



20192020 ANNUALREPORT



Vision Our Vision for Mosman is:

A VIBRANT HARBOURSIDE VILLAGE WHERE COMMUNITY, LIFESTYLE AND HERITAGE ARE VALUED AND WHERE RESIDENTS FEEL SAFE AND CONNECTED.

Message from the Mayor

This year offered unprecedented challenges for our community as the impacts of the COVID-19 Pandemic continue to be felt both here and across the globe. Elected Councillors and Council senior management worked together to ensure our community remained safe and secure, our local businesses were supported and Council staff remained employed and protected. It was a fundamental requirement that Council remained closely connected to our community as we all needed to reset our priorities and pivot quickly to a significantly changed environment.

The good news is that Council achieved these goals during a climate of significant financial downturn and financial uncertainty and most importantly we ended the 2019/2020 financial year viable.

Adapting to the changed environment, Council broadly continued to meet expected service levels and maintained the assets and infrastructure of our beautiful municipality. However, it has been a challenging year for our community support services, with Council withdrawing from some services and expanding its reach in others. The extreme disappointment of not being able to proceed with the planned Balmoral Children's Centre due to State fire restrictions led to the closure in December of Council's Occasional Care Centre. In early 2020 Council also withdrew from providing out of school hours care for Mosman Public School students following the long-awaited opening of an on-site school service.

The COVID-19 pandemic brought with it a different set of challenges for our Community Care team, who continued to provide a range of essential services including transport and meals to our most vulnerable residents throughout the peak of the crisis. Community Care also expanded its meals service considerably in response to community demand, as well as establishing a hotline to lend a caring ear to residents isolated at home.

The Youth Services team delivered a wide range of in house and remote programs and activities for our young people during the year. Our Mosman Library Service, although closed for two months between March and May, adapted to the changes brought about by the pandemic and provided an extensive range of services to residents both at the library and in their homes.

The 2019 Festival of Mosman was a tremendous success, attracting more than 37,000 attendees to over 60 Council and community events. Mosman Art Gallery also produced another stellar year of exhibitions and programming, again somewhat disrupted in the latter part of the year, with a highlight being a major exhibition by the artist Jumaadi during Summer 2019/20.

These achievements would not be possible without Council's committed, hard-working staff, working professionally and collaboratively with myself, my fellow Councillors, our superb volunteers, our external contractors and the broader community. Together we all remain committed to our vision by recognising and advancing aspirations that are common to many in the community. It is critical to our success that we continue to deliver in these difficult times and respond to challenges and residents' aspirations through ongoing and improved community engagement, collaborative leadership, sound management, and innovation.

Carolyn A long an

Councillor Carolyn Corrigan Mayor of Mosman





Message from the General Manager

The 2019-2020 Annual Report presents the outcomes and achievements for year three of Council's 2018-2028 Community Strategic Plan and 2018-2021 Delivery Plan. It is pleasing to now present back to the community a report card on the quality outcomes achieved under the Plan.

As intimated by our Mayor 2019-2020 was a year like no other. The COVID-19 Pandemic is affecting the lives of those in our Community and those who work at Council.

Council leadership worked tirelessly to support the Community whilst maintaining the ongoing viability of the organisation and protecting staff. In May the vast majority of staff transitioned to working from home or took leave. Many Council services closed in accordance with NSW Health guidelines. Navigating fast moving and complex changes required careful planning and execution and I am indebted to our Councillors for their unwavering support during such a difficult time.

Despite the Pandemic, the majority of promised outcomes were met by Council. The 2019-2020 Financial Statements contained within the Annual Report demonstrate the strong and strategic financial management framework in place that contributes to achieving these outcomes. Council's Income Statement for the year ended 30 June 2020 discloses a \$131,000 operating deficit before capital grants and contributions and fair value increments. Significant cost cutting efforts across the organisation kept the deficit to a manageable number despite Covid related reductions to Council's revenues.

Financial performance, as measured by the Office of Local Government financial performance indicators, place Council in a sound financial position. Council has largely completed an ambitious capital works program amounting to \$9.7 Million and continues to address the infrastructure backlog with all infrastructure asset performance indicators indicating a very satisfactory asset management position.

The ongoing application of innovation and investment in technology and the associated delivery of a change culture has greatly supported Council's ability to adapt. Recent moves to mobile and online software systems enabled Council staff to continue to work from home during lockdown. As a consequence our call centre continued un-interrupted, and the vast majority of Council transactions continued to be processed by staff at home.

In addition the implementation of our online Foreshore permit system enabled residents to re-new permits from home avoiding the annual queues at Council.

Our commitment to the above strategies and in our adopted Customer Service Charter is having success in delivering excellence in service and value adding for the community. The commitment and dedication of staff and the elected Council in working collaboratively and engaging the community promises the excellent outcomes in the past year will continue.

N. S. p

Dominic Johnson General Manager

CONTENTS

| Introduction | 2 |
|--|----|
| About mosman | 3 |
| About mosman council | 3 |
| Statement of values | 4 |
| About mosman's management plan - mosplan | 5 |
| Mayor and councillors | 15 |
| Councillor attendance at meetings and workshops | 15 |
| Council management | 16 |
| Report on progress against delivery program 2019-20 | 18 |
| 1. Mayoral and councillor fees and expenses | 53 |
| 2. Senior staff | 54 |
| 3. Overseas visits by councillors, council staff or other persons representing council | 54 |
| 4. Equal employment opportunity management | 55 |
| 5. Condition of public works | 55 |
| 6. Contracts | 57 |
| 7. Legal costs and expenses | 59 |
| 8. Planning agreements | 62 |
| 9. Approved special rate variation expenditure | 63 |
| 10. Rates and charges written off during the year | 63 |

| 11. Private works | 63 |
|--|----|
| 12. Donations and subsidies | 65 |
| 13. External bodies exercising functions delegated by council | 66 |
| 14. Companies in which council held a controlling interest | 66 |
| 15. Partnerships, co-operatives & joint ventures which the council was a party | 66 |
| 16. Companion animals act and regulation – guidelines on the exercise of functions under the companion animals act cl 217(1) (f) | 67 |
| 17. Swimming pools act 1992 and regulation | 70 |
| 18. Code of conduct | 72 |
| 19. Government information (public access) act 2009 | 74 |
| 20. Public interest disclosures act 1994 | 78 |
| 21. Privacy management plan | 79 |
| 22. Formal complaints and accolades | 79 |
| 23. Fraud and corruption prevention activities | 80 |
| 24. Capital expenditure reviews | 81 |
| 25. Carers recognition act 2010 | 81 |
| 26. Disability inclusion act 2014 | 81 |

Section three: financial reports for the year ended 30 June 2020 including auditor's report Section four: state of the environment scorecard 2019-2020 Section five: disability inclusion action plan

INTRODUCTION

Mosman Council's Annual Report for the period 1 July 2019 to 30 June 2020 is prepared in compliance with section 428 of the *Local Government Act 1993*, clause 217 of the *Local Government (General) Regulation 2005*, and the Office of Local Government's integrated planning and reporting guidelines provided for under section 406 of the *Local Government Act 1993*. The report also meets the requirements of other legislation including the *Environmental Planning and Assessment Act 1979*, *Government Information (Public Access) Act 2009 and Privacy and Personal Information Protection Act 1998*.

Mosman's Community Strategic Plan, MOSPLAN 2018-2028, is the plan for Mosman's future. It responds to the aspirations of the Mosman community and its elected Council, and ensures that services are provided to the Mosman community effectively, efficiently and sustainably. The Plan is divided into seven Strategic Directions. These Strategic Directions link directly to the Delivery Program and Operational Plan, which detail how Council will deliver on community aspirations over four and one year periods, respectively.

The purpose of the report is to:

- Report on Council's progress and achievements in implementing its Delivery Program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed
- Report on other information required by the *Local Government (General) Regulation 2005* and the integrated planning and reporting guidelines provided for under section 406 of the *Local Government Act 1993*
- Detail Council's financial position as at 30 June 2020
- Present Council's State of the Environment Scorecard 2019/20
- Provide information concerning Council's Disability Inclusion Action Plan
- Provide proactive release of other Council information under the *Government Information* (*Public Access*) *Act 2009*

The report is supported by quarterly reporting to Council in relation to MOSPLAN progress and a four-yearly report is also prepared at the end of each Council term. Council provides further updates and information on progress through its newsletter - Mosman Now, its weekly column in the Mosman Daily and items published on Council's website.

Copies of the Annual Report are available for perusal at the Civic Centre, Mosman Square or on Council's website under Council/Reports and Publications. The report has been submitted to the Minister for Local Government in accordance with section 428(5) of the *Local Government Act 1993*.

Any enquiries concerning this report may be directed to Council's Governance section on 9978 4000.

ABOUT MOSMAN

Mosman is a place of history and beauty, located eight kilometres north-east of the CBD on Sydney's lower north shore. It is one of Australia's premier suburbs, with an unmatched setting on Sydney Harbour.

The area is characterised by beautiful localities such as Balmoral, Beauty Point, Clifton Gardens and Georges Heights. Occupying some 8.7 square kilometres, Mosman features numerous stunning bays and beaches punctuated by rugged headlands and sandstone cliffs. Natural bushland areas and foreshore parklands complement busy shopping strips and suburban neighbourhoods. The major thoroughfares of Military and Spit Roads both divide the area and connect residents of Mosman and those from further north to other parts of Sydney.

Mosman's history began with the Borogegal and Cammeraigal people and the area has since been renowned for activities as diverse as convict farms, whaling, artists camps, and military fortifications.

As a destination, Mosman today is a great place to sample some unique Sydney heritage. The area is home to the world famous Taronga Zoo, as well as excellent harbourside swimming and recreation areas, top restaurants, and high-end retail experiences.

The demographics of Mosman are presented in the Community Profile of Mosman, Social Atlas of Mosman and Population Forecasts for the Mosman Local Government Area (LGA). These are available online to inform Council, the business community, students, researchers, investors and the community in general.

Data from the Australian Bureau of Statistics is presented in table and chart format with brief commentary (Community Profile of Mosman) and interactive maps (Social Atlas of Mosman). Mosman LGA data is also able to be compared with pre-existing Warringah and Pittwater LGAs, and the Sydney region as a whole.

ABOUT MOSMAN COUNCIL

Local Government in NSW is administered and governed by councils and is controlled and regulated by the *Local Government Act 1993*.

Mosman Municipal Council consists of two functional units. One is the elected Council comprising seven Councillors including the popularly elected Mayor; the other is the permanent staff of the Council, who work at the Council offices and other Council locations.

The elected Councillors set and control policy directions whilst the staff, headed by the General Manager, implements policy and legislative requirements. All strive together to anticipate and meet community needs and expectations.

STATEMENT OF VALUES

Our Values

Council has adopted six values that guide the way services are delivered and help ensure Council remains progressive, accountable and responsive the community.

In addition to these values Council supports and advocates the social justice principles of equity, access, participation and rights in both service planning and delivery. These principles are reflected in MOSPLAN's Strategic Directions and strategies.

LEADERSHIP INTEGRITY TRANSPARENCY SERVICE INCLUSIVENESS RESPECT

ABOUT MOSMAN'S COMMUNITY STRATEGIC PLAN - MOSPLAN

Mosman's Community Strategic Plan, MOSPLAN, is our plan for Mosman's future. It has been developed over a number of years and addresses the specific requirements of the NSW Government's Integrated Planning and Reporting legislation and responds to the aspirations of the Mosman community and its elected Council.

According to legislation, Council must adopt:

- A Community Strategic Plan a 10 year+ strategic direction for Mosman, supported by a Resourcing Strategy which details Council's approach to long term financial planning, workforce planning and asset management planning
- A four year Delivery Program detailing the principal activities that Council will undertake to achieve the long term vision contained in the Community Strategic Plan
- A one year Operational Plan and Budget outlining the actions Council will carry out in the coming financial year to achieve the four-year Delivery Program and Council's long-term vision

MOSPLAN is an integrated plan containing each of the three elements referred to above. Not only does it clearly articulate a long-term Vision for the future, it also identifies how Council intends to deliver on that Vision across 10, four and one year horizons.

MOSPLAN takes into account an extensive range of other strategies and plans prepared by Council to address specific service areas or issues. Examples of these related documents include Asset Management Plans and Development Control Plans.

MOSPLAN provides the framework for the delivery of services to the Mosman community in a manner that is effective, efficient and planned in a logical and financially viable way. Council has a measurement framework in place to gauge performance against key MOSPLAN deliverables.

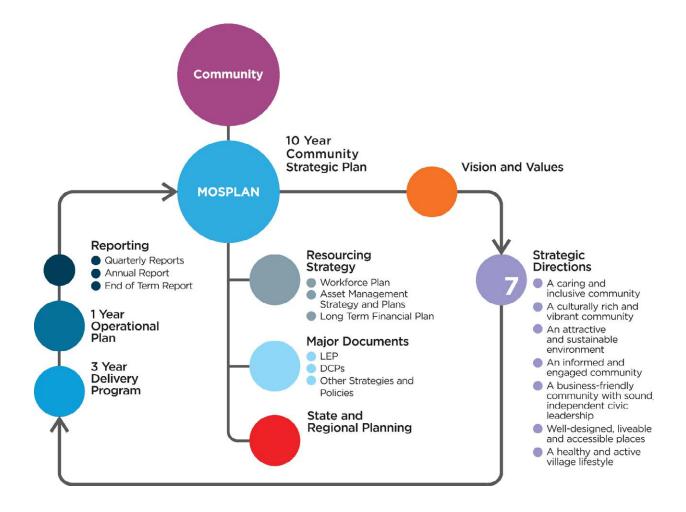
Mosman's Vision, and the underlying values and commitments that support it are reflected in the seven Strategic Directions of MOSPLAN that guide Council operations. The seven Strategic Directions are:

Strategic Directions



Importantly, the seven Strategic Directions and supporting strategies identified in this plan provide the key link with the 2018-2021 Delivery Program and the Operational Plans and Budgets adopted by Council over the three year life of the Delivery Program.

The following diagram illustrates the integrated nature of MOSPLAN, and how engagement, planning, service delivery and reporting processes all contribute to its preparation, ongoing review and evolution.



STRATEGIC DIRECTION 1- A Caring and Inclusive Community

How will we get there?

Our Strategies



Assist residents to feel connected to their community and each other

Ensure support is available for people in need

Promote opportunities to acknowledge and embrace diversity

Related Plans

Mosman Disability Inclusion Action Plan 2017 Mosman Social Directions 2012 Mapping Mosman's Community Services and Programs 2018

How will we know we've arrived? Community Sustainability Indicators

| Indicator | Measure | Desired Trend or Target | Source |
|--------------------------------------|---|--|------------------------------------|
| Community Connectedness | Percentage of residents who feel connected to the Mosman community | Desired trend: Increase | Mosman Community Survey |
| Volunteering | Number of people registered as active Council volunteers | Desired trend: Increase | Mosman Council |
| Community services and facilities | Level of community satisfaction with the overall range of community services and facilities provided by Council | Desired trend: Increase | Mosman Community Survey |
| Cultural Diversity | Percentage of residents from culturally and linguistically diverse backgrounds | Desired trend: Increase | Australian Bureau of Statistics |
| Disability Inclusion | Number of measures in Council's Disability Inclusion Action Plan achieved | Desired trend: Maintain or increase | Mosman Council |

Who will help us get there?

Our Partners

- Federal government various agencies including Department of Health, Department of Social Services, Department of Human Services and Department of Education and Training
- NSW Government various agencies including Department of Family and Community Services, NSW Health, and Department of Education,
- Northern Sydney Regional Organisation of Councils (NSROC)
- Non-government and community organisations
- 20 Community members and volunteers

STRATEGIC DIRECTION 2 - A Culturally Rich and Vibrant Community

How will we get there?

Our Strategies

Related Plans

| 1 | Celebrate Mosman's unique identity and heritage | |
|---|---|--|
| 2 | Nurture cultural and creative endeavours | |
| 3 | Provide further opportunities to laugh, learn and play | |

Who will help us get there?

Our Partners

- Federal government various agencies including Department of Communication and the Arts and Department of Education and Training
- NSW Government various agencies including State Library of NSW, Department of Education, Create NSW, and NSW National Parks and Wildlife Service
- Northern Sydney Regional Organisation of Councils (NSROC)
- Sydney Harbour Federation Trust
- Shorelink Library Network
- Non-government, community and cultural organisations
- Creative groups and individuals
- <u>co</u> Community members and volunteers

Shoreplan - Shorelink Strategic Plan 2017 NSW Cultural Infrastructure Strategy 2016

How will we know we've arrived? Community Sustainability Indicators

| Indicator | Measure | Desired Trend or Target | Source |
|------------------------|---|-------------------------|-------------------------|
| Cultural Participation | Number of visitors to Mosman Art Gallery | Desired trend: Increase | Mosman Council |
| | Number of visitors to Barry O'Keefe Library | Desired trend: Increase | Mosman Council |
| | Number of people attending Council-run events and festivals | Desired trend: Increase | Mosman Council |
| Socialising in Mosman | Percentage of residents who mainly socialise in Mosman | Desired trend: Increase | Mosman Community Survey |

STRATEGIC DIRECTION 3 - An Attractive and Sustainable Environment

How will we get there?

Our Strategies



Protect and enhance Mosman's natural areas and local biodiversity

Use and encourage sustainable practices

Effectively manage parklands for community use

Related Plans

Mosman Environmental Management Plan

Mosman Asset Management Plans - various

Mosman Catchment Management Plans - various

Plans of Management - various

Sydney Harbour Federation Trust Management Plans

National Parks and Wildlife Plan of Management - Sydney Harbour National Park

Who will help us get there? Our Partners

- Enderal government various agencies including Department of Environment and Energy
- NSW Government various agencies including Department of Planning and Environment, Office of Environment and Heritage, NSW Rural Fire Service and NSW National Parks and Wildlife Service
- Northern Sydney Regional Organisation of Councils (NSROC)
- Sydney Harbour Federation Trust
- Non-government and community organisations
- 22 Community members and volunteers

How will we know we've arrived? Community Sustainability Indicators

| Indicator | Measure | Desired Trend or Target | Source |
|--------------------------------------|---|---|------------------------------------|
| Health of bushland | Percentage of bushland with greater than 90% native vegetation cover | Desired trend: Increase | Mosman Council |
| Community environmental footprint | Level of overall energy consumption by the Mosman community | Desired trend: Reduce | Mosman Council |
| | Level of overall water usage by the Mosman community | Desired trend: Reduce | Mosman Council |
| | Percentage of domestic waste diverted from landfill | Desired trend: Increase | Mosman Council |
| Air and Water Quality | Level of water quality at harbour beaches | Target: Water quality at all Mosman beaches 'Good" or above | Harbourwatch |
| | Number of air quality complaints received by Council | Desired trend: Reduce | Mosman Council |
| Public Transport Use | Percentage of Mosman residents using public transport to travel to work | Desired trend: Increase | Australian Bureau of Statistics |

STRATEGIC DIRECTION 4 - An Informed and Engaged Community

How will we get there?

Our Strategies

Actively involve the community in planning and delivering Mosman's future

Deliver community information that is accurate and readily available

Ensure the community knows how and why decisions are made

Who will help us get there? Our Partners

- MSW Government various agencies
- Northern Sydney Regional Organisation of Councils (NSROC)
- Media organisations including News Local (Mosman Daily) and other metropolitan, regional and local publications
- 22 Non-government and community organisations
- 20 Community members and volunteers

Related Plans

Mosman Community Engagement Strategy

Community Engagement Strategy - MOSPLAN 2018-2028

How will we know we've arrived? Community Sustainability Indicators

| Indicator | Measure | Desired Trend or Target | Source |
|--------------------------|--|-------------------------|--------------------------|
| Community Engagement | Level of community satisfaction with Council engagement | Desired trend: Increase | Mosman Community Survey |
| Informed Communities | Level of community satisfaction with Council information and support | Desired trend: Increase | Mosman Community Survey |
| Democratic participation | Percentage of eligible voters voting in local government elections | Desired trend: Increase | NSW Electoral Commission |

STRATEGIC DIRECTION 5 - A Business-Friendly Community with Sound, Independent Civic Leadership

How will we get there?

Our Strategies

Council delivers high quality, convenient service to customers

Utilise local and regional partnerships to benefit Mosman

Provide support for business precincts and the local economy

Related Plans

Mosman Customer Service Charter 2017

Workforce Plan 2018-2021

Long Term Financial Plan 2018-2028

NSROC Regional Priorities 2012

Who will help us get there? Our Partners

- Federal government various agencies including Department of Industry, Innovation and Science
- NSW Government various agencies including Department of Premier and Cabinet (including Office of Local Government), and Department of Industry
- Northern Sydney Regional Organisation of Councils (NSROC)
- 80 Mosman Chamber of Commerce and local businesses
- 22 Regulatory bodies including IPART and ICAC
- Industry peak bodies
- 20 Non-government and community organisations
- 20 Community members and volunteers

How will we know we've arrived?

Community Sustainability Indicators

| Indicator | Measure | Desired Trend or Target | Source |
|---------------------------------------|---|--|-------------------------|
| Overall Satisfaction with Council | Level of community satisfaction with overall Council service delivery | Desired trend: Increase | Mosman Community Survey |
| | Level of community satisfaction with performance of Councillors | Desired trend: Increase | Mosman Community Survey |
| | Level of community satisfaction with performance of Council staff | Desired trend: Increase | Mosman Community Survey |
| Budget Performance | Year-end financial result compared to budget | Target: Year-end operating result within 10% of budget | Mosman Council |
| Corporate Compliance | Level of compliance with statutory requirements | Target: 100% compliance with all statutory requirements | Mosman Council |
| Development Assessment Performance | Average time taken to assess Development Applications | Target: Equal to or below average development assessment times of Category 2 Councils | Mosman Council |

STRATEGIC DIRECTION 6 - Well Designed, Liveable and Accessible Places

How will we get there?

Our Strategies

1 2 3 Enhance daily life by providing high quality public infrastructure and public spaces

Value and strengthen the special aesthetic qualities of Mosman

Improve access for everyone to, from and within Mosman

Related Plans

Mosman Local Environmental Plan 2012

Mosman Development Control Plans - various

- Mosman Housing Strategy
- Mosman Signage Strategy 2017
- Mosman Pedestrian Access Mobility Plan 2012
- Mosman Asset Management Strategy and Plans
- A Plan for Growing Sydney 2014
- Greater Sydney Region Plan A Metropolis of Three Cities
- North District Plan
- State Infrastructure Strategy 2018-2036
- Future Transport 2056 Strategy

How will we know we've arrived? Community Sustainability Indicators

Who will help us get there?

Our Partners

- Federal government various agencies including Department of Infrastructure and Regional Development
- NSW Government various agencies including Department of Planning and Environment, Roads and Maritime Services, Department of Transport and Greater Sydney Commission
- Northern Sydney Regional Organisation of Councils (NSROC)
- Sydney Harbour Federation Trust
- Utility providers
- 2 Non-government and community organisations
- og Community members and volunteers

| Indicator | Measure | Desired Trend or Target | Source |
|-------------------------|---|---|-------------------------|
| Accessibility | Number of accessibility improvements delivered annually by Council Desired trend: Maintain or Increase | | Mosman Council |
| Infrastructure Delivery | Year-end capital works result compared to budget | Target: Year-end capital works result within 5% of works programmed | Mosman Council |
| | Level of community satisfaction with provision and maintenance of local infrastructure | Desired trend: Increase | Mosman Community Survey |
| Community Pride | Percentage of residents who are proud of their local area | Desired trend: Increase | Mosman Community Survey |

STRATEGIC DIRECTION 7 - A Healthy and Active Village Lifestyle

How will we get there?

Our Strategies



Support active, healthy lifestyles

Facilitate safe environments for everyday living

Protect and enhance Mosman's village atmosphere

Related Plans

Plans of Management - various

Mosman North Sydney Willoughby Bush Fire Risk Management Plan 2017

Mosman Open Space Recreational Needs Assessment 2015 Mosman Bicycle Plan 2014-2019

How will we know we've arrived? Community Sustainability Indicators

Indicator **Destred Trend or Target** Measure Source Community Health Average life expectancy for Desired trend: Increase NSW Health Mosman residents Physical Activity Percentage of Mosman residents undertaking Desired trend: Increase NSW Health adequate physical activity each week Community safety Percentage of residents Desired trend: Increase Mosman Community Survey who feel safe in their local area Annual crime rates for major NSW Bureau of Crime Desired trend: Reduce criminal incidents Statistics and Research Road safety Number of roads accidents NSW Roads and Maritime and casualties in Mosman Desired trend: Reduce Services per annum

Who will help us get there? Our Partners

- Federal government various agencies including Department of Health
- NSW Government various agencies including NSW Health, the NSW Office of Sport, the NSW National Parks and Wildlife Service, Emergency NSW and the NSW Police Force
- Northern Sydney Regional Organisation of Councils (NSROC)
- Sydney Harbour Federation Trust
- Non-government, community and sporting organisations
- 20 Community members and volunteers

MAYOR AND COUNCILLORS

| Members of Council 1 July 2019 - 30 June 2020 | | | |
|---|-----------------------|--|--|
| MAYOR | Carolyn Corrigan | | |
| DEPUTY MAYOR | Elizabeth Ann Moline | | |
| COUNCILLORS | Roy David Bendall | | |
| | David Cook | | |
| | Peter Simon Menzies | | |
| | Thomas Sherlock | | |
| | Jacqueline Willoughby | | |

COUNCILLOR ATTENDANCE AT MEETINGS AND WORKSHOPS

| | Meetings / Workshops attended 1 July 2019 - 30 June 2020 | | | | e 2020 |
|-----------------|--|---------------------------|------------------------------------|---------------|--|
| Councillor | Ordinary (11 held) | Extraordinary (0 held) | Traffic Committee * (4 held) | Committee * | Workshops (8 held) Detailed below |
| Cr R D Bendall | 11 | - | - | 5 | 6 |
| Cr D Cook | 11 | - | 2 | 1 (Alternate) | 7 |
| Cr C A Corrigan | 11 | - | - | - | 8 |
| Cr P S Menzies | 11 | - | 2 | - | 6 |
| Cr E A Moline | 10 | - | - | - | 6 |
| Cr T Sherlock | 10 | - | - | 4 | 7 |
| Cr J Willoughby | 11 | - | - | - | 8 |

* Only the member Councillor as listed on the relevant Committee is marked as attending the meeting or his/her delegate if the Councillor is absent. No other Councillor is listed as attending regardless of whether they addressed the Committee or not.

| | Workshop | Date |
|----|---|------------------|
| 1. | Community Workshop - Local Strategic Planning Statement | 24 July 2019 |
| 2. | Woolworths presentation | 30 July 2019 |
| 3. | Citizen of the Year Process, Waste | 26 November 2019 |
| 4. | LEP Review & Before & After School Care | 25 February 2020 |

| | Workshop | Date |
|----|-----------------------------------|---------------|
| 5. | Budget & MOSPLAN | 10 March 2020 |
| 6. | Budget & MOSPLAN | 24 March 2020 |
| 7. | Budget #1 | 19 May 2020 |
| 8. | Community Consultative Committees | 30 June 2020 |

COUNCIL MANAGEMENT

Mosman Council administration is organised into three departments each headed by a Director that reports to the General Manager - Community Development, Corporate Services, and Environment and Planning.

Community Development manages a wide range of services and facilities that support and enhance the lives of residents of Mosman. These include the Barry O'Keefe Library, Seniors' Centre, Youth Centre, Art Gallery and Community Centre, Mosman Meals and Community Restaurant, and Community Transport. Many of these services are provided with the assistance of dedicated volunteers, who donate their time and effort to the community. The Department is also responsible for community engagement, communication, social and cultural planning, organising and coordinating special events such as the annual Festival of Mosman and monthly Mosman Market, and providing advice and assistance to the business community.

Corporate Services provides management support to Councillors and Council staff, as well as a range of services to the community. It comprises Customer Service, Governance, Financial Services, Information Technology Services and Human Resources branches. The Director Corporate Services is Council's appointed Public Officer and Risk Manager. Among other duties, the Public Officer deals with requests from the public concerning the Council's affairs and has the responsibility of assisting people gain access to Council's public documents and responding to complaints against Council.

