dance Festival stretching over a fortnight was again a highlight of the year's activities. The annual ballet season saw 22 dance schools present their end of year concerts to family and friends over six weeks.

GLEN STREET CULTURAL HUB

Behind the scenes Glen Street has been working closely with Councillors, other departments of Council and the community to consider development plans for the Glen Street Cultural Hub. Work will begin in late 2013 to upgrade the present foyer area of the theatre and to landscape the arrival point at Glen Street. The relocation of the Belrose Library to the Glen Street site and the establishment of a cafe and small art gallery space will begin in late 2014.

CITIZENSHIP CEREMONIES

A number of citizenship ceremonies were held at Glen Street during the course of the year with the highlight being the annual Australia Day Citizenship Ceremony. This is always a very special occasion for new citizens, family and friends and was extremely well attended.

Information & Library Services

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$6.1m

Total expenses
from continuing
operation

FAST FACTS

- 742,318 customer visits during the year, a 1.3% decrease on 2011-2012
- 1,172,194 loans, a 3.8% decrease on 2011-2012
- 319,185 visits to the library website
- 49 free public access computers
- 209 opening hours each week across four branches. This is in line with the minimum hours recommended for opening hours by the State Library of NSW
- Over 205,000 books available for loan including 26,515 new items and 28,110 items withdrawn from the collection
- 359 print journal titles available for loan including 14 newspapers, six of which are in languages other than English
- Digital collection of 900 popular downloadable audio books, 304 eBook titles and 145 eMagazines

KEY ACTIVITIES AND PROGRAMS

Support community's information, education, cultural and recreational needs, in accordance with the Library Act of NSW and the requirements of the Library Council of NSW, including:

- Lending service (books, magazines, CDs, etc)
- Information and research services including local studies service and access to the internet
- Home library service
- Educational programs (author and story telling talks etc)
- Community information service
- Provide communal space for study, recreation, research usage and the exchange of ideas

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with library services	Mean score	7.76	7.76	■
Utilisation rate libraries – no of physical visits	No.	752,726	742,318	▼
Utilisation rate libraries – no of website visits	No.	263,916	319,185	▲
Utilisation rate libraries – no of loans	No.	1,219,328	1,172,194	▼
Scheduled projects completed (operational)	%	85	60	●
Scheduled projects completed (capital)	%	85	50	●

eLIBRARY

Remote use of the library continued to increase in popularity with library customers taking advantage of the improved range of digital resources including our collection of eMagazines and eBooks.

ADULT PROGRAMS

The range of programs for customers included author and information talks for all adults, adult literacy, computer literacy, and English as a second language.

FAMILY HISTORY

The boom in family history research continued and to meet this demand the library introduced a family history service at Belrose Library. In addition to providing a dedicated family history computer, two very successful talks were held. Highlights were research trips to State Records at Kingswood and historical tours of Camden and Narellan. Interest in family history shows no signs of slowing.

LOCAL STUDIES

History Week 2012 at Dee Why Library announced the theme of Threads – what Warringah wore. This was an opportunity to look back at past fashions. Local Studies staff trawled the library's photographic collection for those fashion statements of years gone by and developed a timeline of Warringah fashion through the years. This display was very well received at the 2012 Brookvale Show as part of the library's retro café.

CHILDREN'S PROGRAMS

We continued to offer a variety of programs for children of all ages that included bilingual story time, BIBS (Babies into Books), book swaps, chess clubs, science programs and school holiday activities. The programs were very popular with more than 27,148 participants across 772 sessions. The Young Writers' competition attracted 308 entries with 34 winners across 10 grades. The competition was a great success with 110 children, parents and teachers attending the presentation at Forestville Library. The Festival of Children's Literature featured well known award winning children's author Emily Rodda and illustrator Serena Geddes. It was Emily's only public appearance for the year and attracted a crowd of 800.

YOUTH PROGRAMS

The Children's Programming team with the support of our Youth Services team presented a Game of Thrones trivia night to celebrate George R.R Martin's fantasy saga. The event, held at Warringah Mall Library, attracted attendees of ages between 15 and 25.

BOOK CLUB

More than 150 groups in Warringah have access to a large range of book club kits. Book clubs have access to an eNewsletter, a Pinterest account and a Facebook page via the library website, and have the opportunity to borrow sets of eReaders to experience emerging technology. Our library continues to hold book club competitions with prizes including an evening with an author proving very popular.

HOME LIBRARY SERVICE

Our home library service supports 101 residents with print resources, and books are downloaded on an easy to use audio device to meet their needs. The items are delivered by staff and with the support of seven volunteers.

Kimbriki Environmental Enterprises Pty Ltd

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$20.1m

Total expenses from continuing operation

FAST FACT

Kimbriki accepts up to 15 items of e-waste from residents of the SHOROC region for recycling at no charge. E-waste has not been disposed to landfill at Kimbriki since a SHOROC wide ban in January 2010.

KEY ACTIVITIES AND PROGRAMS

- Operate landfill and recycling including green waste
- Receive and process dry waste from commercial and domestic customers and sell recycled material
- Educating the public including school children on aspects of waste management and sustainability

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ESTIMATE	INDICATOR
% of incoming material diverted to landfill - Kimbriki	%	76	79	▲
Kimbriki operating result	\$	\$2,190,000	\$2,304,178	▲
% Compliance with EPA environmental requirements	%	100	100	●
Scheduled projects completed (capital)	%	85	100	●

E-WASTE UPDATE

Campaigning from our local SHOROC Councillors has led to the start of a national recycling program for computers and televisions. Local residents can now deliver up to 15 TVs, computers or pieces of computer equipment to Kimbriki under the new industry-sponsored program called Dropzone. These items are then sent to recyclers in Sydney for dismantling to allow for recovery of the resources. This is part of a national scheme to increase the recycling of television and computer products to 80% by 2021.

MAJOR PROJECTS

Kimbriki is about to install a Landfill Gas Capture system to capture and destroy greenhouse gases before they leave the site. In the future this system could also convert these gases into energy to power the site. Planning is in the final stages to install a small vehicle reception facility. This will give customers the option to “self-sort” their loads, increasing recycling as well as improving the experience of delivering waste in small vehicles.

KIMBRIKI IS CERTIFIED

Business Management System certification is an internationally recognised quality assurance benchmark for organisations. Kimbriki has just completed this process on three areas and been certified for each – ISO 9001 Quality Management, ISO 14001 Environmental Management, and AS/NZS 4801 Occupational Health and Safety Management. This certification provides independent confirmation that Kimbriki’s Business Management System ensures best practice outcomes in these three critical areas.

ECO HOUSE AND GARDEN

Education in ecological matters continues at the Eco House and Garden. The main focus is on school excursions and support of gardens in schools. Warringah holiday care groups also visit. Free practical eco gardening workshops are offered for Composting and Worm farming, Beginners Organic Vegetable Gardening, and Advanced Organic Vegetable Gardening.

Wireless connectivity is being installed to video conference and live stream workshops to enhance the reach of the educational activities. Warringah’s bush care staff hosted a very successful regional meeting at Kimbriki, with visitors impressed by the venue, the ecological education on offer and the complete Kimbriki operation.

KIMBRIKI ‘RE-USE SHOP’

Lots of fascinating items that have been delivered as rubbish are rescued from the landfill or dropped off by customers for re-use. The shop has building materials such as roofing, pool fencing, windows and doors in regular supply. Timber, furniture and smaller goods change constantly. The interest in the Kimbriki Re-use Shop, now over ten years old, continues to grow with locals.

Natural Environmental Services

STRATEGIC CONTRIBUTIONS	
Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$9.6m

Total expenses from continuing operation

FAST FACTS

- 56 sites of active bush regeneration works covering some 300ha of bushland
- Over 225 active 'Friends of the Bush' volunteers at 36 supervised sites, regenerating about 13ha of bushland
- 1,300 trees planted by about 160 people on National Tree Day
- Three broad scale ecological/hazard burns in 1.84ha of bushland
- Over 1,000 people attending community education events
- Reviewed approximately 900 development applications to ensure good environmental and engineering outcomes
- 130m of stormwater drainage replaced

KEY ACTIVITIES AND PROGRAMS

- Provide advice on natural areas and environmental issues
- Strategic planning and research to protect and enhance biodiversity, bushland, threatened species, waterways and lagoons
- Climate change and sustainability education
- Water quality and water cycle management
- Coastal zone, estuary and floodplain management planning
- Environmental research partnerships and committees
- Provision and management of natural area recreational trails
- Bushland management and creek stabilisation works
- Bushfire asset protection zone management and risk assessments
- Coordinate community bush care volunteers
- Pest and feral animal control programs and noxious weed management
- Manage stormwater infrastructure assets and construction of drainage systems

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with bike paths	Mean score	5.27	5.04	▼
Residents satisfied with caring for bush areas	Mean score	7.04	6.88	▼
Residents satisfied that Council operates in an environmentally sustainable way	Mean score	6.90	6.79	▼
Residents satisfied with management of local flooding	Mean score	6.54	6.34	▼
Residents satisfied with management of the waterways and lagoons	Mean score	6.71	6.43	▼
Residents satisfied with walking trails and tracks	Mean score	6.56	6.54	▬
Scheduled projects completed (operational)	%	85	89	●
Scheduled projects completed (capital)	%	85	86	●

NATURAL AREA MANAGEMENT

Restoration and protection works were conducted to improve safety and biodiversity in natural areas in the bushland reserves, coastal dunes, creek lines and lagoon systems. These restoration works included bush regeneration, replanting native species, track maintenance, fencing, hazardous tree management, creek bank stabilisation and sediment removal. In addition, 450 customer requests relating to natural areas were actioned.

Natural Environment undertakes weed control and vertebrate pest animal control in natural areas to reduce the impact of these introduced species on Warringah's biodiversity. This resulted in controlling a total of 10 foxes, 485 rabbits and was supported by a cat education program. Targeted weed control was undertaken on the aquatic weed *Ludwigia peruviana* in wetlands, gross pollutant traps and creek lines to reduce its impact on the waterways and aquatic flora. GIS mapping of the coastal natural areas was undertaken, focusing on boneseed and bitou bush. Other high risk pathways such as main roads were also targeted for a range of exotic grasses including tussock *paspalum*, coolatai and pampas grass.

Some 118 separate fire management access zones were administered under our Fire Management Access Zone program. This equates to 27.2 lineal kilometres of urban-bushland interface and a total area of 28.81 hectares of Council's bushland. These works were undertaken to meet the Rural Fires Act 1997 and Bush Fire Risk Management Plan 2010.

We also undertook environmental assessments for a number of proposed bushfire hazard reduction burns. Three of these hazard reduction burns took place in August to October 2012, a total of 1.84 hectares.

THREATENED SPECIES

Several threatened species have been found while conducting fauna studies on public land within the Oxford Falls Valley including an important find, the giant burrowing frog which is one of the rarest frogs in NSW.

Several heath monitors or Rosenbergs Goanna, an extremely rare reptile, were also observed. Heath monitors lay eggs in termite mounds which act as natural incubators for the eggs. As a result of the

surveys, some important termite mound breeding sites are now known to be used by local heath monitor populations.

The introduction of a pygmy possum nest box and monitoring program has helped us identify a number of rare eastern pygmy possums. Maintaining their habitat is essential as Warringah has the largest population of eastern pygmy possums in Sydney, outside of national parks.

The ecological field surveys will assist us in strategic and operational bushland management, including recreational access, bush regeneration and impact assessment.

ECOLOGICAL ASSESSMENT OF WARRINGAH ESTUARIES

The second year of the lagoon monitoring program was completed in April 2013. In addition to the monitoring program, we have developed models for Dee Why and Narrabeen Lagoon catchments which provide estimates of nutrient and sediment loads entering the lagoons and changes in catchment development over time. This work shows the condition of lagoons in Warringah remain constant despite ongoing urbanisation of the catchments.

NARRABEEN LAGOON MULTI-USE TRAIL

The Narrabeen Lagoon Multi-use Trail will link the existing trail network along the foreshores of the northern beaches largest coastal lagoon, providing an outstanding recreational and tourist destination for the region and beyond. This year saw completion of the Middle Creek reserve upgrade which was opened in August 2012. The Cromer Golf Club signed an agreement to allow construction of one of the final sections of trail. The designs are finalised and works on the bridges and remaining sections of trail will start in mid 2013 with the aim of completing the lagoon circuit in 2014.

'HILLTOP TO HEADLAND' ENVIRONMENTAL SERIES

We ran three 'Hilltop to Headland' events in 2012-2013. The first as part of Brookvale Show in October focussed on bushland, biodiversity and threatened species. Totally Wild's Ranger Stacey hosted two stage shows with the Taronga Zoomobile live native animal display. There was also a bushland and biodiversity themed stall with an interactive display and native plant giveaway.

The 'Sustainable Schools Spectacular' with Dr Karl Kruszelnicki and Ruben Meerman was held at Glen Street Theatre for around 350 students from seven Warringah secondary schools. This event was a colourful display of science as it relates to the environment, and the impacts of our urban homes and schools. As a result of attending, 75% of schools were exploring sustainability initiatives and all took away a 'starter pack' with some vegetable seeds for their school gardens.

The final event, 'Sustainability with Ernie Dingo', was held in conjunction with the Guringai Festival at Dee Why RSL. This event blended environmental with cultural sustainability, exploring the links between the two with one of Australia's most iconic personalities. Some 230 people attended and also enjoyed environmentally themed display stalls and a native plant giveaway.

CROMER PARK STORMWATER HARVESTING

The Cromer Park stormwater harvesting project is a first for Warringah and aims to reduce the potable water demand for irrigation. Rainwater will be directed from the proposed carpark, stadium roof, synthetic turf field and the playing fields into a 300kL tank located under the proposed carpark. Stormwater is then "harvested" or pumped to the existing creek line to the west of the site which drains the external catchments of Cromer and Collaroy Plateau. The benefits of this system will include saving approximately 6.5 megalitres of potable water combined with a reduction in suspended solids and nutrients entering a nearby threatened wetland and Dee Why Lagoon.

Future projects will be guided by a recently completed Stormwater Harvesting Feasibility Study. The study identified opportunities to re-use stormwater for non-

potable uses in Dee Why CBD and to supplement irrigation demand for six sportsfields including Brookvale Oval, John Fisher Park and St Matthews Farm.

REGIONAL GROUNDWATER STUDY

We have collaborated with Manly and Pittwater Councils to complete the first regional study on the sustainability of groundwater resources. Council uses groundwater to irrigate local parks and playing fields, while private use of groundwater includes for irrigating gardens and golf courses, and in primary industries. While there are hundreds of licenced bores in the area, relatively little is known about the extent of aquifers (underground layers of water-bearing permeable rock), groundwater use, groundwater dependent ecosystems or the extent of groundwater contamination. This work will help Councils to prioritise management actions to improve the sustainability of groundwater use in the region.

STORMWATER MANAGEMENT

We manage an extensive drainage network valued at \$330 million. It includes 15,000 pits, 350 kilometres of pipes and culverts, 120 kilometres of drainage channels and more than 100 Stormwater Quality Improvement Devices (SQIDs). Activities undertaken included investigation, design and construction of new stormwater drainage infrastructure for flood mitigation, maintenance of the existing stormwater pit and pipe network, removal of pollutants from SQIDs, renewal and upgrade of existing assets in poor condition, and local flooding investigations. In addition, 139 customer requests relating to stormwater issues were actioned.

Some of the high priority stormwater improvement projects that were carried out this year included the design for replacement of the poor condition outlet at Collaroy Beach; construction and upgrading of stormwater drains, pipes and culverts at Pittwater Road, Dee Why; Harbord Road, Freshwater; Joalah Road, Duffys Forest and Derwent Street, Curl Curl.

Parks, Reserves & Foreshores

STRATEGIC CONTRIBUTIONS	
Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$10m

Total expenses
from continuing
operation

FAST FACTS

- 1,229 customer requests attended to for sports fields, reserves and infrastructure
- 3,123 customer requests attended to for street and reserve trees
- Over 29,000 bookings processed for sports fields, courts, reserves, rock pools, beaches, Manly Dam, Stony Range and Brookvale Park
- 14km of beach shoreline assets managed
- 5 ocean rock pools cleaned and maintained on a weekly basis in summer and fortnightly in winter
- 150 public playgrounds maintained and 255 maintenance tasks completed
- 2,618,500m² of grass maintained

KEY ACTIVITIES AND PROGRAMS

- Provide tactical planning and advice on matters impacting on parks, reserves, public trees and foreshore assets
- Provide asset management of parks, reserves and foreshores assets including sportsgrounds, playgrounds and rock pools
- Manage regional recreational facilities including Brookvale Oval, Cromer Park, Manly Dam and Stony Range
- Manage street trees and trees on parks, reserves and foreshores
- Manage bookings of parks, reserves and foreshores including filming and photography requests
- Manage Plans of Management relating to parks, reserves and foreshores
- Manage relationships with sporting organisations and sports stakeholders

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with walking trails and tracks	Mean score	6.56	6.54	▬
Residents satisfied with bike paths	Mean score	5.27	5.04	▼
Residents satisfied with management of street trees	Mean score	5.79	5.54	▼
Residents satisfied with maintenance of beaches and rockpools	Mean score	7.56	7.42	▼
Residents satisfied with Brookvale Oval	Mean score	5.85	5.82	▬
Residents satisfied with sporting fields and amenities	Mean score	6.89	6.92	▬
Residents satisfied with parks and recreation areas including playgrounds	Mean score	7.43	7.15	▼
Residents satisfied with managing the impact of visitors to the area	Mean score	6.59	6.58	▬
Scheduled projects completed (operational)	%	85	50	●
Scheduled projects completed (capital)	%	85	84	●

CROMER PARK FIELDS

Stage 2 of the Cromer Park Sports Precinct Masterplan was completed before the winter 2013 sports season. A new sportsfield was created (field 5), Warringah’s first in 20 years, by reconfiguring fields 2, 3 and 4. Other work included installation of rainwater storage, upgrades to lighting and a new carpark area to create an attractive sports precinct. The rainwater storage benefits the environment and reduces cost of water supply for the Council.

MILLER RESERVE LIGHTING UPGRADE

New sports ground lighting was installed at Miller Reserve. The increased lighting levels have improved safety and amenity for sporting and passive users of the fields.

FRESHWATER ROCKPOOL UPGRADE

Restoration works to the Freshwater rockpool are complete. They included increasing the depth of the pool, providing a new channel for the pool pump to improve water quality, improving the structural integrity of existing concrete pool surrounds and addressing other maintenance issues. This has extended the life of the pool and the experience for users.

PLAYGROUND UPGRADES

Playground upgrades occurred at Undula Reserve, Belrose; Starkey Reserve, Killarney Heights; Woodbine Street, North Balgowlah; Stoddart Place, Dee Why; Holborn Avenue, Dee Why; and Wyatt Reserve, Belrose. New equipment, safety surfacing, and in some cases paths and landscaping, were provided. The upgrades have been favourably received in those communities.

FORESTVILLE SKATE PARK

The Forestville skate park was successfully renovated following consultation with interested skaters, and the park reopened in December 2012.

STONY RANGE

The upgrade of the Stony Range sensory track and pavilion building has improved access for all abilities. This work is part of the Masterplan developed with the Stony Range volunteers. Our wonderful volunteers contributed over 3,500 hours of their time in restoration works such as planting and bush regeneration.

MANLY WARRINGAH WAR MEMORIAL PARK (MANLY DAM)

Manly Dam is a favourite destination to relax and play, with more than 80,000 vehicle visits, 700 events and 135 days of skiing per year. We are seeing an increase in filming at the park, and new events such as dragon boat racing and fun runs are being held in the area.

The mountain bike track continues to be one of Sydney's most popular rides. In partnership with local riders, we have developed a planned track upgrade to cater for the growth of the sport while minimising environmental impacts. Our volunteer program has also expanded to include maintenance of the bike track.

More than 35 hectares of bush regeneration and improvements to fire management access tracks and trails were completed. Other measures to protect habitats and the water quality of the lake include pest species control, regularly clearing trash racks in the catchment to reduce pollutants, maintaining the wetlands and the lake's submerged mixer to keep the water body oxygenated.

The Friends of the Bush Volunteers provide much needed assistance in restoring the natural areas and produced more than 1,000 native plants for bush regeneration in Manly Dam and other areas. Several local corporate and community groups have also volunteered their time to undertake bushland and landscaping works.

MANAGING USE OF OUR SPORTSGROUNDS

We are working more closely with local sporting clubs and associations to improve the management of sportgrounds. This includes improvements to our sportground wet weather management and seasonal allocation and change over processes. We have also better integrated our works programs with the use of our grounds. This has increased availability of grounds for sporting competition and training, while also enabling timely completion of grounds maintenance and upgrades.

NARRABEEN LAGOON MULTI-USE TRAIL

Work was completed on upgrading the track surface on the sections between James Wheeler Place and Jamieson Park. We also upgraded the decking of the bridge south of Clay Point. The popularity of the trail continues to grow and will be fantastic when the final sections of track are completed.

ANYONE FOR PING PONG?

Warringah's first outdoor ping pong table was installed at Dee Why Beach, with beach-themed artwork by a local artist from Brookvale. The table is proving popular and increases the recreational activities available at one of Warringah's premier locations.

Roads, Traffic & Waste

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$28.5m

Total expenses
from continuing
operation

FAST FACTS

- 9.3km of road resurfaced
- 11,275m² of carpark resurfaced
- 2,079 potholes repaired
- 739m of kerb and gutter repaired
- 1,122m² of footpath repaired
- 1.54km of new footpath constructed
- 2,850m² of footpath renewed
- Accessibility improvement to 21 bus stops
- 131 gross pollutant traps cleaned and 1,212 tonnes of sediment removed
- 103 drop holes repaired
- 694 stormwater inlet pits cleaned and 155 repaired
- 10,466km of streets swept including additional sweeping in heavy leaf fall times
- About 600 street litter bins emptied daily
- 246 bus shelters washed and cleaned monthly
- Approximately 54,000 weekly garbage and recycling collections
- Approximately 100,000 monthly green waste collections
- About 3.7 million litres of sewage disposed of from private and Council properties
- 8,256 graffiti removal jobs

KEY ACTIVITIES AND PROGRAMS

- Maintain Council's stormwater drainage system
- Manage the provision of street lighting through Ausgrid
- Collection of domestic and commercial waste and recycling
- Public place cleaning and litter picking at shopping centres, roads, beaches and reserves
- Graffiti removal
- Planning and delivery of road related capital works projects (e.g. construction of footpaths, road resurfacing, and traffic facilities)
- Manage the maintenance and renewal of road network assets (pavements, kerbs, traffic facilities, bridges, signage, bus shelters, cycleways and footpaths)
- Traffic management planning on local roads and installation of traffic facilities
- Waste education and campaigns to encourage residents to rethink, reduce, reuse and recycle
- Manage Council's after hour emergency response service for operational services i.e. drains, footpaths, roads and other constructed assets
- Provide support to the Local Emergency Management Committee as described in the State Emergency and Rescue Management Act

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with provision of street lighting	Mean score	6.83	6.81	■
Residents satisfied with bike paths	Mean score	5.27	5.04	▼
Residents satisfied with walking trails and tracks	Mean score	6.56	6.54	■
Residents satisfied with bus shelters	Mean score	6.42	6.09	▼
Residents satisfied with maintenance of local roads	Mean score	6.13	6.12	■
Residents satisfied with footpaths	Mean score	6.24	5.90	▼
Residents satisfied with provision of car parking	Mean score	5.83	5.57	▼
Residents satisfied with traffic management	Mean score	5.82	5.11	▼
Residents satisfied with household waste collection	Mean score	8.20	8.04	▼
Residents satisfied with household bulky items clean ups	Mean score	7.43	7.37	■
Residents satisfied with cleaning of public areas	Mean score	6.91	6.91	■
Residents satisfied with cleaning of streets	Mean score	6.85	6.62	▼
Kilos of waste produced per capita	kg	475	462	●
% of recyclables going to landfill	%	50	53.3	●
Average road pavement condition rating	-	8.3	8.3	●
Scheduled projects completed (operational)	%	85	0	●
Scheduled projects completed (capital)	%	85	100	●

MANAGEMENT OF ROAD AND TRAFFIC ASSETS

A works program of approximately \$7 million was delivered including grant funding of \$658,000 from the Roads and Maritime Services and \$607,927 from the Roads to Recovery Program. Works included rehabilitation and resurfacing of various roads, resurfacing of carparks, renewal of signs and line markings and construction of traffic facilities. Accessibility improvements were also undertaken at a number of bus stops in Dee Why, Collaroy, Brookvale, Narrabeen, Narrabeena and Manly Vale.