Environment and Planning fulfils a range of tasks relating to:

- Regulatory development and building activities
- Regulatory and compliance activities conducted by Ranger services
- Environmental health and education programs and services including provision of domestic and commercial waste and recycling services, street sweeping and beach and reserve cleaning
- Strategic urban planning and heritage advisory services
- Engineering and asset management functions covering diverse items such as roads and traffic improvements, stormwater drainage, sea-walls and jetties, parks and gardens, play equipment, public buildings and structures, playing fields and bushland areas

Section One Progress Against Delivery Program

REPORT ON PROGRESS AGAINST DELIVERY PROGRAM 2019-20

Report on achievements in implementing Council's delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed.



MOSPLAN Delivery Program and Operational Plan

Annual Report 2019/2020

PROJECT LEGEND

| Not commenced |
|---|
| Deferred (commencement date postponed) |
| On track - 0 milestones late |
| On track with minor issues - 1 or more milestones missed, but project still considered on track |
| Off track - 1 or more milestones missed and/or project not expected to meet completion date |
| Complete |



A Caring and Inclusive Community

PERFORMANCE INDICATORS

| Indicator | Target | Annual Result | Comments |
|--|--------|------------------|---|
| %Project Milestones Achieved- Caring and Inclusive Community | 90% | 79% | A solid result, with strong results early in the year somewhat impacted by limitations on programming resulting from the COVID- 19 pandemic. |
| No. of Community Transport trips per annum | 5,340 | 4124 | Total trip numbers were down on expectations, with the final quarter significantly affected by COVID-19. Towards the end of the third quarter all social outings were cancelled in response to Public Health Orders, and only essential individual transport trips were undertaken during the final quarter of the year. |
| No. hours of social support provided per annum | 3,450 | 5,250 | Strong numbers for the year, with COVID- 19 impacting on the number of clients seeking face to face support. During the latter part of the year the delivery model transitioned to telephone support to better meet client needs and the annual target was exceeded. |
| No. meals delivered by Meals on Wheels per annum | 14,950 | 19,326 | There was increased demand for at-home meals in the latter part of the year due to COVID-19. Numbers increased in both home deliveries and 'over the counter' meal collections, meaning that the annual target was significantly exceeded. |
| No. meals served in the Community Restaurant per annum | 3,740 | 2797 | The Community Restaurant was closed in mid-March 2020 due to result of Public Health Orders and remained closed for the rest of the financial year. As a result the targeted annual number of meals was not met. |
| No. volunteers in Council services | 345 | 399 | The target for number of volunteers in Council services was met, however COVID-19 had a significant impact on the number of active volunteers during the fourth quarter when all volunteering activity was suspended do manage risk. |

| Indicator | Target | Annual Result | Comments |
|--|--------|--|---|
| No. of young people attending programs at Council's Youth Centre | 13,000 | 14,781 | The Youth Centre engaged positively with young people over the course of the year, moving to online service delivery as part of its programming at the end of March 2020 in response to COVID-19. In the fourth quarter youth participation predominantly consisted of online programing, social media engagement, direct messaging and 1:1 video. Some 1 on 1 activities restarted at the end of June including some small group activity for the Winter holiday program. |
| Utilisation rate - Mosman After School Care | 92% | 81.6 % averaged over 3 quarters | The Mosman Before and After School Care service closed permanently on 30 March 2020 and accordingly there were no usage numbers for Quarter 4. The establishment of a new service at Mosman Public School impacted the achievement of the annual target. |
| Utilisation rate - Mosman Before School Care | 45% | 39 % averaged over 3 quarters | The Mosman Before and After School Care service closed permanently on 30 March 2020 and accordingly there were no usage numbers for Quarter 4. The establishment of a new service at Mosman Public School impacted the achievement of the annual target. |
| Utilisation rate - Mosman Occasional Care Centre | 80 | 70 % averaged over 2 quarters | The MOCC service closed permanently in December 2019 and accordingly there were no usage numbers for Quarters 3 or 4. |
| Utilisation rate - Mosman Vacation Care | 98% | 79.6 % averaged over 3 quarters | The Mosman Before and After School Care service, including Vacation Care, closed permanently on 30 March 2020 and accordingly there were no usage numbers for Quarter 4. The establishment of a new service at Mosman Public School impacted the achievement of the annual target. |
| Utilisation rate - Mosman Square Senior Citizens Centre | 25,000 | 16,033 | The Seniors Centre, while tracking well for visitation prior to March 2020, was closed throughout Quarter 4 in response to COVID-19. This impacted the achievement of the centre's annual visitation target. |
| % Residents satisfied with access to Council information and Council support | 6.90 | 6.88 | All resident satisfaction scores are derived from the 2018 Mosman Community Survey and represent a mean score out of 10. |

| Indicator | Target | Annual Result | Comments |
|--|--------|------------------|--|
| % Residents satisfied with overall range and quality of community facilities and activities | 7.25 | 7.24 | The next Community Survey will be conducted in 2021. |
| % Residents satisfied with services and facilities for children and families | 7.55 | 7.56 | |
| % Residents satisfied with services and facilities for older people | 7.25 | 7.22 | |
| % Residents satisfied with services and facilities for people from culturally and linguistically diverse backgrounds | 6.05 | 6.04 | |
| % Residents satisfied with services and facilities for people with a disability | 6.85 | 6.83 | |
| % Residents satisfied with services for young people | 6.70 | 6.67 | |
| % Young people satisfied with programs and events coordinated by Youth Services | 80% | 91.81% | This satisfaction rate is higher than that achieved in 2018/19. The results for specific issues, projects or offerings included: Girls Inclusion events: 100% Youth Centre Space: 100% View finders: 100% Vocal Rewind: 85.7% FRESH: 83% Mospress: 74% Holiday Program: 100% |

PROJECTS

| Project | Progress | Comments | Status |
|--|----------|---|--------|
| 'Engage to Empower' Girls Inclusion Project | 100% | Girls inclusion remained a focus for Council's Youth Services team throughout the year. During COVID-19 restrictions various groups continued to meet online and, while one Girls Inclusion Workshop could not go ahead, young people contributed to online events and blogs. | |

| Project | Progress | Comments | Status |
|---|----------|--|--------|
| | | Improvements to the Youth Centre aesthetic were achieved through a collaborative youth art workshop designing new centre pillowcases, and creation of the Online Youth Centre and implementation of a new social media strategy has been met with positive responses & increased engagement. | |
| Pedestrian Safety for Children | 100% | Child Restraint fitting was organised through a voucher system for the first time this year, resulting in improved efficiency compared to child restraint fitting days at Vista Street public carpark. | |
| Clifton Gardens Accessibility Ramp | 100% | Designs for the accessible ramp and construction works were completed during the year. | |
| Aged and Disability Services Contract Capability | 100% | This project was completed with the assistance of external consultants who provided advice and recommendations that will be considered as part of strategic planning for Community Care in 2020/2021. | |
| Expanded Community Transport Options | 100% | The A to B Transport service continued to be promoted alongside other Community Care offerings. Transport for NSW (TFNSW) worked with the Community Care service during the year to develop a decision-making framework for a Community Transport review, including how the service will continue to best meet the needs of clients. | |



STRATEGIC DIRECTION 2

A Culturally Rich and Vibrant Community

PERFORMANCE INDICATORS

| Indicator | Target | Annual Result | Comments |
|---|--------|------------------|---|
| % Project Milestones achieved - Culturally Rich and Vibrant Community | 90% | 88% | A strong result for the year, particularly bearing in mind COVID-19 restrictions, with the percentage of milestones achieved close to the annual target. |
| No. Library visits per capita per annum | 9.70 | 7.88 | The Library visits per capita were below target due to the impact of the COVID-19 pandemic. The Library was closed for 9 weeks between March and April 2020 and reopened with restricted hours for the month of June, meaning only 4,396 visits for the last quarter of 2019/20. |
| No. Loans per capita per annum | 9.50 | 8.31 | Loans per capita were down for the whole year compared with 2018/19 figures due to the closure of the Library for over 2 months and restricted hours in June as a result of the COVID-19 pandemic. Loans during the first two quarters of the year were up on 2018/19 and this trend looked set to continue prior to COVID-19 closures. |
| No. of attendees at community events per annum | 25,000 | 38,120 | Council organised and delivered the biennial Festival of Mosman which attracted an estimated 37,000 attendees to the 60 community and council-run events, well exceeding the annual target of 25,000. A range of other events such as the Rapt Christmas decoration competition, Christmas Gift Appeal and Mayor's Christmas Reception attracted the involvement and attendance of a further 1,000 Mosman residents and business operators, while Council's popular International Women's Day Breakfast in March 2020 was again sold out with 120 people in attendance. |
| No. of community events per annum | 12 | 5 | Council organised and delivered the 2019 Festival of Mosman, three Christmas activities and the 2020 International Women's Day event. The biennial festival featured a number of new evening events, including a Traditional Sunset Ceremony and Dinner on the Green. The Rapt Christmas decoration competition attracted |

| Indicator | Target | Annual Result | Comments |
|--|--------|------------------|---|
| | | | 62 entries from Mosman businesses, a record 850 gifts were donated through the Christmas Gift Appeal to children and teenagers in NSW rural communities and 167 community members and volunteers attended the Mayors Christmas Reception. The International Women's Day Breakfast in March was again a great success with food author Maeve O'Meara. The annual International Day for People with Disability schools event was cancelled in November due to bushfire-related smoke. |
| No. of events, projects and activities undertaken with Mosman's Friendship Communities per annum | 2 | 2 | While Mosman's Friendship Cities programs operated at a low level of activity in 2019/20, the annual target of activities was met. No new activities were undertaken in the third or fourth quarter, although Council did pass on its congratulations on the occasion of the 10 th anniversary of the Mosman-Otsu Friendship Cities Agreement in May 2020 and again made a contribution to the Mudanjiang Girl Child Project. |
| No. of exhibitions, educational activities and special events held per annum at Mosman Art Gallery | 150 | 122 | The number of exhibitions and public programs tracked well in the first two quarters of 2019/20, with the effects of COVID-19 increasingly restricting programming in the third quarter. Due to COVID-19 restrictions the Gallery and Community Centre was closed for most of Q4, severely restricting exhibitions, educational activities and special events. However, new exhibitions were prepared for the June re-opening and a number of on-line activities and presentations were delivered during this time. |
| No. of Gallery Friends and Volunteers | 500 | 476 | The annual number of Gallery Friends' memberships remained healthy in 2019/20, falling marginally short of its annual target. |
| No. of Library programs delivered for adults | 80 | 117 | A total of 117 programs were delivered for adults in 2019/20. These programs included author talks, workshops, Local Studies exhibitions and a special crime writers festival in collaboration with the other Shorelink Libraries. The Library was closed for over 2 months between March and June and the restrictions on the library |

| Indicator | Target | Annual Result | Comments |
|---|--------|------------------|---|
| | | | service due to the COVID-19 pandemic resulted in a lower number of programs for the year 2019/20. No programs were offered between mid March and 30 June. |
| No. of Library programs delivered for children and young people | 250 | 194 | A total of 194 programs were delivered in 2019/20. This included regular storytimes, school holiday activities, Book Week Competitions and events and a Summer Reading Program. This total is lower than 2018/19 and short of the 2019/20 target. Barry O'Keefe Library was closed to the public from 26 March to 31 May inclusive due to the COVID-19 pandemic restrictions. Library Staff were able to provide regular storytime sessions during the closed period using the Facebook Live platform. There was also a special online storytime session on 27 May to celebrate National Simultaneous Storytime and an online HSC Workshop on the Library's online databases and resources for HSC students held on 1 April. The HSC Workshop attracted 356 views. There were a total of 5,365 views for all online programs. |
| No. of members of the Creative Circle philanthropy program | 35 | 40 | The Creative Circle philanthropy program grew considerably in 2019/20 and exceeded the annual target set. The Hunters and Collectors campaign was successfully concluded in Q4, resulting in an increase in Creative Circle members and increasing the overall level of donations received. |
| Total visitation per annum - Mosman Art Gallery | 85,000 | 71,185 | Prior to COVID-19 restrictions, the Gallery was on track to exceed the annual visitation target. However, the Centre was closed from late March until early/mid June, due to COVID-19 restrictions. When the Centre reopened on 9 June it was with reduced days and hours of operation, and with services limited to Gallery visits only. As COVID-19 restrictions are lifted, opening hours restored and venue hire services resume, it is anticipated that attendances will again rise. |

| Indicator | Target | Annual Result | Comments |
|---|--------|------------------|--|
| Utilisation rate - Community Centre, Mosman Art Gallery | 85% | 60.5% | Utilisation of the Mosman Community Centre was on track in the first six months of 2019/20, with impacts of COVID-19 increasing towards the end of the third quarter. Due to COVID-19 restrictions, the Mosman Community Centre was closed for the duration of Quarter 4, with no venue activity taking place at this time. The Centre will reopen to venue hire activities from 1 July 2020. |
| % Residents satisfied with Library services | 7.80 | 7.77 | All resident satisfaction scores are derived from the 2018 Mosman Community Survey |
| % Residents satisfied with local festivals and events | 7.00 | 6.98 | and represent a mean score out of 10. The next Community Survey will be conducted in 2021. |
| % Residents satisfied with Mosman Art Gallery and Community Centre | 7.50 | 7.47 | |
| % Residents satisfied with overall range of facilities and activities relevant to culture and the arts | 6.85 | 6.82 | |
| % users satisfied - Mosman Market | 90% | N/A | This survey was not undertaken in 2020 due to the extended closure of the markets during the COVID-19 pandemic. The user satisfaction rate recorded in 2019 was 92% |
| % Library users satisfied with Library services and resources | 95% | 96.53% | Results of the last Library User Survey conducted July 2019 were above target at a pleasing 96.55% satisfaction rate for Library services, staff, and resources. |

| Project | Progress | Comments | Status |
|---------------------|----------|---|--------|
| Nightlife in Mosman | 75% | The 2019 Festival of Mosman, held 18-27 October, featured a number of popular evening highlights including the opening concert at Balmoral, two cinema nights including a movie marathon, Dinner on the Green, a traditional Indigenous sunset ceremony and workshops and the OctoberFeast night market. | |

| Project | Progress | Comments | Status |
|--|----------|---|--------|
| | | Public health orders permitted the reopening of Mosman Art Gallery with restricted opening hours toward the end of the final quarter. Prior to the pandemic restrictions, extended opening hours on Wednesday evenings for special events and programs proved popular with patrons. Due to the orders, Mosman's markets also remained suspended between April and June 2020. Work began towards the end of the final quarter to support the Chamber of Commerce's Think Mosman First initiative aimed at promoting and supporting local businesses as they emerge from the COVID-19 pandemic. Council also | |
| | | supported the Chamber during the year through the Rapt Business Christmas Competition period and via stalls at the monthly Mosman Market. | |
| Instagram Photo Competition | 100% | Council's Instagram competition attracted 30 entries on average per month during the first half of the year and proved particularly popular as the community responded to and emerged from COVID-19 lockdown with nearly 50 entries in May and 70 entries in June. Winners continued to be selected within the specified timeframe each month. | |
| Library Self Check Out Kiosks Upgrade | 100% | New self-checkout kiosks were installed at Barry O'Keefe Library in December 2019 and have been very successful. The addition of cashless payment option on the new kiosks has improved customer service and reduced cash handling for Library staff. | |
| eLibrary Project | 100% | The eLibrary Year 2 project was completed on time and within budget. The new equipment is working well and the coding classes were very successful. Coding classes for the April School Holidays, however, were cancelled due to the COVID-19 closure of the Library. | |
| Feasibility Study - Grand Hall Air Conditioning | 100% | The air conditioning feasibility study for the Grand Hall was completed during the year and the designs also progressed. | |

STRATEGIC DIRECTION 3



An Attractive and Sustainable Environment

PERFORMANCE INDICATORS

| Indicator | Target | Annual Result | Comments |
|--|--------|------------------|---|
| % Project Milestones achieved - Attractive and Sustainable Environment | 90% | 84% | A solid result, particularly bearing in mind COVID-19 restrictions and the challenges associated with delivering projects and programs in the latter part of the year. |
| % Residents satisfied with cleaning of streets | 7.55 | 7.54 | All resident satisfaction scores are derived from the 2018 Mosman Community Survey |
| % Residents satisfied with Council keeping food premises safe | 7.80 | 8.01 | and represent a mean score out of 10. The next Community Survey will be conducted in 2021. |
| % Residents satisfied with litter control and rubbish dumping | 7.50 | 7.47 | |
| % Residents satisfied with management and protection of the environment | 7.55 | 7.56 | |
| % Residents satisfied with overall cleanliness, appearance and management of public spaces | 7.90 | 7.85 | |
| % Residents satisfied with provision and maintenance of parklands including bushland, harbour foreshores, local parks and bushland trails | 7.90 | 7.90 | |
| % Residents satisfied with waste and recycling collection services | 7.50 | 7.20 | |

| Project | Progress | Comments | Status |
|-------------------------------------|----------|--|--------|
| Public Amenities Upgrade Program | 100% | All public amenity upgrades at Balmoral were completed on schedule in late 2019, with some minor changes resulting from resident requests and defect corrections. | |

| Project | Progress | Comments | Status |
|--|----------|--|--------|
| | | Significant accessibility upgrades were undertaken at Clifton Gardens Reserve and at the Raglan Street West carpark in the latter part of the year. | |
| New and Revised Plans of Management | 80% | Although this project was not fully completed within the projected timeframe, the Plan of Management for Mosman Bay is expected to be finalised early in 2021 and preliminary work is also underway for Balmoral Reserve. | |
| SQID Upgrade Program | 100% | All planned SQID works for the 2019/20 financial year were completed. | |
| Balmoral Jetty Upgrade | 100% | The Balmoral Jetty upgrade works were completed and the jetty reopened for use by the public. | |
| Marine Works Program | 100% | All scheduled works in the 2019/20 Marine Works Program were completed. | |
| Stormwater Works Program | 100% | The planned CCTV investigations of closed conduits were completed. | |
| Waste and Recycling Program | 90% | National Recycling Week was promoted with a swap party in November 2019 and e-waste and mattress recycling events were held in August 2019 and February 2020. The Huskee Cup project was completed in October 2019, with a Big Coffee Cup promotion for sustainable coffee cups Mosman Christmas Market in December 2019. Other waste education events held throughout the year included Feather and Bone Sustainable Eating and Urban Bee Hive workshops. Clean-Up Australia events were held in March 2020. The multi-unit dwelling education campaign was completed with all unit block recycling bins in the Mosman LGA now audited and all bins stickered where possible. An organics recycling trial for Mosman businesses was delayed due to COVID-19 and will be completed early in 2021. | |

STRATEGIC DIRECTION 4



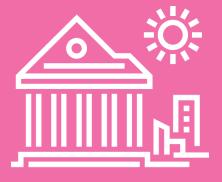
An Informed and Engaged Community

PERFORMANCE INDICATORS

| Indicator | Target | Annual Result | Comments |
|--|---|---|--|
| % Project Milestones achieved - Informed and Engaged Community | 90% | 88% | A strong result for the year, particularly bearing in mind COVID-19 restrictions, with milestones achieved close to the annual target. |
| % of Council meetings webcast | 100% | 100% | All Council meetings during 2019/20 were successfully webcast, meting the 100% webcast target. |
| No. of people accessing Council meeting webcasts | 600 (Live) 1000 (Archive) | 513 (Live) 930 (Archive) | The Council Meeting webcast is operating according to expectations and the number of people accessing the webcast in 2019/20, both live and via the webcast archive, was close to the annual target. |
| No. Website visits and page views per annum | 450,000 (visits) 800,000 (views) | 437,188 (visits) 789,407 (views) | Council's website came in slightly under the annual targets, partially due to a significant decrease in traffic during the final quarter due to COVID restrictions and the cancellation of events and exhibitions. |
| Total no. of downloads - MyMosman app | 1,000 | 1,725 | MyMosman achieved 1725 downloads during the year, well exceeding the annual target of 1000, despite the pandemic conditions affecting the promotion of Council events and services during the final quarter. |
| Total no. of downloads - Park Mosman app | 400 | 759 | Park Mosman app was downloaded 759 times during the year, nearly double the annual target of 400. |
| % Residents satisfied with access to Council information and support | 6.90 | 6.88 | All resident satisfaction scores are derived from the 2018 Mosman Community Survey and represent a mean score out of 10. |
| % Residents satisfied with Council engaging (consulting) with the community | 6.40 | 6.32 | The next Community Survey will be conducted in 2021. |

| Project | Progress | Comments | Status |
|--|----------|---|--------|
| Digital Application Upgrades | 100% | New homepages for the Council and Library websites were launched and content was reviewed ahead of the migration to an improved Content Management System (CMS). The Works and Alerts site was migrated to a new CMS and restyled to improve user experience and to promote information to the Council homepage. Mosman Council and Events website WCAG compliance work took place and the future Council site is being designed and developed in accordance with WCAG 2.0 compliance. Various enhancements were completed to the MyMosman app including security, accuracy, back-end reporting, notifications and in-app survey functionality. | |
| Free Public Wifi | 100% | This project was completed, with Phase 2 Free Public Wi-Fi going live on 16 January 2020 | |
| Open Data and Digitisation Project | 30% | Progress on this project was impacted by COVID-19 and staff leave. The project is due to recommence in September 2020, beginning with data cleansing followed by a review of community portal/open data options. Digitisation of documents is ongoing and will continue throughout 2020/21. | |
| Expanded Community Engagement Technology Platforms | 100% | Online community engagement continued to be effectively utilised, particularly given COVID-19 restrictions which affected many other community activities. Additional training for the consultation site Engagement HQ was provided during the year and the survey functionality of the MyMosman app was enhanced | |





A Business-Friendly Community with Sound, Independent Civic Leadership

PERFORMANCE INDICATORS

| Indicator | Target | Annual Result | Comments |
|--|--------|------------------|--|
| % Project Milestones achieved - Business-Friendly Community with Sound, Independent Civic Leadership | 90% | 96% | An excellent year end result, with only one milestone target not achieved during the final quarter and rescheduled to 2020/21. |
| % Project Milestones achieved overall | 90% | 80% | A solid end of year result, with COVID-19 impacting overall service and project delivery milestones during the latter part of the year. |
| No. of complaints received | < 50 | 36 | The total number of complaints received was well within target and a reduction of 8 complaints on the previous year. |
| No. of complaints regarding non-adherence to Council's Customer Service Charter | < 20 | 5 | The total number of complaints regarding compliance with Council's Customer Service Charter was well within target, however was an increase of 5 on the previous year. |
| No. of complaints resolved | 100% | 81% | 29 of 36 complaints received were resolved in 2019/20. 7 unresolved complaints were received late in the year and were resolved in the next financial year. |
| No.statutory obligations not met | 0 | 0 | There were no items of non-compliance identified during the year. All statutory reporting and returns were completed and lodged on time. |
| % of budgeted capital works achieved per annum | 90% | 98.5% | The capital works program for 2019/20 (\$13.9m) was largely completed (\$13.7m). |
| % Residents satisfied with Council advocacy on matters impacting on Mosman and neighbouring areas | 6.70 | 6.70 | All resident satisfaction scores are derived from the 2018 Mosman Community Survey and represent a mean score out of 10. The next Community Survey will be |
| % Residents satisfied with Council assisting economic | 6.30 | 6.27 | conducted in 2021. |

| Indicator | Target | Annual Result | Comments |
|--|----------------------------------|---|--|
| development with the business community and visitors | | | |
| % Residents satisfied with Council leadership on matters important to the community | 6.45 | 6.42 | |
| % Residents satisfied with Councillor performance | | 6.70 | |
| % Residents satisfied with overall delivery of Council services | 7.10 | 7.10 | |
| % Residents satisfied with staff performance | 7.75 | 7.73 | |
| Annual energy consumption for all Council operations per capita of population | 51.6Kw | 45.6Kw | The period from March to June 2020 showed a significant decline in energy consumption most likely due to COVID-19 impacts. |
| Annual water consumption for all Council operations per capita of population | 21,000 litres | 21,905 litres | Higher than normal water use was required on sport fields and the Balmoral beachfront from October 2019 to January 2020 due to low rainfall in Sydney during this period. |
| Budget performance - actual operating result compared to budget | Maintain operating surplus | Council's actual year- end operating result before capital grants and contributions was a deficit of \$169,000, compared to a projected surplus operating result before capital grants and contributions of \$426,751 at the beginning of | The challenges of the COVID-19 pandemic meant that, while the projected surplus operating result could not be achieved, careful management ensured that the financial impact was contained to a modest deficit. |

| Indicator | Target | Annual Result | Comments |
|---|--------|--|--|
| | | the financial year. | |
| Days lost per Work Health and Safety incident | 0 | 14 days lost per work health safety incident | This figure was above the aspirational target of 0 days lost per incident. |
| Total no. days lost due to Work Health and Safety incidents | 0 | 114 days | The high number of total days lost was mainly due to one workers compensation claim. |
| Infrastructure Renewal ratio - Amount spent per annum renewing assets divided by depreciation or loss of value | 208% | 126.7% | This figure still reflects well against the benchmark of 100% and highlights another year of strong performance in the delivery of capital programs. Council's infrastructure backlog ratio was also reduced during the year, remaining well within the benchmark of <2% at 0.52%. |
| Level of Staff Satisfaction and Wellbeing | 87% | 85% | Council's biennial employee engagement survey carried out in 2019 indicates that job satisfaction remains high, with 85% of staff enjoying the work they do. This rating is 5% higher than other councils surveyed. |
| Percentage of waste generated from Council's open space areas and street sweeping activities diverted from landfill | 20% | 56.7% | The 2019/20 results demonstrate the impact of the first full year of source separation of materials at Council's depot facility. |
| Total tonnage of waste generated from Council's open space areas and street sweeping activities | 530 | 888.4 | 2019/20 saw an increase in tonnage of street sweeping and public bin waste |

| Project | Progress | Comments | Status |
|---|----------|---|--------|
| Customer Experience Improvement Project | 100% | All 2019/20 Milestones for this project were achieved and the project will continue in 2020/21. | |
| Military Road Street Frontage Improvements | 100% | The identified paving works between Mosman Junction and Military Road were completed. | |

| Project | Progress | Comments | Status |
|---|----------|---|--------|
| Signage Digitisation Project | 80% | Good progress was made with this project during the year, however finalisation was delayed and has been deferred until 2020/21. | |
| VPermits | 100% | Improvements to the renewal process for Residential Parking Permits in October made for a better customer experience, achieved by taking on board customer and staff feedback and observations. The renewal of Foreshore Parking Permits in June was also extremely successful, with further significant time reductions achieved for both customers and staff. | |
| Information Technology Upgrade Program | 85% | Most projects targeted were completed during the year, however a few have been delayed due to COVID and have been re- scheduled for 2020/21. | |