SUPPORTING ACTIVE TRANSPORT

Some 1,540 metres of new footpath was constructed in high traffic areas including Grevillea Street and Idaline Street, Collaroy Plateau; William Street, North Manly; Narrabeen Street, Narrabeen; and Gulliver Street and Miles Street, Brookvale. Over 2,850 square metres of existing footpath was also rebuilt for improved safety including along Warringah Road, Forestville and Pittwater Road, North Manly. We have also continued to deliver the Warringah Bike Plan by constructing 730 metres of new shared paths and 8,470 metres of on road bicycle routes.

TOWN CENTRE IMPROVEMENTS

Works to improve streetscape, pedestrian access and improvement to parking facilities were undertaken as part of the Collaroy Beach upgrade. It included the replacement of footpath paving, new kerbing and installation of new street furniture in Pittwater Road. The installation of the shade structure and tables at Freshwater Village was also completed.

ROAD RESURFACING AND REJUVENATION PROGRAM

Road resurfacing was undertaken on a number of local streets throughout Warringah including Pringle Avenue, Belrose; Evans Street, Freshwater; Cobbadah Place, Freshwater; Inman Road, Cromer; Alexander Street, Collaroy; Alfred Street, Cromer; Campbell Parade, Dee Why; Howard Ave, Dee Why; Grace Avenue, Frenchs Forest; Allambie Road, Allambie Heights; Oliver Street, Freshwater; Waterloo Street, Narrabeen; and Lagoon Street, Narrabeen. A new road surface treatment was introduced to extend the useful life time of the road pavement using bitumen rejuvenation method at a considerably lower cost compared with replacing the asphalt. This will seal the road pavement and protect from oxidation and moisture infiltration.

TRAFFIC AND PEDESTRIAN FACILITIES

As part of our ongoing improvement for traffic and pedestrian safety works were completed at:

- Tramore Place, Killarney Heights - the existing children crossing was upgraded with carriageway narrowing and pedestrian fencing
- Blackbutts Road, Belrose - reconstructed the pedestrian refuge island on Blackbutts Road near Athol Street
- Dalley Street, Queenscliff - carriageway narrowing and closure of median on Cavill Street to restrict illegal and unsafe traffic movements
- Crown Road, Queenscliff - implemented a traffic calming scheme consisting of landscaped traffic islands to enhance amenity and safety

ROAD SAFETY EDUCATION PROGRAM

We received \$29,500 from the Roads and Maritime Services for education programs and \$5,000 from the NRMA for a safety program for adults with learning difficulties.

A range of educational opportunities were run including child restraint checking days, graduated licensing scheme workshops for parents and supervisors of learner drivers and road safety seminars for seniors. A new driver fatigue education program commenced during the September school holidays. It was promoted across Warringah at petrol stations, surf clubs and other sites via flyers, posters, key rings and banners.

We partnered with six other councils on a pedestrian safety program that included messages on buses and at bus stops. It focussed on avoiding distractions such as mobile phones and included messages like 'Watch Out Cars About - What's Your Distraction?' We continue to support cycling programs. This included celebration of the new bike paths in Cromer in conjunction with National Tree Day, hosting a cycle training and maintenance workshop and being involved with "Ride2School Day" with Narrabeen Lakes Public School to promote safe cycling.

WASTE EDUCATION

The program focussed on encouraging residents to rethink, reduce, re-use and recycle. Highlights included resident participation in waste education activities on Australia Day, workshops and tours with schools as part of the 'Ready Steady Grow' program and National Recycling Week workshops.

We delivered a number of brochures to households in Warringah on 'Keep a Lid on your Waste this Christmas', 'Love Food Hate Waste', 'Household Chemical CleanOut' and the 'Waste Services Calendar for 2013'. Second Hand Saturday continues to be a hit with 146 garage sales held throughout Warringah.

The effort of our Waste Education team was recognised by industry awards. We won an award for the 'Waste Free Lunch Challenge' campaign for schools and received a highly commended award for the 'Love Food Hate Waste' project from the NSW Local Government Excellence in the Environment Awards. We were also runners up in the Sustainable Cities awards for Environmental Education.

CHEMICAL CLEANOUT

The 'Household Chemical Cleanout' was held in September at the Aquatic Centre. This event provided residents with a great opportunity to safely dispose of chemicals that are harmful to the environment with 90 tonnes of paint and hazardous chemicals recovered and safely disposed of.

GRAFFITI REMOVAL

Our graffiti removal program is improving the appearance of public areas. An audit in September 2012 showed a significant reduction in visible graffiti in Warringah compared with three years ago when the program commenced.

NEW CLEANING SCHEDULE

Cleansing services implemented a new work schedule in January 2013 which resulted in a more efficient and flexible service allowing more sites to be scheduled for regular cleaning.

Strategic Planning

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$2.8m

Total expenses
from continuing
operation

KEY ACTIVITIES AND PROGRAMS

- Strategic advice on land use planning, including the urban environment and controlling the use and development of land
- Develop strategic land use planning policy position to guide development in Warringah
- Communicate, analyse and respond to State Government planning initiatives affecting Warringah

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with management of commercial development	Mean score	5.78	6.05	▲
Residents satisfied with management of residential development	Mean score	5.78	5.98	▲
Average age of environmental planning documents	Years	3	2	▲
% of development appeals where the outcome to Council is favourable	%	80	100	●
Scheduled projects completed (operational)	%	85	86	●

WARRINGAH YOUTH STRATEGY

We adopted the Youth Strategy in March 2013. It was developed after consulting with more than 1,000 young people and 250 parents on how best to support the wellbeing of Warringah's young people. The Strategy creates a strong evidence base for long term action, particularly regarding youth mental health and the need for social spaces where young people can meet and interact. It also provides a reference for regional collaboration and has also informed the development of youth strategies in other local government areas as well as at a state level.

WARRINGAH EMPLOYMENT STUDY

A comprehensive review of Warringah's employment areas has been completed. It included a stock-take of business and industrial areas to determine Warringah's ability to accommodate the community's business and employment needs over the next 20-30 years. The study identified growth industries and prioritises strategies to cater for the community's needs and will guide future planning for Warringah.

DEE WHY / BROOKVALE TRANSPORT AND ACCESSIBILITY STUDY

This joint project with the Department of Planning and Infrastructure looked at transport and traffic implications for Brookvale and Dee Why in meeting employment growth targets in the State Government's Metropolitan Strategy. The study found there is insufficient capacity in the transport system and the

State Government revised its employment growth target for the centre down from 5,000 to 3,000 additional jobs.

WARRINGAH HERITAGE REVIEW

We value our built heritage and actively manage it to ensure it can be preserved for future generations. In March 2013 the Warringah Heritage Review was completed. Existing heritage listings were reviewed and potential heritage items were assessed based largely on nominations from the local community.

The review resulted in 15 new heritage items being recommended for listing, two existing items recommended for removal, and the proposed expansion of three existing listings. In addition, 10 state agency heritage items were recommended and a number of recommendations were made to assist in preserving Warringah's heritage into the future.

OXFORD FALLS VALLEY AND BELROSE NORTH STRATEGIC REVIEW

We have been working with the Department of Planning and Infrastructure on a strategic review of land within Oxford Falls Valley and Belrose North. The review looks at how best to translate planning controls for the area between Warringah's old and new Local Environmental Plan. The community has been actively consulted during the review with a public information session, 176 individual site visits, and numerous public submissions considered. The project will ultimately lead to the area being brought under a single local planning instrument.

PROPOSED MULTIPURPOSE COMMUNITY FACILITY AND CARPARK IN DEE WHY

We adopted a Plan of Management for the land at 36 - 48 Kingsway, Dee Why (corner of Kingsway and Fisher Road) in June 2013. This is the first step in creating the first Police Citizens Youth Club on the northern beaches as well as a carpark for up to 400 cars. Developing the Plan of Management has started conversations with local residents, young people and other stakeholders which will continue during the detailed design and the development approval stages of the project.

STRATEGIC ASSET MANAGEMENT

We have revised our Asset Management Policy to reflect best practice. It establishes guidelines and PRINCIPALS for implementing consistent processes throughout Council, and ensures a sustainable approach consistent with our Vision, Outcomes and Objectives.

In June 2013 we also endorsed the Warringah Asset Management Strategy 2013-2023. The strategy provides a clear link between the Community Strategic Plan and the day-to-day management of our assets. It also articulates how we will manage assets now and into the future by providing objectives, actions for improvement, timeframes and responsibilities. This holistic approach to asset management provides greater certainty, and limits our exposure to financial risk and asset failure.

A NEW PLANNING SYSTEM FOR NSW (WHITE PAPER)

The NSW Government released a 'New Planning System for NSW' (White Paper) in early April 2013 which sets out six key transformative changes to the current planning system. We prepared a comprehensive submission which indicates general support for the government's initiative to create a new planning system for NSW, but raised concerns regarding certain aspects of the proposals. The NSW Government will review the output from their consultation before finalising the new planning legislation.

SUPPORT FOR BUSINESS

More than 50 local businesses visited the Small Biz Bus at Dee Why and Forestville. The mobile service delivered in partnership with the NSW Government allowed local businesses to speak with experts from the NSW Small Business Commissioner's office, gain a new perspective on their business as well as learn about tools to achieve success. They were also offered ongoing support through their local business advisory service.

We also had a presence at the 'Your Northern Beaches Expo' held in May 2013. The theme of the expo was sustainability, and our Eco-Van was on hand providing information and support to help businesses be more sustainable. More than 3,000 people attended, exceeding the turnout in 2012.

2012 LOCAL BUSINESS AWARDS

We are a proud supporter of the Local Business Awards which honour excellence and acknowledge the significant contribution of local businesses to our community. The 2012 awards included Warringah's inaugural 'Sustainability Award' category which was won by a local Brookvale business. The awards continue to profile the skills, competitiveness and contribution of local business.

2012 BUSINESS EXPO

The 2012 Business Expo was attended by more than 100 business exhibitors and 350 visitors. The event at Harbord Diggers provided opportunity for local companies to grow their business, market their products and services, and develop networks and facilitate partnerships. It also allowed us to speak to local businesses about their vision for Warringah in developing the Community Strategic Plan.

LOCAL BUSINESS FORUM

As a major employer in the area we support and encourage local economic development and job creation. In June we hosted a local business forum attended by 85 businesses. The forum was an opportunity to find out about the type of goods and services Council purchases and provide information on the key to successfully bidding for our business.

Aquatic Centre

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$4.1m

Total expenses from continuing operation

FAST FACTS

- 338,562 people attended the Centre, including 172,657 casual swimmers and 133,139 people participating in structured classes such as learn to swim, aquarobics, seniors classes, Swimfit and Pilates
- There were 52 swimming carnivals hosted, involving 20,433 participants

KEY ACTIVITIES AND PROGRAMS

- Provide learn to swim and elite coaching programs
- Provide water safety programs
- Provide water and land based fitness programs
- Asset management of the Aquatic Centre

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with Aquatic Centre	Mean score	7.05	6.82	▼
Expense recovery from Aquatic Centre operations	%	88	83	▼
Total Attendances of Aquatic Centre	No.	330,000	338,562	▲
Scheduled projects completed (capital)	%	85	66	●

MASTERPLAN

Work continued on developing a masterplan for the centre. A comprehensive community engagement process was completed in September 2012 and concept designs prepared. Further refinement of the design is taking place to develop a more affordable option that meets the community needs. This is expected to be available in late 2013.

COGENERATION

Energy consumption at the centre is now 51% lower than 1998 with the bulk of the reduction achieved during the last six years. To make the centre more energy efficient a feasibility study was recently completed which supports the installation of a cogeneration plant. The installation of a gas powered generator will meet the energy needs of the facility and the heat generated will be used to heat the pool. This will deliver a 35% reduction in energy costs and carbon emissions. The cogeneration plant is planned for 2013-2014.

SENIORS PROGRAM

We have partnered with three other leisure centres on active ageing programs that will be rolled out across NSW. The Grey Medallion program is one of the

initiatives which aims to give seniors water confidence and basic resuscitation skills. Many seniors look after grandchildren and with the tag line of 'You love your grandchildren dearly, but would you be able to rescue them if they fell in the water' 20 seniors signed up and passed the inaugural course. Further courses are planned for October 2013.

SPECIAL EVENTS

The centre is now officially one of the sites used to celebrate Australia Day. It has the advantage of being an all-weather venue, with rain unable to halt the celebrations, and it is great fun for the kids in the hot January sun. Over 1,500 joined us for the first of many Australia Days.

We also held our first Dive in Movie in April. More than 200 came along to enjoy the fun and watch *Ice Age 3*. Both events are now expected to be a regular feature on the Aquatic Centre calendar.

Corporate Support Services

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$19.9m

Total expenses
from continuing
operation

FAST FACTS

- 102,304 calls answered, 48,187 enquiries over the counter and 31,068 replies to letters and emails
- 26 requests for tender, 70 requests for quotation and three expressions of interest issued
- 343,195 records registered into the electronic document and records management system, a 33% increase over 2011-2012 and 63% increase over 2008-2009 when the system was introduced
- 1,404 Government Information Public Access (GIPA) applications processed within the 20 day target with the average completion time of 7.2 days
- 40% of stationery purchased was sustainable
- 154 full-time, part-time, temporary, casual and contract positions recruited

KEY ACTIVITIES AND PROGRAMS

- In-house legal advice and management of legal costs
- Information management and technology
- Records management and information access service
- Customer service
- Procurement
- Media liaison and communication
- Management of Council's property portfolio, including buildings
- Human resources
- Occupational health, safety and welfare
- Financial management business support and levying and collection of rates and charges
- Internal auditing
- Facilitation and management of Business Excellence across Council
- Enterprise Risk and Business Continuity Management

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with condition of public toilets	Mean score	5.29	5.07	▼
Residents satisfied with community centres	Mean score	6.94	6.85	▼
% of customer enquiries resolved on first contact	%	90	98	▲
% of calls answered within 30 seconds	No.	80	73	▼
No. of visits to Council’s website	No.	1,174,000	1,228,000	●
Scheduled projects completed (operational)	%	85	100	●
Scheduled projects completed (capital)	%	85	100	●

NEW DIGITAL PLATFORMS TO INCREASE TRANSPARENCY AND PROMOTE WARRINGAH

In June we launched integrated digital platforms for all of Council’s services with a new emphasis on the issues residents care about. Based on extensive consultation, the site focusses on live, work and play and showcases Warringah as a destination for recreation. The site is web 2.0 compliant bringing together 35 different platforms and businesses including Glen Street Theatre, our four libraries and the Aquatic Centre. The site features adaptive technology which can be accessed by smart phone, tablet or computer. The platforms also raise the bar in transparency as part of our goal to become role models in Local Government accessibility and open communication. As part of the digital revamp, a new contemporary look and logo for Warringah was designed and approved by Council. To reduce costs, the new logo and image will be progressively rolled out in future months and years.

WARRINGAH TOP IN FINANCIAL SUSTAINABILITY AND INFRASTRUCTURE MANAGEMENT

An audit by NSW Treasury Corporation found Warringah is one of the top performing Councils in the state – and is one of only three NSW Councils that will be in a strong financial situation by 2016.

The Report ‘Financial Sustainability of the NSW Local Government Sector’ assessed the financial capacity, long term sustainability and financial performance of each Council.

Key drivers to achieving sustainability were seen as quality management and staff, a responsible Council that understands its role, and good reporting and budgeting.

A similar audit by the Division of Local Government of asset management also found Warringah is ahead of the pack. The Report ‘Local Government Infrastructure Audit’ found we are one of only five NSW Councils rated as very strong for managing our assets sustainably.

SINGLE ‘ONE STOP SHOP’ COUNTER SERVICE

During the year we continued the transition to a single “one stop shop” counter service with 87% of staff now skilled across the general enquiries and development assessment disciplines. The single ‘one stop shop’ counter service became fully operational in October 2012 and is widely received by our customers as a much needed improvement. Customers surveyed at the counter have provided an overall approval rating of 96%.

SERVICE ACHIEVEMENTS

Our customer service team answered 93% of all calls with a drop out rate of 7%. Some 73% of calls were answered within 30 seconds, which is below our target of 80%. The drop in service level was caused by re-allocation of staff to undertake mandatory cross training and business improvement programs.

Quality based standards were maintained for the accuracy of information and action requests supplied to our internal business service areas. We achieved an accuracy rate of 98% resulting in greater efficiency by removing the need for unnecessary checking. This exceeded our target of 90%. The service centre also performed well in resolving customer enquiries at the initial point of contact with 97% of customer enquiries resolved without having to refer the customer to another officer in Council. This exceeded our target of 90%.

CUSTOMER SATISFACTION AND IMPROVEMENT

The online Customer Satisfaction Survey has been operating since December 2011 and in that time, more than 3,000 customers have responded with an overall approval rating of 79%. Customers cited an ease of contact, staff knowledge, and timely service as key positive indicators.

BUILDINGS IMPROVEMENTS

More than \$4 million was spent renewing buildings in 2012-2013 including some of Warringah's key facilities. This included the Curl Curl Sports Centre building and surrounds, Stony Range Pavillion, the extension to the Jane Try stand at Brookvale Oval, Collaroy Surf Life Saving Club and Swim Club building.

We also completed some major new building initiatives to improve the sustainability of our facilities. This includes the installation of more than 22 kilowatts of solar voltaic panels at eight surf life saving clubs and at Cromer Park, and the design and construction of the Brookvale Occasional Care Centre.

DATA SHARING

In a joint project with the Department of Planning and Infrastructure we now provide live data to the Electronic Housing Code website. More than 3.5 million elements of data relating to more than 60,000 parcels of land is transferred on a daily basis to the department's website and is used to approve exempt or complying development within 10 days.

NORTHERN BEACHES HOSPITAL

The sale of Council owned land for the new Northern Beaches Hospital site was completed in March 2013. This transferral of ownership of various parcels of Council land to NSW Health was critical to provide the required site size for the development of the planned hospital.

BUSINESS EXCELLENCE

The Australian Business Excellence Framework (ABEF) was adopted as Council's strategic framework to embed a culture of innovation and improvement. It empowers individuals to participate and take responsibility for improving the work they do to deliver quality and value-added services to the community. This year we established a Corporate Strategy in line with the ABEF. This strategy will guide the selection and prioritisation of actions and projects to improve our organisation over a four year period.

A focus for the year was identifying and documenting key processes across our organisation. This allowed us to increase our knowledge, retain our business intelligence and improve the outcomes achieved for our community.

As part of our commitment to excellence we trained 253 staff in programs relating to Business Excellence and improvement. Some 25 improvement activities were commenced with 10 implemented through the year. A highlight was the implementation of the Performance Management system identified as an opportunity in the Business Excellence Self Assessment. Other benefits for our community included reducing the volume of returned mail and increasing resources for our learn to swim programs.

NEW TECHNOLOGY

We have continued to introduce mobile technology to improve services and productivity. Lifeguards now use tablets in the field to complete and submit their daily beach and incident reports. Eliminating paper forms has improved accuracy and timeliness of the data and provided savings of \$6,300 per year.

Mobile technology will also be available to Roads Maintenance crews from 1 July 2013. Crews will be able to receive and update maintenance tasks in the field real-time. The system will be deployed to other areas such as Parks, Reserves and Foreshores in 2013-2014.

BUSINESS CONTINUITY

Our Business Continuity Program is now three years old. The program provides a sound platform for recovering from any event that may impact on our ability to deliver services to the community. All areas of the business have a fully functional business continuity plan and we can confidently prioritise getting the business back up and running following an interruption or unplanned event. Our critical Business Continuity Plans were tested throughout the year. Fortunately, there were few downtime issues experienced that impacted on delivery of services to the community.

ENTERPRISE RISK MANAGEMENT

Our Enterprise Risk Management Framework ensures that in making decisions we understand all the risks and are able to best control those risks that have the greatest potential to impact on service delivery, safety or severe financial outcomes. The framework is in the infancy stages but was integrated into key functions within Council in 2012-2013, such as project management, procurement, contract management, and our internal audit.

Good Governance

STRATEGIC CONTRIBUTIONS

Living Environment	31
Living Communities	42
Living Spaces	57
Living Enterprises	77
Living Organisation	87

\$7.2m

Total expenses
from continuing
operation

FAST FACTS

- 37 submissions made to our Draft Strategic Community Plan 2012
- 338 Council Resolutions
- 189 Ordinary Council Reports and 29 Confidential Reports (not including Notices of Motion, Questions on Notice and Recission Motions)
- 85 requests to address Council
- 13 Council meetings held and webcast, including two extraordinary Council meetings

KEY ACTIVITIES AND PROGRAMS

- Strategic advice and support concerning environmental, economic, social and recreational planning
- Corporate planning and reporting
- Policy development and review
- Elected Council support
- Community engagement
- Advice, policy and systems that support good governance
- Manage complaints service
- Implement corruption prevention strategies

KEY PERFORMANCE INDICATOR

KPI	UNIT	TARGET	ACTUAL	INDICATOR
Residents satisfied with managing the impact of visitors to the area	Mean score	6.59	6.58	▬
Residents satisfied with encouragement of local industry and business	Mean score	6.33	6.12	▼
Compliance with statutory reporting requirements	%	100	100	●
% of formal complaints managed according to set timeframes and in accordance with guidelines	%	100	100	●
Scheduled projects completed (operational)	%	85	85	●

END OF TERM REPORT AND STATE OF THE ENVIRONMENT REPORT

In August 2012 an End of Term Report and State of the Environment Report was presented to the outgoing Council. The reports detailed progress against the Strategic Community Plan’s long-term goals for the years 2010-2012 and noted that progress had been made against each of the goals. The only notable impediments in the State of the Environment Report was the role and timing of the State Government in urban planning, which had implications for our Local Environmental Plan, Housing Strategy, infrastructure and transport. Both reports were considered in the development of the Community Strategic Plan 2023 and our four years Delivery Program.

COMMUNITY STRATEGIC PLAN 2023 AND NEW DELIVERY PROGRAM

We have partnered with the community to develop a new ten year plan for Warringah. The Community Strategic Plan is a fresh look at the community's aspirations for the area and contains a new Vision, six Goals and 22 Objectives for us all to work towards. The community’s aspirations were captured through three community workshops, six focus groups and a host of other engagement opportunities over a 12 month period.

As a key player in bringing the plan to life we have developed a four year Delivery Program outlining actions we will take to 2017. It includes major projects such as the Bus Rapid Transit system and the northern beaches hospital where we will need to work closely with the State Government and other stakeholders to improve public transport and create a new health precinct for the region. Progress will be reported annually and we will continue to revise our Delivery Program so you know what we are going to do over the four years.

LOCAL GOVERNMENT REFORM

As an industry, Local Government is in a state of transition. Major reviews over the last 12 months have looked at strengthening the effectiveness of Local Government so we can better serve our communities now and in the future. We have made a positive contribution to this debate participating in various forums and making submissions to the Independent Local Government Review Panel and the Local Government Acts Taskforce discussion papers.

The panel's preferred option is a single Council for the northern beaches. We support voluntary amalgamation if it provides better outcomes for the community and improves the performance and sustainability of the council. SGS Economics and Planning looked at options for our region and found a single Council for the northern beaches with Local Boards would save around \$375 million over 10 years and protect local representation.

We look forward to the release of the panel and taskforce's final reports later this year and to discussions with our community and neighbouring Councils about the future of our region.

SUSTAINABLE TRANSPORT STRATEGY

The draft Transport Strategy was released for public comment. Transport, particularly traffic congestion and public transport provision, are key issues raised by our residents. The draft strategy seeks to reduce private vehicle use and encourage public transport, walking and cycling for travel in Warringah by both the community and Council staff. The draft strategy will be adopted early in the 2013-2014 financial year.

MANAGING CLIMATE CHANGE

Climate change is one of the pressures which will challenge our aspirations to deliver the new Community Strategic Plan. Although Council's carbon emissions have been declining over the last two years there was a need to review and re-focus on actions to reduce emissions even further. Council's Environmental Sustainability Working Group developed an updated Roadmap which identifies actions to reduce Council corporate emissions by a further 2,240 tonnes. This will take us substantially towards our adopted target of a 40% reduction by 2020.

ENERGY AND WATER SAVINGS ACTION PLAN

The four year plan was revised and updated to include actions to 2016 to make our organisation even more energy and water efficient. The plan identifies projected energy savings of 6,430 gigajoules or \$128,000 per year and projected potable water savings of 22,500 kiloliters or \$40,000 per year.

COMMUNITY CONSULTATION

The 2013 community survey results showed that community consultation remains an important driver of overall satisfaction with Council. A number of initiatives support the development of community engagement skills for key staff. Some 20 staff completed the IAP2 certificate in public participation, taking the total trained to nearly 60.

Our new website, launched in May 2013, is a huge step in promoting community engagement across the business. The 'Get Involved' section includes details of all consultation projects with links to the project pages on the 'Your Say Warringah' site.

We continue to provide community engagement update emails to more than 2,200 people on our engagement register and another 1,600 registered on the Your Say Warringah site. Some 16 emails were sent during the year.

YOUR SAY WARRINGAH – COMMUNITY ENGAGEMENT PORTAL

The 'Your Say Warringah' platform continues to be our key engagement portal on projects. Close to 40 projects were promoted and we are updating project pages more regularly so you know what is going on. The site is popular, receiving nearly 85,700 visits from 28,000 individual visitors.

INNOVATIVE ENGAGEMENT TECHNIQUES

We are always looking at new ways of getting you interested and involved in local projects. Some innovative approaches included random telephone surveys for the Aquatic Centre Masterplan, a graphic artist listening and drawing people's ideas for the Community Strategic Plan, workshops for the Coastal Zone Management plan, walking tours and video for the Dee Why Town Centre Masterplan, going to bus stops and other places where youth gather for the Youth Strategy, and an online discussion forum for the Belrose Cultural Hub.

COUNCILLOR INDUCTION PROGRAM

Our new and returning Councillors participated in an intensive three month induction program to familiarise them with their role and issues confronting Warringah. The program included briefing sessions, a bus tour of Warringah, and specialised training session by external providers, the Division of Local Government and SHOROC.

PROMOTING BETTER PRACTICE REVIEW – DIVISION OF LOCAL GOVERNMENT

In February 2013, the Division of Local Government visited Council to carry out the Promoting Better Practice Review. The Review acts as a 'health check', giving Council confidence about what it's doing well and helping focus attention on key priorities. The final report is still to be issued but initial feedback from the division is that Warringah is a well managed and strongly performing organisation.



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STATUTORY RETURNS

Local Government Act 1993, Local
Government (General) Regulation 2005
and other statutory information.

LOCAL GOVERNMENT ACT 1993

SECTION 428 (1)

Performance of Principal Activities in the Management Plan

Our performance against Principal Activities in the Strategic Community Plan 2012 is presented on pages 31 to 102.

SECTION 428 (2) (F)

Mayor/Councillor Fees & Expenses

During 2012-2013 the Mayor and Councillors fees amounted to \$274,660.

This included:

Mayoral fee: \$57,660

Councillor fee: \$217,000

During 2012-2013 an additional amount of \$160,152 was incurred by Council under this policy for the provision of facilities and payment of expenses for the Mayor and Councillors.

SECTION 428 (4)

Financial Statements

Our audited Financial Reports for the 2012-2013 financial year commence on page 166.

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

(5) A planning authority that has entered into one or more planning agreements must, while any such planning agreements remain in force, include in its annual report particulars of compliance with, and the effect of, the planning agreements during the year to which the report relates.

	VOLUNTARY PLANNING AGREEMENT - CROMER	VOLUNTARY PLANNING AGREEMENT - DEE WHY
VPA ASSOCIATED APPLICATION	Evergreen Estate Planning Proposal – seeking to rezone land at 26 Campbell Avenue, Cromer. 1.4hectares (84%) of the land will become R2 Low Density Residential. 2840sqm (16%) will be dedicated to Council and be rezoned RE1 Public Recreation.	Rezoning Application and associated Development Application No. 2007/1249 – Stage 1 DA for a mixed use development on “Site B” of the Dee Why Town Centre
DESCRIPTION OF PUBLIC BENEFIT OF VPA	Dedication to Council of 2840sqm of land along the northern boundary fronting the existing creek line. This land will be rezoned for public recreation.	<ol style="list-style-type: none"> 1. Provision of Town Square Works 2. Provision of pedestrian connection and works 3. Provision of bus setback works and area on Pittwater Road 4. The provision of a monetary contribution for the construction and dedication (by Council) of Church Lane located to the east of the site bordering St Kevin's Church
OTHER PARTY TO VPA	<ol style="list-style-type: none"> 1. Evergreen Development (Dee Why) Pty Ltd 2. Binburra Pty Ltd 	Multiplex Pty Limited
STREET ADDRESS	26 Campbell Avenue, Cromer	9 to 17 Howard Avenue, 14 to 16 and 28 Oaks Avenue, 884, 888 to 896 Pittwater Road, Dee Why
STATUS	Executed on 12 June 2013.	Executed and entered into by Council on 12 December 2008, Stage 1 DA approved, currently awaiting lodgement of Stage 2 DA and design of the VPA works

LOCAL GOVERNMENT (GENERAL) REGULATIONS 2005

CLAUSE 132

Rates and charges written off 2012-2013

WRITTEN OFF 2012 - 2013	
Rates abandoned (postponed)	\$7,338
Interest abandoned (postponed)	\$3,269
Interest abandoned (other)	\$3,006
Mandatory pension rebate	\$1,872,242
Voluntary pension rebate (rates)	\$131,048
Voluntary pension rebate (waste)	\$265,191
TOTAL	\$2,282,094

CLAUSE 217(1) (A)

Overseas Visits by Councillors or Council Staff 2012 - 2013

1. The General Manager and Legal Officer visited various sites in Europe on behalf of Kimbriki Environmental Enterprises Pty Ltd. The trip, undertaken in November 2012, was to inspect recycling and fuel plants and was paid for by Kimbriki Environmental Enterprises Pty Ltd.
2. The Mayor, General Manager and Group Manager Strategic Planning visited Auckland Council, Auckland, New Zealand in March 2013 to review local governance arrangements.

CLAUSE 217(1) (A1)

Councillors Facilities and Expenses

FACILITIES AND EXPENSES	
Dedicated office equipment to Councillors (incl. computers)	\$15,760.55
Communication charges (including phone calls, facsimile and internet)	\$25,307.73
Seminars and conferences attended by Councillors	\$27,227.45
Councillor training and skills development	\$40,368.03
Interstate travel by Councillors	\$0
Overseas visits by Councillors	\$856.06
Expenses of spouse, partner, or person accompanying a Councillor	\$298.62
Provision of care for a child or family member of a Councillor	\$80.00
Other expenses	\$50,253.56
TOTAL	\$160,152.00

LOCAL GOVERNMENT (GENERAL) REGULATIONS 2005

CLAUSE 217(1) (A2)

Contracts Awarded in 2012-2013 for Goods and Services in Excess of \$150,000

CONTRACTOR	GOOD AND SERVICES PROVIDED	APPROX. VALUE AS APPROVED BY COUNCIL
Image Property Maintenance Marsupial Landscape Management Skyline Landscape Services	Grass maintenance services	\$484,660 \$72,700 Contingency
Sydney Civil Pty Ltd	Beach and Cliff Roads upgrade works, Collaroy Basin	\$1,185,134
Keystone Projects Group	Major works for Brookvale Occasional Care Centre	\$880,026
Landscape Solutions Pty Ltd	Major works for the upgrade of Cromer Park	\$2,633,662
Project Management Partners Pty Ltd	Project management method and training services	\$330,272
Around The Grounds	Turf cricket wicket and outfield maintenance	\$577,500

CLAUSE 217(1) (A3)

Summary of Legal Proceedings

During 2012-2013 the following expenses were incurred in relation to legal proceedings:

Proceedings favourably finalised	\$364,511
Discontinued	\$15,879
Proceedings not favourably finalised	\$43,805
Proceedings not finalised	\$21,761
TOTAL	\$445,956

LOCAL GOVERNMENT (GENERAL) REGULATIONS 2005

DISCONTINUED

Warringah ats Simmat
Warringah ats Pollifrone

PROCEEDINGS FAVOURABLY FINALISED

Warringah ats Artz 2 Design
Warringah ats Greenwood (while a favourable outcome, Council did incur partial applicant costs to the sum of \$41,400 in respect of Class 4 proceedings)

Warringah ats McKees
Warringah ats Dee Why Grand
Warringah ats AMP
Warringah ats Artz 2 Design
Warringah ats O’Toole
Warringah ats Broadfoot
Warringah ats Kelly Trust No. 3
Warringah ats Bradley
Warringah ats Dee Why Grand
Warringah ats AMP
Warringah ats Gow
Warringah ats ESH Holdings
Warringah ats Grey
Warringah ats Thomas
Warringah ats Goddard
Warringah ats Planet Warriewood Pty Limited
Warringah ats Greenwood (Class 1 proceedings)
Warringah ats De Luca (costs to be recovered)
Warringah v Ullrich
Warringah v Humphries
Warringah v Diggins
Warringah v Bonnano
Warringah v Chivers
Warringah v Torrisi
Warringah v Carter
Warringah v Expella
Warringah v Tran
Warringah v Guo

PROCEEDINGS NOT FAVOURABLY FINALISED

Warringah v Dalton
Warringah v Donolla

PROCEEDINGS NOT FINALISED

Warringah v Ma
Warringah v Gow
Warringah ats Young
Warringah ats Totally Managed.

CLAUSE 217(1) (A4) Council Works on Private Land

Nil.

CLAUSE 217(1) (A5) Grants and Donations

2012-2013 GRANTS AND DONATIONS	AMOUNT
Australian Tibetan Cookbook Project	\$2,500.00
Autism Community Network	\$4,677.00
Booklovers' Club Warringah	\$1,000.00
Catholic Parish of Warringah	\$3,000.00
Co.As.Is - Womens Wellness Group	\$1,400.00
Collaroy Surf Life Saving Club	\$5,920.00
Computer Pals for Seniors Northern Beaches	\$1,478.00
Constant Companion	\$2,200.00
Dee Why Surf Life Saving Club	\$5,920.00
Disabled Alternative Road Travel Service	\$2,100.00
Disabled Surfers Association of Australia	\$3,300.00
FAMS Theatre Company	\$2,500.00
Fighting Chance Australia	\$5,000.00
Forest Hills Pony Club	\$1,614.20

Forest Rugby Club	\$624.15
Freshwater Amateur Swimming Club	\$5,000.00
Freshwater Surf Life Saving Club	\$5,920.00
Friends of Freshwater	\$5,000.00
Koori Kids Pty Ltd	\$450.00
Lifestart Northern Beaches	\$2,565.00
Literacy Network Manly	\$4,500.00
Long Reef Surf Life Saving Club	\$5,920.00
Manly & District Dog Training Club	\$250.00
Manly Community Centre	\$4,200.00
Manly Warringah & Pittwater Historical Society	\$2,000.00
Manly Warringah Choir	\$2,000.00
Manly Warringah Netball Association	\$1,395.00
Manly Warringah Pipe Band	\$2,000.00
Manly Warringah Pittwater Community Aid Service	\$2,227.00
Narrabeen Surf Life Saving Club	\$5,920.00
NSW Justice Association	\$3,500.00
North Curl Curl Surf Life Saving Club	\$5,920.00
North Narrabeen Surf Life Saving Club	\$5,920.00
Northern Beaches Chorus	\$2,500.00
Northern Beaches Community Services	\$7,000.00
Northern Beaches Creative Leisure & Learning	\$2,500.00
Northern Beaches Eisteddfod	\$5,000.00
Northern Beaches Interchange	\$5,000.00

Northside Enterprises Incorporated	\$5,000.00
Peer Support Australia	\$2,270.00
Peninsula Senior Citizens Toy Repair Group	\$1,200.00
Permaculture Manly Warringah Pittwater	\$5,000.00
Rotary Club Dee Why	\$2,500.00
Royal Rehabilitation Centre	\$3,300.00
Cloud 9 - Under 21s Musical Festival	\$2,130.73
Schizophrenia Fellowship of NSW	\$2,500.00
Shackfolk Incorporated	\$5,000.00
South Curl Curl Surf Life Saving Club	\$5,920.00
St John Ambulance Australia	\$450.00
St Vincent de Paul - Northern Beaches	\$4,500.00
St Vincent de Paul Youth Reach	\$5,000.00
South Narrabeen Surf Life Saving Club	\$5,920.00
Surf Life Saving Sydney Northern Beaches Branch	\$12,439.00
Tear Australia Incorporated	\$100.00
Terrey Hills Community Library	\$20,000.00
The Link Church	\$5,000.00
Tibetan Community of Australia	\$5,000.00
Vision Australia	\$5,000.00
Water Skills for Life	\$1,390.00
Wheelchair Sports NSW	\$5,000.00
TOTAL	\$234,540.48



LOCAL GOVERNMENT (GENERAL) REGULATIONS 2005

CLAUSE 217(1) (A6)

External Bodies with Council Delegated Authority

Warringah Development Assessment Panel independently determines major development applications.

CLAUSE 217(1) (A7)

Council Controlled Companies

Kimbriki Resource Recovery Centre
Kimbriki Environmental Enterprises Pty Ltd (KEE) operates a recycling and waste disposal centre at Kimbriki Road, Terrey Hills. Warringah Council is the major shareholder in KEE with 51% of shares. The remaining shares are held by Pittwater, Manly and Mosman Councils holding 34.45%, 10.75% and 3.84% of shares respectively.

KEE commenced operation on 1 July 2009 following the necessary authorisations pursuant to sections 358 and 625 of the Local Government Act.

CLAUSE 217(1) (A8)

Partnerships, Cooperatives and Joint Ventures

Warringah Pittwater Rural Fire Committee

Warringah Council has a 50% interest in the assets and liabilities of a joint venture project with Pittwater Council for the provision, control and management of bush fires. The joint venture will continue on a year-to-year basis until dissolved in accordance with the terms of the deed of agreement. Both Councils have signed a Service Level Agreement with the Commissioner of the NSW Rural Fire Services to cover the provision of these services.

Shore Regional Organisation of Councils (SHOROC)

Warringah Council is an equal member of SHOROC along with Manly, Mosman and Pittwater Councils. The SHOROC group develops and delivers regional strategies and initiatives of benefit to the member councils.

CLAUSE 217(1) (A9)

Equal Employment Opportunity (EEO) Activities

Warringah Council supports the PRINCIPALS of Equal Employment Opportunity (EEO) as it relates to recruitment, training and staff development programs, performance management, equal access to information about Council policies, procedures and practices, supervision and management of staff, promotion and conditions of employment.

By putting the PRINCIPALS of EEO into practice Council ensures that all employees, and future employees have an equal opportunity to enjoy a rewarding and challenging career with Warringah Council and enjoy freedom from all forms of discrimination.

Council has an Equal Employment Opportunity (EEO) Management Plan that details the objectives, actions and responsibilities required to ensure that Warringah Council is an equal opportunity employer and that all employees are aware of their rights and responsibilities.

The General Manager has overall responsibility for the implementation and coordination of the Equal Employment Opportunity Management Plan.

The Equal Employment Opportunity Management Plan includes strategies to ensure fair outcomes in all areas of employment with the following focus:

- Promotion of EEO and Diversity PRINCIPALS
- Maintaining workplaces free from discrimination, harassment and bullying
- Accessible policies and procedures
- Grievance procedures
- Ongoing analysis of employment data

The EEO plan was revised during 2011-2012 to ensure consistency with Council's corporate direction.

In keeping with the EEO plan, information about Council's EEO policy and grievance procedure is provided to all new employees at corporate induction. In addition, refresher courses (including Code of Conduct) are offered to staff every two years, and Human Resources staff are available to provide advice on grievance resolution at any time.

LOCAL GOVERNMENT (GENERAL) REGULATIONS 2005

EEO data is collected on a voluntary basis, to alleviate privacy concerns. Statistics at present are as follows:

- Nine staff have a disability
- 55 staff with a Non English Speaking Background (NESB) background
- Eight staff have an indigenous background

CLAUSE 217 (1) (B) (C) Senior Staff Salaries

Between 1 July 2012 and 30 June 2013 the following senior staff salaries were paid:

Council has three senior staff as defined by the Local Government Act (General Manager, Deputy General Manager Community and Deputy General Manager Environment). All senior staff are engaged under the standard employment contract issued by the Department of Premier and Cabinet – Division of Local Government and are subject to performance agreements. The contract term for the General Manager, the Deputy General Manager Community and Deputy General Manager Environment is five years. The all-inclusive remuneration packages that incorporate salary, employer superannuation, performance and higher duties payments and fringe benefits tax for the senior staff for the financial year ending 30 June 2013 were as follows:

	General Manager	Senior Staff
Salary component of the package	\$367,464.32	\$505,368.26
Bonus, performance and other payments	\$0	\$0
Councils contribution to superannuation	\$16,406.76	\$49,568.31
Non cash benefits accounted in the package	\$0	\$2,601.49
Fringe benefits tax for non-cash benefits	\$12,877.48	\$15,415.30
TOTAL PACKAGE	\$396,748.56	\$572,953.36

CLAUSE 217 1 (F) Companion Animals Act and Regulation

Lodgement of Pound Data Collection Returns with the Department

Records from Council's pound show that a total of 425 animals were impounded during the financial year, made up of 339 dogs and 86 cats. Council continues to try either reuniting or re-homing all animals that are impounded. This will be reported through to the Division of Local Government before the deadline of 30 September 2013.

Reporting Dog Attacks to the Department

Council reports attacks to the Division of Local Government, by the Companion Animals register, within 72 hrs of being notified of the attack. Last financial year 48 incidents were reported.

Expenditure on Companion Animal Management and Activities

Some \$112,876 was spent on the management of companion animals and related activities.

The funds were dispersed as follows.

Employment related costs	\$28,450
Pound Fees	\$58,534
Advertising/promotion	\$7,645
Materials/consumables	\$15,749
Other	\$2,498
TOTAL	\$112,876

The Division of Local Government contributed \$68,338 towards these costs.

LOCAL GOVERNMENT (GENERAL) REGULATIONS 2005

Companion Animal Community Education Programs Carried Out

As part of Council's ongoing pet education strategy, a number of new initiatives were undertaken. New brochures on 'Owning a dog in Warringah' were produced which give information on both requirements of owners under the Companion Animals Act 1998 as well as other useful information relevant to the local area and general pet ownership. The dog brochure included an updated list of dog unleashed exercise areas as well as a list of prohibited areas.

Warringah's 'Dogs Big Day Out' was held again with more than 4,000 attendees. Demonstrations on agility and obedience were conducted and a number of veterinarians and welfare groups were on hand to answer questions on dog ownership. Council continues to hand out 'pooch pouches' which can be attached to the lead for owners to put dog waste collection bags in. Cat collars with bells are also handed out at this event to promote responsible pet ownership.

Strategies Council has in Place to Promote and Assist in the Desexing of Dogs and Cats

Council promotes the desexing of dogs and cats through its educational activities including the promotion of desexing in publications.

Strategies to Seek Alternatives to Euthanasia for Unclaimed Animals

Council has a no kill policy at its pound for re-homable animals and has arrangements with the Animal Welfare League, Cat Protection Society and RSPCA to take unclaimed dogs and cats that are suitable for re-homing (i.e. not dangerous).

As a result of the strategies in place no re-homable animals were euthanased.

Off-Leash Areas Provided in the Council Area

Warringah has eight unleashed dog exercise areas with an additional four available at restricted times. This includes a dog swimming area at Curl Curl lagoon. Our aim is to provide accessible options for residents to take their dogs for a walk and let them off the leash safely, while also protecting our natural environment and considering the needs of the wider community. We will continue to review these as required.

GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

BACKGROUND

The Government Information (Public Access) Act 2009 (GIPA Act) became operational on 1 July 2010 and introduced a new “right to information” approach for access to government information.

Council is required to prepare an annual report in accordance with the requirements of section 125 of the GIPA Act and clause 7 of the Government Information (Public Access) Regulation (GIPA Regulation). This annual report includes statistical information on formal access applications in the form required by Schedule 2 of the GIPA Regulation.

1. REVIEW OF PROACTIVE RELEASE PROGRAM

Warringah continually reviews its proactive release program to identify the kinds of information that can be made publicly available. This information is made available through extensive publication on Council’s website or through inspection and/or provision of information in response to a written application.

During the reporting period, this program resulted in the release of information relating to: Council services; events; community issues; planning and development services and environmental matters.

2. NUMBER OF ACCESS APPLICATIONS RECEIVED

During the reporting period, Warringah received a total of 14 formal access applications (including withdrawn applications but not invalid applications).

3. NUMBER OF REFUSED APPLICATIONS FOR SCHEDULE 1 INFORMATION

During the reporting period, Warringah did not refuse any formal access application because the information requested was information referred to in Schedule 1 to the GIPA Act.

GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

4. STATISTICAL INFORMATION ABOUT ACCESS APPLICATIONS - CLAUSE 7(D) AND SCHEDULE 2

TABLE A:
Number of Applications by Type of Applicant and Outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Media	1	0	0	0	0	0	0	0
Members of Parliament	1	0	0	0	0	0	0	0
Private Sector Business	0	0	0	0	0	0	0	0
Not for Profit Organisations or Community Groups	0	0	0	0	0	0	0	0
Members of the Public (application by legal representative)	0	0	0	0	0	0	0	1
Members of the Public (other)	5	2	2	0	1	0	0	1

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

TABLE B:
Number of Applications by Type of Application and Outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	7	2	2	0	1	0	0	2
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual). The total number of decisions in Table B should be the same as Table A.

GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

TABLE C:
Invalid Applications

Reason For Invalidity	Number of Applications
Application does not comply with formal requirements (Section 41 of the Act)	0
Application is for excluded information of the agency (Section 43 of the Act)	0
Application contravenes restraint order (Section 110 of the Act)	0
Total Number of applications received	0
Invalid applications that subsequently became valid applications	0

TABLE D:
Conclusive Presumption of Overriding Public Interest Against Disclosure: Matters Listed in Schedule 1 to Act

	Number of Times Consideration Used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

TABLE E:
Other Public Interest Considerations Against Disclosure:
Matters Listed in Table to Section 14 of Act

	Number of Occasions When Application Not Successful
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

TABLE G:
Number of Applications Reviewed Under
Part 5 of the Act (by Type of Review and Outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
TOTAL	0	0	0

*The Information Commissioner does not have the authority to vary decisions, but can make recommendation to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

TABLE F:
Timelines

	Number of Applications
Decided within the statutory timeframe (20 days plus any extensions)	14
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
TOTAL	14

TABLE H:
Applications for Review under Part 5 of the Act (by
Type of Applicant)

	Number of Applications for Review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0



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*ANNUAL FINANCIAL
STATEMENTS
2012-2013*

FINANCIAL COMMENTARY 2012-2013

This commentary provides the highlights of Council's 2012/13 Financial Statements. The Financial Statements are prepared by Council to provide information in relation to Council's financial performance and position. The Statements are prepared in accordance with Australian Accounting Standards, the NSW Local Government Act 1993 and the NSW Local Government Code of Accounting Practice and Financial Reporting (Update No 21). The Financial Statements are made up of the following:

- Plain English explanation of the General Purpose Financial Statements – page 1
- LGMA Financial Health Check – pages 2 to 4
- General Purpose Financial Statements – pages 5 to 61
- Special Purpose Financial Statements – pages 66 to 73
- Special Schedules – pages 76 to 81

The General Purpose and Special Purpose Financial Statements are independently audited by Hill Rogers Spencer Steer Pty Ltd, reported to Council, placed on public exhibition and lodged with the Division of Local Government.

2012/13 HIGHLIGHTS

• Total Income from Continuing Operations \$151.386m
• Total Expenses from Continuing Operations \$136.563m
• Net Operating Surplus for the year \$14.823m
• Net Operating Surplus for the year before Capital Grants and Contributions \$10.853m
• Total Assets \$2.537b
• Total Liabilities \$44.507m
• Net Assets \$2.492b
• Unrestricted Current Ratio of 4.07:1 (2012 3.35:1)
• Debt Service Ratio of 0.38% (2012 0.54%)
• Building & Infrastructure Renewals Ratio 154.2%
• Revaluation Increment Operational Land and Buildings \$33.494m

The highlights of the Financial Statements indicate that Council is in a sound financial position having delivered a strong performance which was ahead of budget.