STRATEGIC DIRECTION 6

Well Designed, Liveable and Accessible Places

PERFORMANCE INDICATORS

| Indicator | Target | Annual Result | Comments |
|--|----------|---------------|--|
| % Project Milestones achieved - Well designed, liveable and accessible places | 90% | 70% | A solid overall result, with significant works undertaken to deliver on this Strategic Direction and several milestones missed by small margins across the year. |
| % overstays in Council car parks | 10% | 5.65% | Average overstays were well within the annual target of 10% |
| Average duration of stay - Council car parks | 130 mins | 65 mins | With lower activity during the COVID- 19 pandemic, average over stay was also reduced. |
| Mean gross time for DA determinations | 80 days | 103 days | This is an area for improvement and will be addressed through the acceleration program commencing 1 Sept 2020. |
| No. of DA related legal appeals | 18 | 16 | 16 LEC appeals were lodged during the financial year, within the target of 18 appeals. |
| No. of DAs determined | 230 | 172 | This is an area for improvement and in part attributed to staff leave during the fourth quarter. |
| No. of DAs over 90 days | 30% | 56% | This is an area for improvement that will be addressed through the acceleration program commencing 1 Sept 2020. |
| Total no. of signs removed under Council's signage program | 50 | 35 | The number of signs being removed is progressively reducing as unwanted signs have already been significantly reduced in recent years/ |
| Utilisation rates - Council car parks | 82% | 62% | Utilisation of Council carparks was significantly impacted by the COVID- 19 pandemic, with only 40% utilization recorded in Quarter 4 compared to more than 81% utilization in Quarter 1. |

| Indicator | Target | Annual Result | Comments |
|--|---------------|---------------|---|
| Value of DAs lodged (construction) | \$188,000,000 | \$179,742,732 | The annual value of DAs lodged was marginally less than target, reflecting the broader economic climate. |
| % programmed road renewal works completed per annum | 90% | 120% | On aggregate approximately 2,000m of road pavement and shoulder reconstruction works were completed during the year. |
| % programmed seawall renewal works completed per annum | 90% | N/A | There was no seawall works scheduled for 2019/20 |
| % Residents satisfied with condition of public toilets | 6.65 | 6.66 | All resident satisfaction scores are derived from the 2018 Mosman |
| % Residents satisfied with development approvals process | 5.70 | 5.71 | Community Survey and represent a mean score out of 10. The next Community Survey will be conducted in 2021. |
| % Residents satisfied with enforcement of parking restrictions | 5.95 | 5.97 | |
| % Residents satisfied with managing development - land use planning | 6.30 | 6.31 | |
| % Residents satisfied with overall cleanliness, appearance and management of public spaces | 7.90 | 7.85 | |
| % Residents satisfied with protection of heritage values and buildings | 7.15 | 7.17 | |
| % Residents satisfied with providing and maintaining bike paths | 5.55 | 5.54 | |
| % Residents satisfied with providing and maintaining footpaths | 6.40 | 6.35 | |
| % Residents satisfied with providing and maintaining local roads | 6.70 | 6.68 | |
| % Residents satisfied with provision of car parking | 6.10 | 6.11 | |

| Indicator | Target | Annual Result | Comments |
|--|------------|---------------|--|
| % Residents satisfied with traffic management | 6.00 | 5.99 | |
| Metres of footpaths constructed or renewed | 1,500 | 967 | Some funds allocated were also used for paving works to minimise safety risks. |
| Metres of roadway constructed or renewed | 700 | 2,000 | Several road renewal projects were completed during the year, due mainly to the increase in restoration works. |
| No. metres of new marked bike paths in Mosman | 250 metres | 80 metres | Funds available in 2019/20 were used to design two large cycle works and footpath projects. Accordingly, while on-ground works were reduced, significant progress was made in relation to the design of future projects. |
| No. metres of stormwater pipes renewed per annum | 80 | 70 | One of the planned works could not be completed during 2019/20, however this work did commence and will be completed in August 2020. |
| No. of (off street) public car parking spaces | 1,322 | 1,487 | The details of off street carparking spaces are provided on Council's website and real-time parking information is also available via the Park Mosman app. |
| No. of traffic accidents reported on local roads per annum | < 70 | 53 | There has been a gradual decrease in road accidents in recent years. |

| Project | Progress | Comments | Status |
|--|----------|---|--------|
| Bradleys Head Road to the Zoo Footpath extension | 100% | Draft designs were subject to community consultation in April 2020. The comments from the community were reviewed and incorporated in the designs to the extent possible. | |
| Expanded decorative lighting in retail/civic precincts | 100% | All available funds were used for decorative lighting works. | |

| Project | Progress | Comments | Status |
|---|----------|---|--------|
| Public Domain Strategy | 85% | The Draft Public Domain Strategy was presented to Council in June 2020. Council resolved to exhibit the plan with some minor amendments. | |
| Signage Program Implementation | 100% | All allocated funds were expended on signage renewal work. Signs were installed along the Bondi to Manly walking track, at Balmoral including on the bath structure, and at Rawson, Harnett and other parks. | |
| Building Works Program | 90% | Planned building works were completed with the exception of one major tenancy which has been rescheduled in consultation with the lessee. | |
| Footpath Works Program | 100% | Significant footpath renewal works on Avenue Road were completed, together with footpath works on Milton Avenue and Coronation Avenue. | |
| Roadworks Program | 100% | Ausgrid-funded road restoration works on Avenue Road and Canrobert Street was completed. Road renewal works were also completed on McPherson Street, Bradleys Head Road, Military Road and Morella Road. | |
| Retaining Wall Program | 100% | Condition assessments of identified retaining walls were completed. | |
| Car parking Program | 100% | A review of the use of parking technology was undertaken. | |
| Ventilation Works - Vista Street Carpark | 15% | This work did not progress as quickly as hoped; design work was carried out for an independent ventilation system and relevant works will be considered by the MLPP in the new financial year. Physical works have been rescheduled for 2020/21. | |
| Building Works - Balmoral Bathers Pavilion | 100% | The planned works except roof works were completed. | |
| Floral Displays Military Road | 100% | Seven large flower pots were placed on display throughout the Mosman Civic Precinct and Military Road areas from October 2019 until February 2020. | |



STRATEGIC DIRECTION 7

A Healthy and Active Village Lifestyle

PERFORMANCE INDICATORS

| Indicator | Target | Annual Result | Comments |
|--|--|--|---|
| % Project Milestones achieved - Healthy and Active Village Lifestyle | 90% | 71% | A solid overall result, with significant works undertaken to deliver on this Strategic Direction and several milestones missed by small margins across the year. |
| Average no. ovals bookings per week | 50 | 42 | Average bookings were down in 2019-2020 due to closures and other restrictions associated with the COVID-19 pandemic, as well as significant maintenance works at. Allan Border Oval. Bushfires also impacted usage with cancellations by schools and clubs on particularly smoky days during summer. |
| No. of users per annum - Marie Bashir Mosman Sports Centre | 22 organisations 2,600 hours booked | 21 organisations 1,744 hours booked | Use of the Sports Centre was impacted by COVID-19 restrictions resulting in the centre's closure for the full fourth quarter. |
| No. users per annum - Mosman Swim Centre | 150,000 | 100,178 | In 2019/20 Mosman Swim Centre numbers were impacted by Government restrictions related to the COVID-19 pandemic. The Mosman Swim Centre was also closed during the fourth quarter for scheduled refurbishments. |
| Utilisation rate - Council ovals | 50% | 40% | In the last quarter of 2019/20 oval utilisation was impacted by Government restrictions related to the COVID-19 pandemic. Maintenance and rectification works at Allan Border Oval also impacted overall usage. Average utilisation for the first three quarters of the year was 49%, with this figure being reduced to 40% over the course of the full year. |
| % Residents satisfied with sport and recreational facilities | 7.28 | 7.28 | All resident satisfaction scores are derived from the 2018 Mosman Community Survey and represent a |

| Indicator | Target | Annual Result | Comments |
|--|--------|---------------|--|
| % Residents who feel safe in their local community | 9.0 | 9.0 | mean score out of 10. The next Community Survey will be conducted in 2021. |
| % users satisfied - Sporting fields | 75% | 70% | Issues raised by clubs included cricket wickets and Allan Border Oval not being available. |

| Project | Progress | Comments | Status |
|---|----------|---|--------|
| Allan Border Oval Pavilion and Landscape Project | 55% | Council resolved not to proceed with the tender process until late 2020, and accordingly the issue of a Request for Tenders (RFT) was put on hold. | |
| Lighting of Netball Courts at Drill Hall Common | 80% | The lease for the Drill Hall site was updated however the building contractor was delayed in commencing on ground- works, with works re-scheduled to start in July. | |
| Mosman Swim Centre Refurbishment | 100% | A building contractor was engaged by open tender and works at the Centre are due to be completed in the first half of 2020/21. | |
| Open Space Works Program | 100% | Oval restoration work was completed in October 2019, together with establishment of the Spit West grass netball courts. Ordinance fencing for open space areas was renewed and public seat upgrades completed. Sandstone edging was completed at Lawry Plunkett and Sirius Cove Reserves. Accessible upgrades at the Clifton Garden playground was completed and play equipment replaced at Countess Park. Sand soft fall was also renewed at each playground. Street planting maintenance work was completed for 2018/19 plantings and a further 150 street trees were planted and porous paving renewed. Allan Border Oval irrigation and drainage upgrade work was completed by 30 June. Landscape work at Balmoral was also completed within the riparian zone, with the remainder of landscape work to be completed once the all- weather court at Balmoral Oval has been established. Public garden work was minor, and garden upgrade work adjacent | |

| Project | Progress | Comments | Status |
|---------------------------------------|----------|---|--------|
| | | to Balmoral Beach Club was also completed. | |
| Active Transport Cycle Works | 100% | Identified line marking and signage works were completed. | |
| Clifton Gardens Basketball Upgrade | 100% | The Clifton Gardens basketball upgrade was completed in November 2019. Defects resulted in some loss of use and functionality following installation, however all were repaired during the defect liability period and the facility is fully open for public use. | |

Section Two Statutory and Other Information

1. MAYORAL AND COUNCILLOR FEES AND EXPENSES

The following fees and expenses with regard to the Mayor and Councillors were paid during 2019-20:

| Details | \$ |
|---|---------|
| Mayoral allowance | 44,501 |
| Councillors' fees | |
| Catering and receptions | 14,743 |
| Delegates expenses | 6,904 |
| Travelling | 1,097 |
| Telephony expenses | 3,450 |
| Mayoral Discretionary Fund (Cl.1.1 Expenses Policy) Celtic Festival Glenn Innes (\$240) Mosman Public School (\$500) Fine Music (\$250) Otsu Delegation(\$1,089) Oneland Programs Ltd (\$490) Miscellaneous (\$146) | 2,715 |
| TOTAL | 215,370 |

Councillors are provided with meals when attending Council and Committee Meetings, workshops and other official functions and receptions, which are included in Catering/Receptions above. Councillor attendance at meetings and workshops is detailed earlier under the heading Councillor Attendance at Meetings and Workshops.

The cost of attendance of Councillors at conferences and seminars together with training and skill development is included in Delegates expenses above. Council does not pay expenses for any spouse, partner or other person who may accompany a Councillor.

In addition, Councillors are provided, upon request, with equipment including laptop computers and printers, in accordance with Council's Policy.

Councillors are provided with tablet devices (six Councillors) and multi-function printers (two Councillors) on a loan basis during the year. Consumables for printers on loan are provided on request. A desktop computer and multi-function printer are also available for Councillors to use in the Councillors' Lounge.

The "Policy for the Payment of Expenses and Provision of Facilities to Mayor and Councillors" is available on Council's website at www.mosman.nsw.gov.au

2. SENIOR STAFF

In conformity with the provisions of the *Local Government Act 1993*, Council has determined the following to be senior staff:

- General Manager
- Director Community Development
- Director Corporate Services
- Director Environment and Planning

The total amount of money payable in respect of the employment of senior staff during 2019-20 amounted to **\$1,062,437**.

The following remuneration packages of senior staff include the total value of the salary component, the total amount payable by Council by way of the employer's contribution or salary sacrifice to any superannuation scheme to which the employee may be a contributor, the total value of non-cash benefits elected under the package including professional development and total amount payable by Council by way of fringe benefits tax for any non-cash benefits.

| Position | Salary (inc. salary sacrifice) (\$) | Superannuation (Council contribution) (\$) | Car allowance (\$) | Total (\$) |
|---------------------------|---|---|-----------------------|---------------|
| General Manager | 281,276 | 26,721 | 8,580 | 316,578 |
| Senior Staff ¹ | 653,961 | 67,407 | 24,491 | 745,859 |
| Total | 935,237 | 94,128 | 33,071 | 1,062,437 |

1 Director Community Development, Director Corporate Services and Director Environment and Planning.

3. OVERSEAS VISITS BY COUNCILLORS, COUNCIL STAFF OR OTHER PERSONS REPRESENTING COUNCIL

There were two overseas visits during 2019-20 by Councillors or other persons representing Council:

- Katrina Cashman visited Yogyakarta, Indonesia in July 2019 to assist with preparations for a major Jumaadi exhibition at Mosman Art Gallery in December 2019. The trip was funded by private donation.
- John Cheeseman made a presentation to the AVICOM International Committee session of the 25th ICOM General Conference held in Kyoto and also met representatives of Mosman Friendship City, Otsu in September 2019 during a personal trip to Japan that month.

4. EQUAL EMPLOYMENT OPPORTUNITY MANAGEMENT

The review and update of the Equal Employment Opportunity Management Plan was completed and adopted by the General Manager in June 2018.

Council's Employment Website and Learning Management system was updated in June 2019 to support a number of initiatives around access to equal employment arising out of the Equal Employment Opportunity Management Plan and the inclusion of removing barriers to employment addressed in the 2017-2021 Disability Inclusion Action Plan.

The activities undertaken during 2019-2020 in relation to the EEO Management Plan include:

- Promoting Mosman Council as an EEO employer in all job advertisements as well as in our Guide for Applicants on Council's web page
- EEO Corporate Practice being made available to all staff on Council's Intranet and in ECM
- EEO eLearning module assigned to all new starters in their Induction
- Maintaining EEO responsibilities in Position Descriptions
- Handling disputes and grievances arising from EEO related issues
- Monitoring accessibility to Council facilities and parking on a quarterly basis (part of Work Health and Safety Work Site Inspections)
- Maintaining register of languages spoken by staff from a culturally diverse background for the purpose of offering assistance to staff, as well as local residents
- Staff acting in higher positions selected in accordance with EEO principles and Council's Higher Duties Policy and Corporate practices

5. CONDITION OF PUBLIC WORKS

Stormwater Drainage

The Stormwater Asset Management Plan (SWAMP) was reviewed in 2019-20 and adopted by Council. The SWAMP (2019/20 – 2028/29) will provide an objective method of assessing the conditions of the stormwater assets and forming a priority list of works. This plan is reviewed and updated every 4 years (as per Council term).

In 2019-20 capital and maintenance works for stormwater included jetting to remove sediment built-up of closed conduits, remediation of open channels, various pits and lintel renewals and drainage improvement works along Pearl Bay Avenue, Prince Albert Street and the Balmoral Channel.

Stormwater Pollution Control and Stormwater Reuse Scheme

Stormwater Quality Improvement Devices (SQID) were installed throughout Mosman's drainage network as part of the Community Environmental Contract (CEC) adopted in 2000. Since their installation an audit was undertaken in 2016 to assess the existing devices and recommendations were made to enhance the operational performance. During the financial year 2019-20, works on SQIDs included cleaning and upgrades based on the audit recommendations.

| Description | Estimate of funds required to bring works to satisfactory standards | Estimate of annual expenses of maintaining the works at that standard | Maintenance and capital works program for 2019-20 |
|---|--|--|---|
| Stormwater Drainage Assets, including SQID | \$228,756 | \$231,903 | \$761,740 |

Road Assets

The Road Asset Management Plan (RAMP) provides Council with a 10 year capital works program and indication of required expenditure for maintenance and capital works. It is reviewed and updated every 4 years (as per Council term). Road assets include roads, kerb and gutter, footpaths, street furniture, traffic control devices such as roundabouts and refuges, line marking, signs and retaining walls. The RAMP was reviewed and updated in 2019/20.

Works undertaken on road assets in 2019-20 included road and footpath renewal on Avenue Road, Bay Street, Moruben Road, Warringah Road and Cardinal Street.

| Description | Estimate of funds required to bring works to satisfactory standards | Estimate of annual expenses of maintaining the works at that standard | Maintenance and capital works program for 2019-20 |
|-------------|--|--|---|
| Road Assets | \$963,402 | \$1,603,659 | \$3,414,621 |

Marine Structures

The significant investment over the years in marine structures through the CEC program and Infrastructure Levy has resulted in the assets being in good condition. However, given the short useful life of many of the marine assets especially shark nets, continued investment is required to ensure they are maintained appropriately.

In 2019-20 Council undertook works on the shark nets at Balmoral and Clifton Garden Baths, installation of an accessible ramp onto Clifton Gardens bathing enclosure and the upgrade of Balmoral Jetty.

| Description | Estimate of funds required to bring works to satisfactory standards | Estimate of annual expenses of maintaining the works at that standard | Maintenance and capital works program for 2016-17 |
|---------------|--|--|---|
| Marine Assets | \$133,091 | \$42,467 | \$693,988 |

6. CONTRACTS

Details of contracts awarded during 2019-20 (other than employment contracts and contracts for less than \$150,000) follow. Prices are exclusive of GST.

| Activity (Tender No.) | Contractor | Date Awarded (Item No.) | Term of Contract | Tender Price \$ |
|---|---|----------------------------|----------------------------------|---|
| Amenities Upgrade Project (T-EP-19/01) | ATG (Sydney) Project and Property Solutions PL | 02/07/2019 (ltem EP/30) | <1 year (project duration) | \$587,000 lump sum |
| Allan Border Oval Irrigation and Subsurface Drainage (T-EP-19/04) | Turspec PL | 06/08/2019 (ltem EP/33) | 6-8 weeks | \$293,923 lump sum for Option 1 |
| Parks and Sport Fields Contract 2019/2024 (T-EP-19/02) | Green Options | 06/08/2019 (ltem EP/34) | 5 years (1+2+2) | \$492,202 pa for Components 1,2,5 (B Locations), 7 and 8 |
| | Environlands | | | \$112,000 pa for Component 4 |
| | Edge Greenkeeping | | | \$92,448.30 pa for Component 5 (A Locations) |
| | Spray Alive Irrigation | | | \$14,810 pa for Component 6 |
| Street and Gutter Cleaning Contract 2018-2028 – First Year Review* (T-EP-18/04)* | Roadworx Group | 03/09/2019 (ltem EP/40) | 3 years | \$747,196.42 pa for Sections 1, 3 and 5 |
| | TJ and WL Wescon | | | \$303,239.74 pa for Section 2 |
| Waste and Recycling Services Contract 2019- 2029 (T-EP-19/03) | URM Environmental Services PL | 03/09/2019 (ltem EP/35) | 10 years | \$2,423,663.80 pa for Service Types 1-5 and 9 plus tendered |

| Activity (Tender No.) | Contractor | Date Awarded (Item No.) | Term of Contract | Tender Price \$ |
|---|---|--|-------------------------------------|---|
| | | | | rates for Service Types 6-8 |
| Balmoral Jetty Upgrade (T-EP-19/06) | GPM Marine Constructions PL | 03/09/2019 (ltem EP/37) | Completion by 30 June 2020 | \$356,049.90 lump sum |
| Street and Gutter Cleaning Contract 2018-2028 – First Year Review * (T-EP-18/04) * | Roadworx Group | 01/10/2019 (ltem EP/41) | 3 years | \$105,824.56 pa for Section 4 |
| Services for Building Management 2019-2025 (T-EP-19/05) | Arcadia Pacific Group | 12/11/2019 (ltem EP/51) | 2+2+2 years | \$146,270.95 pa for Service 1 |
| | Solo Services Group | | | \$131,873.33 pa for Service 2 |
| | Arcadia Pacific Group | | | \$25,580 pa for Service 3 |
| | Urban Maintenance Systems | | | \$65,843.57 pa for Service 4 |
| | Manly Warringah Pest Control Service | | | \$12,150 pa for Service 5 |
| Canrobert Street and Avenue Road Footpath and Road Works (T-EP-19/07) | Stateline Asphalt PL | 03/12/2019 (ltem EP/55) | 4 Weeks | \$489,740 lump sum |
| Drainage Works – 32 Pearl Bay Avenue (T-EP-19/08) | TGB and Son Pty Ltd | 04/02/2020 (ltem EP/1) | 8 Weeks | \$ 168,090 Up to \$190,000 lump sum (S194A LGA Private Works) |
| CONFIDENTIAL - Disposal of Domestic Mixed Solid Waste (N/A) | Lane Cove Council | 07/04/2020 (Item EP/17) (Confidential) | 5+5 | \$7.75M |

| Activity (Tender No.) | Contractor | Date Awarded (Item No.) | Term of Contract | Tender Price \$ |
|---|----------------------------------|----------------------------|---------------------|-----------------------|
| Construction of Accessible Amenities at Raglan Street West Car Park (T-EP-20/01) | SDL Project Solutions Pty Ltd | 07/04/2020 (Item EP/14) | 16 weeks | \$321,850.74 +GST |
| Construction of Multi- Purpose Sports Courts at Balmoral Oval (T-EP-20/03) | Court Craft Aust Pty Ltd | 07/04/2020 (Item EP/15) | 12 weeks | \$317,500 |
| Beach and Reserve Cleaning Contract 2013- 2020 – Review (T-EP-13/10) | TJ & WL Wescon Pty Ltd | 05/05/2020 (Item EP/19) | 1 Year extension | \$800,000 (ex GST) |
| Refurbishment of Mosman Swim Centre (T-EP-20/06) | Reitsma Constructions Pty Ltd | 05/05/2020 (Item EP/18) | 13 weeks | \$709,583 |

7. LEGAL COSTS AND EXPENSES

The costs for 2019-20 referred to in this statement are those direct third party payments in relation to legal proceedings. Costs associated with staff to progress these matters and attend court are not included as they are considered to be part of normal duties.

Total costs incurred for a particular matter may not be invoiced and paid within the same financial year, so this statement should be read in conjunction with previous and subsequent statements. Land and Environment Court matters also include any consultancy costs associated with the appeal.

Land and Environment Matters

| Property | Development Application No. | Status | Consistency with Staff Recommendation | Cost \$ |
|--------------------|--------------------------------|------------------------|---|-----------|
| 10 Erith Street | 008.2018.00000050.001 | Discontinued | N/A | 2,558.21 |
| 236A Raglan Street | 008.2018.00000200.001 | Dismissed (Refused) | Yes | 40,290.68 |

| Property | Development Application No. | Status | Consistency with Staff Recommendation | Cost \$ |
|--------------------------|--------------------------------|---|---|-----------|
| 3 Sirius Avenue | 008.2017.00000258.001 | Upheld with Changes or Conditions (Approved) | Yes | 9,855.05 |
| 28 Cowles Road | 008.2018.00000108.001 | Discontinued | N/A | 15,499.02 |
| 28 Mandolong Road | 008.2019.00000001.001 | Discontinued | N/A | 6,143.32 |
| 23 Bradleys Head Road | 008.2018.00000158.001 | Upheld with Changes or Conditions (Approved) | Yes | 35,271.42 |
| 32 Esther Road | 008.2018.00000164.001 | Discontinued | N/A | 1,776.23 |
| 5 Sirius Avenue | 008.2017.00000259.001 | Upheld with Changes or Conditions (Approved) | Yes | 29,142.60 |
| 7 Sirius Avenue | 008.2017.00000260.001 | Upheld with Changes or Conditions (Approved) | Yes | 13,832.08 |
| 13 Euryalus Street | 008.2006.00000337.005 | Pending | N/A | 10,815.02 |
| 24-26 Boyle Street | 008.2019.00000043.001 | Pending | N/A | 2,563.18 |
| 2 Ida Avenue | 008.2019.00000009.001 | Pending | N/A | 17,602.64 |
| 23 Pindari Avenue | 008.2019.00000030.001 | Pending | N/A | 13,965.24 |
| 10 Mistral Avenue | 008.2019.00000052.001 | Pending | N/A | 4,641.01 |
| 10 Waitovu Street | 008.2019.00000081.001 | Pending | N/A | 5,933.74 |
| 5 Morella Road | 008.2019.00000077.001 | Pending | N/A | 16,506.85 |
| 22 Park Avenue | 008.2018.00000065.001 | Pending | N/A | 6,966.62 |
| 4 Parriwi Road | 008.2017.00000232.002 | Pending | N/A | 5,422.76 |
| 27 Hunter Road | 008.2014.00000076.003 | Pending | N/A | 537.51 |

| Property | Development Application No. | Status | Consistency with Staff Recommendation | Cost \$ |
|-------------------------|--------------------------------|----------------------|---|----------|
| 1E Kirkoswald Avenue | 008.2017.00000025.001 | Upheld (Approved) | Yes | 7,331.51 |
| 65 Glover Street | 008.2017.00000178.001 | Upheld (Approved) | Yes | 5320.01 |
| 38 Burrawong Avenue | 008.2019.00000065.001 | Pending | N/A | Nil |
| 52A Parriwi Road | 008.2016.00000114.004 | Pending | N/A | Nil |
| 5 Oswald Street | 008.2019.00000113.001 | Pending | N/A | Nil |
| 3 Pursell Avenue | 008.2019.00000150.001 | S34 Agreement | Yes | Nil |

Total Legal Costs

Other Legal Costs

| Activity | Cost \$ |
|---|-----------|
| Finance (rate and debtor matters cost generally recoverable) | 33,969.63 |
| Governance legal fees (including property management, risk management and GIPA) | 81,935.52 |
| Domestic Waste Management | 5,789.43 |
| Other Environment and Planning legal fees (trees and compliance) | 126,090.7 |
| Total | 242,731 |

Total Legal Costs

During 2019-20, (3) three compliance and enforcement matters progressed to defended hearings in the Local Court and or the Land and Environment Court.

- Mosman Council vs Kavoosi –13 Euralyus Street, Mosman •
- Mosman Municipal Council vs Rustique Bakery 801 Military Road Mosman •
- Mosman Council vs Robert and Juliana Clemesha 71 Parriwi Road, Mosman •

Council incurred direct costs during the period in defending these matters. Fines and costs awarded by the Court were recovered in those matters not withdrawn or dismissed by the Court.

251,974.70

499,760

8. PLANNING AGREEMENTS

Section 93F(1) of the Environmental Planning and Assessment Act 1979 provides for voluntary planning agreements or other arrangements between Council and a developer:

- a. who has sought a change to an environmental planning instrument, or
- b. who has made, or proposes to make, a development application, or
- c. who has entered into an agreement with, or is otherwise associated with, a person to whom paragraph (a) or (b) applies, under which the developer is required to dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit, or any combination of them, to be used for or applied towards a public purpose.

Council upon entering 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.

Bridgepoint Pedestrian Bridge, Military Road, Mosman

Council entered into a Voluntary Planning Agreement (VPA) with oOh!media Assets Pty Limited on 8 August 2012. The VPA relates to Council's approval of a S82A review of Development Application 8.2009.343.1 for a supersite sign, upgrade of the façade of Bridgepoint Pedestrian Bridge and Shopping Centre, Military Road, Mosman for a period of 15 years from the date of that consent. The VPA requires the developer to pay to Council an annual contribution for the erection and display of outdoor advertising signage on the eastern and western sides of the footbridge (Lot 2 DP 805982 Military Road).

The first annual contribution was payable the first business day after the first display of signage appeared on the footbridge. The first display of signage appeared on 17 June 2013 and the developer made the appropriate payment to Council. The annual contribution is reviewed annually and is payable on the anniversary of the payment date of 18 June.

The annual contribution for the period 18 June 2019 to 17 June 2020 was \$484,575.77. The developer paid the contribution to Council and allocated for infrastructure expenditure in the 2019-20 financial year. Infrastructure works amounting \$159,873 funded by the contribution include:

- Expanded program of decorative lighting in Retail/Civic precincts
- Military Road paving works
- Fencing renewals

The balance of the contribution paid in the 2019-20 financial year is restricted as unspent contributions for future infrastructure expenditure.

9. APPROVED SPECIAL RATE VARIATION EXPENDITURE

The Independent Pricing and Regulatory Tribunal approved Special Rate Variation of 13.0% effective from 1 July 2015. A condition of approval was that Council report on how the additional funds raised for the purpose of eliminating operating deficits (before capital revenue) over the ten years to 2024-25, whilst increasing infrastructure maintenance of key assets. At the same time, this additional revenue will be used to clear its current infrastructure backlogs.

The majority of this funding is targeted towards road-related assets, although buildings, marine structures, parks and stormwater drainage also receive funding.

The attached Annual Financial Reports for the year ending 30 June 2020 (see Section 3) discloses the capital renewal expenditure in Note 10a to the Accounts whilst Report on Infrastructure assets as at 30 June 2020 discloses the reduction in the infrastructure backlog together with increased maintenance expenditure over various classes of assets.

10. RATES AND CHARGES WRITTEN OFF DURING THE YEAR

The *Local Government Act 1993* provides for concessions in relation to the payment of rates, charges and interest. Section 575 of the Act provides for the reductions in rates and charges for eligible pensioners. The amount of rates and charges reduced must be written off by Council. Clause 132 of the *Local Government (General) Regulation 2005* requires details of rates and charges to be included in the annual report.

During 2019-20 Council wrote off pensioner rates and charges of \$111,225 and \$47,606 respectively.

11. PRIVATE WORKS

There was work carried out on Private Land during the financial year 2019-20 with work undertaken as part of the Marsala Drainage Works to improve stormwater drainage in Pearl Bay catchment. This project required working in private property at 32 Pearl Bay Avenue, Mosman.

Details of this project were reported to Council on two occasions: November 2019 and February 2020.