FINANCIAL STATEMENTS IN PLAIN ENGLISH

<p>Introduction</p> <p>The General Purpose Financial Statements which are comprehensive statements that meet all reporting requirements and show how the Council performed financially during the 2012/2013 financial year and presents the financial position as at the end of the financial year.</p> <p>Council presents its financial statements in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations, the Local Government Act (1993) and Regulation and the Local Government Code of Accounting Practice and Financial Reporting. Particular terms required by these Standards may not be familiar to some readers. Council is a "not-for-profit" organisation and some of the generally recognised terms used in the private sector corporate reports are not ideally transferable to the Local Government Environment.</p> <p>Warringah Council is mindful of its role of acting in the public interest and it is in this context that the Plain English guide is provided to assist readers in understanding and analysing the financial report.</p> <p>What is Contained in the General Purpose Financial Statements?</p> <p>Council's Financial Statements have two sections, namely:</p> <ol style="list-style-type: none"> (1) The Principal Financial Statements (2) The Notes to and Forming Part of the Principal Financial Statements. <p>There are five (5) Principal Financial Statements and twenty seven (27) Notes. These are prepared by Council staff, examined by the Council's Audit & Risk Committee and by Council and then audited by an independent Auditor. The five Principal Financial Statements appear immediately after the statement by Council on Pages 3-7 of the General Purpose Financial Report and comprise the following:</p> <ul style="list-style-type: none"> • Income Statement • Statement of Comprehensive Income • Statement of Financial Position • Statement of Changes in Equity • Cash Flow Statement <p>The Notes detail Council's accounting policies and the make up of values contained in the Principal Financial Statements.</p> <p>Statement by Councillors and Management</p> <p>The Statement is made by the Council, the General Manager and the Responsible Accounting Officer to indicate that, in their opinion, the General Purpose Financial Report has met all the statutory and professional reporting requirements and has been prepared in accordance with Council's records.</p>	<p>Income Statement</p> <p>The Income Statement shows:</p> <ul style="list-style-type: none"> • The sources of Council's revenue under various income headings • The expenses incurred in running the Council during the year <p>These expenses relate only to the operations and do not include the costs associated with the purchase or the building of assets. While asset purchase costs are not included in expenses there is an item for depreciation. This is the annual allocation of the cost of assets by reference to the remaining useful life of assets.</p> <p>Emphasis is placed on the net operating result before capital grants and contributions and indicates that revenues from operations exceeded expenses.</p> <p>Statement of Financial Position</p> <p>This statement is a snap shot of the financial position of the Council as at 30 June 2013. It shows what the Council owns as assets and what it owes as liabilities. The bottom line of this statement is net assets and is equivalent to the net worth of Council that has built up since incorporation in 1906.</p> <p>The assets and liabilities are separated into current and non-current. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.</p> <p>Statement of Comprehensive Income</p> <p>Council is required to present all items of income and expense recognised during the year. Council has chosen to present this information in two statements. The first is the Income Statement explained above. The second statement is the Statement of Comprehensive Income. This begins with Net Operating Result for the year from the Income Statement and then details other comprehensive income which represents other gains and losses of Council such revaluations not recognised in the Income Statement.</p> <p>Statement of Changes in Equity</p> <p>During the course of the year the value of total equity as set out in the Balance Sheet changes. This Statement shows the values of such changes and how these changes arose.</p> <p>The main reasons for a change in equity are as follows:</p> <ul style="list-style-type: none"> • Surplus from operations as disclosed in the Income Statement • Changes in minority interest of the subsidiary. <p>Cash Flow Statement</p> <p>Statement of Cash Flows summarises Council's cash payments and cash receipts for the year. This statement is presented according to a very specific accounting standard and needs some care and analysis. The values differ from those</p>	<p>shown in the Income Statement because the Income Statement is prepared on an accrual accounting basis.</p> <p>Cash in this statement refers to bank deposits and other forms of highly liquid investments that can be readily converted to cash.</p> <p>Council's cash arises from and is used in three main areas:</p> <ul style="list-style-type: none"> • Operating activities • Investing activities – this term relates to only assets such as new capital plant and other long-term revenue producing assets. • Financing activities – this is used to record the receipt and repayment of external financing such as loans and leases. <p>The bottom line of the Cash Flow Statement is the cash at the end of the financial year.</p> <p>Notes to the Accounts</p> <p>The Notes are a very important and informative section of the Report. Rather than expecting the reader to have a working knowledge of the numerous and forever-changing Australian Accounting Standards, the Notes are provided to enable the reader to understand the basis on which the values shown in the Statements are established. These are described in Note 1.</p> <p>Apart from the Accounting Policies, the Notes also give details behind many of the summary figures contained in the Statements. The Note numbers are shown beside the relevant items in the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Cash Flow Statement.</p> <p>The Notes should be read at the same time as, and together with, other parts of the Financial Statements to get a clear picture of the accounts.</p> <p>Auditor's Report on the Financial Statements and on the Conduct of the Audit</p> <p>The independent Audit Report is the external and independent opinion on the Financial Statements. It provides the reader with a totally independent opinion and covers both the statutory and professional requirements and also the fairness aspects of the Financial Statements.</p> <p>Local Government Financial Health Check</p> <p>Attached to this Plain English guide is Council's Sustainable Financial Health Check prepared in accordance with the industry accepted guidelines. Note 13 also includes performance measures prescribed by the Division of Local Government and those used by NSW Treasury Corporation (TCorp) in assessing the financial sustainability of NSW Councils..</p>
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FINANCIAL HEALTH CHECK PERFORMANCE INDICATORS

CASH/LIQUIDITY POSITION

Indicator # 1

Cash /Liquidity Position – after accounting for external reserves

1.1 Unrestricted Current Ratio

Indicator Definition:

Current Assets less Externally Restricted Current Liabilities
Current Liabilities less Specific Purpose Current Liabilities

Indicator / Local Government Benchmark:

Greater than 2:1 Between 1:1 and 2:1 Less than 1:1 Successive years > 10:1

June 2012	June 2013	June 2014	June 2015	June 2016
3.35	4.07	4.22	2.74	2.34

Commentary: Council's liquidity is more than satisfactory. Council can easily pay its debts as they fall due.

1.2 Available Cash Position

Indicator Definition:

	June 2012	June 2013	June 2014	June 2015	June 2016
(a) <u>Available Cash Assets</u> Cash Assets less Externally Restricted Assets	\$46,233	\$50,322	\$64,366	\$38,308	\$31,051
(b) <u>Unrestricted Available Cash Assets</u> Available Cash Assets less Internally Restricted Assets	\$36,289	\$41,670	\$54,067	\$27,892	\$20,518

Commentary: This indicator is used to interpret indicator 1.1 in \$ amount. More than adequate funds are available, providing the capacity to respond to opportunities to react to unforeseen commitments that may arise.

1.3 Availability of Cash Assets as a % of total Revenue

Indicator Definition:

	June 2012	June 2013	June 2014	June 2015	June 2016
(a) <u>Available Cash Assets</u> Total Ordinary Revenue before Capital	33.30%	34.14%	39.25%	23.42%	17.21%
(b) <u>Unrestricted Available Cash Assets</u> Total Ordinary Revenue before Capital	26.13%	28.27%	32.97%	17.05%	11.37%

Commentary: This indicator is used to interpret indicator 1.2[b] in % amount. This demonstrates that Council funds are available either for unplanned works, commitments or for unforeseen occurrences.

OPERATING RESULT

Indicator # 2 – Operating Result – using trend analysis

Result from Continuing Operations before

Capital Grants & Contributions

Indicator Definition:

Result from ordinary operations before receipt of Capital Grants and Contributions ie. Operating Result or 'Profit' after depreciation

Indicator / Local Government Benchmark:

Three (3) successive surplus' Surplus Deficit

June 2009	June 2010	June 2011	June 2012	June 2013
\$2,278	\$7,938	\$2,266	\$4,578	\$10,853

Commentary: Council continues to generate sufficient revenue to cover its operating expenditure, including depreciation.

Note: In respect of prospective financial information for 2014 to 2016 this relates to events and actions that have not yet occurred and may not occur. While evidence is available to support the assumptions on which prospective financial information is based, such evidence is generally future oriented and therefore speculative in nature.

FINANCIAL HEALTH CHECK PERFORMANCE INDICATORS

ASSET RENEWAL EXPENDITURE

Indicator # 3 – Asset Renewal Expenditure

Indicator Definition:

Capital Renewal Capacity – amount of funds spent on renewing assets (as opposed to maintaining them)

Capital Expenditure on Existing Assets

Annual Depreciation

Indicator / Local Government Benchmark:

1 to 1 Less than 1:1

	June 2012	June 2013	June 2014	June 2015	June 2016
	2.05	2.10	1.45	1.71	1.10

Commentary: This is a longer term indicator of the condition and cost to maintain public infrastructure assets. A strategic approach to asset management has been adopted and applied to Council's Delivery Program.

DEBT SERVICE RATIO

Indicator # 4 – Debt Service Ratio

Indicator Definition:

Net Debt Service Cost

Total Revenue from Ordinary Activities

Indicator / Local Government Benchmark:

<10% 10%-15% >15%

	June 2012	June 2013	June 2014	June 2015	June 2016
	0.53%	0.38%	0.16%	0.63%	0.58%

Commentary: This indicator shows the amount of annual revenue necessary to service annual debt obligations (loan repayments). Council's ability to service its debt is excellent. Council's only existing debts are finance leases.

COLLECTION PERFORMANCE

Indicator # 5 – Collection Performance

5.1 Outstanding Rates, Charges & Fees

5.2 Rates, Annual Charges, Interest and Extra charges outstanding

Indicator Definition:

5.1 Total Outstanding Rates Charges and Fees

Invoices raised plus Arrears Brought Fwd

5.2 Rates, Annual Charges, Interest and Extra charges outstanding

Rates Annual Charges, Interest and Extra Charges Collectible

Indicator / Local Government Benchmark:

<4% 4%-5% >5%

	June 2012	June 2013	June 2014	June 2015	June 2016
5.1	4.06%	4.88%	3.90%	3.90%	3.90%
5.2	3.18%	3.45%	3.35%	3.35%	3.35%

Commentary: 5.1 Outstanding rates, charges & fees indicator measures the effectiveness of Council in recovering all debts legally owed to it whereas;

5.2 Rates, Annual, Interest and Extra charges outstanding assesses only the impact of Rates, Annual Interest and Extra charges on liquidity and the adequacy of recovery efforts.

Note: In respect of prospective financial information for 2014 to 2016 this relates to events and actions that have not yet occurred and may not occur. While evidence is available to support the assumptions on which prospective financial information is based, such evidence is generally future oriented and therefore speculative in nature.

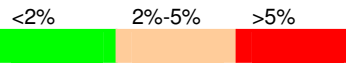
FINANCIAL HEALTH CHECK PERFORMANCE INDICATORS

RE-VOTES OF EXPENDITURE

Indicator # 6 – Re – Votes of Expenditure

Indicator Definition: Revotes / Ordinary and Capital Expenditure

Indicator / Local Government Benchmark:



June 2009	June 2010	June 2011	June 2012	June 2013
0.00%	2.12%	0.55%	0.24%	0.10%

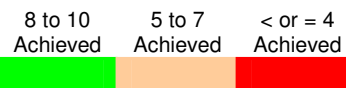
Commentary: The existence of re-votes at year end indicates funded projects/outcomes were not delivered in accordance with the Community Strategic Plan. Council had a small level of re-votes (0.10%) due to factors outside of its control.

ACCURACY / TIMELINES OF FINANCIAL DATA / BUDGET / COMPLIANCE

Indicator # 7 – Management Practices

Indicator Definition:

Indicator / Local Government Benchmark:



	June 2009	June 2010	June 2011	June 2012	June 2013
1. Financial Bottom Line (before capital) matched to forecasts to a level of + or – 10%	Yes	No	No	No	No
2. Receipt of an unqualified Audit Report	Yes	Yes	Yes	Yes	Yes
3. Statements lodged to meet compliance deadline	Yes	Yes	Yes	Yes	Yes
4. Do you report monthly to management within 5 days of month end	Yes	Yes	Yes	Yes	Yes
5. Do you report quarterly – within 21 days of quarter end	No	No	No	No	No
6. Do you report annually – within 21 days of year end	No	No	No	No	No
7. Budgets incorporate a 3 year plan where the 2nd year becomes the base for the following year	Yes	Yes	Yes	Yes	Yes
8. Rigour of budget review and then ongoing monthly/quarterly budget to actual results analysis	Yes	Yes	Yes	Yes	Yes
9. Does RAO (Responsible Accounting Officer) formally report to Council on the sign off of Financial Statements – Section 413 (2) (c)	Yes	Yes	Yes	Yes	Yes
10. Has the Council established an Audit Committee comprising elected members and community representatives in the interests of best corporate governance practice.	Yes	Yes	Yes	Yes	Yes
	8	7	7	7	7

Note: While No has been answered against Items 5 and 6 Council reports on a timely basis and due to the timing of meetings it is not practicable to achieve these timeframes.

*General Purpose
Financial Statements*

FOR THE YEAR ENDED 30 JUNE 2013

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

CONTENTS	PAGE	OVERVIEW
1. Statement by Councillors & Management	175	(i) These Financial Statements are general purpose financial statements for Warringah Council and its controlled entities and are presented in Australian currency.
2. Income Statement	176	(ii) Warringah Council is a body corporate of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.
3. Statement of Comprehensive Income	177	Local Government Act (LGA) 1993 of NSW. Council's Statutory Charter is specified in Section 8 of the LGA and includes;
4. Statement of Financial Position	178	<ul style="list-style-type: none"> • carrying out activities and providing goods, services and facilities appropriate to the current & future needs of the Local community and of the wider public; • responsibility for administering regulatory requirements under the LGA and other applicable legislation, and • a role in the management, improvement and development of the resources of the local government area.
5. Statement of Changes in Equity	179	A description of the nature of Council's operations and its principal activities are provided in Note 2(b).
6. Statement of Cash Flows	180	(iii) The Financial Statements are authorised for issue by the Council on 7 August 2013 . Council has the power to amend and reissue the Financial Statements.
7. Notes to the Financial Statements	181	(iv) 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 available on our website: www.warringah.nsw.gov.au .
8. Auditors' Reports	231	

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

The attached General Purpose Financial Statements have been prepared in accordance with:

- The Local Government Act 1993 (as amended) and the Regulations made thereunder
- The Australian Accounting Standards and professional pronouncements.
- 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, and
- accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 6 August 2013.

Michael Regan
MAYOR

Jose Mariano-Pires
COUNCILLOR

Rik Hart
GENERAL MANAGER

David Walsh
RESPONSIBLE ACCOUNTING OFFICER

INCOME STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Budget ⁽¹⁾			Actual	Actual
2013	\$ '000	Notes	2013	2012
INCOME FROM CONTINUING OPERATIONS				
Revenue:				
88,240	Rates & Annual Charges	3a	88,201	83,119
32,035	User Charges & Fees	3b	32,301	31,792
3,932	Interest & Investment Revenue	3c	4,437	5,329
9,468	Other Revenues	3d	10,408	9,356
7,243	Grants & Contributions provided for Operating Purposes	3e,f	7,288	8,677
4,785	Grants & Contributions provided for Capital Purposes	3e,f	3,970	4,160
Other Income:				
4,355	Net gains from the disposal of assets	5	4,781	205
	Net Share of interests in Joint Ventures & Associated			
-	Entities using the Equity Method	19	-	377
150,058	TOTAL INCOME FROM CONTINUING OPERATIONS		151,386	143,015
EXPENSES FROM CONTINUING OPERATIONS				
56,465	Employee Benefits & On-Costs	4a	55,776	54,434
729	Borrowing Costs	4b	902	312
48,048	Materials & Contracts	4c	48,002	49,522
14,286	Depreciation & Amortisation	4d	14,127	13,880
-	Impairment	4d	-	-
16,991	Other Expenses	4e	17,644	16,129
-	Interest & Investment Losses	3c	-	-
-	Net Losses from the Disposal of Assets	5	-	-
	Net Share of interests in Joint Ventures & Associated			
693	Entities using the Equity Method	19	113	-
137,212	TOTAL EXPENSES FROM CONTINUING OPERATIONS		136,563	134,277
12,846	OPERATING RESULT FROM CONTINUING OPERATIONS		14,823	8,738
DISCONTINUED OPERATIONS				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
12,846	NET OPERATING RESULT FOR THE YEAR		14,823	8,738
Attributable to:				
11,887	- Council		13,694	7,459
959	- Non-controlling Interests		1,129	1,279
8,061	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		10,853	4,578

⁽¹⁾Original Budget as approved by Council - refer Note 16

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

\$'000	Notes	Actual 2013	Actual 2012
Net operating result for the year - from Income Statement		14,823	8,738
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant and equipment	20b	33,494	-
Movement in revaluation reserve from disposal	20b	(111)	-
Total other Comprehensive Income for the year		33,383	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		48,206	8,738
Attributable to:			
- Council		47,077	7,459
- Non-controlling Interests		1,129	1,279

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

\$ '000	Notes	Actual 2013	Actual 2012
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	4,311	6,544
Investments	6b	76,511	68,537
Receivables	7	6,922	6,584
Inventories	8	93	96
Other	8	1,180	1,037
Non-current assets classified as "held for sale"	22	9,309	2,944
Total Current Assets		98,326	85,742
Non-Current Assets			
Investments	6b	3,287	4,318
Receivables	7	515	497
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	2,429,738	2,383,286
Investments accounted for using the equity method	19	1,113	1,226
Investment Property	14	1,900	2,100
Intangible Assets	25	1,991	1,840
Other	8	-	-
Total Non-Current Assets		2,438,544	2,393,267
TOTAL ASSETS		2,536,870	2,479,009
LIABILITIES			
Current Liabilities			
Payables	10	13,719	13,766
Borrowings	10	261	491
Provisions	10	13,071	12,457
Total Current Liabilities		27,051	26,714
Non-Current Liabilities			
Payables	10	-	600
Borrowings	10	13	274
Provisions	10	17,443	6,752
Investments accounted for using the equity method	19	-	-
Total Non-Current Liabilities		17,456	7,626
TOTAL LIABILITIES		44,507	34,340
NET ASSETS		2,492,363	2,444,669
EQUITY			
Retained Earnings	20	2,339,980	2,326,286
Revaluation Reserves	20	144,312	110,929
Council Equity Interest		2,484,292	2,437,215
Non - Controlling Interest		8,071	7,454
TOTAL EQUITY		2,492,363	2,444,669

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Non-controlling Interest	Total Equity
2013						
Opening Balance	20	2,326,286	110,929	2,437,215	7,454	2,444,669
Correction of Errors		-	-	-	-	-
Changes in Accounting Policies	20	-	-	-	-	-
Restated Opening Balances	20	2,326,286	110,929	2,437,215	7,454	2,444,669
Net Operating Result for the year	20	13,694	-	13,694	1,129	14,823
Other Comprehensive Income	20	-	33,383	33,383	-	33,383
Total Comprehensive Income		13,694	33,383	47,077	1,129	48,206
Dividends Paid to Minority Interests		-	-	-	(512)	(512)
Closing Balance		2,339,980	144,312	2,484,292	8,071	2,492,363
2012						
Opening Balance	20	2,318,827	110,929	2,429,756	6,605	2,436,361
Correction of Errors		-	-	-	-	-
Changes in Accounting Policies		-	-	-	-	-
Restated Opening Balances	20	2,318,827	110,929	2,429,756	6,605	2,436,361
Net Operating Result for the year	20	7,459	-	7,459	1,279	8,738
Other Comprehensive Income	20	-	-	-	-	-
Total Comprehensive Income		7,459	-	7,459	1,279	8,738
Dividends Paid to Minority Interests		-	-	-	(430)	(430)
Closing Balance		2,326,286	110,929	2,437,215	7,454	2,444,669

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Budget			Actual	Actual
2013	\$ '000	Notes	2013	2012
Cash Flows from Operating Activities				
Receipts:				
88,240	Rates & Annual Charges		87,846	83,146
32,035	User Charges & Fees		31,950	32,631
3,932	Interest & Investment Revenue Received		4,452	5,641
12,028	Grants & Contributions		11,629	13,630
-	Deposits & Retentions Received		1,216	1,205
9,469	Other		10,817	9,648
Payments:				
(56,465)	Employee Benefits & On-Costs		(55,051)	(53,375)
(48,048)	Materials & Contracts		(48,819)	(53,650)
(729)	Borrowing Costs		(82)	(82)
-	Deposits & Retentions Refunded		(1,344)	(1,526)
(16,991)	Other		(17,375)	(16,233)
23,471	Net Cash provided (or used in) Operating Activities	11b	25,239	21,035
Cash Flows from Investing Activities				
Receipts:				
-	Sale of Investments		154,465	146,925
-	Sale of Investment Property		-	-
7,534	Sale of Infrastructure, Property, Plant & Equipment		7,687	1,575
Payments:				
-	Purchase of Investment Securities		(161,385)	(143,369)
(30,321)	Purchase of Infrastructure, Property, Plant & Equipment		(27,085)	(29,487)
-	Purchase of Intangibles		(151)	(570)
(22,787)	Net Cash provided (or used in) Investing Activities		(26,469)	(24,926)
Cash Flows from Financing Activities				
Receipts:				
-	Proceeds from Borrowings & Advances		-	330
Payments:				
-	Repayment of Borrowings & Advances		-	-
(575)	Repayment of Finance Lease Liabilities		(491)	(647)
(372)	Dividends Paid to Minority Interests		(512)	(430)
(947)	Net Cash Flow provided (used in) Financing Activities		(1,003)	(747)
(263)	Net Increase/(Decrease) in Cash & Cash Equivalents		(2,233)	(4,638)
7,708	Cash & Cash Equivalents at beginning of the year	11a	6,544	11,182
7,445	Cash & Cash Equivalents - end of the year	11a	4,311	6,544

Please refer to Note 11 for information on the following:

- Non Cash Financing & Investing Activities.
- Financing Arrangements.
- Net cash flow disclosures relating to any Discontinued Operations

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, the Local Government Act (1993) and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting. Warringah Council is a not for profit entity for the purpose of preparing the financial statements.

(i) New and amended standards adopted by Council

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(ii) Early adoption of standards

Warringah Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2012.

(iii) Historical Cost Convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(iv) Critical Accounting Estimates

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 entity and that are believed to be reasonable under the circumstances.

• Critical accounting estimates and assumptions

Warringah 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 are set out below.

- (i) Estimated fair values of investment properties.
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated tip remediation provisions.

• Critical judgements in applying the entity's accounting policies

- (i) Impairment of Receivables
Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
- (ii) Projected Section 94 Commitments
Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

(b) Revenue Recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required but Council may apply contributions according to the priorities established in work schedules.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of Section 94A of the Environmental Planning & Assessment Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consent Order, such developer contributions are only recognised as income upon their physical 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. A detailed Note relating to developer contributions can be found at Note 17.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User Charges, Fees and Other Income

User charges, fees and other income (including parking 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 first occurs.

Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and Rents

Interest and rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

(c) Principles of Consolidation

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, 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. The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following entities have been included as part of the Consolidated Fund:

- General Purpose Operations
- Kimbriki Environmental Enterprises Pty Limited

Other joint ventures and associated entities in which Council is involved are included to the extent set out in (iv), Joint Ventures.

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (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.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these reports. A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

(iii) Associates

Associates are all entities over which the Council has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iv) Joint Venture Jointly Controlled Assets

The proportionate interests in the assets, liabilities and expenses of a joint venture activity have been incorporated throughout the financial statements under the appropriate headings. Details of the activity are set out in Note 19.

Profits or losses on transactions establishing the joint venture partnership and transactions with the joint venture are eliminated to the extent of the Council's ownership interest until such time as they are realised by the joint venture partnership on consumption or sale. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

(v) County Councils

Council is not a member of any County Councils

(d) Leases

Leases of property, plant and equipment where Council, as lessee, has substantially

all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. 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 Council will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets. Cost is measured as the fair value of the assets given, plus costs directly attributable to the acquisition.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets 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.

Where an asset is not held principally for cash generating purposes and would be replaced if the Council was deprived of it then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes 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.

(h) Receivables

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.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible 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 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. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible 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.

(i) Inventories**(i) Raw materials and stores, work in progress and finished goods**

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. The costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holdings are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Non-Current "Held for Sale"

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as those arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the statement of financial position.

(k) Investments and Other Financial Assets Classification

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in Receivables (Note 7) in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would

be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, Council may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security (note Council's obligations under Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005). The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial instruments is determined are disclosed in note 1(l).

Impairment

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the

security below its cost is considered an indicator that the assets are impaired.

(i) Assets carried at amortised cost

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. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

Investment Policy

Council has an approved investment policy complying with Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005. Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the Local Government Ministerial Investment Order. Council maintains an investment policy that complies with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds. Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments the Council holds are no longer prescribed – for example subordinated debt obligations – however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(l) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted

cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(m) Infrastructure, Property, Plant and Equipment (I,PP&E)

Council's assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Division of Local Government.

At balance date the following classes of IPP&E were stated at their fair value:

- Operational land (External Valuation).
- Buildings – Specialised/Non Specialised (External Valuation).
- Plant and equipment (as approximated by depreciated historical cost).
- Road assets – roads, bridges and footpaths (Internal Valuation)
- Drainage assets – (Internal Valuation)
- Community Land – (Internal Valuation)
- Land Improvements (as approximated by depreciated historical cost).
- Other structures (as approximated by depreciated historical cost).
- Other assets (as approximated by depreciated historical cost).

For all assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount. Full revaluations are undertaken for all assets on a 5 year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset 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 in 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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

are charged to the income statement during the financial period in which they are incurred.

Land including land under roads is not depreciated. 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 & Equipment

Office Equipment	5 – 10 years
Office furniture	10 – 20 years
Vehicles	5 – 8 years
Heavy Plant and Road Making equipment	5 – 8 years
Other plant and equipment	5 – 15 years

Other Equipment

Playground equipment	5 – 15 years
Benches, seats etc	10 – 20 years
Park Structures	
– Masonry	50 – 100 years
Park Structures	
– Other Construction	20 – 40 years

Buildings

Buildings – Masonry	50 – 100 years
Buildings – Other	20 – 40 years

Stormwater Drainage

Drains	100 years
--------	-----------

Transportation Assets

Sealed Roads – Surface	20 years
Sealed Roads – Structure	100 years
Bridge – Concrete	100 years
Bridge – Other	100 years
Road Pavements	100 years
Kerb, Gutter & Paths	100 years

Other Assets

Library Books	5 – 15 years
Artworks	Indefinite

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Land, other than land under roads, is classified as either operational or community in accordance with Part 2 of Chapter 6 of the Local Government Act (1993). This classification is made in Note 9(a).

Capitalisation Thresholds

All items of infrastructure, property, plant and equipment are capitalised with the exception where the cost of acquisition is as follows:

Plant & Equipment

Office Furniture	< \$2,000
Office Equipment	< \$2,000
Other Plant & Equipment	< \$2,000

Restricted Assets

Note 9(a) includes property assets at No's 7, 8, 8A & 10 Kimbriki Rd, Ingleside. These assets were acquired during previous reporting periods. As at June 2013, council holds equity in the four (4) properties at Kimbriki Rd, Ingleside for the purpose of site closure by agreement with Manly, Mosman and Pittwater councils. 7 Kimbriki Rd, Ingleside has been partly funded by the Domestic Waste Management Reserve to the extent of 35.5% of the purchase price, which equals \$0.852 million.

(n) Investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Investment property is carried at fair value, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, Council uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. These valuations are reviewed annually by a member of the Australian Property Institute. Changes in fair values are recorded in profit or loss as part of other income. The last revaluation for Council's Investment Properties was dated 30 June 2013.

Investment property includes properties that are under construction for future use as investment properties. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

Council has only one property classified as an investment property which is situated at 521 Pittwater Road, Brookvale.

(o) Payables**(i) Goods & Services**

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

(ii) Payments received in advance & deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

The interest rate that Council will pay on monies held in bonds is 0.20% per annum. (Commonwealth Everyday account).

Only accrued interest amounts over \$1.00 will be paid out.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest 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. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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 finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(q) Borrowing costs

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.

(r) Provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be 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.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be 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 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.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) 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.

A liability or asset in respect of defined

benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans (see below).

The Local Government Superannuation Scheme – Pool B (the Scheme) is a defined benefit plan that has been deemed to be a "multi-employer fund" for purposes of AASB119. Sufficient information under AASB119 is not available to account for the Scheme as a defined benefit plan, because the assets to the Scheme are pooled together for all employers.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2013 was \$1,189,134. The last valuation of the Scheme was performed by Mr Martin Stevenson BSc, FIA, FIAA on 20 February 2013 and covers the period ended 30 June 2013. However the position is monitored annually and the Actuary has estimated that as at 30 June 2013 a deficit still exists. Effective from 1 July 2013, employers are required to contribute additional contributions to assist in extinguishing this deficit. The amount of additional contributions included in the total employer contribution advised above is \$588,369.

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$2,735,531 as at 30 June 2013.

The Local Government Superannuation Scheme has advised member councils that, as a result of the global financial crisis, it has a significant deficiency of assets over liabilities. As a result, they have asked for significant increases in contributions to recover that deficiency. 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, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

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.

Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30 June 2013.

(t) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(u) Land under roads

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051. Any land under roads that was recognised before 1 July 2008 was derecognised at 1 July 2008 against the opening balance of retained earnings.

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

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

(v) Provisions for close down, restoration and for environmental clean up costs – Tips and Quarries

(i) Restoration

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close down and restoration costs do not include

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period. The amortisation of the discount is shown as a borrowing cost.

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

(ii) Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each statement of financial position date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the statement of financial position date. These costs are charged to the income statement. Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost. Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the

relevant legal requirements, the emergence of new restoration techniques or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions for Close Down, Restoration and Environmental Clean Up costs can be found at Note 26.

(w) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

(x) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. Warringah Council's assessment of the impact of these new standards and interpretations is set out below.

- (i) AASB 9 Financial Instruments, associated standards, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures (effective from 1 January 2015)

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will affect in particular Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on

available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed.

- (ii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013). The suite of five new and amended standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules. As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

(iii) AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)

AASB 13 explains how to measure fair value and aims to enhance fair value disclosures. Council has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

(iv) Revised AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (effective 1 January 2013)

This revised standard on accounting for employee benefits requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset. This replaces the expected return on plan assets that is currently included in profit or loss. The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits. The amendments will have to be implemented retrospectively. Council does not recognise defined benefit assets and liabilities for the reasons set out in note 1 (s)(iii) and so these changes will not have an impact on its reported results.

(v) AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7] (effective 1 January 2013)

This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

(vi) AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (effective 1 January 2014)

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying

the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

(vii) AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle (effective 1 January 2013)

AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once. An entity can elect to apply AASB 123 from the transition date or an earlier date.

AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.

AASB 116 - clarifies the classification of servicing equipment.

AASB 132 and Interpretation 2 - Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes

AASB 134 - provides clarification about segment reporting.

The amendments arising from this standard are not expected to change the reported financial position or performance of the Council.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(y) Self insurance

Council has determined to self-insure for various risks including public liability and professional indemnity. This is up to a limit of \$150,000 (\$600,000 prior to 1 July 2006) per claim/event for public liability and \$50,000 per claim/event for professional indemnity. A provision for self-insurance has been made to recognise outstanding claims the amount of which is detailed in Note 10. Council also maintains cash and investments to meet expected future claims and these are detailed in Note 6(c).

(z) Intangible assets

Alternative Waste Technology
Costs incurred in acquiring licences and rights that will contribute to future period

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

financial benefits through revenue generation and/or cost reduction are capitalised to licensing.

Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project. Amortisation will be calculated on a straight line basis over the life of the project. Development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

(aa) 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 the reserves are recognised within Council's Income Statement.

Representations from both State and Local Government are being sought to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

(bb) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed".

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to recognise Rural Fire Service assets including land, buildings, plant and vehicles and depreciation charges within the Financial Statements.

(cc) Goods & 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 within the statement of financial position are stated inclusive of any applicable GST. The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability 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 which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(dd) Taxes

Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

(ee) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these Financial Statements and/or the Notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 2(a) FUNCTIONS OR ACTIVITIES

 \$ '000
 Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).

Functions/Activities	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations			Total Assets held (Current & Non-current)	
	Original Budget			Original Budget			Original Budget			Actual			Actual	
	2013	2013	2012	2013	2013	2012	2013	2013	2012	2013	2013	2012	2013	2012
Corporate Support	13,705	12,360	7,218	22,450	19,755	20,118	(8,745)	(7,395)	(12,900)	10	19	1,851,166	1,821,397	
Good Governance	210	217	9	7,326	7,165	6,967	(7,116)	(6,948)	(6,958)	-	20	-	-	
Certification	326	222	281	756	671	767	(430)	(449)	(486)	-	-	-	-	
Child Care	5,465	5,325	5,106	7,015	7,043	6,745	(1,560)	(1,718)	(1,639)	598	635	-	-	
Community & Safety	1,688	2,080	1,758	6,028	6,359	6,076	(4,340)	(4,279)	(4,318)	368	159	481	479	
Compliance	4,334	4,021	3,604	5,343	5,246	4,971	(1,009)	(1,225)	(1,367)	-	-	-	-	
Cultural Services	63	109	92	975	1,089	1,086	(912)	(980)	(1,004)	-	-	37	-	
Development Assessment	1,956	1,651	1,593	5,089	5,144	5,572	(3,133)	(3,493)	(3,979)	-	-	-	-	
Glen Street Theatre	1,769	1,446	1,623	2,865	2,724	3,172	(1,096)	(1,278)	(1,549)	-	-	-	-	
Information & Library	675	591	628	6,146	6,051	6,291	(5,471)	(5,460)	(5,663)	362	393	1,546	1,573	
Kimbriki Environmental Enterprises	16,592	18,255	17,978	18,287	20,054	18,099	(1,695)	(1,799)	(1,211)	-	-	20,561	-	
Natural Environment	542	488	825	9,426	9,609	9,629	(8,884)	(9,121)	(8,804)	178	459	235,981	237,293	
Parks, Reserves & Foreshores	611	685	679	9,932	10,040	9,733	(9,321)	(9,355)	(9,054)	87	89	80,326	73,444	
Roads, Traffic & Waste	24,541	23,630	21,978	28,811	28,533	28,665	(4,270)	(4,903)	(6,687)	1,225	1,225	346,067	344,014	
Strategic Planning	527	570	625	2,727	2,828	2,542	(2,200)	(2,258)	(1,917)	-	-	-	-	
Warringah Aquatic Centre	2,389	2,341	1,950	4,036	4,139	3,834	(1,647)	(1,798)	(1,884)	-	-	532	541	
Total Functions & Activities	75,383	73,991	65,947	137,212	136,450	134,277	(61,829)	(62,459)	(66,330)	2,828	2,999	2,536,697	2,478,741	
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	377	-	113	-	-	(113)	377	-	-	173	268	
General Purpose Income ¹	74,675	77,395	76,691	-	-	-	74,675	77,395	76,691	4,864	6,021	2,536,870	2,479,009	
Totals	150,058	151,386	143,015	137,212	136,563	134,277	12,846	14,823	8,738	7,692	9,020	2,536,870	2,479,009	
Operating Result attributable to Council	11,887													
Operating Result attributable to Minority Interest	959													

¹ Includes: Rates & Annual Charges (incl. Ex-Gratia), United General Purpose Grants & Unrestricted Interest & Investment Income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 2(b) COMPONENTS OF FUNCTIONS OR ACTIVITIES

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

Certification Services

Issue of certificates and approvals (including Construction, Occupations, Strata, Compliance and Building Certificates), as well as conducting principal certifying authority functions.

Children's Services

Long day, mobile occasional and family day care. Provision of programs, events, information and referral for children and their families. Aboriginal services, family and community education and vulnerable family service and support.

Community & Safety Services

Seniors and disabled service and support, beach management, community centre management, community development program and vulnerable service and support.

Compliance Services

Investigate and enforce compliance relating to unlawful building works, unlawful land uses, fire safety and breach of consent. Complaints investigation, public safety and health projects, environmental health, animal management and education.

Corporate Support Services

Costs not otherwise attributed to other services (includes Customer Service, Finance, Human Resources, Information Management & Technology, Procurement and Property and Commercial Development).

Cultural Services

Co-ordination of civic and landmark events (eg Citizenship and Australia Day), community festivals, exhibitions and cultural programs.

Development Assessment Services

Assessment on development and subdivision, advice on development, advice and service on civil engineering.

Glen Street Theatre

Host performing arts professionals, community groups, schools and corporate users.

Good Governance

Corporate planning, strategic advice and support, corruption prevention strategies, community engagement, elected council support, policy development and review and manage complaints service.

Information and Library Services

Public libraries providing lending, information and search services, communal space for study/research and supporting communities information, education, cultural and recreational needs.

Kimbriki Environmental Enterprises

Operation of landfill and recycling from commercial and domestic customers.

Natural Environment

Advice on natural areas and environmental issues, planning and research on environmental sustainability, environmental education and stormwater management.

Parks, Reserves and Foreshores

Management of parks, reserves, foreshores assets including sportsgrounds, playgrounds, rock pools and other recreational facilities.

Roads, Traffic and Waste

Street lighting, collection of commercial and domestic waste, public place cleaning, road network asset maintenance and traffic management.

Strategic Planning

Advice on land use, development and policy.

Warringah Aquatic Centre

Aquatic centre management, providing water safety, water fitness, learn to swim and coaching programs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 3 INCOME FROM CONTINUING OPERATIONS

\$ '000	Notes	Actual 2013	Actual 2012
(a) Rates & Annual Charges			
Ordinary Rates			
Residential		55,954	53,788
Business		13,675	13,339
Total Ordinary Rates		69,629	67,127
Special Rates			
Nil			
Annual Charges (pursuant to s496, s501 & s611)			
Domestic Waste Management Services		18,498	15,992
Section 611 Charges		74	-
Total Annual Charges		18,572	15,992
TOTAL RATES & ANNUAL CHARGES		88,201	83,119

Council has used 2009 year valuations provided by the NSW Valuer General in calculating its rates.

(b) User Charges & Fees

User Charges (pursuant to s.502)

Waste Management Services (non-domestic)		445	405
Total User Charges		445	405

Fees

Planning & Building Regulation		1,846	1,720
Regulatory Fees		326	395
Section 149 Certificates (EPA Act)		483	503
Section 603 Certificates		198	197
Section 611 Charges		-	70
Dog Registration		65	28
Road & Shop Inspection		100	115
Child Care		5,344	4,924
Community Centres		1,182	1,341
Glen Street Theatre		1,075	1,040
Kimbriki Waste & Recycling Centre		15,886	14,693
Libraries		152	211
Parking Areas		961	879
Restoration Charges		959	1,945
Swimming Centres		2,087	1,735
Other		1,192	1,591
Total Fees		31,856	31,387
TOTAL USER CHARGES & FEES		32,301	31,792

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 3 INCOME FROM CONTINUING OPERATIONS (continued)

\$ '000	Notes	Actual 2013	Actual 2012
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges		233	226
- Interest earned on Investments (interest & coupon payment income)		4,181	5,353
Fair Value Adjustments			
- Fair Valuation Movements in Investments unrealised capital gains/(losses)		23	(250)
TOTAL INTEREST & INVESTMENT REVENUE		4,437	5,329
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges		233	226
General Council Cash & Investments		2,650	3,292
Restricted Investments/Funds - External:			
Development Contributions			
- Section 94		1,286	1,481
- Section 94A		268	330
Total Interest & Investment Revenue Recognised		4,437	5,329
(d) Other Revenues			
Ex Gratia Rates		19	25
Insurance Claim Recoveries		332	302
Legal Fees Recovery - Rates & Charges (Extra Charges)		101	80
Legal Fees Recovery - Other		50	120
Other Fines		331	211
Parking Fines		2,213	1,942
Recycling Income (non domestic)		1,461	1,435
Rental Income - Investment Properties		151	191
Rental Income - Other Council Properties		2,167	2,021
Sales - General		171	24
Sullage Income/Sponsorship		27	17
Waste Performance Improvement		918	812
Other Revenues		2,467	2,176
TOTAL OTHER REVENUE		10,408	9,356

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 3 INCOME FROM CONTINUING OPERATIONS (continued)

\$ '000	Notes	2013 Operating	2012 Operating	2013 Capital	2012 Capital
(e) Grants					
General Purpose (Untied)					
Financial Assistance - General Component		2,906	3,709	-	-
Financial Assistance - Local Roads Component		1,157	1,510	-	-
Pensioners' Rates Subsidies - General Component		801	802	-	-
Total General Purpose		4,864	6,021	-	-
Specific Purpose					
Pensioners' Rates Subsidies:					
- Domestic Waste Management		231	214	-	-
Bushfire & Emergency Services		48	170	-	-
Child Care		598	635	-	-
Coast & Estuaries		76	114	-	-
Community Care		135	148	-	-
Community Centres		102	34	131	-
Environmental Protection		10	5	-	-
Library		90	89	272	270
Noxious Weeds		35	43	-	-
Recreation & Culture		67	77	30	64
Sport & Recreation		-	17	-	63
Street Lighting		349	348	-	-
Transport (Roads to Recovery)		-	-	608	608
Transport (Other Roads & Bridges Funding)		37	64	-	-
Local Environmental Planning		-	14	-	-
Other		10	22	-	-
Total Specific Purpose		1,787	1,994	1,041	1,005
Total Grants		6,651	8,015	1,041	1,005
Grant Revenue is attributable to:					
- Commonwealth Funding		4,423	5,540	608	608
- State Funding		2,228	2,475	433	397
		6,651	8,015	1,041	1,005

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 3 INCOME FROM CONTINUING OPERATIONS (continued)

\$ '000	Notes	2013 Operating	2012 Operating	2013 Capital	2012 Capital
(f) Contributions					
Developer Contributions:					
(s93 & s94 - EP&A Act, s64 of the NSW LG Act):					
S 94 - Contributions towards amenities/services		-	-	206	-
S 94A - Fixed Development Consent Levies		-	-	1,941	2,531
Total Developer Contributions	17	-	-	2,147	2,531
Other Contributions:					
Bushfire Services		150	10	-	-
Coast & Estuaries		117	124	-	-
EPA Rebate		-	-	-	8
Other Councils - Joint Works/Services		27	166	-	-
Recreation & Culture		-	9	396	-
RTA Contributions (Regional/Local, Block Grant)		343	341	360	616
Other		-	12	26	-
Total Other Contributions		637	662	782	624
Total Contributions		637	662	2,929	3,155
TOTAL GRANTS & CONTRIBUTIONS		7,288	8,677	3,970	4,160

(g) Restrictions relating to Grants and Contributions**Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:**

Unexpended at the Close of the Previous Reporting Period	32,293	31,460
add: Grants and contributions recognised in the current period which have not been spent:	4,235	4,774
less: Grants and contributions recognised in a previous reporting period which have been spent in the current reporting period:	(5,439)	(3,941)
Net Increase (Decrease) in Restricted Assets during the Current Reporting Period	(1,204)	833

Unexpended at the Close of this Reporting Period and held as Restricted Assets	31,089	32,293
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Comprising:

- Specific Purpose Unexpended Grants	498	700
- Developer Contributions	30,591	31,593
- Other Contributions	-	-
	31,089	32,293

FINANCIAL HEALTH CHECK PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 4 EXPENSES FROM CONTINUING OPERATIONS

\$ '000	Notes	Actual 2013	Actual 2012
(a) Employee Benefits & On-Costs			
Salaries and Wages		46,059	43,225
Employee Termination Costs		15	234
Travelling		34	35
Employee Leave Entitlements (ELE)		4,604	5,513
Superannuation		4,998	4,793
Workers' Compensation Insurance		(35)	365
Fringe Benefit Tax (FBT)		298	386
Training Costs (other than Salaries & Wages)		817	851
Recruitment Costs		113	115
Other		704	625
Total Employee Costs		57,607	56,142
Less: Capitalised Costs		(1,831)	(1,708)
TOTAL EMPLOYEE COSTS EXPENSED		55,776	54,434
Number of "Full Time Equivalent" Employees at year end		560	545
(b) Borrowing Costs			
Interest on Loans		-	-
Charges on Finance Leases		82	82
Amortisation of Discounts and Premiums			
- Remediation Liabilities		820	230
Less: Capitalised Costs		-	-
TOTAL BORROWING COSTS EXPENSED		902	312

FINANCIAL HEALTH CHECK PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 4 EXPENSES FROM CONTINUING OPERATIONS (continued)

\$ '000	Notes	Actual 2013	Actual 2012
(c) Materials & Contracts			
Raw Materials & Consumables		9,186	8,772
Contractor & Consultancy Costs			
- Bush Regeneration		839	886
- Cleaning		951	948
- Garbage		4,753	4,726
- Recycling		3,533	3,381
- External Roadwork		799	1,758
- Waste Disposal		4,540	4,473
- Other		22,042	23,708
Remuneration of Auditors ⁽¹⁾			
- Audit Services		90	87
- Other Services		7	5
Legal Fees:			
- Planning & Development		353	597
- Other		807	572
Operating Leases:			
- Printers		102	85
Less: Capitalised Costs		-	(476)
TOTAL MATERIALS & CONTRACTS		48,002	49,522

(1) During the year the following fees were paid or payable for services provided by the Council's auditors - Hill Rogers Spencer Steer

(i) Audit and other assurance services			
Audit and review of financial statements		83	80
Other assurance services:			
- Review of Budget and Long Term Financial Plan		7	7
Total remuneration for audit and other assurance services		90	87
(ii) Other services			
Attendance at Audit and Risk Committee Meetings		3	5
- Other		4	-
Total remuneration for other services		7	5
Total remuneration of Council's auditors - Hill Rogers Spencer Steer		97	92

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 4 EXPENSES FROM CONTINUING OPERATIONS (continued)

\$ '000	Notes	Depreciation/Amortisation		Impairment Costs	
		Actual 2013	Actual 2012	Actual 2013	Actual 2012
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		1,664	1,756	-	-
Office Equipment		869	942	-	-
Furniture & Fittings		208	163	-	-
Property, Plant & Equipment - Leased		475	655	-	-
Land Improvements (depreciable)		81	71	-	-
Buildings - Non Specialised		1,923	1,884	-	-
Buildings - Specialised		316	306	-	-
Other Structures		571	509	-	-
Infrastructure:					
- Roads, Bridges & Footpaths		3,719	3,581	-	-
- Stormwater Drainage		3,531	3,453	-	-
Other Assets					
- Library Books		526	519	-	-
Tip Asset		244	41	-	-
Less: Capitalised Costs		-	-	-	-
TOTAL DEPRECIATION & TOTAL IMPAIRMENT		14,127	13,880	-	-
<hr/>					
\$ '000	Notes	Actual 2013	Actual 2012		
(e) Other Expenses					
Other Expenses for the year include the following:					
Fair Value Adjustments - Investment Properties		200	-		
Advertising		634	692		
Bad & Doubtful Debts		49	(12)		
Carbon Tax Expense		667	-		
Mayoral Fee		58	56		
Councillors' Fees		217	212		
Councillors' (incl. Mayor) Expenses - Other (excluding fees above)		177	113		
Contributions to Other Levels of Government					
- Planning Levy		278	269		
- Waste Levy		5,322	4,732		
- Emergency Services Levy		2,897	2,854		
- Other Levies		-	50		
Contributions & Donations (Section 356)		234	295		
Data Services		388	328		
Electricity & Heating		2,864	2,481		
Insurance		1,032	1,467		
Interest on Bonds & Deposits		7	4		
SHOROC Contributions		169	142		
Street Lighting		1,558	1,535		
Telephone & Communications		509	550		
Valuation Fees		209	196		
Other		174	165		
TOTAL OTHER EXPENSES		17,644	16,129		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 5 GAINS OR LOSSES FROM THE DISPOSAL OF ASSETS

\$ '000	Notes	Actual 2013	Actual 2012
Property (excl. Investment Property)			
Proceeds from Disposal		5,722	-
less: Carrying Amount of Property Assets Sold		(1,537)	-
Net Gain/(Loss) on Disposal		4,185	-
Plant & Equipment			
Proceeds from Disposal		1,549	1,575
less: Carrying Amount of P&E Assets Sold		(1,284)	(1,370)
Net Gain/(Loss) on Disposal		265	205
Infrastructure			
Proceeds from Disposal		3	-
less: Carrying Amount of Infrastructure Assets Sold		(114)	-
plus: Reversal of Revaluation Reserve		111	-
Net Gain/(Loss) on Disposal		-	-
Financial Assets			
Proceeds from Disposal		154,465	146,925
less: Carrying Amount of Financial Assets Sold		(154,465)	(146,925)
Net Gain/(Loss) on Disposal		-	-
Non Current Assets Classified as "Held for Sale"			
Proceeds from Disposal		413	-
less: Carrying Amount of "Held for Sale" Assets Sold		(82)	-
Net Gain/(Loss) on Disposal		331	-
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		4,781	205

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 6(a) CASH AND CASH EQUIVALENTS

\$ '000	Notes	2013 Actual		2012 Actual	
		Current	Non Current	Current	Non Current
Cash on Hand and at Bank		4,311	-	6,544	-
Total Cash & Cash Equivalents		4,311	-	6,544	-

NOTE 6(b) INVESTMENTS

Financial Assets at fair value through Profit and Loss - Held for Trading ⁽¹⁾		992	1,287	1,998	2,318
Held to Maturity Investments		75,519	2,000	66,539	2,000
Total		76,511	3,287	68,537	4,318

Financial Assets at fair value through Profit and Loss - Held for Trading

At beginning of year		1,998	2,318	1,498	4,623
Revaluation to Income Statement		2	21	28	(278)
Additions		-	-	-	-
Disposals		(2,000)	(60)	(1,500)	(55)
Transfers between Current/Non Current		992	(992)	1,972	(1,972)
At end of year		992	1,287	1,998	2,318

Comprising of:

FRNs		992	-	1,998	958
Mortgage Backed Securities		-	1,287	-	1,360
		992	1,287	1,998	2,318

Held to Maturity Investments

At beginning of year		66,539	2,000	69,540	1,000
Amortisation of discounts and premiums		-	-	-	-
Additions		161,385	-	141,369	2,000
Disposals		(152,405)	-	(145,370)	-
Transfers between Current/Non Current		-	-	1,000	(1,000)
At end of year		75,519	2,000	66,539	2,000

Comprising of:

Term Deposits		75,519	2,000	65,539	2,000
FRNs		-	-	1,000	-
		75,519	2,000	66,539	2,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 6(c) RESTRICTED CASH, CASH EQUIVALENTS & INVESTMENTS

\$ '000	Notes	2013 Actual		2012 Actual	
		Current	Non Current	Current	Non Current
Total Cash, Cash Equivalents and Investments		80,822	3,287	75,081	4,318
External Restrictions (refer below)		30,500	3,287	28,848	4,318
Internal Restrictions (refer below)		8,498	-	9,944	-
Unrestricted		41,824	-	36,289	-
		80,822	3,287	75,081	4,318

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
External Restrictions - Included in Liabilities				
Nil				
External Restrictions - Other				
Developer Contributions - General (A)	31,593	3,702	(4,704)	30,591
Specific Purpose Unexpended Grants (B)	700	534	(736)	498
Domestic Waste Management (C)	739	1,976	(151)	2,564
Subdivision and Duffy's Forest Concurrence	134	-	-	134
External Restrictions - Other	33,166	6,212	(5,591)	33,787
Total External Restrictions	33,166	6,212	(5,591)	33,787

A Development contributions which are not yet expended for the provision of services and amenities in accordance with contribution plans (refer Note 17).