This matter was considered by Council on 3 December 2019 and resolved as follows:

EP/58 Stormwater Drainage Improvement Works on Private Property - 32 Pearl Bay Avenue

Officer's Recommendation

The Manager Engineering recommends that:

- 1. In accordance with Section 191A of the Local Government Act, 1993, Council carry out stormwater improvement works in good faith using Council contractors on private property at 32 Pearl Bay Avenue with Council meeting cost of the works.
- 2. Should the cost of the works significantly exceed the budget estimates, the matter be reported to the next available Council meeting.
- 3. The stormwater pipeline be added to Council's asset inventory with Council responsible for future maintenance of the pipe.

COUNCIL RESOLUTION

Motion Menzies/Bendall That the Officer's Recommendation be adopted. CARRIED UNANIMOUSLY

A follow up report was tabled on 4 February 2020 and resolved as follows:

EP/1 32 Pearl Bay Avenue - Works on Private Property

Officer's Recommendation

The Manager Engineering recommends that:

- In accordance with Clause 178 subclause (1)(b) of the Local Government (General) Regulation 2005, Council decline to accept the tenders received for Drainage Works – Pearl Bay Avenue, Mosman as the tenders received did not sufficiently address various aspects of Council's requirements to make a determination.
- 2. In accordance with Clause 178 subclause (3)(e) of the Local Government (General) Regulation 2005, Council enter into negotiations with shortlisted tenderers to undertake and complete the works associated with the proposed Drainage works at Pearl Bay Avenue. If this process does not yield the intended outcome, Council enter into negotiations with any contractor who have submitted tenders or otherwise appropriately qualified and experienced to undertake and complete the specified drainage works.
- 3. In accordance with Clause 178(4) of the Local Government (General) Regulation 2005, the following reasons be noted for not inviting tenders for a second time.

The tender was published in the Sydney Morning Herald for three days as well as published on the Mosman Daily and on Tenderlink for 7 weeks. The tender was viewed by 243 companies and downloaded by 60. By the closing date, eight tenders were received. This demonstrated that the tender has received due attention and Council has received adequate number of responses to test the market. As such tendering for a second time may not yield a better outcome but will delay the works.

- 4. The General Manager, with the concurrence of the Mayor, be delegated authority to negotiate and enter into contract with the selected contractor.
- 5. In accordance with Section 191A of the Local Government Act, 1993, Council meet the costs of replacing private assets within 32 Pearl Bay Avenue that will be impacted by the stormwater works to a value of up to \$190,000 ex GST. This includes the front wall, driveway, overland flow path, utilities and general landscaping. The administration of this including finalisation of deeds be delegated to the General Manager.
- 6. The works on private property in regard to (5) above are to be managed by the owners of 32 Pearl Bay Avenue.

COUNCIL RESOLUTION

Motion Menzies/Willoughby That the Officer's Recommendation be adopted. CARRIED UNANIMOUSLY

A contractor was engaged on 17 May 2020 to undertake the drainage works. They commenced site works on 1 June 2020 and work was on-going as at 30 June 2020. As per the Council resolution, Council met the cost of drainage works and contributed to the other works such as overland flow path, driveway, front wall, access pathways, planting and utility adjustments.

During the financial year 2019/20, Council has spent \$179,341.91 for this work and the balance of works has been planned to be completed in August 2020. The expenditure during the financial year 2020-21 will be reported in the 2020-21 Statutory Annual Report.

12. DONATIONS AND SUBSIDIES

Council made, by resolution, one donation of \$5000 to the Mosman Chamber's Think Mosman First Initiative under section 356 of the *Local Government Act 1993* during 2019-20.

The following donations were made from the Mayoral Discretionary Fund (Cl.1.1 Expenses Policy):

- Celtic Festival Glenn Innes (\$240)
- Mosman Public School (\$500)

- Fine Music (\$250)
- Otsu Delegation(\$1,089)
- Oneland Programs Ltd (\$490)
- Miscellaneous (\$146)

Council also conducts an annual Community Grants program to provide an opportunity for Council to assist community groups to meet local community needs and provide activities, services and programs for residents. Grants are a constructive and effective means for Councils to build capacity in their communities, and are particularly valuable, as Council does not have the necessary resources in-house to meet the needs of all groups in the community. Council's budgeted allocation for 2019-20 was \$70,000.

Council determined a report on allocations made in response to applications submitted by community organisations for financial assistance under Council's 2019-20 Community Grants Program on 6 August 2019.

13. EXTERNAL BODIES EXERCISING FUNCTIONS DELEGATED BY COUNCIL

No external bodies exercised functions delegated by Council during the period.

14. COMPANIES IN WHICH COUNCIL HELD A CONTROLLING INTEREST

Kimbriki Recycling and Waste Disposal Centre at Kimbriki Road, Terrey Hills

Kimbriki Environmental Enterprises Pty Limited (ACN 136 789 261) was created effective 1 July 2009 to operate the Kimbriki Recycling and Waste Disposal Centre. Mosman Council (3.84%) and Northern Beaches Council (96.16%) are shareholders in the Company.

15. PARTNERSHIPS, CO-OPERATIVES & JOINT VENTURES WHICH THE COUNCIL WAS A PARTY

Internal Audit, North Shore Councils

Mosman Council is a party to an agreement between Hunters Hill, Ku-ring-gai, Lane Cove, North Sydney and Strathfield councils to operate an internal audit function for the purpose of improving the effectiveness risk management, control and governance processes of the respective Councils. All Councils share the management and cost of the internal audit services provided under the agreement.

Northern Sydney Regional Organisation of Councils (NSROC)

NSROC is comprised of eight councils in the northern part of Sydney which have voluntarily come together to address regional issues, work co-operatively for the benefit of the region, and advocate on agreed regional positions and priorities. The eight member councils are Hornsby Shire, Hunters Hill, Ku-ring-gai, Lane Cove, Mosman, North Sydney, City of Ryde and Willoughby City. The objectives of NSROC as defined in the NSROC Constitution are as follows:

- 1. To strengthen the role of Local Government in regional affairs, particularly where the region may be affected by Commonwealth or New South Wales Government policies.
- 2. To ensure that as a region we are providing leadership and participating in the development of; sound urban infrastructure; economic infrastructure and employment opportunities.
- 3. To facilitate the integration of transport, human and environmental infrastructure projects that support opportunities that meet community and business needs.
- 4. To improve the quality and access to human services infrastructure.
- 5. To improve the quality and efficiency of Local Government service delivery throughout the Northern Sydney Region.
- 6. To ensure the organisation develops as a highly credible and cost-effective organisation

The NSROC Board meets four times a year and holds an annual one day conference. NSROC was established in 1986. It is an Incorporated Association governed by a Board established under its Constitution.

Shorelink co-operative library network

Mosman Council is a member of the Shorelink Co-operative Library Network together with the Councils of Lane Cove and North Sydney.

Shorelink provides the computerisation of library collection management services.

16. COMPANION ANIMALS ACT AND REGULATION – GUIDELINES ON THE EXERCISE OF FUNCTIONS UNDER THE COMPANION ANIMALS ACT CL 217(1) (F)

Mosman Council Rangers have an active role, which involves promoting not only the responsibilities when it comes to owning a Companion Animal, but also the responsibilities the pet owner has towards other members of the community.

Under the provisions of the *Companion Animals Act, 1998*, Council's Rangers have the authority to manage issues relating to Companion Animals. This can include investigating dog attacks and nuisance animals, patrols in public areas to ensure owners compliance with laws such as leashing and picking up after their dogs and monitoring declarations of menacing or dangerous dogs.

Mosman Council places emphasis on the prompt and efficient handling of animal complaints or requests for assistance. When an animal such as a dog is not under effective control in a public place and no owner is present, Rangers are quick to attend and they may secure and impound the dog to avoid any safety concerns for our community.

There is quite high rates of dog ownership in Mosman Council Local Government area and Council Rangers seek to ensure the safety of both residents and dogs.

Pound data statistics are collected monthly and lodged annually with the Office of Local Government. These are the statistics for the 2019/2020 financial year.

| Total Taken to the Pound 2019/2020 | | Surrendered to the Pound by Other Parties | Taken to Cremorne Vet by Council | Returned to their Home by Council |
|---------------------------------------|---|---|-------------------------------------|--------------------------------------|
| Dogs | 8 | 0 | 3 | 5 |
| Cats | 0 | 0 | 0 | 0 |

| Released to Owners | | Eut | hanased | | Sold | | e-homed with Organisations | |
|-----------------------|----------|------|---------|----|------|----|-------------------------------|----|
| Dogs | 7 seized | 100% | 0 | 0% | 0 | 0% | 0 | 0% |
| Cats | 0 | 0% | 0 | 0% | 0 | 0 | 0 | 0% |

Education

Councils Rangers have observed an increase in dogs being walked off leash since the COVID-19 Pandemic commenced.

The Rangers continue to educate companion animal owners around responsible pet ownership. Council Rangers have instigated an enforcement programme around Dogs off leash in public areas.

Educational brochures are available to people contemplating adopting a pet and how to care for the animal once they have taken their new dog or cat home.

Impounding Facilities

Council has a contract with Cremorne Vets to shelter, return to owner and re-homing of companion animals.

Enforcement

For the financial year 2019-20 a total of 14 dog attacks were reported to the Office of Local Government.

Council is required to report dog attacks to the Office of Local Government within seventy two (72) hours after any relevant information is received by the Council.

A variety of action has been instigated by Councils Rangers in response to dog attacks and nuisance dog requests for the financial year, including the following:

| Nuisance Orders issued | |
|--|---|
| Habitually at large in a public place | 1 |
| Endangers Health of a person/Animal | 2 |
| Dog Noise | 0 |
| Defecating | 0 |
| Total | 3 |
| Declarations of Dangerous Dog | |
| Attacks on Persons | 1 |
| Attacks on Animals | 0 |
| Used for the purposes of hunting | 0 |
| Total | 1 |
| Declaration of Menacing Dog | |
| Attacked an animal - no serious injury or death | 0 |
| Displayed unreasonable aggression towards a person or animal | 3 |
| Total | 3 |

Nineteen (19) Penalty Infringement Notices were issued for breaches of the *Companion Animals Act, 1998* of which:

| Infringement | |
|--|---|
| Companion animal not registered as required | 1 |
| Fail to comply with prevention notice | 0 |
| Fail to comply with nuisance dog order | 0 |
| Owner failed to comply with dangerous dog control requirements | 0 |
| In charge of dog which rushes at/attacks/bites/harasses/chases any person/animal -not declared dangerous/menacing/restricted dog | 0 |
| Owner of dog which rushes at/attacks/bites/harasses/chases- not declared dangerous/menacing/restricted dog | 9 |

| Own dog uncontrolled in public place-not declared dangerous/menacing/ restricted dog | 2 |
|---|---|
| Own dog uncontrolled in public place- declared dangerous dog | 0 |
| Owner failed to prevent dog from escaping-not declared dangerous/menacing/restricted dog | 7 |
| Owner failed to prevent dog from escaping- declared dangerous dog | 0 |

17. SWIMMING POOLS ACT 1992 AND REGULATION

In 2013 The New South Wales Government made changes to the Swimming Pools Act 1992 (the Act). The amendments were designed to enhance the Act, and to actively contribute to a reduction of drowning or near drowning immersions in New South Wales private backyard swimming pools, including spa pools.

The amendments to the Act include:

- A new online state-wide register of swimming pools
- Mandatory registration of swimming pools by owners
- A certification system of compliance for all New South Wales swimming pools with the ability of authorised Council officers and private Accredited Certifiers to undertake inspections
- Mandatory inspection of pools associated with multi-occupancy dwellings and tourist accommodation
- Mandatory compliance certification to be obtained for properties with swimming pools before they can be sold or leased (Extended to April 2016)
- Requirement for Councils to develop a locally appropriate and affordable inspection program in consultation with their communities
- Requirement for Councils to report annually on the number of swimming pool inspections undertaken and the level of compliance with the requirements.

Swimming Pool Inspection Program

On 3 December 2013 at a meeting of Council, the Swimming Pool inspection Program was adopted. The program requires Council staff to inspect properties with Swimming Pools and Spas under the following circumstances:

- i. Inspection as a result of a complaint;
- ii. Inspection at the request of a pool owner;
- iii. Inspection at the request of a pool owner sale or lease;
- iv. Inspection of a tourist, visitor, multi occupancy development;
- v. Inspection of Development Applications, which have not been finalised;
- vi. Referral and customer requests from Council's internal staff.

There is a statutory obligation under the Swimming Pools Act 1992 upon Council to inspect swimming pools in its area, in accordance with the adopted swimming pools inspection program.

Inspections carried out on behalf of Council will be undertaken by authorised officers under the Act. It is the responsibility of all swimming pool owners to register their swimming pool on the Swimming pool register operated by the NSW Department of Local Government.

The Swimming Pool Inspection Program is relevant to all swimming pools regulated under the Swimming Pools Act 1992. A reference to a swimming pool also includes a spa pool. The inspection program is designed to provide measures to identify non-compliant swimming pools, ensure upgrade works are carried out, and in the process raise swimming pool safety awareness.

Current Overview

- 1. Mosman LGA has 2329 swimming pools registered on NSW State Register
- 2. Swimming pool barriers are rarely compliant on the first inspection. A number of follow-up inspections are required to ensure that the swimming pool barrier is compliant with the Act and Regulations

The Record of inspections for the financial year 2019-20 is as follows:

| Inspections completed by Council | 86 |
|---|------|
| Number of pools registered on the NSW Register | 2329 |
| Number of compliance certificate applications lodged | 29 |
| Referrals to Council from Private Certifiers as a result of non-complaint barrier | 33 |

Whilst the number of inspections and applications have reduced compared to last reporting year, (104), this is due to an increase in private E1- Swimming Pool Certifiers whom are appointed by an owner to inspect and issue Certificates of Compliance or Non-Compliance rather than Council.

Updates to Legislation:

The Swimming Pools Regulation was revised in September 2018. The legislation made the following amendments and/or updates:

- Changes to wording on Resuscitation Charts including CPR instructions and active and responsible supervision requirements
- Lockable Spa Lids can be designed to fasten to spa or any other satisfactory location adjacent to the spa
- Requirement to display a Warning Notice during construction of new pools that seeks to prevent use of the pool until approved completion

• Introduction of additional fees for Council inspections on every pool inspection in lieu of a maximum of two inspections.

Education

The implementation of the swimming pools inspection program has been underpinned by various educational opportunities including the dissemination of information through Council's website, mail outs to residents and agents along with media releases.

Leading into the summer months, Council participated in the Keep Watch Summer Partnership with Royal Life Saving Society, in which Council was provided with Promotional Resources.

In line with the Royal Life Saving Society 'Be Pool Safe' campaign, has developed a range of resources and public awareness materials to assist in raising awareness amongst backyard swimming pool owners and the broader community. Council's webpage has been updated to provide current information on the changes to the swimming pool laws and direct links to relevant websites, including the State Government Swimming Pool Register (www.swimmingpoolregister.nsw.gov.au), facts sheets and swimming pool checklists. Information has also been forwarded to the community through the Mosman daily and local media outlets.

Resourcing

Through a review of approval records and aerial photographs, a database has been developed by Council, which currently contains over 2400 properties with swimming pools.

A number of other officers within Compliance Services are engaged in swimming pool safety amongst their broader roles and responsibilities.

The implementation of the swimming pools inspection program is believed to have had a significant effect on, not only raising the level of awareness of swimming pool safety issues within the community, but also to provide a practical continuing improvement in the level of safety for young children with an increased number of compliant swimming pools in Mosman area.

18. CODE OF CONDUCT

Council is required to report annually on Code of Conduct complaints for the reporting period 1 September to 31 August. The Code of Conduct Complaints Annual Report for 2019/2020 was reported to Council at its meeting held on 10 November 2020.

Nil Code of Conduct complaints about Councillors or the General Manager were received during the reporting period.

The Office of Local Government will be provided with the following statistics for the reporting period:

| Number of Complaints | | | | | |
|----------------------|--|-----|--|--|--|
| 1a | The total number of complaints received in the period about councillors under the code of conduct | 0 | | | |
| 1b | The total number of complaints finalised in the period about councillors under the code of conduct | | | | |
| Overv | iew of Complaints and Cost | | | | |
| 2a | The number of complaints finalised at the outset by alternative means by the General Manager | 0 | | | |
| 2d | The number of code of conduct complaints finalised at preliminary assessment by conduct reviewer | 0 | | | |
| 2h | The number of finalised complaints investigated where there was found to be no breach | 0 | | | |
| 2ј | The number of complaints referred by the GM or Mayor to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police | 0 | | | |
| 21 | The total cost of dealing with code of conduct complaints within the period made about councillors including staff costs | \$0 | | | |

Preliminary Assessment Statistics

The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:

| | 5 | | | | | |
|-------|---|---|--|--|--|--|
| 3a | To take no action | | | | | |
| 3b | To resolve the complaint by alternative and appropriate strategies | | | | | |
| Categ | Categories of misconduct | | | | | |
| | The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct: | | | | | |
| 7a | 7a General conduct (Part 3) | | | | | |
| 7b | Conflict of interest (Part 4) | 0 | | | | |

All other statistics collected by the Office in its *Model Code of Conduct Complaints* collection form will be a nil return.

19. GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

Section 125 of the *Government Information (Public Access) Act 2009* requires Council to prepare an annual report on Council's obligations under the Act.

The following report for 2019-20 was submitted to both the Minister for Local Government and Information Commissioner.

Clause 8A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review

| Reviews carried out by the agency | Yes |
|---|-----|
| Information made publicly available by the agency | Yes |

Diverse range of not publicly available information has been released though informal GIPA Act application processes.

Clause 8B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

| Total number of applications received | 11 |
|---------------------------------------|----|
| | |

Clause 8C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure)

| | Wholly | Partly | Total |
|-----------------------------------|--------|--------|-------|
| Number of Applications Refused | 0 | 0 | 0 |
| % of total | 0% | 0% | |

Schedule 2 Statistical information about access applications to be included in annual report

| Table A: Number of applications by type of applicant and outcome * | | | | | | | | | | |
|--|------------------------------|------------------------------|------------------------------|---------------------|------------------------------|------------------------------------|--|-------------------------|-------|---------------|
| | Access granted in full | Access granted in part | Access refused in full | Info not held | Info already available | Refuse to deal with appln | Refuse to confirm/deny whether info is held | Appln with- drawn | Total | % of Total |
| Media | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Members of Parliament | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |

| Private sector business | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 5% |
|---|----|-----|----|----|-----|----|----|----|----|-----|
| Not for profit organisations or community groups | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Members of the public (application by legal representative) | 1 | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 7 | 32% |
| Members of the public (other) | 1 | 5 | 1 | 1 | 5 | 1 | 0 | 0 | 14 | 64% |
| Total | 2 | 8 | 1 | 1 | 8 | 2 | 0 | 0 | 22 | |
| % of Total | 9% | 36% | 5% | 5% | 36% | 9% | 0% | 0% | | |

* 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: Nun | Table B: Number of applications by type of application and outcome * | | | | | | | | | |
|---|--|------------------------------|------------------------------|---------------------|------------------------------|-----------------------------------|--|-------------------------|-------|---------------|
| | Access granted in full | Access granted in part | Access refused in full | Info not held | Info already available | Refuse to deal with appl | Refuse to confirm/ deny whether info is held | AppIn with- drawn | Total | % of Total |
| Personal information applications* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Access applications (other than personal information applications) | 2 | 8 | 1 | 1 | 8 | 2 | 0 | 0 | 22 | 100% |
| Access applications that are partly personal information applications and partly other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Total | 2 | 8 | 1 | 1 | 8 | 2 | 0 | 0 | 22 | |
| % of Total | 9% | 36% | 5% | 5% | 36% | 9% | 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).

PLEASE NOTE: The total number of decisions in Table B should be the same as Table A.

| Table C: Invalid applications | | |
|---|------------------------|------------|
| Reason for invalidity | Number of applications | % of Total |
| Application does not comply with formal requirements (section 41 of the Act) | 0 | 0% |
| Application is for excluded information of the agency (section 43 of the Act) | 0 | 0% |
| Application contravenes restraint order (section 110 of the Act) | 0 | 0% |
| Total number of invalid applications received | 0 | 0% |
| Invalid applications that subsequently became valid applications | 0 | 0% |

Table D: Conclusive presumption of overriding public interest against disclosure:matters listed in Schedule 1 of the Act

| | Number of times consideration used* | % of Total |
|--|--|------------|
| Overriding secrecy laws | 0 | 0% |
| Cabinet information | 0 | 0% |
| Executive Council information | 0 | 0% |
| Contempt | 0 | 0% |
| Legal professional privilege | 0 | 0% |
| Excluded information | 0 | 0% |
| Documents affecting law enforcement and public safety | 0 | 0% |
| Transport safety | 0 | 0% |
| Adoption | 0 | 0% |
| Care and protection of children | 0 | 0% |
| Ministerial code of conduct | 0 | 0% |
| Aboriginal and environmental heritage | 0 | 0% |
| Privilege generally - Sch 1(5A) | 0 | 0% |
| Information provided to High Risk Offenders Assessment Committee | 0 | 0% |
| Total | 0 | 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 the Act

| | Number of times consideration used* | % of Total |
|--|--|------------|
| Responsible and effective government | 5 | 31% |
| Law enforcement and security | 0 | 0% |
| Individual rights, judicial processes and natural justice | 9 | 56% |
| Business interests of agencies and other persons | 2 | 13% |
| Environment, culture, economy and general matters | 0 | 0% |
| Secrecy provisions | 0 | 0% |
| Exempt documents under interstate Freedom of Information legislation | 0 | 0% |
| Total | 16 | |

| Table F: Timeliness | | |
|--|----------------------------|------------|
| | Number of applications* | % of Total |
| Decided within the statutory timeframe (20 days plus any extensions) | 12 | 100% |
| Decided after 35 days (by agreement with applicant) | 0 | 0% |
| Not decided within time (deemed refusal) | 0 | 0% |
| Total | 12 | |

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

| | Decision varied | Decision upheld | Total | % of Total |
|--|--------------------|--------------------|-------|---------------|
| Internal review | 0 | 0 | 0 | 0% |
| Review by Information Commissioner* | 1 | 0 | 1 | 100% |
| Internal review following recommendation under section 93 of Act | 0 | 0 | 0 | 0% |
| Review by NCAT | 0 | 0 | 0 | 0% |
| Total | 1 | 0 | 1 | |
| % of Total | 1000% | 0% | | |

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

| Table H: Applications for review under Part 5 of the Act (by type of applicant) | | | | | |
|---|---|------------|--|--|--|
| | Number of applications for review | % of Total | | | |
| Applications by access applicants | 3 | 100% | | | |
| Applications by persons to whom information the subject of access application relates (see section 54 of the Act) | 0 | 0% | | | |
| Total | 3 | | | | |

| Table I: Applications transferred to other agencies | | | | | |
|---|--|------------|--|--|--|
| | Number of applications transferred | % of Total | | | |
| Agency-Initiated Transfers | 0 | 0% | | | |
| Applicant-Initiated Transfers | 0 | 0% | | | |
| Total | 0 | | | | |

In addition to the above, 362 informal applications to access Council information were received, processed and granted during the reporting period.

20. PUBLIC INTEREST DISCLOSURES ACT 1994

Section 6CA of the *Public Interest Disclosures Act 1994* requires Council to provide the NSW Ombudsman with information about Council's obligations in relation to public interest disclosures every six months. The Ombudsman received the following information from Council during 2019-20:

| Details | 2019-20 |
|---|---------|
| Number of public officials who made public interest disclosures (performing their day to day functions) | 0 |
| Number of public interest disclosures received (made by public officials performing their day to day functions) | 0 |
| Of public interest disclosures received, how many were primarily about: | |
| Corrupt conduct | 0 |
| Maladministration | 0 |
| Serious and substantial waste | 0 |
| Government information contravention | 0 |
| Local government pecuniary interest contravention | 0 |
| Number of public interest disclosures that have been finalised in this reporting period | 0 |

| Have you established an internal reporting policy? | Yes |
|---|-----|
| Has the General Manager taken action to meet staff awareness obligations? | Yes |

The following actions were taken during 2019-20:

- Email message to all staff
- Links on intranet site
- Links on internet site
- Staff undertaking that they have read and understood your organisation's internal reporting policy
- Statement of commitment from the head of your organisation

21. PRIVACY MANAGEMENT PLAN

Council has adopted a Privacy Management Plan to accord with section 33 of the *Privacy and Personal Information Protection Act 1998* and the Privacy Code of Practice for Local Government. The Plan shows how Council incorporates the provisions of the Act into its everyday activities.

Council last reviewed and adopted the Privacy Management Plan on 6 March 2018 to ensure legislative compliance and that its provisions reflect current procedures and best practice.

22. FORMAL COMPLAINTS AND ACCOLADES

Council received 36 complaints during 2019-20 as formal complaints under Council's Complaints Management Policy and reporting system - down from 44 complaints in 2018-19.

The key statistics from management of formal complaints in the 2019-20 reporting period are:

| | Number | % |
|---|--------|----|
| Formal complaints received | 36 | - |
| Formal complaints resolved | 29 | 81 |
| Formal complaints unresolved | 7* | 19 |
| | | |
| Category 1 complaints received ¹ | 16 | 44 |
| Category 2 complaints received ¹ | 17 | 47 |

| Category 3 complaints received ¹ | 3 | 8 |
|---|----|----|
| | | |
| Complaints resolved within 5 days | 9 | 31 |
| Complaints resolved within 10 days | 7 | 24 |
| Complaints resolved in greater than 10 days | 13 | 45 |
| | | |
| Department Community Development complaints | 2 | 5 |
| Department Corporate Services complaints (including one combined with DEP) | 5 | 14 |
| Department Environment and Planning complaints | 27 | 73 |
| Other complaints (one addressed by government regulations) | 2 | 5 |
| Requests for an Internal Review of a complaint response | 0 | 0 |
| Notifications of referral to an external agency | 5 | 3 |
| Number of proven breaches of Customer Service Charter | 5 | - |

* Seven received late in the year

1. Complaints are categorised as minor (category 1), behavioural or systematic (category 2), and serious (category 3)

Accolades referred to the Executive

Council also received 133 accolades during 2019/20 from customers who took the time to express in writing an acknowledgement and appreciation of exceptional service from staff.

23. FRAUD AND CORRUPTION PREVENTION ACTIVITIES

Mosman Council is committed to good governance and ethical behaviour as a key ingredient of responsible, transparent, effective and accountable local government. Fraud and corruption control are key components of good governance. Council is committed to protecting its revenue, expenditure and property from any attempt (either by the public, contractors, or its own employees) to gain by deceit, financial or other benefits.

Council has adopted a Prevention of Fraud and Corrupt Conduct Policy which is designed to protect public funds and assets, the integrity, security and reputation of the Council and its employees, and maintain a high level of services to the community.

The purpose of this policy is to demonstrate that Council does not tolerate dishonest or fraudulent behaviour and is committed to deterring and preventing such behaviour, in line with the community expectation that Council employees acknowledge and fulfil their responsibility to protect public money and property.

A Prevention of Fraud and Corrupt Conduct Plan support this policy and Council's Code of Conduct and Public Interest Disclosures Policy support reporting of breaches. The Mayor, General Manager, all Directors, Manager Human Resources and Manager Governance can receive public interest disclosures.

Council has an Audit, Risk and Improvement Committee (ARIC) that includes three external representatives one of whom must be the Chair. Further, Council has introduced a follow up check on the organisation's compliance with the Policy by using the Fraud Control Health Check provided by the Audit Office.

Council encourages members of the public to report possible fraud or corruption direct to the General Manager, Mayor or Public Interest Disclosure Officers or directly to the Independent Commission Against Corruption.

24. CAPITAL EXPENDITURE REVIEWS

Council submitted no Capital Expenditure Reviews pursuant to the Office of Local Government Expenditure Guidelines.

25. CARERS RECOGNITION ACT 2010

Mosman Council receives no funding for any of its programs for carers and therefore has no reporting obligations under s 8(2) *of the Carers Recognition Act 2010.*

26. DISABILITY INCLUSION ACT 2014

Council has had a productive year implementing its Disability Inclusion Action Plan (DIAP). The Plan was designed and has been implemented as a whole of Council planning tool to build on Council's capacity to become a strongly inclusive community. A copy of the report on achievements of the targets during the year has been submitted to the Minister for Disability Services pursuant to s13(1) of the *Disability Inclusion Act 2014*.