B Grants which are not yet expended for the purposes for which the grants were obtained (refer Note 1).

C Domestic Waste Management (DWM) are externally restricted assets and must be applied for the purposes for which they were raised.

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions				
Beach Parking	118	-	-	118
Compulsory Open Space Acquisition	156	-	-	156
Deposits, Retentions & Bonds	4,239	26	(154)	4,111
Employees Leave Entitlement	2,363	350	-	2,713
Insurance	1,187	-	(150)	1,037
Long Reef SLSC Renewal	171	-	-	171
Road Reserve	-	95	-	95
SES Building Capital Works	-	97	-	97
Stormwater Management	1,183	4,881	(6,064)	-
Sportsfield	527	1,415	(1,942)	-
Infrastructure	-	4,598	(4,598)	-
Total Internal Restrictions	9,944	11,462	(12,908)	8,498
TOTAL RESTRICTIONS	43,110	17,674	(18,499)	42,285

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Note 7

NOTE 7 RECEIVABLES

\$ '000	2013		2012	
	Current	Non Current	Current	Non Current
Purpose				
Rates & Annual Charges	2,390	323	2,048	310
Interest & Extra Charges	237	192	198	187
User Charges & Fees	2,569	-	1,934	-
Accrued Revenues				
- Interest on Investments	924	-	983	-
Government Grants & Subsidies	94	-	465	-
Net GST Receivable	808	-	1,051	-
Other Debtors	-	-	-	-
Total	7,022	515	6,679	497
less: Provision for Impairment				
Rates & Annual Charges	-	-	-	-
User Charges & Fees	(100)	-	(95)	-
Total Provision for Impairment - Receivables	(100)	-	(95)	-
TOTAL NET RECEIVABLES	6,922	515	6,584	497
Externally Restricted Receivables				
Domestic Waste Management	553	101	462	104
Other	-	-	-	-
Total External Restrictions	553	101	462	104
Internally Restricted Receivables				
Nil				
Unrestricted Receivables	6,369	414	6,122	393
TOTAL NET RECEIVABLES	6,922	515	6,584	497

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest is charged on overdue rates & charges at 9.00% (2012 9.00%).
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Note 8 INVENTORIES & OTHER ASSETS

\$ '000	2013		2012	
	Current	Non Current	Current	Non Current
Inventories				
Stores & Materials	61	-	66	-
Trading Stock	32	-	30	-
Total Inventories	93	-	96	-
Other Assets				
Prepayments	1,180	-	1,037	-
Total Other Assets	1,180	-	1,037	-
TOTAL INVENTORIES & OTHER ASSETS	1,273	-	1,133	-

(i) Externally Restricted Assets**Water**

Nil

Sewerage

Nil

Domestic Waste Management

Nil

Other

Nil

Total Externally Restricted Assets	-	-	-	-
Total Internally Restricted Assets	-	-	-	-
Total Unrestricted Assets	1,273	-	1,133	-
TOTAL INVENTORIES & OTHER ASSETS	1,273	-	1,133	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 9(a) INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Asset Movements during the Reporting Period												
	At 30/6/2012	At 30/6/2013											
	Cost	At Fair Value	Accumulated Depreciation & Impairment	Carrying value	Additions	WDV of Disposals	Depreciation and Impairment	Adjustments & Transfers	Revaluation Increments/(decrements) ⁽¹⁾	Cost	At Fair Value	Accumulated Depreciation & Impairment	Carrying value
Capital Work in Progress	3,644	-	-	3,644	2,481	-	-	(2,658)	-	3,467	-	-	3,467
Plant & Equipment	-	11,435	5,551	5,884	2,455	(1,284)	(1,864)	(51)	-	-	10,772	5,434	5,338
Office Equipment	-	11,959	9,188	2,771	1,295	-	(869)	162	-	-	13,428	10,068	3,360
Furniture & Fittings	-	2,944	2,473	471	5	-	(208)	82	-	-	3,433	3,083	350
Plant & Equipment (under Finance Lease)	-	1,592	865	727	-	-	(475)	-	-	-	940	688	252
Land:													
- Operational Land	-	147,265	-	147,265	-	(137)	-	(5,385)	1,721	-	143,464	-	143,464
- Community Land	-	1,429,191	-	1,429,191	-	(1,400)	-	(219)	-	-	1,427,572	-	1,427,572
- Land Under Roads	-	1,806	-	1,806	-	-	-	142	-	-	1,948	-	1,948
Land Improvements - depreciable	-	24,853	1,182	23,671	1,663	-	(81)	(228)	-	-	26,281	1,256	25,025
Buildings - Non Specialised	-	191,103	76,297	114,806	5,683	-	(1,923)	(644)	29,017	-	188,869	41,930	146,939
Buildings - Specialised	-	31,306	13,088	18,218	357	-	(816)	-	2,756	-	31,372	10,357	21,015
Other Structures	-	61,142	8,750	52,392	4,547	-	(571)	1,682	-	-	67,389	9,338	58,051
Infrastructure:													
- Roads, Bridges, Footpaths	-	407,769	66,335	341,434	5,929	(114)	(3,719)	(73)	-	-	413,456	70,000	343,456
- Stormwater Drainage	-	336,503	98,178	238,325	1,942	-	(3,531)	744	-	-	339,189	101,709	237,480
Other Assets:													
- Library Books	-	7,505	5,932	1,573	500	-	(526)	-	-	-	8,005	6,458	1,547
- Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Reinstatement, Rehabilitation & Restoration Assets (refer Note 26)													
- Tip Asset	-	2,019	911	1,108	9,610	-	(244)	-	-	-	11,629	1,155	10,474
TOTAL	3,644	2,666,392	288,750	2,383,286	36,467	(2,935)	(14,127)	(6,446)	33,494	3,467	2,687,747	261,476	2,429,738
Asset acquisitions were apportioned between													
			New Assets	16,864									
			Renewals	19,603									
			Total Additions	36,467									

⁽¹⁾ Operational Land was independently valued by Scott Fullarton FAPI CPP Certified Practising Valuer, Registration No. VAL2144 on 30 June 2013 and Buildings were independently valued by Michelle Cross B. App Sci (Property Ecc.) Registered Valuer No. NSW VAL023057 on 30 June 2013.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 9(b) RESTRICTED INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

\$ '000		Actual 2013			Actual 2012			
\$ '000	At Cost	At Fair Value	A/Dep & Impairment	Carrying Value	At Cost	At Fair Value	A/Dep & Impairment	Carrying Value
Class of Asset								
Domestic Waste Management								
- 35.5% of 7 Kimbriki Rd Ingleside		852		852	-	4,476	-	4,476
Total DWM	-	852	-	852	-	4,476	-	4,476
Other Restricted Assets								
- 64.5% of 7 Kimbriki Rd Ingleside								
- 100% of 8,8A & 10 Kimbriki Rd Ingleside		6,052		6,052	-	8,133	-	8,133
- Non-Cash S94 Contribution		716		716	-	716	-	716
Total Other Restrictions	-	6,768	-	6,768	-	8,849	-	8,849
TOTAL RESTRICTED I,PP&E	-	7,620	-	7,620	-	13,325	-	13,325

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10(a) PAYABLES, BORROWINGS AND PROVISIONS

\$ '000	Notes	Actual 2013		Actual 2012	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services		1,605	-	1,674	-
Accrued Expenses					
- Wages and Salaries		1,066	-	960	-
- Other		3,978	-	4,357	600
Payments Received In Advance		1,908	-	1,640	-
Deposits & Retentions		4,111	-	4,239	-
Fringe Benefits Tax Payable		80	-	96	-
Other Payables		971	-	800	-
Total Payables		13,719	-	13,766	600
Current Payables not expected to be settled within the next 12 months					
Deposits & Retentions		2,596	-	2,545	-
Total		2,596	-	2,545	-
Borrowings					
Loans - Secured ⁽¹⁾		-	-	-	-
Finance Lease Liability		261	13	491	274
Total Borrowings		261	13	491	274
Provisions⁽²⁾					
Employee Benefits;					
Annual Leave		4,302	-	3,916	-
Sick Leave		340	-	391	-
Long Service Leave		7,682	1,031	7,378	1,017
Gratuities		4	34	5	35
Redundancies		172	-	204	-
Sub Total - Aggregate Employee Benefits		12,500	1,065	11,894	1,052
Self Insurance - Workers Compensation		222	528	197	860
- Public Liability		318	719	366	775
- Other					
Asset Remediation	26	-	14,495	-	4,065
Carbon Tax		31	636	-	-
Total Provisions		13,071	17,443	12,457	6,752
Current Provisions not expected to be settled within the next 12 months					
		7,459	-	6,673	-

Notes:

⁽¹⁾Loans are secured over the income of Council

⁽²⁾Vested ELE is all carried as a current provision

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10(a) PAYABLES, BORROWINGS AND PROVISIONS (continued)

\$ '000	Actual 2013		Actual 2012	
	Current	Non Current	Current	Non Current
Liabilities relating to Restricted Assets				
Externally Restricted Assets				
Domestic Waste Management	483	-	633	-
Total	483	-	633	-
Internally Restricted Assets				
Security Bonds, Deposits & Retentions	4,265		4,239	-
Employee Leave Entitlements	2,500	213	2,218	196
Self Insurance Claims - Reserve	222	528	197	860
Total	6,987	741	6,654	1,056
Total Liabilities relating to restricted assets	7,470	741	7,287	1,056
Liabilities related to unrestricted assets	19,579	16,715	19,427	6,570
Total	27,049	17,456	26,714	7,626

NOTE 10(b) DESCRIPTION OF AND MOVEMENTS IN PROVISIONS

Class of Provision \$'000	Opening Balance	Additional Provisions	Payments	Remeasurement	Closing Balance
Annual Leave	3,916	3,688	(3,344)	42	4,302
Sick Leave	391	309	(360)	-	340
Long Service Leave	8,395	1,071	(783)	30	8,713
Gratuities	40	(2)	-	-	38
Redundancies	204	12	(44)	-	172
Self Insurance	2,198	(267)	(144)	-	1,787
Asset Remediation	4,065	10,430	-	-	14,495
Carbon Tax	-	667	-	-	667
TOTAL	19,209	15,908	(4,675)	72	30,514

- Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- Self Insurance Provisions represent both (i) Claims incurred but not reported and (ii) Claims reported & estimated as a result of Council being a self insurer up to certain levels of excess. For public liability this limit is \$150,000 (\$600,000 prior to 1 July 2006) per claim/event and for professional indemnity \$50,000 per claim/event.
- Asset Remediation Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.
- Specific uncertainties relating to the final costs and the assumptions made in determining Provisions for Self Insurance include:
 - Claims Escalation of between 1.993% and 4% per annum and Bond Yields of between 2.471% and 3.955% per annum over a 12 year period;
 - All monetary amounts for past Workers Compensation Claims were indexed to bring them to "standardised" values at June 2013;
 - Workers Compensation Claim payments projected into the future by the adopted actuarial model will be in "standardised" values as at June 2013; and
 - The outstanding estimates for Public Liability & Professional Indemnity claims include medical, legal and other claim related costs.
- The Carbon Tax liability is separate and distinct from the liability for remediation of the landfill site. Landfill deposits made during 2012/2013 are deemed not to commence emitting CO₂e gases until 1 July 2012 and hence actual payments to discharge the carbon tax liability will not commence until after that date. The estimation of the future liability is complex and the calculation of the estimate involves estimation of the amount of CO₂e gases in each future reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Note 11 RECONCILIATION OF OPERATING RESULT TO NET CASH MOVEMENT FROM OPERATING ACTIVITIES

\$ '000	Notes	Actual 2013	Actual 2012
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	4,311	6,544
Balances as per Statement of Cash Flows		4,311	6,544
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		14,823	8,738
Add:			
Depreciation and Amortisation		14,127	13,880
Increase in Provision for Doubtful Debts		5	-
Decrease in Receivables		-	1,764
Decrease in Inventories		3	-
Decrease in Equity Share in Joint Venture		113	-
Increase in Provision for Leave Entitlements		619	881
Increase in Other Provisions		256	178
Increase in Other Current Liabilities		417	45
Unwinding of Discount Rates on Reinstatement Provisions		820	230
Fair Value Adjustments to Investment Property		200	-
Fair Value Adjustments to Financial Assets through Profit and Loss		-	250
		31,383	25,966
Less:			
Increase in Receivables		(361)	-
Decrease in Provision for Doubtful Debts		-	(54)
Increase in Inventories		-	(6)
Increase in Other Current Assets		(143)	(175)
Increase in Equity Share in Joint Venture		-	(377)
Decrease in Payables		(836)	(4,114)
Gain on Disposal of Assets		(4,781)	(205)
Fair Value Adjustments to Financial Assets through Profit and Loss		(23)	-
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from CASH FLOW STATEMENT		25,239	21,035

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Note 11 RECONCILIATION OF OPERATING RESULT TO NET CASH MOVEMENT FROM OPERATING ACTIVITIES (Continued)

\$ '000	Notes	Actual 2012	Actual 2011
(c) Non-Cash Investing & Financing Activities			
Land		-	-
(d) Financing Arrangements			
Unrestricted access was available at balance date to the following:			
Bank Overdraft Facilities ⁽¹⁾		500	500
Corporate Credit Cards		150	150
Bank Guarantee for possible Workers Compensation Claims		1,500	1,500
		2,150	2,150

Notes:

⁽¹⁾The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice. Interest rates on Overdrafts and Loans are disclosed in Note 15.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 12 COMMITMENTS FOR EXPENDITURE

\$ '000	Notes	Actual 2013	Actual 2012
(a) Capital Commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
- Land & Buildings		5,692	2,298
- Plant & Equipment		-	-
- Office Equipment		-	103
- Other Structures		176	1,066
- Infrastructure		7,141	6,812
Total		13,009	10,279
(b) Finance Lease Commitments			
Commitments under Finance Leases at the Reporting Date are payable as follows:			
- Not later than one year		272	533
- Later than one year and not later than 5 years		14	285
- Later than 5 years			
Total		286	818
Minimum Lease Payments		286	818
less: Future Finance Charges		(12)	(53)
Lease Liability		274	765
Representing lease liabilities			
- Current Liabilities		261	491
- Non-Current Liabilities		13	274
Total		274	765
Description of leases			
Information Technology Equipment Leases due to expire 2017			
(c) Non-cancellable Operating Lease Commitments			
- Not later than one year		54	109
- Later than one year and not later than 5 years		97	37
- Later than 5 years		-	-
Total		151	146
Description of leases			
Information Technology Equipment Leases due to expire 2016			
(d) Repairs and Maintenance: Investment Property			
Contractual Obligations for future repairs and maintenance		-	-
Total		-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 13 STATEMENT OF PERFORMANCE MEASURES - CONSOLIDATED RESULTS

\$ '000	Amounts		Indicator	
	2013	2013	2012	2011
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	67,273	4.07	3.35	2.74
Current Liabilities less Specific Purpose Liabilities ^(2,3)	16,513			
2. Debt Service Ratio				
Debt Service Cost	573	0.40%	0.54%	1.54%
Revenue from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	144,992			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	88,201	58.26%	58.12%	57.51%
Revenue from Continuing Operations	151,386			
4a. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	3,142	3.44%	3.18%	3.31%
Rates, Annual & Extra Charges Collectible	91,278			
4b. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage *				
Rates, Annual & Extra Charges Outstanding	2,631	2.88%	2.36%	2.51%
Rates, Annual & Extra Charges Collectible	91,278			
* It is Council's policy not to pursue pensioners for outstanding rates This calculation is used to demonstrate to users the effect of actively pursuing outstanding amounts from pensioners.				
5. Building & Infrastructure Renewals Ratio				
Asset Renewals ⁽⁴⁾ [Buildings & Infrastructure]	14,632	154.20%	154.60%	186.13%
Depreciation, Amortisation & Impairment (Building & Infrastructure Assets)	9,489			

Notes⁽¹⁾ Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

⁽²⁾ Refer to Note 10(a).⁽³⁾ Refer to Note 10(c) - excludes all ELE not expected to be paid in the next 12 months.⁽⁴⁾ Asset Renewals represent the replacement and/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 increases capacity/performance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 13 STATEMENT OF TCORP PERFORMANCE MEASURES - CONSOLIDATED RESULTS

\$ '000	Amounts	Indicator	2012	2011
	2013	2013		
1. Operating Performance				
Operating Revenue excluding Capital Grants and Contributions less Operating Expenses	10,853	7.36%	3.30%	1.73%
Operating Revenue excluding Capital Grants and Contributions	147,416			
2. Own Source Operating Revenue				
Rates, Utilities and Charges ¹	120,502	79.60%	80.35%	79.48%
Total Operating Revenue (inclusive of Capital Grants and Contributions)	151,386			
3. Unrestricted Current Ratio				
Current Assets less all External Restrictions	67,273	4.07	3.35	2.74
Current Liabilities less Specific Purpose Liabilities	16,513			
4. Debt Service Cover Ratio				
Operating Results before Interest and Depreciation (EBITDA)	573	0.40%	0.54%	1.54%
Principal Repayments (from the Statement of Cash Flows) plus Borrowing Interest Costs (from the Income Statement)	144,992			
5. Capital Expenditure Ratio				
Annual Capital Expenditure	36,467	2.58	2.08	2.42
Annual Depreciation	14,127			
6. Building & Infrastructure Renewals Ratio				
Asset Renewals	14,632	154.20%	154.60%	186.13%
Depreciation of Building & Infrastructure Assets	9,489			
7. Cash Expense Cover Ratio⁽²⁾				
Cash and Cash Equivalents	4,311	0.43	0.65	1.17
(Total Expenses less Depreciation less Interest Costs) ÷ 12	10,128			
8. Interest Cover Ratio				
Operating Results before Interest and Depreciation (EBITDA)	29,852	33.10	73.49	69.95
Borrowing Interest Costs (from the Income Statement)	902			

Notes

⁽¹⁾ Rates & Annual Charges plus User Charges and Fees

⁽²⁾ In order to maximise interest earning Council maintains a minimum balance of Cash and Cash Equivalents and had \$41.67m of unrestricted current investments to support its liquidity position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 14 INVESTMENT PROPERTIES

\$ '000	Notes	Actual 2013	Actual 2012
(a) Investment Properties at Fair value		1,900	2,100
Investment Properties on Hand		1,900	2,100
Reconciliation of Annual Movement:			
Opening Balance		2,100	2,100
- Net Gain/(Loss) from Fair Value Adjustments		(200)	-
CLOSING BALANCE - INVESTMENT PROPERTIES		1,900	2,100

(b) Valuation Basis

The basis of Valuation of Investment Properties is Fair Value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2013 revaluations were based on Independent Assessments made by: Scott Fullarton Valuations Pty Ltd., Director Scott Fullarton, FAPI, Certified Practising Valuer, Registered Valuer No. 2144.

(c) Contractual Obligations at Reporting Date

Refer to Note 12 for disclosures relating to any Capital and Service obligations that have been contracted.

(d) Leasing Arrangements

Details of leased Investment Properties are as follows:

Future Minimum Lease Payments receivable under non-cancellable Investment Property Operating Leases not recognised in the Financial Statements are due:

Within 1 year	81	193
Later than 1 year but less than 5 years	-	498
Later than 5 years	-	-
Total Minimum Lease Payments Receivable	81	691

(e) Investment Property Income & Expenditure - summary**Rental Income from Investment Properties:**

- Minimum Lease Payments	151	184
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Direct Operating Expenses on Investment Properties:

- that generated rental income	(14)	(22)
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Net Revenue Contribution from Investment Properties	137	162
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plus:

Fair Value Movement for year	(200)	-
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Total Income attributable to Investment Properties	(63)	162
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 15 FINANCIAL RISK MANAGEMENT

Risk Management

Council's activities expose it to a variety of financial risks including (i) price risk, (ii) credit risk, (iii) liquidity risk and (iv) interest rate risk.

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.

Council held the following financial instruments at balance date:

\$'000	Carrying Value		Fair Value	
	2013	2012	2013	2012
Financial Assets				
Cash and Cash Equivalents	4,311	6,544	4,311	6,544
Receivables	7,437	7,081	7,437	7,081
Financial Assets at Fair value through profit or loss - Held for Trading	2,279	4,316	2,279	4,316
Held-to-Maturity Investments	77,519	68,539	77,519	68,539
Total Financial Assets	91,546	86,480	91,546	86,480
Financial Liabilities				
Payables	11,811	12,726	11,811	12,726
Loans / Advances	274	765	274	765
Total Financial Liabilities	12,085	13,491	12,085	13,491

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - estimated to be the carrying value which approximates market value.
- **Borrowings & Held to Maturity Investments** - estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles.
- **Financial Assets classified at Fair Value through profit and loss** - based upon quoted market prices in active markets for identical investments.

Fair Value Hierarchy

The fair values of financial instruments carried at fair value have been classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The levels of the hierarchy are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The value of financial instruments carried at fair value shown in the relevant level of the hierarchy is shown below:

\$ '000	Notes	Actual	Actual
		2013	2012
Level 1		992	2,956
Level 2		1,287	1,360
Level 3		-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 15 FINANCIAL RISK MANAGEMENT (continued)

\$ '000

(a) Cash and Cash Equivalents

Financial Assets at Fair Value through the Profit and Loss

Held-to-Maturity Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital. Council's Financial Section manages its Cash & Investments portfolio with the assistance of independent advisors. Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. The Policy is regularly reviewed by Council and an Investment Report provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether the changes are caused by factors specific to individual financial instruments or their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash and investments is credit risk - the risk that a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to Council. Council manages these risks 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 cash and investments.

\$'000	2013	2012
Impact of a 10% ⁽¹⁾ movement in price of Investments		
- Equity	228	432
- Income Statement ⁽²⁾	228	432
Impact of a 1% ⁽¹⁾ movement in Interest Rates on Cash and Investments		
- Equity	841	794
- Income Statement ⁽²⁾	841	794

Notes:

⁽¹⁾ Sensitivity percentages based on management's expectation of future possible market movements. (Price movements calculated on investments subject to fair value adjustments. Interest rate movements calculated on cash, cash equivalents and FRNs.)
Recent market volatility has seen larger market movements for certain types of investments.

⁽²⁾ Maximum impact.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 15 FINANCIAL RISK MANAGEMENT (continued)

(b) Receivables

Council's major receivables comprise Rates & Annual Charges and User Charges & Fees. The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid. Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures.

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 & Annual Charges which further encourages payment.

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.

The profile of Council's credit risk at balance date was:

	2013	2012
Percentage of Rates and Annual Charges		
- Current	-	-
- Overdue	100%	100%
Percentage of Other Receivables		
- Current	93%	77%
- Overdue	7%	23%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 15 FINANCIAL RISK MANAGEMENT (continued)

\$ '000

(c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - 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 maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities can be drawn down in extenuating circumstances.