Refer to Section 5 for the 2019/20 Progress Report on implementing Disability Inclusion Action Plan 2017-2021.

Section Three

Financial Reports for the Year ended 30 June 2020 including Auditor's Report

Mosman Municipal Council

ANNUAL FINANCIAL STATEMENTS for the year ended 30 June 2020

Proud to be Mosman | Protecting our Heritage | Planning our Future | Involving our Community



Mosman Municipal Council

GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2020

Proud to be Mosman | Protecting our Heritage | Planning our Future | Involving our Community



General Purpose Financial Statements

for the year ended 30 June 2020

| Contents | Page |
|---|------|
| 1. Understanding Council's Financial Statements | 3 |
| 2. Statement by Councillors & Management | 4 |
| 3. Primary Financial Statements: | |
| Income Statement | 5 |
| Statement of Comprehensive Income | 6 |
| Statement of Financial Position | 7 |
| Statement of Changes in Equity | 8 |
| Statement of Cash Flows | 9 |
| 4. Notes to the Financial Statements | 10 |
| 5. Independent Auditor's Reports: | |
| On the Financial Statements (Sect 417 [2]) | 80 |

Overview

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

Civic Centre, Mosman Square, MOSMAN, 2088

On the Financial Statements (Sect 417 [3])

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

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

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

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

83

General Purpose Financial Statements

for the year ended 30 June 2020

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2020.

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Mosman Municipal Council

General Purpose Financial Statements

for the year ended 30 June 2020

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

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

- the Local Government Act 1993 (NSW) (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

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

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

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

Signed in accordance with a resolution of Council made on 06 October 2020.

J C

Carolyn CORRIGAN Mayor 06 October 2020

Dominic JOHNSON General Manager 06 October 2020

Libby MOLINE Councillor 06 October 2020

Gary MILLS Responsible Accounting Officer 06 October 2020

Income Statement

for the year ended 30 June 2020

| Original unaudited budget | | | Actual | Actua |
|---------------------------------|--|-------|--------|------------|
| 2020 | \$ '000 | Notes | 2020 | 2019 |
| | Income from continuing operations | | | |
| 27,427 | Rates and annual charges | 3a | 27,460 | 26,91 |
| 12,467 | User charges and fees | 3b | 8,636 | 11,41 |
| 5,330 | Other revenues | 3c | 2,554 | 5,79 |
| 2,900 | Grants and contributions provided for operating purposes | 3d,3e | 3,176 | 3,11 |
| 2,900 | Grants and contributions provided for capital purposes | 3d,3e | 1,802 | 2,40 |
| 502 | Interest and investment income | 4 | 287 | 2,40 42 |
| 502 | Fair value increment on investment properties | 11 | 1,578 | 42 1,82 |
| _ | Rental income ¹ | 14e | 3,645 | 1,02 |
| _ | Net share of interests in joint ventures and associates | 19 | 5,045 | |
| 41 | using the equity method | 19 | 108 | 13 |
| 50,192 | Total income from continuing operations | | 49,246 | 52,02 |
| | Expenses from continuing operations | | | |
| 20,050 | Employee benefits and on-costs | 5a | 18,219 | 18,64 |
| 369 | Borrowing costs | 5b | 401 | 33 |
| 15,551 | Materials and contracts | 5c | 13,737 | 13,31 |
| 5,463 | Depreciation and amortisation | 5d | 5,736 | 5,65 |
| 6,607 | Other expenses | 5e | 7,403 | 7,88 |
| 200 | Net losses from the disposal of assets | 6 | 501 | 86 |
| 48,240 | Total expenses from continuing operations | | 45,997 | 46,70 |
| 1,952 | Operating result from continuing operations | | 3,249 | 5,31 |
| 1,952 | Net operating result for the year | | 3,249 | 5,31 |
| 29,661 | Net operating result attributable to council | | 3,249 | 5,31 |

| 28,136 Net operating result for the year before grants and contributions 1,447 | 2,916 |
|--|-------|
|--|-------|

(1) Rental income was included at User charges and fees and Other Income in 2019 Statements. See notes 3(b) and 3(c) for details

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Comprehensive Income

for the year ended 30 June 2020

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|--------|---------|
| Net operating result for the year (as per Income Statement) | | 3,249 | 5,319 |
| Other comprehensive income: | | | |
| Amounts which will not be reclassified subsequently to the operating result | | | |
| Gain (loss) on revaluation of IPP&E | 10 | 13,520 | (4,625) |
| Other comprehensive income – joint ventures and associates | 19a | (1) | (1) |
| Total items which will not be reclassified subsequently to the operating result | | 13,519 | (4,626) |
| Total other comprehensive income for the year | - | 13,519 | (4,626) |
| Total comprehensive income for the year | - | 16,768 | 693 |
| Total comprehensive income attributable to Council | | 16,768 | 693 |

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Financial Position

as at 30 June 2020

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|----------|---------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 7(a) | 12,626 | 11,861 |
| Investments | 7(b) | 1,000 | 3,000 |
| Receivables | 8 | 2,627 | 3,130 |
| Inventories | 9a | 225 | 73 |
| Contract assets | 13a | 39 | - |
| Other | 9b | | 38 |
| Total current assets | | 16,517 | 18,102 |
| Non-current assets | | | |
| Receivables | 8 | 258 | 172 |
| Infrastructure, property, plant and equipment | 10 | 492,631 | 477,734 |
| Investment property | 11 | 50,520 | 48,845 |
| Intangible Assets | 12 | 219 | 235 |
| Right of use assets | 14a | 1,065 | - |
| Investments accounted for using the equity method | 19 | 1,206 | 1,099 |
| Total non-current assets | | 545,899 | 528,085 |
| Total assets | | 562,416 | 546,187 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Payables | 15 | 11,531 | 10,819 |
| Income received in advance | 15 | _ | 653 |
| Contract liabilities | 13b | 779 | _ |
| Lease liabilities | 14b | 95 | _ |
| Borrowings | 15 | 1,518 | 1,598 |
| Provisions | 16 | 4,595 | 4,906 |
| Total current liabilities | | 18,518 | 17,976 |
| Non-current liabilities | | | |
| Lease liabilities | 14b | 983 | _ |
| Borrowings | 15 | 5,131 | 6,756 |
| Provisions | 16 | 273 | 308 |
| Total non-current liabilities | | 6,387 | 7,064 |
| Total liabilities | | 24,905 | 25,040 |
| Net assets | | 537,511 | 521,147 |
| FOURTY | | , | , |
| EQUITY Accumulated surplus | 17 | 273,467 | 270 622 |
| Revaluation reserves | 17 | | 270,623 |
| | 17 | 264,044 | 250,524 |
| Council equity interest | | 537,511 | 521,147 |
| Total equity | | 537,511 | 521,147 |
| | | | |

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Mosman Municipal Council

Statement of Changes in Equity

for the year ended 30 June 2020

| | | | as at 30/06/20 | as at 30/06/20 | | as at 30/06/19 | |
|---|-------|------------------------|---------------------------------|-----------------|------------------------|---------------------------------|-----------------|
| \$ '000 | Notes | Accumulated surplus | IPP&E revaluation reserve | Total equity | Accumulated surplus | IPP&E revaluation reserve | Total equity |
| Opening balance | | 270,653 | 250,524 | 521,177 | 265,303 | 255,151 | 520,454 |
| Changes due to AASB 1058 and AASB 15 adoption | 17 | (434) | _ | (434) | _ | _ | _ |
| Net operating result for the year | | 3,249 | _ | 3,249 | 5,319 | _ | 5,319 |
| Restated net operating result for the period | | 3,249 | _ | 3,249 | 5,319 | _ | 5,319 |
| Other comprehensive income | | | | | | | |
| – Gain (loss) on revaluation of IPP&E | 10 | _ | 13,520 | 13,520 | _ | (4,627) | (4,627) |
| – Joint ventures and associates | 19a | (1) | _ | (1) | 1 | _ | 1 |
| Other comprehensive income | | (1) | 13,520 | 13,519 | 1 | (4,627) | (4,626) |
| Total comprehensive income | | 3,248 | 13,520 | 16,768 | 5,320 | (4,627) | 693 |
| Equity – balance at end of the reporting period | | 273,467 | 264,044 | 537,511 | 270,623 | 250,524 | 521,147 |

The Council has not restated comparatives when initially applying AASB 1058 Income of Not-for-Profit Entities, AASB 15 Revenue from Contracts with Customers and AASB 16 Leases. The comparative information has been prepared under AASB 111 Construction Contracts, AASB 118 Revenue, AASB 1004 Contributions, AASB 117 Leases and related Accounting Interpretations.

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

Statement of Cash Flows

for the year ended 30 June 2020

| Original unaudited budget | \$ '000 | Natar | Actual | Actual |
|---------------------------------|---|--------|---------------------------------------|----------|
| 2020 | \$ 000 | Notes | 2020 | 2019 |
| | Cash flows from operating activities | | | |
| | Receipts: | | | |
| 27,413 | Rates and annual charges | | 27,485 | 26,665 |
| 12,374 | User charges and fees | | 9,658 | 12,751 |
| 514 | Investment and interest revenue received | | 288 | 477 |
| 4,517 | Grants and contributions | | 4,566 | 6,152 |
| - | Bonds, deposits and retention amounts received | | 2,187 | 2,868 |
| 5,338 | Other | | 8,342 | 8,302 |
| (40,500) | Payments: | | (40,470) | (40.070) |
| (19,580) | Employee benefits and on-costs | | (18,476) | (19,279) |
| (15,501) | Materials and contracts | | (15,407) | (15,784) |
| (375) | Borrowing costs | | (377) | (349) |
| (6 607) | Bonds, deposits and retention amounts refunded Other | | (2,187) | (2,147) |
| (6,607) | | 18b | (7,897) | (7,652 |
| 0.000 | Net cash provided (or used in) operating | 100 | 0.400 | 40.00 |
| 8,093 | activities | | 8,182 | 12,004 |
| | Cash flows from investing activities | | | |
| | Receipts: | | | |
| _ | Sale of investment securities | | 31,000 | 23,000 |
| _ | Sale of infrastructure, property, plant and equipment | | 51,000 | 20,000 |
| | Payments: | | | 100 |
| _ | Purchase of investment securities | | (29,000) | (22,000) |
| _ | Purchase of investment property | | (23,000) (97) | (22,000 |
| (10,579) | Purchase of infrastructure, property, plant and equipment | | (7,542) | (14,256 |
| <u>`</u> | Net cash provided (or used in) investing activities | • | · · · · · · · · · · · · · · · · · · · | |
| (10,579) | Net cash provided (or used in) investing activities | • | (5,639) | (13,153 |
| | Cash flows from financing activities | | | |
| | Receipts: | | | |
| _ | Proceeds from borrowings and advances | | _ | 2,400 |
| | Payments: | | | |
| (1,590) | Repayment of borrowings and advances | | (1,705) | (1,383 |
| () | Lease liabilities (principal repayments) | | (73) | |
| (1,590) | Net cash flow provided (used in) financing activit | ies | (1,778) | 1,017 |
| (1,000) | , . | | | ., |
| (4,076) | Net increase/(decrease) in cash and cash equival | ents | 765 | (132 |
| 11,312 | Plus: cash and cash equivalents – beginning of year | 18a | 11,861 | 11,993 |
| | | 18a | | |
| 7,236 | Cash and cash equivalents – end of the year | IUd | 12,626 | 11,861 |
| 4 | | - // > | | |
| 4 000 | plus: Investments on hand – end of year | 7(b) | 1,000 | 3,000 |
| 4,000 | Total cash, cash equivalents and investments | | 13,626 | 14,861 |

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

for the year ended 30 June 2020

Contents of the Notes accompanying the General Purpose Financial Statements

| Note | Details | Page |
|-------|---|------|
| 1 | Basis of preparation | 11 |
| 2(a) | Council functions/activities – financial information | 14 |
| 2(b) | Council functions/activities – component descriptions | 15 |
| 3 | Revenue from continuing operations | 16 |
| 4 | Interest and investment income | 22 |
| 5 | Expenses from continuing operations | 23 |
| 6 | Gain or loss from disposal of assets | 27 |
| 7(a) | Cash and cash equivalents | 28 |
| 7(b) | Investments | 28 |
| 7(c) | Restricted cash, cash equivalents and investments | 29 |
| 8 | Receivables | 30 |
| 9 | Inventories and other assets | 32 |
| 10 | Infrastructure, property, plant and equipment | 33 |
| 11 | Investment properties | 36 |
| 12 | Intangible assets | 37 |
| 13 | Contract assets and liabilities | 38 |
| 14 | Leases | 39 |
| 15 | Payables and borrowings | 43 |
| 16 | Provisions | 45 |
| 17 | Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors | 46 |
| 18 | Statement of cash flow information | 50 |
| 19 | Interests in other entities | 52 |
| 20 | Commitments | 56 |
| 21 | Contingencies | 57 |
| 22 | Financial risk management | 60 |
| 23 | Material budget variations | 63 |
| 24 | Fair Value Measurement | 65 |
| 25 | Related party disclosures | 74 |
| 26 | Events occurring after the reporting date | 74 |
| 27 | Statement of developer contributions | 74 |
| 28(a) | Statement of performance measures – consolidated results | 76 |

Additional Council disclosures (unaudited)

| 28(b) | Statement of performance measures – consolidated results (graphs) | 77 |
|-------|---|----|
| 29 | Council information and contact details | 79 |

for the year ended 30 June 2020

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 06 October 2020. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

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

Council is a not for-profit entity.

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

(a) Historical cost convention

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

(b) Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

(i) estimated fair values of investment properties - refer Note 11

(ii) estimated fair values of infrastructure, property, plant and equipment - refer Note 10

(iii) employee benefit provisions - refer Note 16

Significant judgements in applying the council's accounting policies

(iv) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables - refer Note 8.

Monies and other assets received by Council

(a) The Consolidated Fund

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

The Consolidated Fund has been included in Council's financial statements.

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

(b) The Trust Fund

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

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

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

Goods and Services Tax (GST)

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

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

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

Volunteer services

Council enjoys the assistance of volunteers in the services Community Care and Art Gallery. Council does not recognise these services in the Financial Statement as they would not be purchased if not donated.

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2020 reporting period.

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

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

New accounting standards adopted during the year

During the year Council adopted the following accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from 1 July 2019:

- AASB 16 Leases
- AASB 15 Revenue from contracts with customers and associated amending standards.
- AASB 1058 Income of Not-for-profit entities

Further information on the newly adopted standards which had a material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures can be found at Note 18.

Impact of Novel Coronavirus (COVID-19)

Background

The virus, and measures to slow its spread, have had significant impacts on Council's operational, economic and commercial environments. Council must consider the impacts in the 19/20 Financial Year in preparing these Statements.

Covid-19 effects on Council's financial performance for the 19/20 financial year

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

1. Reduced income attributable to Covid-19 included the following revenue sources:

Rental income was significantly reduced by \$700k due to Covid relief provided to tenants and vacancies occurring after the commencement of the emergency,

Parking fines were reduced by approximately \$600k due to the effects of Covid-19 emergency,

Parking fees were reduced by approximately \$566k due to decreased usage during Covid-19 lock-down.

2. Covid-19 expenditure measures:

Council staff undertook savings measures to offset the impact of reduced income. Savings were achieved in Employee Costs, Contractors and Other Expenditures. Further details of material budget variations are found at Note 23

Covid-19 effects on Council's financial position as at 30 June, 2020

1. Fair valuation impacts

Revaluations were performed on Building and Investment property asset classes. The valuer noted that there was insufficient information to gauge the effect of Covid 19 on the valuations, at this time. Updated valuations will be obtained, as information comes to hand, for 30 June 2021. Staff's assessment of other asset class valuations also note that their values will need to be monitored closely as information comes to hand.

Council's investments are mostly interest bearing deposits with Authorised Deposit-Taking Institutions. No impact is expected on their valuations.

2. Expected credit losses

As noted above Council has worked closely with its tenants on Covid rent-relief. Credit losses are therefore expected to be minimal.

3. Contingent liabilities

Council reports a contingent liability in relation to its defined benefit superannuation obligations. If the effect of Covid-19 reduces the value of the investments held within the defined benefit plan Council may be obliged to make up shortfalls with increased contributions.

4. Cash Flow effects

Cash provided for operational activities did not vary materially form budget, due to savings measures detailed above

Going Concern

Despite the impacts to date of the Coronavirus (Covid-19) and also the future unknowns of Covid-19 in terms of its evolution, effects and duration Council has determined that Covid-19 does not create a material uncertainty to the extent that it casts significant doubt upon Council's ability to continue as a going concern.

Mosman Municipal Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 2(a). Council functions/activities – financial information

| | Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note 2(b). | | | | | | | | | | |
|---|--|--------|---|--------|--|---------|---------------------------|-------|---------|---------|--|
| | Income from Expenses from continuing operations continuing operations | | Operating result from continuing operations | | Grants included in income from continuing operations | | Carrying amount of assets | | | | |
| \$ '000 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | |
| Functions or activities | | | | | | | | | | | |
| A Caring and Inclusive Community | 1,571 | 2,030 | 2,965 | 3,071 | (1,394) | (1,041) | 853 | 1,028 | 12,738 | 14,782 | |
| A Culturally Rich and Vibrant Community | 704 | 1,039 | 4,130 | 4,352 | (3,426) | (3,313) | 195 | 171 | 24,037 | 19,627 | |
| An Attractive and Sustainable | | | | | | | | | | | |
| Environment | 6,892 | 7,320 | 7,821 | 8,458 | (929) | (1,138) | 110 | 72 | 54,300 | 96,100 | |
| An Informed and Engaged Community | _ | 262 | 850 | 946 | (850) | (684) | 29 | _ | 5 | 7 | |
| A Business Friendly Community with | | | | | | | | | | | |
| Sound, Independent Civic Leadership | 22,719 | 23,493 | 11,467 | 11,828 | 11,252 | 11,665 | 723 | 735 | 17,099 | 24,985 | |
| Well Designed, Liveable and Accessible | | | | | | | | | | | |
| Places | 17,207 | 17,466 | 12,894 | 11,416 | 4,313 | 6,050 | 937 | 976 | 385,594 | 331,564 | |
| A Healthy Village Lifestyle | 153 | 413 | 5,870 | 6,633 | (5,717) | (6,220) | _ | | 68,643 | 59,122 | |
| Total functions and activities | 49,246 | 52,023 | 45,997 | 46,704 | 3,249 | 5,319 | 2,847 | 2,982 | 562,416 | 546,187 | |

for the year ended 30 June 2020

Note 2(b). Council functions/activities - component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

A Caring and Inclusive Community

- · Assist residents to feel connected to thier community and each other
- Ensure support is available for people in need
- · Promote opportunities to acknowledge and embrace diversity

A Culturally Rich and Vibrant Community

- · Celebrate Mosman's unique identity and heritage
- Nurture cultural and creative endeavours
- Provide further opportunities to laugh, learn and play

An Attractive and Sustainable Environment

- · Protect and enhance Mosman's natural areas and local biodiversity
- Use and encourage sustainable practices
- · Effectively manage parklands for community use

An Informed and Engaged Community

- · Actively involve the community in planning and delivering Mosman's future
- · Deliver community information that is accurate and readily available
- Ensure the community knows how and why decisions are made

A Business-Friendly Community with Sound, Independent Civic Leadership

- · Council delivers high quality, convenient service to customers
- Utilise local and regional partnerships to benefit Mosman
- · Provide support for business precincts and the local economy

Well Designed, Livable and Accessible Places

- Enhance daily life by providing high quality public infrastructure and public spaces
- Value and strengthen the special aesthetic qualites of Mosman
- Improve access for everyone to, from and within Mosman

A Healthy and Active Village Lifestyle

- Protect and enhance Mosman's village atmosphere
- Support active, healthy lifestyle
- Facilitate safe environments for everyday living

for the year ended 30 June 2020

Note 3. Revenue from continuing operations

| \$ '000 | AASB | 2020 | 2019 |
|--|----------|--------|--------|
| (a) Rates and annual charges | | | |
| Ordinary rates | | | |
| Residential | 1058 (1) | 18,641 | 18,135 |
| Business | 1058 (1) | 1,896 | 1,846 |
| Less: pensioner rebates (mandatory) | 1058 (1) | (111) | (110) |
| Rates levied to ratepayers | | 20,426 | 19,871 |
| Pensioner rate subsidies received | 1058 (1) | 51 | 63 |
| Total ordinary rates | | 20,477 | 19,934 |
| Annual charges | | | |
| (pursuant to s.496, s.496A, s.496B, s.501 & s.611) | | | |
| Domestic waste management services | 1058 (1) | 6,734 | 6,729 |
| Stormwater management services | 1058 (1) | 239 | 239 |
| Section 611 charges | 1058 (1) | 28 | 29 |
| Less: pensioner rebates (mandatory) | 1058 (1) | (40) | (41) |
| Less: pensioner rebates (Council policy) | 1058 (1) | (7) | (7) |
| Annual charges levied | | 6,954 | 6,949 |
| Pensioner subsidies received: | | | |
| Domestic waste management | 1058 (1) | 29 | 28 |
| Total annual charges | | 6,983 | 6,977 |
| TOTAL RATES AND ANNUAL CHARGES | | 27,460 | 26,911 |

The AASB notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

15 (2) indicates income recognised under AASB 15 "over time",

1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

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

Accounting policy for rates and charges

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate.

Prepaid rates are recognised as a financial liability until the beginning of the rating period.

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

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are in substance a rates payment.

2019 accounting policy

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.

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

| \$ '000 | AASB | 2020 | 2019 |
|--|----------|-------|--------|
| (b) User charges and fees | | | |
| Specific user charges | | | |
| (per s.502 - specific 'actual use' charges) | | | |
| Domestic waste management services | 15 (1) | 116 | 99 |
| Total specific user charges | | 116 | 99 |
| Other user charges and fees | | | |
| (i) Fees and charges – statutory and regulatory functions (per s.608) | | | |
| Planning and building regulation | 1058 (1) | 784 | 879 |
| Regulatory fees | 1058 (1) | 170 | 166 |
| Section 10.7 certificates (EP&A Act) | 1058 (1) | 95 | 95 |
| Section 603 certificates | 1058 (1) | 57 | 36 |
| Total fees and charges – statutory/regulatory | · · · | 1,106 | 1,176 |
| (ii) Fees and charges – other (incl. general user charges (per s.608)) | | | |
| Restoration charges | 15 (2) | 1,354 | 920 |
| Art Gallery and Community Centre fees | 1058 (1) | 215 | 273 |
| Children's Services fees | 15 (1) | 490 | 788 |
| Community Care fees | 15 (1) | 189 | 207 |
| Development related road and footpath fees | 1058 (2) | 441 | 448 |
| Footpath occupation | 1058 (2) | 72 | 280 |
| Lease rentals (property) | 15 (2) | _ | 2,161 |
| Merchant fee recovery | 15 (1) | 80 | 73 |
| Oval and sporting facilities user fees | 15 (2) | 396 | 483 |
| Parking fees – foreshore | 1058 (1) | 1,361 | 1,534 |
| Parking fees – on street | 1058 (1) | 2,175 | 2,405 |
| Parking permits – foreshore and resident schemes | 1058 (2) | 438 | 335 |
| Reserve and Parks user fees | 15 (2) | 108 | 120 |
| Other | 15 (1) | 95 | 114 |
| Total fees and charges – other | | 7,414 | 10,141 |
| TOTAL USER CHARGES AND FEES | | 8,636 | 11,416 |

The AASB notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

15 (2) indicates income recognised under AASB 15 "over time",

1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

Accounting policy for user charges and fees

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

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

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

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

2019 accounting policy

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

User charges and fees are recognised as revenue when the service has been provided.

| \$ '000 | AASB | 2020 | 2019 |
|--|----------|-------|-------|
| (c) Other revenues | | | |
| Rental income – investment property ¹ | 15 (2) | _ | 1,944 |
| Fines | 1058 (1) | 2,283 | 3,251 |
| Legal fees recovery – other | 1058 (1) | _ | 262 |
| Other | 1058 (1) | 169 | 161 |
| Workers compensation insurance incentives | 15 (1) | 102 | 180 |
| TOTAL OTHER REVENUE | | 2,554 | 5,798 |

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

15 (2) indicates income recognised under AASB 15 "over time",

1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

Accounting policy for other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

2019 accounting policy:

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council 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.

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

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

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

(1) Rental Income has been reclassified as "Operating Lease Income" at Note 14 on adoption of AASB 16 Leases

| \$ '000 | AASB | Operating 2020 | Operating 2019 | Capital 2020 | Capital 2019 |
|--|----------|-------------------|-------------------|-----------------|-----------------|
| (d) Grants | | | | | |
| General purpose (untied) | | | | | |
| Current year allocation | | | | | |
| Financial assistance – general component | 1058 (1) | 337 | 323 | _ | _ |
| Financial assistance – local roads component | 1058 (1) | 118 | 126 | _ | _ |
| Payment in advance - future year allocation | | | | | |
| Financial assistance – general component | 1058 (1) | 357 | 345 | _ | _ |

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

| \$ '000 | AASB | Operating 2020 | Operating 2019 | Capital 2020 | Capital 2019 |
|--|----------|-------------------|-------------------|-----------------|-----------------|
| 4 000 | AAGD | 2020 | 2013 | 2020 | 2013 |
| Financial assistance – local roads component | 1058 (1) | 125 | 121 | _ | _ |
| Total general purpose | | 937 | 915 | | _ |
| Specific purpose | | | | | |
| Aged care | 1058 (1) | 576 | 563 | _ | _ |
| Child care | 1058 (1) | 277 | 445 | _ | - |
| Environmental programs | 1058 (2) | 82 | 72 | 28 | 8 |
| Library | 1058 (1) | 76 | 56 | 7 | - |
| Library – special projects | 1058 (2) | 19 | 22 | _ | - |
| LIRS subsidy | 1058 (1) | 29 | 47 | _ | - |
| Recreation and culture | 1058 (2) | 110 | 113 | 236 | 113 |
| Transport (roads to recovery) | 1058 (2) | 200 | _ | _ | - |
| Transport (other roads and bridges funding) | 1058 (1) | 170 | 189 | 100 | 439 |
| Total specific purpose | | 1,539 | 1,507 | 371 | 560 |
| Total grants | | 2,476 | 2,422 | 371 | 560 |
| Grant revenue is attributable to: | | | | | |
| Commonwealth funding | | 826 | 642 | _ | - |
| – State funding | | 1,633 | 1,780 | 135 | 560 |
| – Other funding | | 17 | | 236 | - |
| | | 2,476 | 2,422 | 371 | 560 |

The AASB notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

15 (2) indicates income recognised under AASB 15 "over time",

1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

| \$ '000 | Notes | AASB | Operating 2020 | Operating 2019 | Capital 2020 | Capital 2019 |
|---|--------------|----------|-------------------|-------------------|-----------------|-----------------|
| (e) Contributions | | | | | | |
| Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LG | iA): | | | | | |
| Cash contributions | , | | | | | |
| S 7.4 – contributions using planning | | | | | | |
| agreements | | 1058 (1) | 495 | 485 | _ | - |
| S 7.12 – fixed development consent levies | | 1058 (1) | | | 1,285 | 1,491 |
| Total developer contributions – cash | | | 495 | 485 | 1,285 | 1,491 |
| Total developer contributions | 27 | | 495 | 485 | 1,285 | 1,491 |
| Other contributions: | | | | | | |
| Cash contributions | | | | | | |
| Community services | | 15 (2) | 58 | 21 | _ | _ |
| Recreation and culture | | 1058 (2) | _ | 6 | 61 | 12 |
| RMS contributions (regional roads, block | | . , | | | | |
| grant) | | 1058 (1) | 147 | 176 | | _ |
| Total other contributions – cash | | | 205 | 203 | 61 | 12 |

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

| \$ '000 | Notes | AASB | Operating 2020 | Operating 2019 | Capital 2020 | Capital 2019 |
|--------------------------------------|-------|----------|-------------------|-------------------|-----------------|-----------------|
| φ 000 | notes | AASD | 2020 | 2019 | 2020 | 2019 |
| Non-cash contributions | | | | | | |
| Recreation and culture | | 1058 (1) | | | 85 | 340 |
| Total other contributions – non-cash | | | | | 85 | 340 |
| Total other contributions | | | 205 | 203 | 146 | 352 |
| Total contributions | | | 700 | 688 | 1,431 | 1,843 |
| TOTAL GRANTS AND | | | | | | |
| CONTRIBUTIONS | | | 3,176 | 3,110 | 1,802 | 2,403 |

The AASB notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

15 (2) indicates income recognised under AASB 15 "over time",

1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

Accounting policy for grants and contributions

Accounting policy from 1 July 2019

Grant income under AASB 15

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

The performance obligations are varied based on the agreement but include [provide details of performance obligations within AASB 15 grants e.g. events, vaccinations]. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

Grant income

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

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

Capital grants

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

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

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

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

Contributions

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

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

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

Accounting policy prior to 1 July 2019

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and revenue is recognised at this time and is valued at the fair value of the granted or contributed asset at the date of transfer.

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 un-discharged at reporting date, the unused grant or contribution is disclosed below.

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 reporting date.

| | | 2019 |
|--|---------|---------|
| (f) Unspent grants and contributions – external restrictions | | |
| Certain grants and contributions are obtained by Council on condition that they be | | |
| spent in a specified manner due to externally imposed restrictions. | | |
| Operating grants | | |
| Unexpended at the close of the previous reporting period | 37 | _ |
| Add: operating grants recognised as income in the current period but not yet spent (2019 only) | _ | 37 |
| Add: operating grants received for the provision of goods and services in a future period | 173 | _ |
| Less: operating grants recognised in a previous reporting period now spent (2019 | | |
| only) | (37) | _ |
| Unexpended and held as externally restricted assets (operating grants) | 173 | 37 |
| Unspent Aged and Disabiliy contibution and Art Exhibition funding. Capital grants | | |
| Unexpended at the close of the previous reporting period | 398 | 1,704 |
| Add: capital grants received for the provision of goods and services in a future | | , - |
| period | - | 358 |
| Less: capital grants recognised in a previous reporting period now spent (2019 only) | (282) | (1,664) |
| Unexpended and held as externally restricted assets (capital grants) | 116 | 398 |
| Unspent capital grants. | | |
| Contributions | | |
| Unexpended at the close of the previous reporting period | 2,549 | 3,654 |
| Add: contributions recognised as income in the current period but not yet spent | 1,325 | 1,552 |
| Less: contributions recognised in a previous reporting period now spent | (2,217) | (2,657) |
| Unexpended and held as externally restricted assets (contributions) | 1,657 | 2,549 |

for the year ended 30 June 2020

Note 4. Interest and investment income

Note 4. Interest and investment income

| \$ '000 | 2020 | 2019 |
|--|------|------|
| Interest on financial assets measured at amortised cost | | |
| Overdue rates and annual charges (incl. special purpose rates) | 57 | 46 |
| Cash and investments | 230 | 378 |
| Total Interest and investment income | 287 | 424 |

Accounting policy for interest and investment revenue Interest income is recognised using the effective interest rate at the date that interest is earned.

for the year ended 30 June 2020

Note 5. Expenses from continuing operations

| \$ '000 | 2020 | 2019 |
|--|--------|--------|
| (a) Employee benefits and on-costs | | |
| Salaries and wages | 13,824 | 14,379 |
| Employee termination costs (where material – other than vested leave paid) | 299 | 207 |
| Employee leave entitlements (ELE) | 2,107 | 2,068 |
| Superannuation – defined contribution plans | 1,367 | 1,383 |
| Superannuation – defined benefit plans | 291 | 283 |
| Workers' compensation insurance | 268 | 214 |
| Fringe benefit tax (FBT) | 63 | 109 |
| TOTAL EMPLOYEE COSTS EXPENSED | 18,219 | 18,643 |
| Number of 'full-time equivalent' employees (FTE) at year end | 160 | 169 |
| Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies) | 167 | 175 |

Accounting policy for employee benefits and on-costs

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

Retirement benefit obligations

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

Superannuation plans

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

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

| \$ '000 | 2020 | 2019 |
|--|------|------|
| (b) Borrowing costs | | |
| (i) Interest bearing liability costs | | |
| Interest on leases | 31 | _ |
| Interest on loans | 370 | 338 |
| Total interest bearing liability costs | 401 | 338 |
| Total interest bearing liability costs expensed | 401 | 338 |
| Fair value adjustments on recognition of advances and deferred debtors | | |
| TOTAL BORROWING COSTS EXPENSED | 401 | 338 |

Accounting policy for 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 as incurred.

| \$ '000 | 2020 | 2019 |
|---|-------|-------|
| (c) Materials and contracts | | |
| Raw materials and consumables | 84 | 162 |
| Aged services | 135 | 150 |
| Art Gallery and Community Centre | 220 | 280 |
| - Bushcare | 381 | 375 |
| – Childrens Services | 104 | 139 |
| - Cleansing | 119 | 116 |
| Companion Animal Control | 25 | 28 |
| Communications and Events | 186 | 124 |
| – Consultancies | 10 | _ |
| Development assessment and urban planning | 126 | 127 |
| - Finance Contractors | 31 | 35 |
| - Infrastructure | 2,088 | 2,563 |
| – Internal audit | 89 | 82 |
| – Library | 172 | 290 |
| Parks, gardens and civic spaces | 1,900 | 1,945 |
| – Plant running | 68 | 72 |
| Recreational facilities | 802 | 753 |
| Recruitment expenses | 7 | _ |
| – Structures | 1,831 | 1,334 |
| Swim Centre Management | 177 | 172 |
| Temp Staff and Agency Casuals | 292 | 306 |
| – Waste management | 3,538 | 2,965 |
| - Youth Services | 10 | 28 |
| Other contractor and consultancy costs | 198 | 96 |
| Auditors remuneration ² | 60 | 52 |
| Infringement notice contract costs (SEINS) | 264 | 394 |
| Legal expenses: | | |
| Legal expenses: planning and development | 309 | 224 |
| – Legal expenses: Save Mosman campaign | _ | 30 |
| – Legal expenses: other | 190 | 219 |
| Expenses from short-term leases (2020 only) | _ | - |
| Expenses from leases of low value assets (2020 only) | 200 | - |
| Variable lease expense relating to usage (2020 only) | 58 | - |

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

| \$ '000 | 2020 | 2019 |
|---|--------|--------|
| Operating leases expense (2019 only): | | |
| Operating lease rentals: minimum lease payments¹ | _ | 142 |
| Printing | 56 | 114 |
| Other | 7 | _ |
| TOTAL MATERIALS AND CONTRACTS | 13,737 | 13,317 |

Accounting policy for materials and contracts

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

Operating leases (2019 only)

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee 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.

1. Operating lease payments are attributable to:

| Computers | 142 |
|-----------|---------|
| - | 142 |

2. Auditor remuneration

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

| (i) Audit and other assurance services Audit and review of financial statements Remuneration for audit and other assurance services | 60 60 | <u>52</u> 52 |
|---|----------|-----------------|
| Total Auditor-General remuneration | 60 | 52 |
| Non NSW Auditor-General audit firms | | |
| Total Auditor remuneration | 60 | 52 |

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|-------|-------|
| (d) Depreciation, amortisation and impairment of non-financial assets | | | |
| Depreciation and amortisation | | | |
| Plant and equipment | | 188 | 192 |
| Office equipment | | 77 | 40 |
| Furniture and fittings | | 11 | 14 |
| Land improvements (depreciable) | | 10 | 9 |
| Infrastructure: | 10 | | |
| Buildings – non-specialised | | 762 | 729 |
| Buildings – specialised | | 412 | 502 |
| – Roads | | 2,366 | 2,355 |
| - Footpaths | | 248 | 248 |
| – Stormwater drainage | | 492 | 491 |
| Other open space/recreational assets | | 833 | 820 |
| Right of use assets | 14 | 86 | _ |
| Other assets: | | | |

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

| \$ '000 | Notes | 2020 | 2019 |
|--------------------------------------|-------|-------|-------|
| – Library books | | 231 | 236 |
| – Other | | 4 | 4 |
| Intangible assets | 12 | 16 | 16 |
| TOTAL DEPRECIATION, AMORTISATION AND | | | |
| IMPAIRMENT FOR NON-FINANCIAL ASSETS | | 5,736 | 5,656 |

Accounting policy for depreciation, amortisation and impairment expenses of non-financial assets

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets, Note 12 for intangible assets and Note 14 for Right of Use Assets

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

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

| \$ '000 | 2020 | 2019 |
|--|-------|-------|
| (e) Other expenses | | |
| Advertising | 156 | 222 |
| Training costs (other than salaries and wages) | 98 | 131 |
| Travel expenses | 375 | 431 |
| Bad and doubtful debts | 109 | _ |
| Bad and doubtful debts parking fines | 213 | 323 |
| Bank charges | 135 | 146 |
| Catering | 78 | 112 |
| Computer software charges | 1,181 | 1,301 |
| Contributions/levies to other levels of government | | |
| Department of planning levy | 215 | 222 |
| – Local Government NSW | 38 | 40 |
| – NSW fire brigade levy | 891 | 853 |
| – Waste levy | 1,072 | 963 |
| Councillor expenses – mayoral fee | 45 | 44 |
| Councillor expenses – councillors' fees | 142 | 139 |
| Councillors' expenses (incl. mayor) – other (excluding fees above) | 11 | 14 |
| Donations, contributions and assistance to other organisations (Section 356) | 234 | 200 |

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

| \$ '000 | 2020 | 2019 |
|-------------------------------------|-------|-------|
| Electricity and heating | 336 | 403 |
| Equipment maintenance | 37 | 35 |
| Insurance | 611 | 613 |
| Leases – photocopiers | _ | 122 |
| Leases – property | 58 | 53 |
| Postage | 70 | 87 |
| Street lighting | 148 | 173 |
| Subscriptions and publications | 121 | 132 |
| Telephone and communications | 82 | 83 |
| Waste disposal and recycling centre | 625 | 651 |
| Water | 162 | 193 |
| Other | 160 | 195 |
| TOTAL OTHER EXPENSES | 7,403 | 7,881 |

Accounting policy for other expenses

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

Note 6. Gain or loss from disposal of assets

| \$ '000 | Notes | 2020 | 2019 |
|--|-------|----------|----------|
| Property (excl. investment property) | | | |
| Proceeds from disposal – property | | _ | 150 |
| Less: carrying amount of property assets sold/written off | | _ | (116) |
| Net gain/(loss) on disposal | | | 34 |
| Plant and equipment | 10 | | |
| Proceeds from disposal – plant and equipment | | _ | 19 |
| Less: carrying amount of plant and equipment assets sold/written off | | (1) | (5) |
| Net gain/(loss) on disposal | _ | (1) | 14 |
| Infrastructure | 10 | | |
| Less: carrying amount of infrastructure assets sold/written off | | (500) | (917) |
| Net gain/(loss) on disposal | | (500) | (917) |
| Investments | 7(b) | | |
| Proceeds from disposal/redemptions/maturities – investments | | 31,000 | 23,000 |
| Less: carrying amount of investments sold/redeemed/matured | | (31,000) | (23,000) |
| Net gain/(loss) on disposal | | | _ |
| NET GAIN/(LOSS) ON DISPOSAL OF ASSETS | | (501) | (869) |

Accounting policy for disposal of assets

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

for the year ended 30 June 2020

Note 7(a). Cash and cash equivalents

| \$ '000 | 2020 | 2019 |
|---------------------------------|--------|--------|
| Cash and cash equivalents | | |
| Cash on hand and at bank | 1,626 | 861 |
| Cash-equivalent assets | | |
| – Deposits at call | 2,000 | 1,000 |
| – Short-term deposits | 9,000 | 10,000 |
| Total cash and cash equivalents | 12,626 | 11,861 |

Accounting policy for cash and cash equivalents

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

Note 7(b). Investments

| \$ '000 | 2020 Current | 2020 Non-current | 2019 Current | 2019 Non-current |
|---|-----------------|---------------------|-----------------|---------------------|
| Investments | | | | |
| a. 'Financial assets at fair value through profit and loss' | | | | |
| b. 'Financial assets at amortised cost' | 1,000 | _ | 3,000 | _ |
| Total Investments | 1,000 | _ | 3,000 | _ |
| TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS | 13,626 | | 14,861 | |
| Financial assets at amortised cost | | | | |
| Long term deposits | 1,000 | _ | 3,000 | _ |
| Total | 1,000 | | 3,000 | |

Accounting policy for investments

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

· the business model is to hold assets to collect contractual cash flows, and

for the year ended 30 June 2020

Note 7(b). Investments (continued)

• the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position.

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

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

Financial assets through profit or loss

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

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

Note 7(c). Restricted cash, cash equivalents and investments

| | 2020 | 2020 | 2019 | 2019 |
|--|---------|-------------|---------|-------------|
| \$ '000 | Current | Non-current | Current | Non-current |
| Total cash, cash equivalents and investments | 13,626 | | 14,861 | |
| attributable to: | | | | |
| External restrictions | 4,296 | _ | 5,260 | _ |
| Internal restrictions | 6,290 | _ | 8,344 | _ |
| Unrestricted | 3,040 | | 1,257 | |
| | 13,626 | _ | 14,861 | _ |

| \$ '000 | 2020 | 2019 |
|---------|------|------|
| | | |

Details of restrictions

| External restrictions – included in liabilities Specific purpose unexpended grants – general fund (2020 only) | | _ |
|--|-------|-------|
| External restrictions – included in liabilities | | |
| External restrictions – other | | |
| Developer contributions – general | 2,106 | 2,663 |
| Specific purpose unexpended grants (recognised as revenue) – general fund | 289 | 435 |
| Domestic waste management | 1,901 | 2,162 |
| External restrictions – other | 4,296 | 5,260 |
| Total external restrictions | 4,296 | 5,260 |
| Internal restrictions | | |
| Deposits, retentions and bonds | 3,430 | 3,430 |
| Unspent Loan | _ | 2,400 |
| Employees leave entitlement | 974 | 1,049 |
| Swim centre | 746 | 870 |
| Capital works reserve | 980 | 500 |
| Plant and vehicle replacement | 160 | 95 |

continued on next page ...

for the year ended 30 June 2020

Note 7(c). Restricted cash, cash equivalents and investments (continued)

| Total internal restrictions | 6,290 | 8,344 |
|-----------------------------|--------|--------|
| TOTAL RESTRICTIONS | 10,586 | 13,604 |

Note 8. Receivables

| \$ '000 | 2020 Current | 2020 Non-current | 2019 Current | 2019 Non-current |
|--|----------------------|---------------------|-----------------|---------------------|
| Purpose | | | | |
| Rates and annual charges | 787 | 245 | 698 | 163 |
| Interest and extra charges | 76 | | 60 | _ |
| User charges and fees | 853 | _ | 1,428 | _ |
| Accrued revenues | | | ., | |
| Interest on investments | 3 | _ | 20 | _ |
| Other income accruals | 441 | _ | 552 | _ |
| Net investment in finance lease | _ | _ | _ | _ |
| Government grants and subsidies | 560 | _ | 355 | _ |
| Loans to non-profit organisations | _ | 13 | _ | 9 |
| Net GST receivable | 373 | _ | 291 | _ |
| Total | 3,093 | 258 | 3,404 | 172 |
| Less: provision of impairment | | | | |
| User charges and fees | (202) | _ | (93) | _ |
| Other debtors | (264) | _ | (181) | _ |
| Total provision for impairment – | (| | () | |
| receivables | (466) | | (274) | |
| TOTAL NET RECEIVABLES | 2,627 | 258 | 3,130 | 172 |
| | | | | |
| Unrestricted receivables | 2,393 | 258 | 2,917 | 172 |
| ¢ 1000 | | | 2020 | 2040 |
| \$ '000 | | | 2020 | 2019 |
| Movement in provision for impairment o | | | | |
| Balance at the beginning of the year (calculated | in accordance with A | ASB 139) | 274 | 394 |
| Balance at the end of the year | | | 274 | 394 |

Accounting policy for receivables

Recognition and measurement

Receivables 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.

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.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

for the year ended 30 June 2020

Note 8. Receivables (continued)

Impairment

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

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

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

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

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

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

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

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

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

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 5 years past due, whichever occurs first.

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

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

Rates and annual charges outstanding are secured against the property.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 9. Inventories and other assets

| 2020 | 2020 | 2019 | 2019 |
|---------|--------------------|--|---|
| Current | Non-current | Current | Non-current |
| | | | |
| | | | |
| 181 | _ | 29 | _ |
| 44 | _ | 44 | _ |
| 225 | | 73 | _ |
| 225 | _ | 73 | _ |
| | Current 181 44 225 | Current Non-current 181 - 44 - 225 - | Current Non-current Current 181 - 29 44 - 44 225 - 73 |

(b) Other assets

| Prepayments | _ | 38 | _ |
|--------------------|---|--------|---|
| TOTAL OTHER ASSETS | _ | 38 | |

| \$ '000 | 2020 Current | 2020 Non-current | 2019 Current | 2019 Non-current |
|------------------------------------|-----------------|---------------------|-----------------|---------------------|
| Total unrestricted assets | 225 | _ | 111 | _ |
| TOTAL INVENTORIES AND OTHER ASSETS | 225 | _ | 111 | _ |

(i) Other disclosures

(Valued at the lower of cost and net realisable value)

(b) Current assets not anticipated to be settled within the next 12 months

The following inventories and other assets, even though classified as current are not expected to be recovered in the next 12 months;

Accounting policy for inventories and other assets

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. Costs are assigned to individual items of inventory on the basis of weighted average costs. 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.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment

| | | as at 30/06/19 | | | Asset | movements durin | g the reporting p | eriod | | | as at 30/06/20 | |
|---|--------------------------|--------------------------|---------------------------|------------------------------------|-------------------------|--------------------------------|-------------------------|---------------|--|--------------------------|--------------------------|---------------------------|
| \$ '000 | Gross carrying amount | Accumulated depreciation | Net carrying amount | Additions renewals ¹ | Additions new assets | Carrying value of disposals | Depreciation expense | WIP transfers | Revaluation increments to equity (ARR) | Gross carrying amount | Accumulated depreciation | Net carrying amount |
| Capital work in progress | 1,003 | - | 1,003 | 610 | 5 | _ | _ | (310) | _ | 1,308 | _ | 1,308 |
| Plant and equipment | 1,483 | (715) | 768 | 107 | - | (1) | (188) | - | - | 1,480 | (794) | 686 |
| Office equipment | 632 | (357) | 275 | 50 | 185 | - | (77) | _ | - | 715 | (282) | 433 |
| Furniture and fittings | 228 | (179) | 49 | 95 | _ | _ | (11) | _ | _ | 312 | (179) | 133 |
| Art collection | 5,812 | _ | 5,812 | _ | 147 | - | - | _ | - | 5,959 | _ | 5,959 |
| Land: | | | | | | | | | | | | |
| – Operational land | 152,040 | _ | 152,040 | _ | _ | _ | _ | _ | _ | 152,040 | _ | 152,040 |
| – Community land | 28,393 | _ | 28,393 | _ | _ | _ | _ | _ | 2,889 | 31,282 | _ | 31,282 |
| – Crown land | 34,097 | _ | 34,097 | _ | _ | - | - | _ | 5,559 | 39,656 | _ | 39,656 |
| Land improvements – depreciable | 926 | (134) | 792 | 128 | - | - | (10) | _ | _ | 1,053 | (143) | 910 |
| Infrastructure: | | | | | | | | | | | | |
| Buildings – non-specialised | 53,894 | (18,648) | 35,246 | 226 | _ | (40) | (762) | _ | 3,647 | 52,123 | (13,806) | 38,317 |
| Buildings – specialised | 24,781 | (9,291) | 15,490 | 410 | 432 | (168) | (412) | 60 | 1,425 | 23,908 | (6,671) | 17,237 |
| – Roads | 194,359 | (86,389) | 107,970 | 2,006 | 21 | (163) | (2,366) | 87 | _ | 194,378 | (86,823) | 107,555 |
| – Footpaths | 20,577 | (5,678) | 14,899 | 592 | _ | (48) | (248) | _ | _ | 20,577 | (5,382) | 15,195 |
| Stormwater drainage | 69,021 | (19,659) | 49,362 | 279 | _ | (7) | (492) | _ | _ | 69,021 | (19,879) | 49,142 |
| Other open space/recreational | | | | | | | | | | | | |
| assets | 46,145 | (15,437) | 30,708 | 1,788 | 244 | (74) | (833) | 163 | - | 46,390 | (14,394) | 31,996 |
| Other assets: | | | | | | | | | | | | |
| Heritage collections | 13 | - | 13 | - | - | - | - | - | - | 13 | - | 13 |
| Library books | 1,652 | (870) | 782 | 187 | - | - | (231) | - | - | 1,591 | (853) | 738 |
| - Other | 62 | (27) | 35 | | - | - | (4) | - | _ | 62 | (31) | 31 |
| Total Infrastructure, property, plant and equipment | 635,118 | (157,384) | 477,734 | 6,478 | 1,034 | (501) | (5,634) | _ | 13,520 | 641,868 | (149,237) | 492,631 |

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment (continued)

| | | as at 30/06/18 | | | Asset movements during the reporting period | | | | | as at 30/06/19 | | |
|---|--------------------------|--------------------------|---------------------------|------------------------------------|---|--------------------------------|-------------------------|---------------|--|--------------------------|--------------------------|---------------------------|
| \$ '000 | Gross carrying amount | Accumulated depreciation | Net carrying amount | Additions renewals ¹ | Additions new assets | Carrying value of disposals | Depreciation expense | WIP transfers | Revaluation decrements to equity (ARR) | Gross carrying amount | Accumulated depreciation | Net carrying amount |
| Capital work in progress | 2,270 | _ | 2,270 | 508 | 145 | (33) | _ | (1,887) | _ | 1,003 | _ | 1,003 |
| Plant and equipment | 1,385 | (635) | 750 | 191 | 24 | (5) | (192) | _ | _ | 1,483 | (715) | 768 |
| Office equipment | 89 | _ | 89 | 117 | 109 | _ | (40) | _ | _ | 632 | (357) | 275 |
| Furniture and fittings | 337 | (255) | 82 | 2 | _ | (21) | (14) | _ | _ | 228 | (179) | 49 |
| Art collection | 5,420 | _ | 5,420 | _ | 392 | _ | _ | _ | _ | 5,812 | | 5,812 |
| Land: | | | | | | | | | | | | |
| – Operational land | 152,156 | _ | 152,156 | - | _ | (116) | - | _ | _ | 152,040 | _ | 152,040 |
| – Community land | 26,721 | _ | 26,721 | - | _ | _ | - | _ | _ | 28,393 | _ | 28,393 |
| Land improvements – depreciable | 820 | (124) | 696 | 105 | _ | _ | (9) | _ | _ | 926 | (134) | 792 |
| – Crown land | 35,769 | _ | 35,769 | - | _ | _ | - | _ | _ | 34,097 | _ | 34,097 |
| Infrastructure: | | | | | | | | | | | | |
| – Buildings – non-specialised | 53,500 | (22,369) | 31,131 | 4,537 | 394 | (513) | (729) | 426 | _ | 53,894 | (18,648) | 35,246 |
| – Buildings – specialised | 24,781 | (8,844) | 15,937 | 62 | _ | (7) | (502) | - | _ | 24,781 | (9,291) | 15,490 |
| – Roads | 190,984 | (85,374) | 105,610 | 1,443 | 2,577 | (103) | (2,355) | 798 | _ | 194,359 | (86,389) | 107,970 |
| – Footpaths | 20,577 | (5,927) | 14,650 | 524 | _ | (27) | (248) | - | _ | 20,577 | (5,678) | 14,899 |
| Stormwater drainage | 66,136 | (15,763) | 50,373 | 292 | _ | (8) | (491) | 314 | (1,118) | 69,021 | (19,659) | 49,362 |
| Other open space/recreational | | | | | | | | | | | | |
| assets | 50,822 | (18,122) | 32,700 | 2,042 | 29 | (85) | (820) | 349 | (3,507) | 46,145 | (15,437) | 30,708 |
| Other assets: | | | | | | | | | | | | |
| Heritage collections | 13 | - | 13 | - | - | - | - | - | - | 13 | - | 13 |
| – Library books | 1,913 | (1,125) | 788 | 230 | - | - | (236) | - | - | 1,652 | (870) | 782 |
| - Other | 49 | (10) | 39 | | _ | _ | (4) | - | _ | 62 | (27) | 35 |
| Total Infrastructure, property, plant and equipment | 633,742 | (158,548) | 475,194 | 10,053 | 3,670 | (918) | (5,640) | - | (4,625) | 635,118 | (157,384) | 477,734 |

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

for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

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

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

When infrastructure, property, plant and equipment are acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

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

| Plant and equipment | Years | Other equipment | Years |
|-----------------------------------|----------|----------------------|-----------|
| Office equipment | 5 to 10 | Playground equipment | 5 to 15 |
| Office furniture | 10 to 20 | Benches, seats etc. | 10 to 20 |
| Computer equipment | 4 | | |
| Vehicles | 5 to 8 | Buildings | |
| Heavy plant/road making equipment | 5 to 8 | Buildings: masonry | 50 to 100 |
| Other plant and equipment | 5 to 15 | Buildings: other | 20 to 40 |
| | | Stormwater assets | |

| Stormwater assets | |
|--------------------------|-----------|
| Drains | 80 to 100 |
| Culverts | 50 to 80 |
| Flood control structures | 80 to 100 |

| Transportation assets | | Other infrastructure assets | |
|----------------------------|-----|--------------------------------------|----|
| Sealed roads: surface | 20 | Bulk earthworks | 20 |
| Sealed roads: structure | 50 | Swimming pools | 50 |
| Unsealed roads | 20 | Unsealed roads | 20 |
| Bridge: concrete | 100 | Other open space/recreational assets | 20 |
| Bridge: other | 50 | Other infrastructure | 20 |
| Road pavements | 60 | | |
| Kerb, gutter and footpaths | 40 | | |

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

Land under roads

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

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

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

for the year ended 30 June 2020

Note 10. Infrastructure, property, plant and equipment (continued)

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. Where Crown Reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer to Note 14

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

Note 11. Investment properties

| \$ '000 | 2020 | 2019 |
|---|--------|--------|
| Owned investment property | | |
| Investment property on hand at fair value | 50,520 | 48,845 |
| Total owned investment property | 50,520 | 48,845 |

(a) Reconciliation – owned investment property

| Reconciliation of annual movement: | | |
|---|--------|--------|
| Opening balance | 48,845 | 46,950 |
| Capitalised expenditure – this year | 97 | 66 |
| Net gain/(loss) from fair value adjustments | 1,578 | 1,829 |
| CLOSING BALANCE – OWNED INVESTMENT PROPERTY | 50,520 | 48,845 |

(b) Valuation basis (2019 only)

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 2019 revaluations were based on independent assessments made by: Scott Fullarton Valuations Pty Ltd Valuer Scott Fullarton - Certified Practising Valuer - API Membership No. 67557

(c) Contractual obligations at reporting date (2019 only)

Refer to Note 18 for disclosures relating to any capital and service obligations that have been contracted.

| \$ '000 | 2020 | 2019 |
|---|--------|-------|
| (d) Leasing arrangements – Council as lessor (2019 only) | | |
| The investment properties are leased to tenants under long-term operating leases with rentals payable monthly. | | |
| Future minimum lease payments receivable under non-cancellable investment property operating leases not recognised in the financial statements are receivable as follows: | | |
| Within 1 year | 1,646 | 1,740 |
| Later than 1 year but less than 5 years | 2,938 | 1,618 |
| Later than 5 years | 8,795 | 251 |
| Total minimum lease payments receivable | 13,379 | 3,609 |

for the year ended 30 June 2020

Note 11. Investment properties (continued)

Council links leases to market reviews and the Sydney All Groups CPI. Leases of retail premises have historically been granted on a three plus three year basis while the restaurant premises are a longer term of between 10 and 21 years, although there are exceptions due to extenuating circumstances

The short term leases provide for rent reviews by CPI annually and to market in the first year of the term of the lease or term pursuant to exercise of an option (that is every three years). The longer term leases for the restaurants provide for market and CPI reviews every year on an alternate basis

| \$ '000 | 2020 | 2019 |
|--|-------|-------|
| (e) Investment property income and expenditure – summary (2019 only) | | |
| Rental income from investment property: | | |
| – Minimum lease payments | 1,447 | 1,944 |
| Direct operating expenses on investment property: | | |
| that generated rental income | (82) | (69) |
| Net revenue contribution from investment property | 1,365 | 1,875 |
| plus: | | |
| Fair value movement for year | 1,578 | 1,829 |
| Total income attributable to investment property | 2,943 | 3,704 |

Accounting policy for investment property

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

Properties that are under construction for future use as investment properties are regarded as investment property. 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.