The contractual undiscounted cash outflows of Council's Payables & Borrowings are set out in the Liquidity Sensitivity Table below:

\$'000	Due Within 1 Year	Due Between 1 and 5 Years	Due after 5 Years	Total Contractual Cash Flows	Carrying Values
2013					
Payables	11,809	-	-	11,809	11,809
Borrowings	272	14	-	286	274
Total Financial Liabilities	12,081	14	-	12,095	12,083
2012					
Payables	12,126	600	-	12,726	12,726
Borrowings	533	285	-	818	765
Total Financial Liabilities	12,659	885	-	13,544	13,491

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

The following interest rates were applicable to Council's Borrowings at balance date:

	2013		2012	
	Weighted Average Interest Rate	Balance \$'000	Weighted Average Interest Rate	Balance \$'000
Overdraft	-	-	-	-
Bank Loans - Fixed	0.0%	-	0.0%	-
- Variable ⁽¹⁾	0.0%	-	0.0%	-
		-		-

⁽¹⁾ The interest rate risk applicable to Variable Rate Bank Loans is not considered significant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 16 MATERIAL BUDGET VARIATIONS

Council's Original Financial Budget for 2012/13 was incorporated as part of its Strategic Community Plan and was adopted by the Council on 28 June 2012.

While the Income Statement included in these General Purpose Financial Statements must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the variations between actuals and budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

Note that for Variations: F = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2013 Budget	2013 Actual	2013 ----- Variance -----	
REVENUES				
Rates & Annual Charges	88,240	88,201	(39)	0% U
User Charges & Fees	32,035	32,301	266	1% F
Interest & Investment Revenue	3,932	4,437	505	13% F
This variance is principally due to the strong performance of the Council's investment portfolio which has exceeded the bank bill benchmark return by over 1% and higher than anticipated cash balances due to lower than budgeted expenditure on Capital Projects.				
Other Revenues	9,468	10,408	940	10% F
This variance is due to positive variances in a range of areas including parking and other fines, legal and insurance claim recoveries, recycling income and waste performance improvement payments.				
Operating Grants & Contributions	7,243	7,288	45	1% F
Capital Grants & Contributions	4,785	3,970	(815)	(17%) U
This variance is principally due to a lower than anticipated level of developer contributions				
Net Gains on the Disposal of Assets	4,355	4,781	426	10% F
This gain reflects the positive nature of the disposal of fleet vehicles, land held for resale and the Northern Beaches Hospital site at Frenchs Forest which were all slightly higher than anticipated.				
Share of Net Gain - Joint Ventures & Associates	-	-	-	0% -
EXPENSES				
Employee Benefits & On-Costs	56,465	55,776	689	1% F
Borrowing Costs	729	902	(173)	(24%) U
This variance reflects a higher amortisation of the discount as a result of revised costs for Council's remediation responsibilities at the Kimbriki Waste Landfill site				
Materials & Contracts	48,048	48,002	46	0% F
Depreciation & Amortisation	14,286	14,127	159	1% F
Other Expenses	16,991	17,644	(653)	(4%) U
Share of Net Loss - Joint Ventures & Associates	693	113	581	84% F
This variance relates to a lower than anticipated level of expenses for the Warringah/Pittwater Rural Fire Service.				

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 17 STATEMENT OF DEVELOPER CONTRIBUTIONS

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council.

All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Contributions received during the Year					Projections					
	Opening Balance	Cash	Non Cash	Interest earned in Year	Exp during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Future income	Exp still outstanding	Over or (under) Funding	Cumulative Internal Borrowings due/(payable)
Traffic Facilities	997	7	-	48	-	-	1,052	-	(1,052)	-	-
Parking	5,779	-	-	287	(16)	-	6,050	-	(6,050)	-	-
Open Space	12,382	194	-	622	-	-	13,198	-	(13,198)	-	-
Community Facilities	4,257	5	-	202	(1,560)	-	2,904	-	(2,904)	-	-
Other	2,519	-	-	126	-	-	2,645	-	(2,645)	-	-
S94 Contributions - under a Plan	25,934	206	-	1,285	(1,576)	-	25,849	-	(25,849)	-	-
S94A Levies - under a Plan	5,564	1,941	-	268	(3,082)	-	4,691	10,000	(14,691)	-	-
Total S94 Revenue Under Plans	31,498	2,147	-	1,553	(4,658)	-	30,540	10,000	(40,540)	-	-
S94 not under Plans	811	-	-	1	(45)	-	767	-	(767)	-	-
Total Contributions	32,309	2,147	-	1,554	(4,703)	-	31,307	10,000	(41,307)	-	-
Less: Land	(716)	-	-	-	-	-	(716)	-	716	-	-
Total Cash Contributions	31,593	2,147	-	1,554	(4,703)	-	30,591	10,000	(40,591)	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 17 STATEMENT OF DEVELOPER CONTRIBUTIONS (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

PURPOSE	Contributions received during the Year					Projections					
	Opening Balance	Cash	Non Cash	Interest earned in Year	Exp during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Future income	Exp still outstanding	Over or (under) Funding	Cumulative Internal Borrowings due/(payable)
Traffic Facilities	997	7	-	48	-	-	1,052	-	(1,052)	-	-
Parking	5,779	-	-	287	(16)	-	6,050	-	(6,050)	-	-
Open Space	12,382	194	-	622	-	-	13,198	-	(13,198)	-	-
Community Facilities	4,257	5	-	202	(1,560)	-	2,904	-	(2,904)	-	-
Other	2,519	-	-	126	-	-	2,645	-	(2,645)	-	-
Total	25,934	206	-	1,285	(1,576)	-	25,849	-	(25,849)	-	-

S94A LEVIES - UNDER A PLAN

CONTRIBUTION PLAN

PURPOSE	Contributions received during the Year					Projections					
	Opening Balance	Cash	Non Cash	Interest earned in Year	Exp during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Future income	Exp still outstanding	Over or (under) Funding	Cumulative Internal Borrowings due/(payable)
Other	5,564	1,941	-	268	(3,082)	-	4,691	10,000	(14,691)	-	-
Total	5,564	1,941	-	268	(3,082)	-	4,691	10,000	(14,691)	-	-

S94 LEVIES - NOT UNDER A PLAN

PURPOSE	Contributions received during the Year					Projections					
	Opening Balance	Cash	Non Cash	Interest earned in Year	Exp during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Future income	Exp still outstanding	Over or (under) Funding	Cumulative Internal Borrowings due/(payable)
Drainage	44	-	-	1	(45)	-	-	-	-	-	-
Child Care Reserve-Austlink	48	-	-	-	-	-	48	-	(48)	-	-
Other	3	-	-	-	-	-	3	-	(3)	-	-
Land	716	-	-	-	-	-	716	-	(716)	-	-
Total	811	-	-	1	(45)	-	767	-	(767)	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 18 CONTINGENCIES

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

CONTINGENT LIABILITIES

1. Guarantees

(i) Defined Benefit Superannuation Contribution Plans

"The Local Government Superannuation Scheme – Pool B (the Scheme) is a defined benefit plan that has been deemed to be a "multi-employer fund" for purposes of AASB119. Sufficient information under AASB119 is not available to account for the Scheme as a defined benefit plan, because the assets to the Scheme are pooled together for all employers.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2013 was \$1,189,134. The last valuation of the Scheme was performed by Mr Martin Stevenson BSc, FIA, FIAA on 20 February 2013 and covers the period ended 30 June 2013. However the position is monitored annually and the Actuary has estimated that as at 30 June 2013 a deficit still exists. Effective from 1 July 2013, employers are required to contribute additional contributions to assist in extinguishing this deficit. The amount of additional contributions payable until the deficit is extinguished is \$588,369.

(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 June 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) WorkCover

Council has provided a \$1.5 million guarantee to WorkCover as a provision for all known liabilities disclosed in an Actuarial Report prepared by David Zaman Pty Ltd. as at 6 May 2013.

(iv) Other Guarantees

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

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) S94 Plans

Council levies Section 94 and 94A Contributions upon various developments across the Council area through the required Contributions Plans. As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans. As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds. These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Council's intention to spend funds in the manner and timing set out in those Plans.

(iii) Legal Expenses

Council is ordinarily the planning consent authority for its area under the Environmental Planning & Assessment Act 1979. Pursuant to that Act, certain persons dissatisfied by a planning decision of the Council may appeal to the Land & Environment Court. It is the Court's normal practice in Class 1 proceedings that parties bear their own legal costs. In class 4 (or judicial review) proceedings, costs usually follow the event.

At the date of these reports, Council had notice of two (2) appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Council is involved in other litigation (including other Land and Environment Court proceedings, civil liability proceedings and Local Court prosecutions). Whilst these matters are unlikely to cost Council in excess of \$100,000 individually (subject to the comments below), the amount of further costs cannot be known until these proceedings are concluded.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 18 CONTINGENCIES (Continued)

(iv) 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.

CONTINGENT ASSETS

(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 June 2008.

(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. Councils 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.

(iii) Building Commencements

There were no current construction certificates on hand awaiting collection.

There is still building activity that may have commenced without proper approval and payment of appropriate fees. However, the number has dropped significantly due to ongoing investigations and monthly audits that were implemented to monitor the possibility of further unlawful works.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 19 INTERESTS IN SUBSIDIARIES AND JOINT VENTURES

Council's objectives can and in some cases are best met through the use of separate entities and operations. These operations and entities range from 51% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils. The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of Council's interest and control and the type of entity as follows:

Subsidiary**Note 19(a)**

Operational Arrangements where Council's ownership exceeds 50%

Joint Venture Entities**Note 19(b)**

Arrangements in the form of a Separate Entity that deploys the resources of the operation itself. Under the Joint Venture Entities, Council jointly controls the operations with other parties.

Accounting Recognition:

- (i) The subsidiary disclosed under Note 19(a), is accounted for on a Consolidation basis within the Income and Balance Sheet.
- (ii) Joint Venture Entities as per Notes 19(b) are accounted for using the Equity Accounting Method - and are disclosed as a one line entry in the Income Statement and Balance Sheet.

(a) Subsidiary

Council is the majority shareholder in Kimbriki Environmental Enterprises Pty Limited. The company commenced operating its waste and recycling business on 1 July 2009 with a lease over the site for a period of 25 years. The minority shareholders in the company are Manly, Mosman and Pittwater Councils.

\$ '000	Notes	Actual 2013	Actual 2012
Current Assets			
Cash and Cash Equivalents		2,628	2,256
Investments		11,519	10,539
Receivables		1,696	1,590
Total Current Assets		15,843	14,385
Non-Current Assets			
Infrastructure, Property, Plant & Equipment		2,727	2,123
Intangibles		1,991	1,840
Total Non-Current Assets		4,718	3,963
Total Assets		20,561	18,348
Current Liabilities			
Payables		1,869	2,044
Provisions		563	491
Total Current Liabilities		2,432	2,535
Non-Current Liabilities			
Payables		1,020	600
Provisions		636	-
Total Non-Current Liabilities		1,656	600
Total Liabilities		4,088	3,135
Net Assets		16,473	15,213
Equity			
Share Capital		10,033	10,033
Retained Earnings		6,440	5,180
Total Equity		16,473	15,213
Share of Subsidiary's revenue, expenses and results			
Revenues		12,379	11,454
Expenses		11,204	10,122
Operating Result		1,175	1,331
Share of Subsidiary's commitments			
Expenditure Commitments		14,600	4,016
Operating Lease Commitments		20,786	20,940
Other Commitments		2,002	1,567
Total Commitments		37,388	26,523

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 19 INTERESTS SUBSIDIARIES AND JOINT VENTURES (continued)**(b) Joint Venture Entity**

Council has a Joint Venture with Pittwater Council for the Warringah - Pittwater District Rural Fire Service.

\$ '000	Notes	Actual 2013	Actual 2011
Current Assets			
Cash and Cash Equivalents		1,023	1,091
Receivables		3	1
Total Current Assets		1,026	1,092
Non-Current Assets			
Infrastructure, Property, Plant & Equipment		87	134
Total Non-Current Assets		87	134
Total Assets		1,113	1,226
Current Liabilities			
Payables		-	-
Total Current Liabilities		-	-
Total Liabilities		-	-
Net Assets		1,113	1,226
Share of Joint Venture's revenue, expenses and results			
Revenues		563	1,060
Expenses		675	683
Operating Result		(113)	377
Share of Joint Venture's commitments			
Expenditure Commitments		-	-
Total Commitments		-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 20 RETAINED EARNINGS AND REVALUATION RESERVES

\$ '000	Notes	Actual 2013	Actual 2012
(a) Retained Earnings			
Movements in Retained Earnings were as follows:			
Balance at beginning of Year		2,326,286	2,318,827
Adjustment to correct Prior Period Errors	20 (d)	-	-
Adjustment for Changes in Accounting Policies	20 (e)	-	-
Net Operating Result for the Year		13,694	7,459
Balance at end of Year		2,339,980	2,326,286
(b) Reserves			
Infrastructure, Property, Plant & Equipment Revaluation Reserve		144,312	110,929
Total		144,312	110,929
Movements			
Infrastructure, Property, Plant & Equipment Revaluation Reserve			
Balance at beginning of Year		110,929	110,929
Adjustment to correct Prior Period Errors	20 (d)	-	-
Disposals		(111)	-
Revaluations for the year	9(a)	33,494	-
Balance at end of Year		144,312	110,929

(c) Nature and Purpose of Reserves**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments and decrements on the revaluation of non-current assets.

(d) Correction of Errors in Previous Periods

There has not been any correction of errors in previous periods

(e) Changes in Accounting Policies

There has not been any changes in accounting policies impacting on retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 21 RESULTS BY FUND

Council does not have any Water or Sewer Funds.

NOTE 22 NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

\$ '000	Actual 2013		Actual 2012	
	Current	Non Current	Current	Non Current
Land	7,952	-	2,571	-
Buildings	1,357	-	373	-
Total Non Current Assets Held for Sale	9,309	-	2,944	-

Reconciliation of Non Current Assets Held for Sale

Opening Balance	2,944		2,944	-
less: Carrying Value of Assets/Operations Sold	(82)		-	-
Balance still unsold after 12 months:	2,862	-	2,944	-
plus New Transfer in:				
Assets "Held for Sale"	6,447	-	-	-
Closing Balance of "Held for Sale"				
Non Current Assets & Operations	9,309	-	2,944	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 23 EVENTS OCCURRING AFTER BALANCE SHEET DATE

Events that occur after the reporting date of 30 June 2013, up to and including the date when the financial report is "authorised for issue" have been taken into account in preparing this financial report.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to this General Purpose Financial Report.

Accordingly, the "authorised for issue" date is 07/08/13.

Events that occur after the Reporting Date represent one of two types:

(i) Events that have provided evidence of conditions that existed at the Reporting Date

These financial reports (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2013.

(ii) Events that have provided evidence of conditions that arose after the Reporting Date

These financial reports (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2013 and which are only indicative of conditions that arose after 30 June 2013.

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

NOTE 24 DISCONTINUED OPERATIONS

Council has not classified any of its Operations as "Discontinued".

NOTE 25 INTANGIBLE ASSETS

\$ '000	Notes	Actual 2013	Actual 2012
At Cost		1,991	1,840
Accumulated Amortisation & Impairment		-	-
Net Book Amount		1,991	1,840
Movements for the year			
Opening Net Book Amount		1,840	1,270
Additions - internal development		151	570
Amortisation Charge		-	-
Closing Net Book Amount ⁽¹⁾		1,991	1,840

Notes:

⁽¹⁾Development costs relating to gaining planning approvals for the right to build an alternate/advanced waste facility on the Kimbriki site.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 26 REINSTATEMENT, REHABILITATION & RESTORATION LIABILITIES

\$ '000	Note	NPV of Provision	
Asset/Operation	Estimated year of restoration	2013	2012
Recycling Tip	2056	14,495	4,065
Balance at End of the Reporting Period	10	14,495	4,065

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations;

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Specific uncertainties relating to the final costs and the assumptions made in determining the amounts of provisions include:

- Estimation of the closure and post closure cost was limited to the extent that there was uncertainty in the cost amount. It was assumed that the closure and post closure costs would be incurred
- The probabilistic approach used in the remediation plan assumes that there is virtually no upper limit to the cost distributions used in the model and that for each cost estimate distribution that higher costs have lower likelihoods of being incurred. The costs are estimates and there is some chance (extremely low) that the costs could be substantially exceeded.
- Environmental laws and relevant codes, guidelines and standards of any authority, applicable at the time the remediation plan was undertaken continue to apply.

Reconciliation of movement in Provision for year:

Balance at beginning of year	4,065	3,835
Revised Costs	9,610	-
Effect of a change in discount rates used in PV calculations	-	-
Amortisation of discount (expensed to borrowing costs)	820	230
Total - Reinstatement, rehabilitation and restoration provision	14,495	4,065

Amount of Expected Reimbursements

Of the above Provisions for Reinstatement, Rehabilitation and Restoration works, those applicable to Garbage Services & Waste Management are able to be funded through future charges incorporated within Council's Annual Domestic Waste Management Charge.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 27 ADDITIONAL DISCLOSURES - COUNCIL INFORMATION AND CONTACT DETAILS

Principal Place of Business:

725 Pittwater Road
Dee Why NSW 2099

Contact Details**Mailing Address:**

DX 9118
Dee Why NSW 2099

Telephone: 02 9942 2111**Facsimile:** 02 9971 4522**Officers****GENERAL MANAGER**

Rik Hart

RESPONSIBLE ACCOUNTING OFFICER

David Walsh

PUBLIC OFFICER

John Warburton

AUDITORS

Hill Rogers Spencer Steer

Other Information**ABN:** 31 565 068 406**Opening Hours**

Monday to Friday
8.30am - 5.00pm

Internet: www.warringah.nsw.gov.auEmail: council@warringah.nsw.gov.au**Elected Members****MAYOR**

Michael Regan

COUNCILLORS

Wayne Gobert OAM

Vanessa Moskel

Vincent De Luca OAM

Sue Heins

Bob Giltinan

Pat Daley

Roslyn Harrison

Duncan Kerr

Jose Menano-Pires

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2013

GENERAL PURPOSE FINANCIAL STATEMENTS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying **general purpose financial statements** of **Warringah Council**, which comprises the Statement of Financial Position as at 30 June 2013, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management. The financial statements include the consolidated financial statements of the economic entity and the entities it controlled at year end or from time to time during the year.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the original budget information disclosed in the Income Statement, Statement of Cash Flows, and Note 2(a) or the budget variation explanations disclosed in Note 16. Nor does our responsibility extend to the projected future developer contributions and costs disclosed in Note 17. Accordingly, no opinion is expressed on these matters.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements. Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2; and
- (b) the financial statements:
 - (i) have been presented in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) present fairly the Council's financial position, the results of its operations and its cash flows; and
 - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that we have become aware of during the course of the audit.

HILL ROGERS SPENCER STEER



G V STEER
Partner

Dated at Sydney this 7th day of August 2013

INDEPENDENT AUDITORS' REPORT

7 August 2013

The Mayor

Warringah Council
Pittwater Road
DEE WHY NSW 2099

Audit Report - Year Ended 30 June 2013

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2013 and that all information required by us was readily available. We have signed our reports as required under Section 417(1) of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting to the General and Special Purpose Financial Statements.

Our audit has been conducted in accordance with Australian Auditing Standards so as to express an opinion on both the General and Special Purpose Financial Statements of the Council. We have ensured that the accounts have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) and the Local Government Code of Accounting Practice and Financial Reporting.

This report on the conduct of the audit is also issued under Section 417(1) and we now offer the following comments on the financial statements and the audit:

1. RESULTS FOR THE YEAR**1.1 Operating Result**

The operating result for the year was a surplus of \$13.694 million as compared with \$7.459 million in the previous year.

The following table sets out the results for the year and the extent (%) that each category of revenue and expenses contributed to the total.

	2013	% of	2012	% of	Increase
	Total	Total	Total	Total	(Decrease)
	\$000		\$000		\$000
Revenues before capital items					
Rates & annual charges	88,201	60%	83,119	60%	5,082
User charges, fees & other revenues	47,490	32%	41,730	30%	5,760
Grants & contributions provided for operating purposes	7,288	5%	8,677	6%	(1,389)
Interest & investment revenue	4,437	3%	5,329	4%	(892)
	147,416	100%	138,855	100%	8,561
Expenses					
Employee benefits & costs	55,776	41%	54,434	41%	1,342
Materials, contracts & other expenses	65,758	48%	65,651	49%	107
Depreciation, amortisation & impairment	14,127	10%	13,880	10%	247
Borrowing costs	902	1%	312	0%	590
	136,563	100%	134,277	100%	2,286
Surplus before capital items	10,853		4,578		6,275
Grants & contributions provided for capital purposes	3,970		4,160		(190)
Surplus including non-controlling interests	14,823		8,738		6,085
Attributable to non-controlling interests	(1,129)		(1,279)		150
Net Surplus for the year	13,694		7,459		6,235

The above table shows an overall increase of \$6.235 million from the previous year. Rates and annual charges increased by \$5.082 million and represented 58% of Council's total income. Other income includes gains the on disposal of property and plant assets that contributed \$4.781 million to the operating result for the year.

1.2 Funding Result

The operating result does not take into account all revenues and all expenditures and in reviewing the overall financial performance of Council it is useful to take into account the total source of revenues and where they were spent during the year which is illustrated in the table below.

	2013	2012
	\$000	\$000
Funds were provided by:-		
Operating Result (as above)	13,694	7,459
Add back non funding items:-		
- Depreciation, amortisation & impairment	14,127	13,880
- Book value of non-current assets sold	2,824	1,370
- (Gain)/Loss of fair value to investment properties	200	0
- (Surplus)/Deficit in joint ventures	113	(377)
	30,958	22,332
Decrease/Redemption of non-current Investments	1,031	1,305
Finance Leases	0	330
Transfers from externally restricted assets (net)	0	6,425
Transfers from internal reserves (net)	1,446	0
Increase in minority interests	617	849
Net Changes in current/non-current assets & liabilities	7,396	1,168
	41,448	32,409

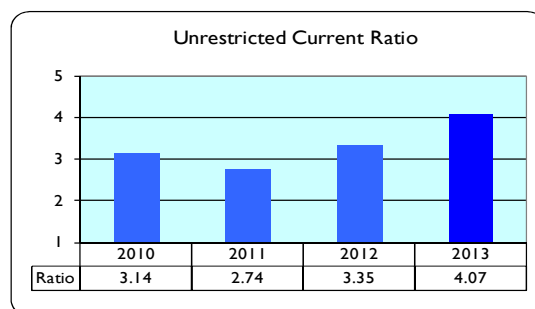
Funds were applied to:-

Purchase and construction of assets	(27,008)	(29,490)
Finance lease instalments	(491)	(647)
Transfers to externally restricted assets (net)	(1,893)	0
Transfers to internal reserves (net)	0	(578)
	(29,392)	(30,715)
Increase/(Decrease) in Available Working Capital	12,056	1,694

2. FINANCIAL POSITION**2.1 Unrestricted Current Ratio**

The Unrestricted Current Ratio is a financial indicator specific to local government and represents Council's ability to meet its debts and obligations as they fall due.

After eliminating externally restricted assets and current liabilities not expected to be paid within the next 12 months net current assets amounted to \$50.76 million representing a factor of 4.07 to 1.



INDEPENDENT AUDITORS' REPORT

2.2 Available Working Capital – (Working Funds)

At the close of the year the Available Working Capital of Council stood at \$49.65 million as detailed below;

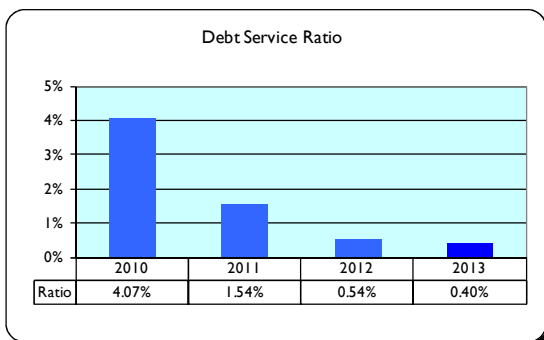
	2013	2012	Change
	\$'000	\$'000	\$'000
Net Current Assets (Working Capital) as per Accounts	71,275	59,028	12,247
Add Payables & provisions not expected to be realised in the next 12 months included above	10,055	9,218	837
Adjusted Net Current Assets	81,330	68,246	13,084
Add Budgeted & expected to pay in the next 12 months			
- Borrowings	261	491	(230)
- Employees leave entitlements	5,041	5,221	(180)
- Self insurance claims	540	563	(23)
- Deposits & retention moneys	1,515	1,694	(179)
Less Externally restricted assets	(30,570)	(28,677)	(1,893)
Less Internally restricted assets	(8,498)	(9,944)	1,446
Available Working Capital as at 30 June	49,650	37,594	12,056

The balance of Available Working Capital should be at a level to manage Council's day to day operations including the financing of hard core debtors, stores and to provide a buffer against unforeseen and unbudgeted expenditures. Taking into consideration the nature and level of the internally restricted assets (Reserves) set aside to fund future works and services and liabilities, Council's Available Working Capital at year end was sound.