Note 12. Intangible assets

Intangible assets are as follows:

Other

| \$ '000 | 2020 | 2019 |
|--|-------|-------|
| Kimbriki Intangible Asset | | |
| Opening values at 1 July | | |
| Gross book value | 392 | 392 |
| Accumulated amortisation | (173) | (157) |
| Net book value – opening balance | 219 | 235 |
| Movements for the year | | |
| Closing values at 30 june | | |
| Gross book value | 219 | 235 |
| Total Kimbriki Intangible Asset – net book value | 219 | 235 |

for the year ended 30 June 2020

Note 12. Intangible assets (continued)

| | 2020 | 2019 |
|--|------|------|
| | | |
| TOTAL INTANGIBLE ASSETS – NET BOOK VALUE | 219 | 235 |

Kimbriki Intangible Asset

Council's interest in access to the Kimbriki waste and recycling centre is recognised as an intangible asset and will be amortised over time.

Note 13. Contract assets and liabilities

| \$ '000 | 2020 Current | 2020 Non-current |
|-----------------------|-----------------|---------------------|
| (a) Contract assets | | |
| Other | 39 | - |
| Total Contract assets | 39 | _ |

| \$ '000 | Notes | 2020 Current | 2020 Non-current |
|--|-------|-----------------|---------------------|
| (b) Contract liabilities | | | |
| Grants and contributions received in advance: Unexpended operating grants (received prior to performance obligation | (i) | | |
| being satisified) | | 134 | - |
| Total grants received in advance | | 307 | _ |
| User fees and charges received in advance: | | | |
| Lease Income Received in Advance | | 219 | _ |
| Facilities and Reserve Booking Received in Advance | | 51 | _ |
| Other | | 202 | _ |
| Total user fees and charges received in advance | | 472 | _ |
| Total contract liabilities | | 779 | _ |

Notes

(i) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

| | 2020 | 2020 |
|---|---------|-------------|
| \$ '000 | Current | Non-current |
| (i) Contract liabilities relating to restricted assets | | |
| Externally restricted assets | | |
| Unspent grants held as contract liabilities (excl. Water & Sewer) | 58 | _ |
| Contract liabilities relating to externally restricted assets | 58 | - |
| Total contract liabilities relating to restricted assets | 58 | _ |

for the year ended 30 June 2020

Note 13. Contract assets and liabilities (continued)

| \$ '000 | 2020 Current | 2020 Non-current |
|--|-----------------|---------------------|
| Total contract liabilities relating to unrestricted assets | 721 | - |
| Total contract liabilities | 779 | _ |
| \$ '000 | | 2020 |

(ii) Revenue recognised (during the financial year) from opening contract liability balances

| Grants and contributions received in advance: | |
|--|-----|
| Capital grants (to construct Council controlled assets) | 282 |
| Operating grants (received prior to performance obligation being satisfied) | 37 |
| Total Revenue recognised during the financial year that was included in the contract | |
| liability balance at the beginning of the period | 319 |

Significant changes in contract assets and liabilities

The contract liabilities have arisen on adoption of AASB 15 and AASB 1058. Previously income received in advance was recognised for reciprocal contracts. The increase in a contract liability is primarily due to grants in the scope of AASB 15 and capital grants received by Council to acquire or construct assets which will be under Council's control. Previously, revenue was recognised on receipt of the funds.

Accounting policy for contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before the payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

Note 14. Leases

The Council has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

(i) Council as a lessee

Council has leases over a range of assets including vehicles and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Garbage Trucks

A lease of four decicated garbage collection vehicles is embedded in the Waste and Recycling Services Contract 2019-2029. The contractor, URM Environmental Services PL, is obliged to provide modern and servicable vehicles for the 10 year duration of the contract

Office and IT equipment

Leases for office and IT equipment are for low value assets. The leases are for between 3 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage

for the year ended 30 June 2020

Note 14. Leases (continued)

| <u>\$ '000</u> | Plant & Equipment | Ready to use | Domestic Waste Contract - Garbage Trucks | Total |
|--|----------------------|--------------|--|-------------------------------|
| (a) Right of use assets | | | | |
| Opening balance at 30 June 2019 | - | - | - | - |
| Adoption of AASB 16 at 1 July 2019 – first time lease recognition Depreciation charge RIGHT OF USE ASSETS | | | 1,151 (86) 1,065 | 1,151 (86) 1,065 |

| \$ '000 | 2020 Current | 2020 Non-current |
|-------------------------|-----------------|---------------------|
| (b) Lease liabilities | | |
| | 95 | 983 |
| TOTAL LEASE LIABILITIES | 95 | 983 |

(i) The maturity analysis

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

| <u>\$ '000</u> | < 1 year | 1 – 5 years | > 5 years | Total | Total per Statement of Financial Position |
|-------------------------|----------|-------------|-----------|-----------------|--|
| Cash flows | 95 | 557 | 426 | 1,078 | 1,078 |
| \$ '000 | | | | 2020 Current | 2020 Non-current |
| Total lease liabilities | | | | 95 | 983 |

| \$ '000 | 2020 |
|---------|------|
| | |

(c) Income Statement

| The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below: | |
|--|-----|
| Interest on lease liabilities | 31 |
| Depreciation of right of use assets | 86 |
| | 375 |

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Leases (continued)

| \$ '000 | 2020 |
|-------------------------------|------|
| (d) Statement of Cash Flows | |
| Total cash outflow for leases | 117 |
| | 117 |

Accounting policy

Accounting policies under AASB 16 – applicable from 1 July 2019

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

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

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

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

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

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

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

Exceptions to lease accounting

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

Leases at significantly below market value / concessionary leases

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

Accounting policy under AASB 117 and associated Accounting Interpretations (2019 only)

Refer to Note 5c and Note 16.

(ii) Council as a lessor

(e) Operating leases

Council leases out a number of properties commercial tennant for retail and food premises, other businesses and community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer note 12) and/or IPP&E (refer in this note part (v) below) in the Statement of Financial Position.

During the year Council granted Covid related rent relief to its retail tenants for: premises \$530k (Investment Properties) and \$66k for footpath occupations. Tenants were not invoiced for rent relieved and no income was recognised for those amounts

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

\$ '000

2020

for the year ended 30 June 2020

Note 14. Leases (continued)

| \$ '000 | 2020 |
|---|-------|
| (i) Operating lease income | |
| Investment properties | |
| Lease income (excluding variable lease payments not dependent on an index or rate) | 1,498 |
| Other Lease Income | |
| Other Property Leases | 2,147 |
| Total income relating to operating leases | 3,645 |
| (ii) Operating lease expenses | |
| Investment properties | |
| Direct operating expenses that generated rental income | 82 |
| Total expenses relating to operating leases | 82 |
| (iv) Maturity analysis of contractual lease income | |
| Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases: | |
| < 1 year | 3,790 |
| 1–2 years | 3,121 |
| 2–3 years | 2,850 |
| 3–4 years | 2,771 |
| 4–5 years | 2,771 |

| 4–5 years | |
|--|--|
| > 5 years | |
| Total undiscounted contractual lease income receivable | |

Accounting policy

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

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

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

The lease income is recognised on a straight-line basis over the lease term.

2,771

18,074

for the year ended 30 June 2020

Note 15. Payables and borrowings

| | 2020 | 2020 | 2019 | 2019 |
|--|---------|-------------|---------|-------------|
| \$ '000 | Current | Non-current | Current | Non-current |
| Payables | | | | |
| Prepaid rates | 196 | _ | _ | - |
| Goods and services – operating expenditure | 1,794 | _ | 1,311 | - |
| Goods and services – capital expenditure | 673 | _ | 788 | _ |
| Accrued expenses: | | | | |
| – Borrowings | 61 | _ | 37 | _ |
| Salaries and wages | 178 | _ | 63 | - |
| Other expenditure accruals | 50 | - | 41 | - |
| Security bonds, deposits and retentions | 8,579 | | 8,579 | |
| Total payables | 11,531 | | 10,819 | |
| Income received in advance (2019 on | ly) | | | |
| Payments received in advance | _ | _ | 653 | _ |
| Total income received in advance | | | 653 | _ |
| Borrowings | | | | |
| Loans – secured ¹ | 1,518 | 5,131 | 1,598 | 6,756 |
| Total borrowings | 1,518 | 5,131 | 1,598 | 6,756 |
| TOTAL PAYABLES AND | | | | |
| BORROWINGS | 13,049 | 5,131 | 13,070 | 6,756 |
| | | | | |

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

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 20.

| \$ '000 | 2020 | 2019 |
|---|-------|-------|
| (a) Current payables and borrowings not anticipated to be settled within the next twelve months | | |
| The following liabilities, even though classified as current, are not expected to be settled in the next 12 months. | | |
| Payables – security bonds, deposits and retentions | 6,324 | 6,330 |

| (b) Changes in liabilities arising from financing a | activities |
|---|------------|
|---|------------|

Total payables and borrowings

| | as at 30/06/19 | | | Non-cash | changes | | as at 30/06/20 |
|-------------------|--------------------|------------|-------------|-----------------------|---|----------------------------|-----------------|
| \$ '000 | Opening Balance | Cash flows | Acquisition | Fair value changes | Acquisition due to change in accounting policy | Other non-cash movement | Closing balance |
| Loans – secured | 8,354 | (1,705) | _ | _ | - | - | 6,649 |
| Lease liabilities | | - | - | - | 1,151 | (73) | 1,078 |
| TOTAL | 8,354 | (1,705) | | _ | 1,151 | (73) | 7,727 |

| | as at 30/06/18 | | No | n-cash changes | 3 | as at 30/06/19 |
|---------|----------------|------------|-------------|----------------|----------------|----------------|
| \$ '000 | Opening | Cash flows | Acquisition | Fair value | Other non-cash | Closing |
| \$ 000 | Balance | Cash flows | Acquisition | changes | movement | balance |

6,330

6,324

for the year ended 30 June 2020

Note 15. Payables and borrowings (continued)

| | as at 30/06/18 | | Noi | n-cash changes | 3 | as at 30/06/19 |
|-----------------|--------------------|------------|-------------|-----------------------|----------------------------|-----------------|
| \$ '000 | Opening Balance | Cash flows | Acquisition | Fair value changes | Other non-cash movement | Closing balance |
| Loans – secured | 7,337 | 1,017 | _ | _ | _ | 8,354 |
| TOTAL | 7,337 | 1,017 | _ | _ | _ | 8,354 |

| \$ '000 | 2020 | 2019 |
|---------|------|------|
| | | |

(c) Financing arrangements

(i) Unrestricted access was available at balance date to the following

| lines of credit: | | |
|---|-----|-----|
| Bank overdraft facilities 1 | 90 | 90 |
| Credit cards/purchase cards | 55 | 55 |
| Total financing arrangements | 145 | 145 |
| Undrawn facilities as at balance date: | | |
| – Bank overdraft facilities | 90 | 90 |
| Credit cards/purchase cards | 51 | 36 |
| Total undrawn financing arrangements | 141 | 126 |

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

Security over loans

Loans are secured against rates income

Bank overdrafts

The bank overdraft is secured by a mortgage over rates revenue

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

Accounting policy for payables and borrowings

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

The financial liabilities of the Council comprise trade payables, bank, other loans and lease liabilities

Payables

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

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 drawdown occurs. To the extent that 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

for the year ended 30 June 2020

Note 15. Payables and borrowings (continued)

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.

Note 16. Provisions

| <u>\$ '000</u> | 2020 Current | 2020 Non-current | 2019 Current | 2019 Non-current |
|---|-----------------|---------------------|-----------------|---------------------|
| Provisions | | | | |
| Employee benefits | | | | |
| Annual leave | 1,951 | _ | 1,778 | _ |
| Long service leave | 2,644 | 273 | 3,128 | 308 |
| Sub-total – aggregate employee benefits | 4,595 | 273 | 4,906 | 308 |
| TOTAL PROVISIONS | 4,595 | 273 | 4,906 | 308 |

| \$ '000 | 2020 | 2019 |
|---------|------|------|
| | | |

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

The following provisions, even though classified as current, are not expected to be settled in the next 12 months. Provisions – employees benefits

Accounting policy for 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.

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.

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 borrowing costs

Employee benefits

Short-term obligations

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

Other long-term employee benefit obligations

2,531

2,531

3.252

3.252

for the year ended 30 June 2020

Note 16. Provisions (continued)

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

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

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

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

(a) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

(b) Changes in accounting policies due to adoption of new accounting standards (not-retrospective)

During the year ended 30 June 2020, the Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The impacts of adopting these standards and associated transition disclosures are provided below:

(ii) AASB 15 and AASB 1058

The following approach has been applied on transition to AASB 15 and AASB 1058:

- Council has not adopted the completed contract expedient and therefore has not excluded revenue which was fully
 recognised in previous years in accordance with the former accounting standards and pronouncements
- Council has retrospectively restated contracts for modifications that occurred before 1 July 2019 unless such contract modification were minor.

Costs incurred in fulfilling customer contracts

Prior to adopting AASB 15 Council would recognise direct costs associated with fulfilling customer contracts as expenses when incurred, as they did not qualify for recognition as assets under any other accounting standards. Under AASB 15, as these costs relate directly to the contracts, generate resources used in satisfying the contracts, and are expected to be recovered,

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

they are capitalised as 'costs to fulfil a contract' assets and released through profit and loss on the same basis as the revenue is recognised.

Revenue recognition from contract modifications

In relation to contract modifications, AASB 15 requires customer approval, which is a more prudent criteria than the probability requirement in the previous standards and has resulted in deferral of revenue where unapproved works have been performed.

Transfer of control to a customer - over time or at a point in time

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The entity has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

Principal v agent

Prior to adoption of AASB 15, the Council had assessed that they were a principal in transactions where another party was involved in providing the goods or services including pass-through grants.

Under AASB 15, the indicators of a principal have changed and there are now a number of performance obligations within grant agreements where the Council is acting as an agent since the only obligation is to transfer the funds to a third party. The result is that Council can only recognise the "commission" to which they are entitled rather than the gross revenue and expenses. There is no change to reported profit.

Licences

Council has reviewed the licences it grants and considers that all licences are either short-term or low value and elects to recognise all revenue from licences up-front rather than spreading them over the life of the licence.

Prepaid rates

Under AASB 1004, rates were recorded as revenue at the earliest of receipt of the funds from the ratepayer and the beginning of the rating period. Under AASB 1058, prepaid rates are recognised as a financial liability until the beginning of the rating period.

Grants – operating

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at the point in time that the control of the services passes to the customer.

Grants – capital

Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Council has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Council and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

\$ '000

Balance at 1 July 2019

Opening contract balances at 1 July 2019

| Contract assets – Under AASB 15 – Under AASB 1058 Total Contract assets | 37 |
|--|-----|
| Contract liabilities – Under AASB 15 – Under AASB 1058 | 399 |
| Total Contract liabilities | 399 |

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2020.

Statement of Financial Position

| \$ '000 | Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058 | Reclassific- ation | Remeasur- ement | Carrying amount under previous revenue standards | Notes |
|----------------------------|---|-----------------------|--------------------|--|-------|
| Current assets | | | | | |
| Receivables | 2,627 | 39 | _ | 2,666 | |
| Contract assets | 39 | (39) | _ | _ | |
| Current liabilities | | | | | |
| Income received in advance | - | 471 | _ | 471 | |
| Contract liabilities | 779 | (779) | | | |
| Net assets | 537,511 | 308 | _ | 537,819 | |
| Equity | | | | | |
| Accumulated surplus | 273,467 | 308 | | 273,775 | |
| Council equity interest | 537,511 | 308 | | 537,819 | |
| Total equity | 537,511 | 308 | | 537,819 | |

Income Statement

| \$ '000 | Income Statement and comprehen- sive income under AASB 15 and AASB 1058 | Reclassific- ation | Remeasur- ement | Income Statement and comprehen- sive income under previous revenue standards | Notes |
|--|---|-----------------------|--------------------|--|-------|
| Income from continuing operations | | | | | |
| Grants and contributions provided for operating purposes | 3,176 | 174 | _ | 3,350 | |
| Grants and contributions provided for capital purposes | 1,802 | 134 | | 1,936 | |
| Total Income from continuing operations | 49,246 | 308 | | 49,554 | |
| Total Operating result from continuing operations | 3,249 | 308 | | 3,557 | |
| Net operating result for the year | 3,249 | 308 | | 3,557 | |

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

| \$ '000 | Income Statement and comprehen- sive income under AASB 15 and AASB 1058 | Reclassific- ation | Remeasur- ement | Income Statement and comprehen- sive income under previous revenue standards | Notes |
|----------------------------|---|-----------------------|--------------------|--|-------|
| Total comprehensive income | 16,768 | - | _ | 16,768 | |

Adjustments to the current year figures for the year ended 30 June 2020

Statement of Financial Position

| \$ '000 | Original Balance 1 July, 2019 | Impact Increase/ (decrease) | Restated Balance 1 July, 2019 |
|----------------------|-------------------------------------|-----------------------------------|-------------------------------------|
| Contract assets | _ | _ | _ |
| Total assets | | _ | - |
| Contract liabilities | _ | 434 | 434 |
| Total liabilities | 24,772 | 434 | 25,206 |
| Accumulated surplus | 273,606 | (434) | 273,172 |
| Total equity | (24,772) | (434) | (25,206) |

(iii) AASB 16 Leases

Council as a lessee

Under AASB 117, Council assessed whether leases were operating or finance leases, based on its assessment of whether the significant risks and rewards of ownership had been transferred to Council or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low-value assets).

Council has used the exception to lease accounting for short-term leases and leases of low-value assets, and the lease expense relating to these leases is recognised in the Income Statement on a straight- line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition. Council has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16.
- Lease liabilities have been discounted using the Council's incremental borrowing rate at 1 July 2019.
- Right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments.
- · A single discount rate was applied to all leases with similar characteristics.
- The right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset.
- Excluded leases with an expiry date prior to 30 June 2020 from the Statement of Financial Position, and lease expenses for these leases have been recorded on a straight-line basis over the remaining term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Financial statement impact of adoption of AASB 16

Council has recognised right-of-use assets and lease liabilities of \$1,151 at 1 October 2019 on the inception of Waste and Recycling Services Contract 2019-2029

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 October 2019 was 3.75%.

| | Balance at |
|---------|-------------|
| \$ '000 | 1 July 2019 |

Note 18. Statement of cash flow information

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|--------|--------|
| (a) Reconciliation of cash and cash equivalents | | | |
| Total cash and cash equivalents per Statement of Financial Position | 7(a) | 12,626 | 11,861 |
| Balance as per the Statement of Cash Flows | | 12,626 | 11,861 |

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

| Net operating result from Income Statement Adjust for non-cash items: | 3,249 | 5,319 |
|--|---------|---------|
| Depreciation and amortisation | 5,736 | 5,656 |
| Net losses/(gains) on disposal of assets | 501 | 869 |
| Non-cash capital grants and contributions | (85) | (340) |
| Adoption of AASB 15/1058 | (434) | (· · · |
| Losses/(gains) recognised on fair value re-measurements through the P&L: | () | |
| – Investment property | (1,578) | (1,829) |
| Share of net (profits)/losses of associates/joint ventures using the equity method | (108) | (132) |
| +/ Movement in energying exacts and lightlitics and other each items | | |
| +/– Movement in operating assets and liabilities and other cash items: | 005 | 4 5 4 0 |
| Decrease/(increase) in receivables | 225 | 1,546 |
| Increase/(decrease) in provision for impairment of receivables | 192 | (120) |
| Decrease/(increase) in inventories | (152) | 61 |
| Decrease/(increase) in other current assets | 38 | 21 |
| Decrease/(increase) in contract assets | (39) | _ |
| Increase/(decrease) in payables | 483 | 236 |
| Increase/(decrease) in accrued interest payable | 24 | (11) |
| Increase/(decrease) in other accrued expenses payable | 124 | (1) |
| Increase/(decrease) in other liabilities | (457) | 762 |
| Increase/(decrease) in contract liabilities | 779 | _ |
| Increase/(decrease) in provision for employee benefits | (346) | (33) |
| Net cash provided from/(used in) operating activities | / | |
| from the Statement of Cash Flows | 8,152 | 12,004 |

(c) Non-cash investing and financing activities

for the year ended 30 June 2020

Note 18. Statement of cash flow information (continued)

| \$ '000 | 2020 | 2019 |
|---|------|------|
| Other dedications artworks | 85_ | 340 |
| Total non-cash investing and financing activities | 85 | 340 |

for the year ended 30 June 2020

Note 19. Interests in other entities

| \$ '000 | Council's share of r | Council's share of net income | | |
|----------------|----------------------|-------------------------------|-------|-------|
| | 2020 | 2019 | 2020 | 2019 |
| Joint ventures | 10 | _ | 20 | 10 |
| Associates | 98 | 132 | 1,186 | 1,089 |
| Total | 108 | 132 | 1,206 | 1,099 |

(a) Joint arrangements

(i) Joint ventures

The following information is provided for joint ventures that are individually material to the Council. Included are the total amounts as per the joint venture financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

(a) Net carrying amounts – Council's share

| \$ '000 | Nature of relationship | Measurement method | 2020 | 2019 |
|--|------------------------|-----------------------|------|------|
| Shorelink Library Network | Joint Venture | Equity | 20 | 10 |
| Total carrying amounts – material joint ventures | | | 20 | 10 |

(b) Details

| | Principal activity | Place of business |
|---------------------------|-----------------------------------|----------------------|
| Shorelink Library Network | Sharing of Library Infrastructure | North Sydney, NSW |

(c) Relevant interests and fair values

| | Quoted fair value | | Interest in outputs | | Interest in ownership | | Proportion of voting power | |
|---------------------------|----------------------|------|------------------------|-------|--------------------------|-------|-------------------------------|-------|
| \$ '000 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Shorelink Library Network | 20 | 10 | 25.8% | 25.8% | 33.3% | 33.3% | 33.3% | 33.3% |

(d) Summarised financial information for joint ventures

| \$ '000 | Shorelink Library Network | | |
|---------------------------------|---------------------------|------|--|
| | 2020 | 2019 | |
| Statement of financial position | | | |
| Current assets | | | |
| Cash and cash equivalents | 111 | 80 | |
| Other current assets | _ | 2 | |
| Current liabilities | | | |
| Other current liabilities | 51 | 52 | |
| Net assets | 60 | 30 | |

Reconciliation of the carrying amount

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)

| | Shorelink Library Network | | |
|---|---------------------------|-------|--|
| \$ '000 | 2020 | 2019 | |
| Opening net assets (1 July) | 32 | 42 | |
| Profit/(loss) for the period | 30 | _ | |
| Other adjustments to equity | (2) | _ | |
| Other (distribution to Willoughby Council, former member) | (-/ | (10) | |
| Closing net assets | 60 | 32 | |
| Council's share of net assets (%) | 33.3% | 33.3% | |
| Council's share of net assets (\$) | 20 | 10 | |
| Statement of comprehensive income | | | |
| Income | 446 | 372 | |
| Interest income | 1 | _ | |
| Depreciation and amortisation | (1) | (2) | |
| Other expenses | (416) | (370) | |
| Profit/(loss) from continuing operations | 30 | - | |
| Profit/(loss) for the period | 30 | - | |
| Total comprehensive income | 30 | | |
| Share of income – Council (%) | 25.8% | 25.8% | |
| Profit/(loss) – Council (\$) | 8 | _ | |
| Total comprehensive income – Council (\$) | 8 | - | |
| Summarised Statement of cash flows | | | |
| Cash flows from operating activities | 31 | (50) | |
| Cash flows from financing activities | _ | (10) | |
| Net increase (decrease) in cash and cash equivalents | 31 | (60) | |

Accounting policy for joint arrangements

The council has determined that it has only joint ventures

Joint ventures:

Interests in joint ventures are accounted for using the equity method in accordance with AASB128 Investments in Associates and Joint Ventures.

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

(b) Associates

The following information is provided for associates that are individually material to the Council. Included are the amounts as

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)

per the individual associates' financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

(a) Net carrying amounts – Council's share

| \$ '000 | Nature of relationship | Measurement method | 2020 | 2019 |
|--|------------------------|-----------------------|-----------------------|-------|
| Kimbriki Environmental Enterprises P/L Total carrying amounts – material associates | Associate | Equity | <u>1,186</u> 1,186 | 1,088 |

(b) Details

| | Principal activity | Place of business |
|---|-------------------------------|----------------------|
| Kimbriki Environmental Enterprises P/L | Waste Management and Disposal | Terrey Hills, NSW |

(c) Relevant interests and fair values

| | Quote fair val | | Interest output | | Interest owners | | Proportion voting potential potentia | |
|---|-------------------|-------|--------------------|------|--------------------|------|--|------|
| \$ '000 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Kimbriki Environmental Enterprises P/L | 1,186 | 1,088 | 4% | 4% | 4% | 4% | 50% | 50% |

(d) Summarised financial information for associates

| | Kimbriki Environmental Enterprises P/L | | |
|---|---|--------|--|
| \$ '000 | 2020 | 2019 | |
| Statement of financial position | | | |
| Current assets | | | |
| Cash and cash equivalents | 2,428 | 2,246 | |
| Other current assets | 24,438 | 20,024 | |
| Non-current assets | 33,593 | 20,663 | |
| Current liabilities | , | | |
| Other current liabilities | 8,166 | 5,863 | |
| Non-current liabilities | | | |
| Non-current financial liabilities (excluding trade and other payables and provisions) | 21,405 | 8,725 | |
| Net assets | 30,888 | 28,345 | |
| Reconciliation of the carrying amount | | | |
| Opening net assets (1 July) | 28,345 | 24,903 | |
| Profit/(loss) for the period | 2,543 | 3,442 | |
| Closing net assets | 30,888 | 28,345 | |
| Council's share of net assets (%) | 4% | 4% | |
| Council's share of net assets (\$) Statement of comprehensive income | 1,186 | 1,088 | |

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)

| | Kimbriki Enviro Enterprise | |
|---|-------------------------------|----------|
| \$ '000 | 2020 | 2019 |
| Income | 38,552 | 34,995 |
| Interest income | 282 | 415 |
| Depreciation and amortisation | (2,849) | (1,672) |
| Other expenses | (33,442) | (30,296) |
| Profit/(loss) from continuing operations | 2,543 | 3,442 |
| Profit/(loss) for period | 2,543 | 3,442 |
| Total comprehensive income | 2,543 | 3,442 |
| Share of income – Council (%) | 4% | 4% |
| Profit/(loss) – Council (\$) | 98 | 132 |
| Total comprehensive income – Council (\$) | 98 | 132 |

(f) The nature and extent of significant restrictions relating to associates

Council has no day to day access to cash or investments of Kimbriki. Council, as a shareholder, participates in cash dividends as declared by Kimbriki's Board. All interactions with Kimbriki P/L are regulated by the Kimbriki Shareholder Agreement.

Accounting policy for associates

Interests in associates are accounted for using the equity method in accordance with AASB128 Investments in Associates and Joint Ventures.

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

If the Council's share of losses of an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further losses.

The Council's share in the associates gains or losses arising from transactions between itself and its associate are eliminated.

Adjustments are made to the associates accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

for the year ended 30 June 2020

Note 20. Commitments

| \$ '000 | 2020 | 2019 |
|--|------|------|
| (a) Capital commitments (exclusive of GST) | | |
| Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities: | | |
| Property, plant and equipment | | |
| Unspent Specific Purpose Capital Grants | 134 | 398 |
| Total commitments | 134 | 398 |
| These expenditures are payable as follows: | | |
| Within the next year | 134 | 398 |
| Total payable | 134 | 398 |
| Details of capital commitments Council is obliged to perform certain capital works because it is holding unspent grants: | | |
| \$134,000 Drill Hall netball courts lighting | | |
| | | |
| \$ '000 | 2020 | 2019 |
| (b) Non-cancellable operating lease commitments (2019 only) | | |
| a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable: | | |
| Within the next year | _ | 191 |

| Within the next year | _ | 191 |
|---|---|-----|
| Later than one year and not later than 5 years | _ | 188 |
| Total non-cancellable operating lease commitments | | 379 |

b. Non-cancellable operating leases include the following assets:

Refer to Note 14 for information relating to leases for 2020 Office Equipment with an average lease term of 3 years

Contingent rentals may be payable depending on the condition of items or usage during the lease term.