2.3 Debt

Operating revenue (excluding special purpose grants and contributions) required to service debt (loan repayments) was 0.4%.

After repaying principal and interest of \$573,000, total debt as at 30 June 2013 stood at \$274,000 (2012 - \$765,000).



2.4 Summary

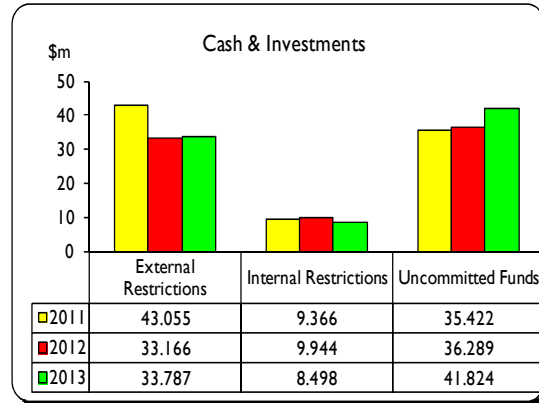
Council's overall financial position, when taking into account the above financial indicators is, in our opinion, sound.

3. CASH ASSETS

3.1 Cash & Investment Securities

Cash and investments amounted \$84.109 million at 30 June 2013 as compared with \$79.399 million in 2012 and \$87.843 million in 2011.

The chart below summarises the purposes for which cash and investments securities were held.



Externally restricted cash and investments are restricted in their use by externally imposed requirements and consisted of unexpended development contributions under Section 94 (\$30.591 million), domestic waste management charges (\$2.564 million) and specific purpose grants and contributions (\$632,000).

Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect forward plans, identified programs of works, and are, in fact, Council's "Reserves". These Reserves totalled \$8.498 million and their purposes are more fully disclosed in Notes 6 of the financial statements.

Unrestricted cash and investments amounted to \$41.824 million, which is available to provide liquidity for day to day operations and forms the basis of Council's sound financial position.

3.2 Cash Flows

The Statement of Cash Flows illustrates the flow of cash (highly liquid cash and investments) moving in and out of Council during the year and reveals that cash decreased by \$2.233 million to \$4.311 million at the close of the year.

In addition to operating activities which contributed net cash of \$25.239 million were the proceeds from the sale of investment securities (\$154.465 million) and sale of assets (\$7.687 million). Cash outflows other than operating activities were used to purchase investment securities (\$161.385 million), pay finance lease instalments (\$491,000), pay dividends to minority interests in Kimbriki Environmental Enterprises Pty Limited (\$512,000) and to purchase and construct assets (\$27.236 million).

4. RECEIVABLES

4.1 Rates & Annual Charges (excluding interest & extra charges)

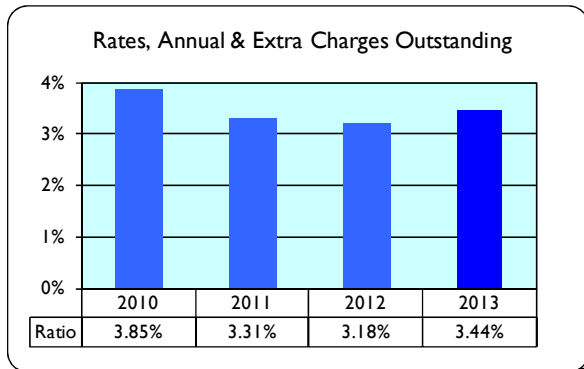
Net rates and annual charges levied during the year totalled \$88.201 million and represented 58.26% of Council's total revenues.

Including arrears, the total rates and annual charges collectible was \$90.559 million of which \$87.846 million (97%) was collected.

INDEPENDENT AUDITORS' REPORT

4.2 Rates, Annual & Extra Charges

Arrears of rates, annual & extra charges stood at \$3.142 million at the end of the year and represented 3.44% of those receivables.

**4.3 Other Receivables**

Receivables (other than rates & annual charges) totalled \$4.395 million. Those considered to be uncertain of collection have been provided for as doubtful debts and this provision amounted to \$100,000.

5. PAYABLES**5.1 Self Insurance**

Workers Compensation insurance claims have been actuarially assessed at \$750,000 (2012 - \$1.057 million) and a bank guarantee of \$1.5 million is held to cover these claims as required by the Workcover Authority of NSW.

Public Liability & Professional Indemnity claims payable by Council (ie up to the excess layer) have been actuarially assessed at \$1.037 million (2012 - \$1.141 million) and is fully funded with internally restricted cash and investments.

5.2 Employees Leave Entitlements

Council's provision for its liability toward employees leave entitlements and associated on costs amounted to \$13.565 million. Internally restricted cash and investments of \$2.713 million was held representing 20% of this liability and was, in our opinion, sufficient to meet unbudgeted and unanticipated retirements.

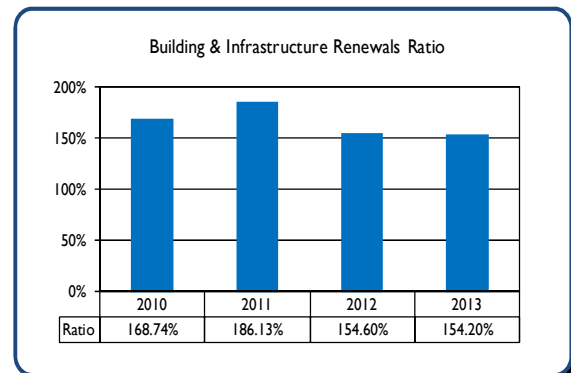
5.3 Deposits, Retentions & Bonds

Deposits, retentions and bonds held at year end amounted to \$4.111 million and were fully funded by internally restricted cash and investments.

6. BUILDING AND INFRASTRUCTURE RENEWALS

The Building and Infrastructure Renewals ratio measures the rate at which these assets are renewed against the rate at which they are depreciating.

The ratio indicates that asset renewals for 2013 represented 154% of the depreciation charges for these assets. An industry benchmark is considered to be 100%, measured annually over the long term.

**7. MANAGEMENT LETTER**

An audit management letter addressing the findings from our first interim audit was issued on 4 March 2013. This included our recommendations on possible ways to strengthen and/or improve procedures and management's comments and proposed actions. An additional management letter was issued on 12 July 2013 advising of findings from our second interim audit visit.

7. CONCLUSION

We wish to record our appreciation to your General Manager and his staff for their ready co-operation and the courtesies extended to us during the conduct of the audit.

Yours faithfully,
HILL ROGERS SPENCER STEER

G V STEER
Partner

W

*Special Purpose
Financial Statements*

FOR THE YEAR ENDED 30 JUNE 2013

SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

CONTENTS	PAGE	BACKGROUND
1. Statement by Councillors & Management	236	(i) The Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.
2. Special Purpose Financial Reports:		(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market 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.
- Income Statement of Other Business Activities	237	
- Balance Sheet of Other Business Activities	239	
3. Notes to the Special Purpose Financial Reports	241	(iii) For Council, the principle of competitive neutrality & 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 over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).
4. Auditor's Report	243	(iv) In preparing these financial reports 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 & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

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"
- Division of Local Government Guidelines "Pricing & 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 Reports:


- 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 reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 6 August 2013.



Michael Regan
MAYOR



Rik Hart
GENERAL MANAGER



Jose Mariano-Pires
COUNCILLOR



David Walsh
RESPONSIBLE ACCOUNTING OFFICER

INCOME STATEMENT OF THE COUNCIL'S OTHER BUSINESS ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2013

\$ '000	Children Services		Kimbriki	
	Actual 2013	Actual 2012	Actual 2013	Actual 2012
Income from continuing operations				
Access charges	4,745	4,507	21,208	19,530
User charges	-	-	-	-
Fees	-	-	-	-
Interest	-	-	573	658
Grants and contributions provided for non capital purposes	452	531	714	520
Profit from the sale of assets	-	-	26	31
Other income	26	10	1,752	1,719
Total income from continuing operations	5,223	5,048	24,273	22,458
Expenses from continuing operations				
Employee benefits and on-costs	4,351	4,099	3,178	2,805
Borrowing costs	-	-	-	-
Materials and contracts	519	756	9,662	9,628
Depreciation and impairment	173	212	339	270
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	292	1	8,790	7,145
Total expenses from continuing operations	5,335	5,068	21,969	19,848
Surplus (deficit) from Continuing Operations before capital amounts	(112)	(20)	2,304	2,610
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(112)	(20)	2,304	2,610
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	(112)	(20)	2,304	2,610
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	(691)	(783)
SURPLUS (DEFICIT) AFTER TAX	(112)	(20)	1,613	1,827
plus Opening Retained Profits	2,700	2,720	15,213	13,480
plus/less: Prior Period Adjustments	-	-	-	-
plus/less: Allocation Adjustments related to IPPE	516	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	-	691	783
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	(1,044)	(877)
Closing Retained Profits	3,104	2,700	16,473	15,213
Return on Capital %	-3.3%	-0.6%	84.5%	122.9%
Subsidy from Council	112	119	-	-

INCOME STATEMENT OF THE COUNCIL'S OTHER BUSINESS ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2013

\$ '000	Glen Street Theatre		Construction Certificate Certification	
	Actual 2013	Actual 2012	Actual 2013	Actual 2012
Income from continuing operations				
Access charges	-	-	-	-
User charges	-	-	222	281
Fees	1,079	1,601	-	-
Interest	23	22	-	-
Grants and contributions provided for non capital purposes	1	3	-	-
Profit from the sale of assets	-	-	-	-
Other income	366	-	-	-
Total income from continuing operations	1,469	1,627	222	281
Expenses from continuing operations				
Employee benefits and on-costs	976	1,156	428	480
Borrowing costs	-	-	-	-
Materials and contracts	872	907	10	72
Depreciation and impairment	97	181	-	-
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	207	338	2	74
Total expenses from continuing operations	2,152	2,582	439	626
Surplus (deficit) from Continuing Operations before capital amounts	(684)	(955)	(217)	(345)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(684)	(955)	(217)	(345)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	(684)	(955)	(217)	(345)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-	-
SURPLUS (DEFICIT) AFTER TAX	(684)	(955)	(217)	(345)
plus Opening Retained Profits	1,070	2,025	107	107
plus/less: Prior Period Adjustments	(42)	-	-	-
plus/less: Allocation Adjustments related to IPPE	1,379	-	(107)	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	-	-	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	217	345
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
Closing Retained Profits	1,723	1,070	-	107
Return on Capital %	-8.5%	-19.5%	0.0%	-322.4%
Subsidy from Council	684	1,104	217	348

BALANCE SHEET OF THE COUNCIL'S OTHER BUSINESS ACTIVITIES

AS AT 30 JUNE 2013

\$ '000	Children Services Category 1		Kimbriki Category 1	
	Actual	Actual	Actual	Actual
	2013	2012	2013	2012
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	2,628	2,256
Investments	-	-	11,519	10,539
Receivables	-	-	1,696	1,590
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	529	-	-
Total Current Assets	-	529	15,843	14,385
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	3,382	3,100	2,727	2,123
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	1,991	1,840
Total Non-Current Assets	3,382	3,100	4,718	3,963
TOTAL ASSETS	3,382	3,629	20,561	18,348
LIABILITIES				
Current Liabilities				
Payables	-	-	1,869	2,044
Interest bearing liabilities	-	-	-	-
Provisions	-	-	563	491
Total Current Liabilities	-	-	2,432	2,535
Non-Current Liabilities				
Payables	-	-	1,020	600
Interest bearing liabilities	-	-	-	-
Provisions	-	-	636	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	1,656	600
TOTAL LIABILITIES	-	-	4,088	3,135
NET ASSETS	3,382	3,629	16,473	15,213
EQUITY				
Retained earnings	3,104	2,700	16,473	15,213
Revaluation reserves	278	929	-	-
Council equity interest	3,382	3,629	16,473	15,213
Non-controlling interest	-	-	-	-
TOTAL EQUITY	3,382	3,629	16,473	15,213

BALANCE SHEET OF THE COUNCIL'S OTHER BUSINESS ACTIVITIES

AS AT 30 JUNE 2013

	Glen Street Theatre		Construction Certificate Certification	
	Category 1		Category 2	
	Actual 2013	Actual 2012	Actual 2013	Actual 2012
\$ '000				
ASSETS				
Current Assets				
Cash and cash equivalents	58	678	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	13	8	-	-
Other	-	51	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	71	737	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	8,087	4,891	-	107
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	8,087	4,891	-	107
TOTAL ASSETS	8,158	5,628	-	107
LIABILITIES				
Current Liabilities				
Payables	987	756	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	9	-	-
Total Current Liabilities	987	765	-	-
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	987	765	-	-
NET ASSETS	7,171	4,863	-	107
EQUITY				
Retained earnings	1,723	1,070	-	107
Revaluation reserves	5,448	3,793	-	-
Council equity interest	7,171	4,863	-	107
Non-controlling interest	-	-	-	-
TOTAL EQUITY	7,171	4,863	-	107

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1

NOTE 1 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 reporting purposes follows:

These financial statements are SPFS prepared for use by the Council and the Division of Local Government.

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 and Australian Accounting Interpretation. The disclosures in these special purpose financial statements have been prepared in accordance with the Local Government Act and 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, current values of non-current assets. Certain taxes and other costs, appropriately described have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to 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 Government Policy statement on the 'Application of National Competition Policy to Local Government'. The 'Pricing & Costing for Council Businesses A Guide to Competitive Neutrality' issued by the Division of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; Council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & 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)

Children Services - Child Care and Long Day Care

Kimbriki Environmental Enterprises Pty Limited - Domestic & Commercial Waste Management

Glen Street Theatre - Council's local Theatre

Category 2

(where gross operating turnover is less than \$2 million)

Construction Certificate Certification - Construction Certificate Certification activity of the Urban Development Approval Service (part of Council's Local Approval Service Unit)

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars.

(i) 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 (Special Purpose Financial Statements) 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 the SPFS. 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 – 30%

Land Tax – The first \$406,000 of combined land values attracts 0%. From \$406,001 to \$2,482,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$2,482,000, a premium marginal rate of 2.0% applies.

Payroll Tax – 5.45% on the value of taxable salaries and wages in excess of \$689,000 from 1 July 2012 to 30 June 2013.

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 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional - that is, it is payable to the "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 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan & 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 the council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed. Subsidies occur where 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. The overall effect of subsidies is contained within the Income Statement of Business Activities.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Note 1**(iii) Return on Investments (Rate of Return)**

The 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 achieved is disclosed for each of Council's business activities on the Income Statement.

The Rate of Return on Capital 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 3.755% at 30 June 2013.

(iv) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities.

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2013

SPECIAL PURPOSE FINANCIAL STATEMENTS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying **special purpose financial statements** of **Warringah Council**, which comprises the Statement of Financial Position as at 30 June 2013, Income Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993 and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the financial reporting requirements of the Division of Local Government. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the special purpose financial statements of the Council are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the financial reporting requirements of the Division of Local Government. As a result, the financial statements may not be suitable for another purpose.

HILL ROGERS SPENCER STEER



G V STEER
Partner

Dated at Sydney this 7th day of August 2013

Special Schedules

FOR THE YEAR ENDED 30 JUNE 2013

SPECIAL SCHEDULES

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

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- Special Schedule No. 1	Net Cost of Services	246
- Special Schedule No. 2(a)	Statement of Long Term debt (all purposes)	248
- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	248
- Special Schedule No. 7	Condition of Public Works	249
- Special Schedule No. 8	Financial Projections	250

¹ Special Purpose Schedules are not audited.

BACKGROUND

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as the:
- NSW Grants Commission
 - Australian Bureau of Statistics (ABS),
 - Department of Premier & Cabinet, Division of Local Government (DLG).
 - Department of Environment, Climate Change and Water (DECCW)
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of specific service financial activities

SPECIAL SCHEDULES

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Special Schedule No. 1 - Net Cost of Services

\$'000	Expenses from continuing operations	Income from continuing operations (non capital)	Income from continuing operations (capital)	Net Cost of Services
Function or Activity				
Governance	5,429	57	-	(5,372)
Administration	31,031	11,647	3,567	(15,817)
Public Order and Safety				
Fire Service Levy, Fire protection, Emergency Services	716	-	-	(716)
Beach Control	1,657	33	-	(1,624)
Enforcement of Local Govt Regs	1,631	2,570	-	939
Animal Control	113	68	-	(45)
Other	-	-	-	-
Total Public Order and Safety	4,117	2,671	-	(1,446)
Health	2,101	231	-	(1,870)
Environment				
Noxious Plants and Insects/ Vermin control	818	104	-	(714)
Other Environmental Protection	7,924	632	-	(7,292)
Solid Waste Management	13,199	20,087	-	6,888
Street Cleaning	813	6	-	(807)
Drainage	468	67	-	(401)
Stormwater Management	749	37	-	(712)
Total Environment	23,971	20,933	-	(3,038)
Community Services and Education				
Administration & Education	3,120	861	-	(2,259)
Social Protection (Welfare)	-	-	-	-
Aged Persons & Disabled	329	88	-	(241)
Childrens Services	5,074	5,223	-	149
Total Community Services and Education	8,523	6,172	-	(2,351)
Housing and Community Amenities				
Public Cemeteries	-	-	-	-
Public Conveniences	-	-	-	-
Street Lighting	2,512	349	-	(2,163)
Town Planning	7,781	1,797	-	(5,984)
Other Community Amenities	-	-	-	-
Total Housing and Community Amenities	10,293	2,146	-	(8,147)
Water Supplies	-	-	-	-
Sewerage Services	-	-	-	-

▼

SPECIAL SCHEDULES

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

Special Schedule No. 1 - Net Cost of Services (continued)

\$'000	Expenses from continuing operations	Income from continuing operations (non capital)	Income from continuing operations (capital)	Net Cost of Services
Function or Activity				
Recreation and Culture				
Public Libraries	4,077	311	272	(3,494)
Community Centres and Halls	1,484	984	131	(369)
Performing Arts Venues	2,043	1,446	-	(597)
Other Cultural Services	5,324	116	-	(5,208)
Sporting Grounds and Venues	4,356	325	-	(4,031)
Swimming Pools	4,139	2,341	-	(1,798)
Parks and Gardens (Lakes)	2,265	69	-	(2,196)
Other Sport and Recreation	-	-	-	-
Total Recreation and Culture	23,688	5,592	403	(17,693)
Fuel and Energy				
	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	1,925	1,327	-	(598)
Other Mining, Manufacturing & Construction	-	-	-	-
Total Mining, Manufacturing and Construction	1,925	1,327	-	(598)
Transport and Communication				
Urban Roads (UR) - Local	5,101	1,075	-	(4,026)
Bridges on RU - Local	-	-	-	-
Total Transport and Communication	5,101	1,075	-	(4,026)
Economic Affairs				
Other Economic Affairs	20,272	18,405	-	(1,867)
Total Economic Affairs	20,272	18,405	-	(1,867)
TOTALS - FUNCTIONS	136,451	70,256	3,970	(62,225)
General Purpose Revenues⁽²⁾	-	77,161	-	-
Share of interests - joint ventures & associates using the equity method⁽¹⁾	113			113
NET OPERATING RESULT FOR YEAR⁽¹⁾	136,564	147,417	3,970	14,823

Notes: ⁽¹⁾ Includes: Rates & Annual Charges (incl. Ex Gratia), Untied General Purpose Grants & Interest on Investments (excl. Restricted Assets)

SPECIAL SCHEDULES

FOR THE YEAR ENDED 30 JUNE 2013

Special Schedule No. 2(a)
Statement of Long Term Debt (all purpose)

Classification of Debt	\$'000			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Principal outstanding at beginning of the year				From Revenue	Sinking Funds			Current	Non Current	Total
	Current	Non Current	Total								
Loans (by Source)											
Commonwealth Government	-	-	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-	-	-
Other State Government	-	-	-	-	-	-	-	-	-	-	-
Public Subscription	-	-	-	-	-	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total Loans	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Debt											
Ratepayers Advances	-	-	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-	-	-
Finance Leases	491	274	765	-	491	-	-	42	261	13	274
Deferred Payments	-	-	-	-	-	-	-	-	-	-	-
Total Long Term Debt	491	274	765	-	491	-	-	42	261	13	274
Total Debt	491	274	765	-	491	-	-	42	261	13	274

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the Face Value of debt obligations, rather than Fair Value (as per the GPFR's).

Special Schedule No. 2(b)
Statement of Internal Loans (Section 410(3) LGA 1993)

\$'000

Summary of Internal Loans

Borrower (by purpose)	Amount originally raised	Total repaid during the year (Principal & Interest)	Principal Outstanding at end of year
General	-	-	-
Domestic Waste Management	-	-	-
Other	-	-	-
Totals	-	-	-

Note: The summary of Internal Loans (above) represents the total of Council's Internal Loans categorised according to the borrower.

Details of Individual Internal Loans

Borrower (by purpose)	Lender (by purpose)	Date of Minister's Letter	Date Raised	Term (years)	Dates of maturity	Rate of Interest	Amount Originally raised	Total repaid during year (Principal and Interest)	Principal Outstanding at end of year
Totals							-	-	-

SPECIAL SCHEDULES

AS AT 30 JUNE 2013

**Special Schedule No. 7
Condition of Public Works**

\$'000											
Asset Class	Asset Condition	Depn Rate (%)	Depn Expense \$	Cost	Valuation	Accumulated Depreciation, Amortisation and Impairment	Carrying Amount (WDV)	Asset Condition#	Estimated cost to bring to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual M'ntce
		per Note 1	per Note 4			per Note 9			per Section 428(2d)		
Buildings	Poor	1.00%	9	-	873	324	549	Poor	324	7	39
	Fair	1.00%	2	-	237	151	86	Fair	152	2	12
	Average	1.00%	102	-	10,020	4,229	5,791	Average	3,660	89	112
	Good	1.00%	750	-	73,792	21,385	52,407	Good	-	581	611
	Excellent	1.00%	1,376	-	135,317	26,197	109,120	Excellent	-	1,065	1,033
				2,239	-	220,239	52,286	167,953		4,136	1,744
Public Roads	Poor	1.00%	38	-	4,254	1,012	3,242	Poor	851	255	30
	Fair	1.00%	9	-	947	408	539	Fair	95	38	5
	Average	1.00%	525	-	58,420	16,783	41,637	Average	2,921	584	782
	Good	1.00%	1,503	-	167,100	21,521	145,579	Good	-	835	892
	Excellent	1.00%	1,644	-	182,734	30,276	152,458	Excellent	-	548	804
				3,719	-	413,455	70,000	343,455		3,867	2,260
Other Structures	Poor	1.00%	-	-	101	59	42	Poor	20	10	11
	Fair	1.00%	21	-	2,528	614	1,914	Fair	379	190	199
	Average	1.00%	100	-	12,182	2,973	9,209	Average	1,218	609	640
	Good	1.00%	275	-	33,372	4,286	29,086	Good	-	167	176
	Excellent	1.00%	158	-	19,135	1,343	17,792	Excellent	-	57	60
				554	-	67,318	9,275	58,043		1,617	1,033
Drainage Works	Poor	1.00%	30	-	2,985	1,645	1,340	Poor	2,887	10	-
	Fair	1.00%	15	-	1,478	570	908	Fair	702	23	10
	Average	1.00%	334	-	33,251	14,363	18,888	Average	3,292	151	201
	Good	1.00%	2,583	-	256,990	77,012	179,978	Good	-	621	774
	Excellent	1.00%	430	-	42,736	7,869	34,867	Excellent	-	21	20
				3,392	-	337,440	101,459	235,981		6,881	826
Total - All Assets			9,904	-	1,038,452	233,020	805,432	-	16,501	5,863	6,411

SPECIAL SCHEDULES

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

**Special Schedule No. 8
Financial Projections**

\$ million	Actual ⁽¹⁾ 12/13	Forecast 13/14	Forecast 14/15	Forecast 15/16	Forecast 16/17
(i) RECURRENT BUDGET					
Income from continuing operations	151	168	167	184	192
Expenses from continuing operations	136	151	157	174	179
Operating Result from Continuing Operations	15	17	10	10	13
(ii) CAPITAL BUDGET					
New Capital Works ⁽²⁾	17	14	32	22	21
Replacement/Refurbishment of Existing Assets	19	22	27	18	18
Total Capital Budget	36	36	59	41	38
Funded by:					
– Loans	-	2	6	-	-
– Asset sales	-	3	2	2	2
– Reserves	13	10	11	9	9
– Grants/Contributions	2	2	1	1	1
– Recurrent revenue	2	5	21	13	12
– Other	19	15	18	16	15
	36	36	59	41	38

Notes:⁽¹⁾ From 2012/2013 Income Statement.⁽²⁾ New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.



WARRINGAH

ANNUAL REPORT 2013

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NSW 2009



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