Conditions relating to finance and operating leases:

- All agreements are secured only against the leased asset.

- No lease agreements impose any financial restrictions on Council regarding future debt etc.

for the year ended 30 June 2020

Note 21. Contingencies

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

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Local Government Superannuation Scheme is a defined benefit plan that has been deemed to be a "multi-employer fund" for the purposes of AASB 119 Employee Benefits and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

Member councils are treated as Pooled Employers for the purposes of AASB119. Pooled Employers are required to pay standard employer contributions and additional lump sum contributions to the Fund.

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

| Division B | 1.9 times employee contributions for non-1 Point Members; Nil for 180 Point Member | |
|------------|---|--|
| Division C | 2.5% salaries | |
| Division D | 1.64 times employee contributions | |

*For 180 Point Members, Employers are required to contribute 7% of salaries to these members' accumulation accounts, which are paid in addition to members' defined benefits

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$40.0 million per annum from 1 July 2019 for 4 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2019. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities

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

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

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

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

There is no provision for the allocation of any surplus which may be present at the date of withdrawal of an employer.

The plan is a defined benefit plan. However, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the extent that they are not borne by members). As such, there is not sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

for the year ended 30 June 2020

Note 21. Contingencies (continued)

The amount of employer contributions to the defined benefit section of the Fund and recognised as an expense for the year ending 30 June 2020 was \$255,319.31. The last valuation of the Fund was by the Actuary, Mr Richard Boyfield, FIAA relating to the period ended 30 June 2019.

The expected contributions to the Fund for the next annual reporting period are \$248,959.04

The estimated employer reserves financial position for the Pooled Employers at 30 June 2020 is:

| Employer reserves only* | \$millions | Asset Coverage |
|--------------------------|------------|----------------|
| Assets | 1,695.2 | |
| Past Service Liabilities | 1,773.2 | 95.6% |
| Vested Benefits | 1,757.5 | 96.5% |

excluding member accounts and reserves in both assets and liabilities.

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

| Investment return | 5.75% per annum |
|-------------------|-----------------|
| Salary inflation | 3.50% per annum |
| Increase in CPI | 2.50% per annum |

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group. Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed around November/December 2020.

Council's additional lump sum contribution is around 0.33% of the total additional lump sum contributions for all Pooled Employers (of \$40m each year from 1 July 2017 to 30 June 2021) provides an indication of the level of participation of Council compared with other employers in the Pooled Employer sub-group.

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

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

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

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

2. Other liabilities

for the year ended 30 June 2020

Note 21. Contingencies (continued)

(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.

for the year ended 30 June 2020

Note 22. Financial risk management

Risk management

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

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

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

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

A comparison of carrying amounts and fair value for Council financial instuments at reporting date is shown in the table below

| \$ '000 | Carrying value 2020 | Carrying value 2019 | Fair value 2020 | Fair value 2019 |
|---|------------------------|------------------------|--------------------|--------------------|
| Financial assets | | | | |
| Measured at amortised cost | | | | |
| Cash and cash equivalents | 12,626 | 11,861 | 12,626 | 11,861 |
| Receivables Investments | 2,885 | 3,302 | 2,627 | 3,289 |
| - 'Financial assets at amortised cost' / 'held to maturity' | _ | 3,000 | _ | 3,000 |
| - 'Financial assets at amortised cost' | 1,000 | _ | 1,000 | _ |
| Total financial assets | 16,511 | 18,163 | 16,253 | 18,150 |
| Financial liabilities | | | | |
| Payables | 11,531 | 10,819 | 11,562 | 10,742 |
| Loans/advances | 6,649 | 8,354 | 6,649 | 8,354 |
| Lease liabilities | 1,078 | - | 5,115 | _ |
| Total financial liabilities | 19,258 | 19,173 | 23,326 | 19,096 |

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables are estimated to be the carrying value that approximates market value.
- **Borrowings** and **held-to-maturity investments** are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.
- Lease liabilities are based upon estimated future cash flows discounted by the current market interest rates applicable
 to liabilities with similar risk profiles

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

Council's finance area manages the cash and Investments portfolio.

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

The risks associated with the instruments held are:

for the year ended 30 June 2020

Note 22. Financial risk management (continued)

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

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

(a) Market risk – price risk and interest rate risk

The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

| | Increase of val | Increase of values/rates | | Decrease of values/rates | |
|---|-----------------|--------------------------|--------|--------------------------|--|
| \$ '000 | Profit | Equity | Profit | Equity | |
| 2020 Possible impact of a 1% movement in interest rates | 120 | 120 | (120) | (120) | |
| 2019 Possible impact of a 1% movement in interest rates | 140 | 140 | (140) | 140 | |

(b) Credit risk

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

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

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

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

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

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

Credit risk profile

Receivables – rates and annual charges

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

| Not yet< 1 year | 1 - 2 years 2 - 5 yea overdue overdu | |
|-----------------|---|--|
|-----------------|---|--|



for the year ended 30 June 2020

Note 22. Financial risk management (continued)

| \$ '000 | Not yet overdue | < 1 year overdue | 1 - 2 years overdue | 2 - 5 years overdue | > 5 years overdue | Total |
|--------------------------------------|--------------------|---------------------|------------------------|------------------------|----------------------|-------|
| Gross carrying amount | _ | 1,032 | _ | _ | _ | 1,032 |
| 2019 Gross carrying amount | _ | 861 | _ | _ | _ | 861 |

Receivables - non-rates and annual charges

Council applies the simplified approach for non-rates and annual charges debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision as at 30 June 2020 is determined as follows. The expected credit losses incorporate forward-looking information.

| | Not yet | 0 - 30 days | 31 - 60 days | 61 - 90 days | > 91 days | |
|------------------------|---------|-------------|--------------|--------------|-----------|-------|
| \$ '000 | overdue | overdue | overdue | overdue | overdue | Total |
| 2020 | | | | | | |
| Gross carrying amount | 1,214 | 1,094 | 2 | 2 | 7 | 2,319 |
| Expected loss rate (%) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| ECL provision | - | - | - | - | - | - |
| 2019 | | | | | | |
| Gross carrying amount | 2,076 | 89 | 42 | 108 | 400 | 2,715 |
| Expected loss rate (%) | 4.91% | 9.52% | 11.07% | 12.72% | 14.65% | 6.90% |
| ECL provision | 102 | 8 | 5 | 14 | 59 | 188 |
| | | | | | | |

(c) Liquidity risk

Payables, lease liabilities and 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 (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

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

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

| \$ '000 | Weighted average interest | Subject to no maturity | ≤ 1 Year | payable in: 1 - 5 Years | > 5 Years | Total cash outflows | Actual carrying |
|-----------------------------|---------------------------------|------------------------------|----------|-------------------------------|-----------|------------------------|-----------------|
| 2020 | rate | maturity | | Tears | | outnows | values |
| Trade/other payables | 0.00% | 8,579 | 2,981 | _ | _ | 11,560 | 11,335 |
| Loans and advances | 4.28% | _ | 1,624 | 3,963 | 1,754 | 7,341 | 6,649 |
| Total financial liabilities | | 8,579 | 4,605 | 3,963 | 1,754 | 18,901 | 17,984 |

for the year ended 30 June 2020

Note 22. Financial risk management (continued)

| \$ '000 | Weighted average interest rate | Subject to no maturity | ≤ 1 Year | payable in: 1 - 5 Years | > 5 Years | Total cash outflows | Actual carrying values |
|-----------------------------|---|------------------------------|----------|-------------------------------|-----------|------------------------|------------------------------|
| 2019 | | | | | | | |
| Trade/other payables | 0.00% | 8,579 | 2,163 | _ | _ | 10,742 | 10,819 |
| Loans and advances | 4.37% | | 1,939 | 5,216 | 2,422 | 9,577 | 8,354 |
| Total financial liabilities | | 8,579 | 4,102 | 5,216 | 2,422 | 20,319 | 19,173 |

Note 23. Material budget variations

Council's original financial budget for 19/20 was adopted by the Council on 04/06/2019 and is not required to be audited

While the Income Statement included in this General Purpose Financial Statements must disclose the original budget adopted by Council, the Local Government Act 1993 requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus 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 between the original budget figure and the actual result that amount to 10% or more.

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

| | 2020 | 2020 | 202 | 20 | |
|---|--------------------------------|------------------------------------|--------------------------------------|-------------------------------|-----------------|
| \$ '000 | Budget | Actual | Variance | | |
| REVENUES | | | | | |
| Rates and annual charges | 27,427 | 27,460 | 33 | 0% | F |
| User charges and fees \$2,184k reclassified to rental income. \$890k Reduced comm lock-down of Community Care. \$534k Reduction of parking r | | | (3,831) e of Occasional C | (31)% Child Care an | U d |
| Other revenues \$1,446k reclassified to Rental Income. \$860k reduction in pa lock-down | 5,330 rking fines du | 2,554 ue to lock-down. | (2,776) \$25k Library Inco | (52)% ome for | U |
| Operating grants and contributions Prepayment of FY21 FAG \$172k. Increased Community Ser grants | 2,900 vices grants S | 3,176 \$100k. \$50k incr | 276 ease for Art Galle | 10% ery and Cultu | F ral |
| Capital grants and contributions | 1,525 | 1,802 | 277 | 18% | F |
| Interest and investment revenue Reduced cash balance held and falling interest rates | 502 | 287 | (215) | (43)% | U |
| Fair value increment on investment property Investment Property revaluation increment was not budgeted | - | 1,578 | 1,578 | × | F |
| Rental income \$2,184k actual reclassified from User Fees \$1,446k actual re | – | 3,645 m Rental Income | 3,645 | 00 | F |

\$2,184k actual reclassified from User Fees \$1,446k actual reclassified from Rental Income.

for the year ended 30 June 2020

Note 23. Material budget variations (continued)

| \$ '000 | 2020 Budget | 2020 Actual | 202 Varia | | |
|---|--|--|--|--|------------------|
| Joint ventures and associates – net profits Kimbriki investment inceased more than budgeted | 41 | 108 | 67 | 163% | F |
| EXPENSES | | | | | |
| Employee benefits and on-costs \$450k Motor vehicles and travel allowances reclassi Childcare Services, \$413k other salary savings for v \$297k superannuation and other on-costs savings | 20,050 fed to Other Expendit acancies and lock-do | 18,219 ture, Net Savings wn measures, \$3 | 1,831 of \$321k from to 350k savings fror | 9% ermination of m enforced lea | F ave, |
| Borrowing costs \$173k interest on embedded lease of garbage trucks | 369 s trucks transferred fo | 401 orm Domestic Wa | (32) aste Services cor | (9)% htractor | U |
| Materials and contracts \$1,700k for S88 levy and Waste Disposal centre (Kir across Council | 15,551 mbriki) reclassified to | 13,737 Other Expendiur | 1,814 e. Savings for lo | 12% ck-down \$500 | F Ok |
| Depreciation and amortisation | 5,463 | 5,736 | (273) | (5)% | U |
| Other expenses \$1,700k waste reclassified from Materials and Contr from Employee Costs. Insurance premium savings \$ Utilties \$250k, Community Services \$93k, Communi \$65k | 230k. Emergency Se | rvices Levy \$99k | . Lock-down sav | ings including | g |
| Net losses from disposal of assets Calculated disopsals greater than budget | 200 | 501 | (301) | (151)% | U |
| STATEMENT OF CASH FLOWS | | | | | |
| Cash flows from operating activities | 8,093 | 8,182 | 89 | 1% | F |
| Cash flows from investing activities Change in balance of Term Deposits classified as In invested. Delayed projects including Allan Border Ov | | (5,639) \$31,000k investm | 4,940 ents matured in | (47)% year; \$29,000 | F)k |
| Cash flows from financing activities | (1,590) | (1,778) | (188) | 12% | U |

Cash flows from financing activities Embedded lease of Garbage trucks \$253k

Mosman Municipal Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement

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

- Infrastructure, property, plant and equipment
- Investment property

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

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

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

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

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

(1) Assets and liabilities that have been measured and recognised at fair values

| | Fair value measurement hierarchy | | | | | | |
|---|----------------------------------|---|--|--|---------|--|--|
| 2020 | Date of latest valuation | Level 1 Quoted prices in active mkts | Level 2 Significant observable inputs | Level 3 Significant unobserv- able inputs | Total | | |
| Investment property | | | | | | | |
| Retail, commercial office and residential | 30/06/20 | _ | 50,520 | _ | 50,520 | | |
| Total investment property | | _ | 50,520 | - | 50,520 | | |
| Infrastructure, property, plant and equipment | | | | | | | |
| Plant and equiptment | 30/06/20 | _ | _ | 686 | 686 | | |
| Office equipment | 30/06/20 | _ | _ | 433 | 433 | | |
| Furniture and fittings | 30/06/20 | _ | _ | 133 | 133 | | |
| Art collection | 30/06/20 | _ | _ | 5,959 | 5,959 | | |
| Operational land | 30/06/18 | _ | _ | 152,040 | 152,040 | | |
| Community land | 30/06/20 | _ | _ | 70,938 | 70,938 | | |
| Land improvements – depreciable | 30/06/20 | _ | _ | 910 | 910 | | |
| Buildings non-specialised | 30/06/20 | _ | _ | 38,317 | 38,317 | | |
| Buildings specialised | 30/06/20 | _ | _ | 17,237 | 17,237 | | |
| Roads | 30/06/20 | _ | _ | 107,555 | 107,555 | | |
| Footpaths | 30/06/20 | _ | _ | 15,195 | 15,195 | | |
| Stormwater drainage | 30/06/19 | _ | _ | 49,142 | 49,142 | | |
| Other open space/recreational assets | 30/06/19 | _ | _ | 31,996 | 31,996 | | |
| Heritage collections | 30/06/20 | _ | _ | 13 | 13 | | |
| Library books | 30/06/20 | _ | _ | 738 | 738 | | |
| Other assets | 30/06/20 | | | 31 | 31 | | |
| Total infrastructure, property, plant and | | | | | | | |
| equipment | | _ | _ | 491,323 | 491,323 | | |

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

| 2019 | Date of latest valuation | Level 1 Quoted prices in active mkts | Level 2 Significant observable inputs | Level 3 Significant unobserv- able inputs | Total |
|---|--------------------------------|---|--|--|---------|
| Investment property | | | | | |
| Retail, commercial office and residential | 30/06/19 | _ | 48,845 | _ | 48,845 |
| Total investment property | | _ | 48,845 | _ | 48,845 |
| Infrastructure, property, plant and equipment | | | | | |
| Plant and equiptment | 30/06/19 | _ | _ | 768 | 768 |
| Office equipment | 30/06/19 | _ | _ | 275 | 275 |
| Furniture and fittings | 30/06/19 | _ | _ | 49 | 49 |
| Art collection | 30/06/17 | _ | _ | 5,812 | 5,812 |
| Operational land | 30/06/18 | _ | _ | 152,040 | 152,040 |
| Community land | 30/06/17 | _ | _ | 62,490 | 62,490 |
| Land improvements – depreciable | 30/06/19 | _ | _ | 792 | 792 |
| Buildings non-specialised | 30/06/18 | _ | _ | 35,246 | 35,246 |
| Buildings specialised | 30/06/18 | _ | _ | 15,490 | 15,490 |
| Roads | 30/06/18 | _ | _ | 107,970 | 107,970 |
| Footpaths | 30/06/18 | _ | _ | 14,899 | 14,899 |
| Stormwater drainage | 30/06/19 | _ | _ | 49,362 | 49,362 |
| Other open space/recreational assets | 30/06/19 | _ | _ | 30,708 | 30,708 |
| Heritage collections | 30/06/19 | _ | _ | 13 | 13 |
| Library books | 30/06/19 | _ | _ | 782 | 782 |
| Other assets | 30/06/19 | _ | _ | 35 | 35 |
| Total infrastructure, property, plant and | | | | | |
| equipment | | _ | | 476,731 | 476,731 |

Note that capital WIP is not included above since it is carried at cost.

(2) Transfers between level 1 and level 2 fair value hierarchies

The following transfers occurred between level 1 and level 2 fair value hierarchies during the year:

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

(3) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

For all infrastructure assets Council uses a straight line pattern of consumption and brownfield approach.

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Investment property

Council obtains independent valuations of its investment property on an annual basis and at the end of each reporting period to ensure the financial statements reflect the most up-to-date valuation. The best evidence of fair value is the current price in an active market for similar assets. The key observable inputs to the valuation are:

- Current rental incomes,
- Rent reviews,
- · Capitalisation rates,
- Price per square meter,
- · Direct comparison to sales evidence,
- Zoning,

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

- Location,
- Land area and configuration, and
- Planning controls.

The fair value of the investment property is determined by an independent, qualified valuer on an annual basis. Council reviews the valuation report and discusses significant movements with the valuer. As at 30 June 2020 the valuation of the investment property was performed by APV Valuations and Asset Management Pty Ltd, Valuer Mr Daniel Atherton.

Infrastructure, property, plant and equipment (IPP&E)

Plant and Equipment, Office Equipment and Furniture and Fittings.

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

- Plant and Equipment: Motor vehicles, depot tools and machinery, parking meters and domestic waste service bins.
- Office Equipment: Computer Hardware.
- Furniture and Fittings: Chairs, desks and display systems.

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

Art Collection

This class comprises Council's collection of art works. The collection was valued in June 2016 by Stella Downer Fine Art. Stella Downer is a member of the Australian Commercial Galleries association and is approved by the Department of Prime Minister and Cabinet's Cultural Gifts Program to value art works.

While it is possible to observe the broad market for works (such as auction house results or retrospective exhibitions) the valuations depend significantly on unobservable inputs such as the aesthetic value and quality of the individual works and its significance in the individual artist's oeuvre.

Operational Land

This asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993. The key unobservable input to the valuation is the price per square metre. The last valuation was undertaken at 30 June 2018 and was performed by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practicing Valuer, Registered Valuer No. 2144.

Generally, fair value is the most advantageous price reasonably obtainable by the seller and the most advantageous price reasonably obtained by the buyer. This is not necessarily the market selling price of the asset, rather, it is regarded as the maximum value that Council would rationally pay to acquire the asset if it did not hold it, taking into account quoted market price in an active and liquid market, the current market price of the same or similar asset, the cost of replacing the asset, if management intend to replace the asset, the remaining useful life and condition of the asset; and cash flows from the future use and disposal.

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

Community Land

Valuations of all Council's Community Land and Council managed land are based on either the land value provided by the Valuer-General or an average unit rate based on the land value for similar properties where the Valuer-General did not provide a land value having regard to the highest and best use for this land. As these rates were not considered to be observable market evidence they have been classified as Level 3.

During the reporting year Valuer-General has issued new values with a base-date of 1 July 2019 to all Councils in New South Wales. Community land has therefore been revalued this class for year ending 30 June 2020.

Land Improvements – Depreciable

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

This asset class largely comprises trees, plantings and landscaping not captured in the Open Space and Recreational Assets class. These assets may be located on parks, reserves and also within road reserves.

These assets are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of estimated remaining useful life.

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

Buildings: Non-Specialised and Specialised

Buildings were valued by professionally qualified Registered Valuers from APV Valuations and Asset Management Pty Ltd, Valuer Mr Daniel Atherton. Specialised buildings have been valued using Level 3 inputs (such as estimates of useful life and asset condition) requiring extensive professional judgement. These judgements impact significantly on the final determination of fair value. The approach for specialised buildings estimated the replacement cost of each building and then componentised into significant parts. Building components are then split into two useful lives with proportioned replacement costs defined as the:

- Short Life Where the end of life is when the asset requires renewal without full replacement of asset. The replacement cost of the short life is the amount required to conduct the renewal.
- Long Life Where the end of life is when the asset is obsolete and requires complete replacement. This replacement
 cost is valued as the additional funds required for complete replacement after being added to the short life replacement
 cost amount.

The unit rates for non-specialised buildings were supported by market evidence (Level 2 inputs) and were not componentised or proportioned into a short and long life.

Non-specialised buildings used the market approach and specialised building used the cost approach.

Inputs include:

- · Gross replacement cost
- · A breakdown of building component costs (such as sub-structure, fit-out, electrical services)
- · Short and long life splits with proportioned replacement cost
- Useful lives for short and long life
- Condition ratings

Typical useful lives and unit rates (includes overheads):

| Buildings Asset Component | Short Life | Average Long Life Useful Life (Years) | Average Unit Rate/2020 | Buildings Asset Component | Average Useful Life (Years) | Average Unit Rate/2019 |
|--|------------|--|---------------------------|--|--------------------------------------|---------------------------|
| Council Works Depot – Sub-Structure | 94 | 150 | \$425,590/each | Council Works Depot –Structure | 70 | \$801,040/each |
| Library – Structure | 75 | 125 | \$1,316,950/each | Library – Structure | 95 | \$2,960,000/each |
| Childcare Centres – Fit-Out | 43 | 100 | \$153,000/each | Childcare Centres – Fixtures & Fittings | 20 | \$68,333/each |
| Council Offices/Administration Centre – Floor Coverings | 22 | N/A | \$382,941/each | Council Offices/Administration Centre – Internal Finishes | 20 | \$568,760/each |
| Specialised Buildings – Services (Hydraulic) | 59 | 150 | \$164,786/each | Specialised Buildings – Services | 20 | \$151,062/each |
| Multistorey Car Park – Services (Electrical) | 60 | 150 | \$521,050/each | Multistorey Car Park – Services | 20 | \$1,190,200/each |
| Cultural Facilities – Fit-Out | 50 | 107 | \$402,025/each | Cultural Facilities – Fixtures and Fittings | 20 | \$261,160/each |
| Other – Roof | 52 | 100 | \$85,216/each | Other – Roof | 48 | \$123,164/each |

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

Public Roads, Footpaths and Carparks

Includes: Road pavements and surfaces, steps, footpaths, pram ramps, retaining walls and kerb and gutter, physical traffic devices, lines and signs and street furniture and road related carparks.

Gross replacement cost for road assets were valued by professionally qualified Registered Valuers from AssetVal Pty Ltd in June 2018. Due to the specialised nature of roads assets, valuations were undertaken predominately using the cost approach. Unit rates include all materials, labour and overheads and were estimated from inputs including similar projects costs, direct quotations, unit rate databases and published cost guides. The unit rates have been tailored to suit Mosman. The cost approach is deemed a level 3 input.

The condition and useful lives of the assets were assessed and calculated based on site inspections, observed asset performance and professional engineering judgment.

In this reporting period, condition inspections were carried out on the following road asset types:

- Road Pavements
- Footpaths, Pram Ramps and Steps
- Kerb and Gutter
- Retaining Walls
- Fences/Handrails
- Physical Traffic Devices
- Lines and Signs
- Car Parks

Typical useful lives and unit rates (includes overheads):

| Public Road and Footpath Asset Component | Useful Life (Years) | Unit Rate |
|---|---------------------|------------|
| Concrete Road Pavement (Reinforced 200mm thick) | 120 | \$242/m2 |
| Asphalt Road Pavement (50AC) | 50 | \$52/m2 |
| Sandstone Kerb & Gutter | 90 | \$495/m |
| Concrete Roundabout | 40 | \$305/m2 |
| Gabion Retaining Wall | 150 | \$608/m2 |
| Double Barrier Line | 5 | \$2/m |
| 'Warning' Traffic Sign | 15 | \$396/each |
| Concrete Footpath (75 mm thick) | 90 | \$95/m2 |
| Asphalt Footpath (25 mm thick) | 40 | \$68/m2 |

| Carpark Asset Component | Useful Life (Years) | Unit Rate |
|-------------------------------------|---------------------|---------------|
| Lane and Parking Space Line Marking | 5 | \$2/m |
| Pay and Display Machine | 20 | \$12,100/each |
| Kerb Wheelstops (Timber) | 15 | \$176/m |

Stormwater Drainage

Includes: Converters, headwalls, endwalls, pits and access-holes (collectively categorised as 'nodes'), pipes, culverts, drains, Stormwater Quality Improvement Devices (SQIDs) and rainwater re-use tanks.

Gross replacement cost for stormwater drainage assets were valued by Morrison Low as at 30 April 2019. Fair value has been generated this financial year based on the cost (fair value) approach. Unit rates include the costs of materials, labour and overheads. Inputs used to calculate the unit rate included costs from similar projects, direct quotations, panel contractor rates, published cost guides and reference rates. SQID unit rates were developed based on first principles estimating and takes into account excavation, site establishment as well as the supply and installation costs. It also includes an additional 20% to the

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

base unit rate to allow for 'normal' construction and installation overheads. The 2019 construction index was applied to the existing unit rates to update their replacement value.

Drains unit rates are based on similar projects, published cost guides and the 2019 construction index. Drains of the same dimensions have been given the same unit rate. The condition and useful lives of the assets were also assessed and calculated by Morrison Low based on site observations, including CCTV surveys, and Morrison Low's experience in valuation projects for other Council's stormwater assets.

| Stormwater Drainage Asset Component | Useful Life (Years) | Unit Rate |
|---|---------------------|---------------------------|
| Stormwater Quality Improvement Devices (Model Type: Rocla Cleansall 1200) | 80 | \$234,192/each |
| Concrete Pipe (375mm diameter, 0-1m depth) based on trenching method | 150 | \$409.83/m |
| Box Culvert (1800 width x 1200 height) | 150 | \$4762.05/m |
| Converter (600mm length) | 150 | \$824/each |
| Surface Inlet Pit (450mmx450mm, 1 m depth) | 150 | \$1,735/each |
| Rainwater Re-use Tank | 80 | Average \$624,739.00/each |

Other Open Space/Recreational Assets

Includes:

- · Jetties and seawalls (collectively categorised as 'marine assets'),
- Parks, bushlands, reserves, playgrounds, unmade roads and sporting fields (collectively categorised as 'parks and open space assets')

Gross replacement cost for marine assets were valued by APV Valuer and Asset Management Pty Ltd as at 1 July 2017 in accordance with accepted Australian Accounting Standards. Unit rates for marine assets were estimated using construction costs from recent projects, APV databases, Rawlinson's Construction Guide, bench marking and costs from first principals. They were then adjusted for condition and comparability.

The condition, useful lives and remaining useful lives of the assets were assessed and calculated by APV Valuer and Asset Management Pty Ltd based on site observations.

Gross replacement cost for Mosman parks and open space assets were valued by APV Valuer and Asset Management Pty Ltd as at 1 July 2018.

Unit rates for parks and open space assets were estimated based on APV Valuers and Asset Management industry experience. Inputs include recent costings from parks and open space works, quoted prices, cost guides and unit rate databases.

The gross replacement costs were increased by indexing unit rates when there was limited information. Regular inventory and condition audits have been undertaken by experienced Council Officers.

The condition and useful lives of the assets were assessed and calculated by a suitably qualified employee of APV Valuers and Asset Management based on site observations, professional knowledge and comparison to similar assets from other Council areas. Useful lives were updated to reflect current asset performance.

Fair values for Open Space assets have been generated on the cost approach.

Typical useful lives and unit rates (includes overheads):

Mosman Municipal Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

| Open Space/Recreational and Other Structures Asset Component | Useful Life (Years) | Unit Rate |
|---|---------------------------|---------------|
| Timber Deck | 46 | \$450/m2 |
| Concrete Deck | 65 | \$800/m2 |
| Concrete Seawall | 59 | \$2,230/m |
| Steel Turning Board | 19 | \$60,000/each |
| Oval Lights | 25 | \$45,716/each |
| Park ID Signs | 30 | \$6,640/each |
| Shade Sail | 10 | \$178/m2 |
| Dinghy Racks Steel | 25 | \$17,143/each |

Heritage Collections and Library Books

Library Books are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption and estimated remaining useful life.

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

Other Assets

Other assets are banner poles erected on Military Road and side streets. They are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. The key unobservable input to the valuation is the remaining useful life. Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption and estimated remaining useful life. There has been no change to the valuation process during the reporting period.

(4) Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

| | Plant and | Office | Furniture and | | Operational |
|-----------------------------|-----------|-----------|---------------|----------------|-------------|
| \$ '000 | equipment | equipment | fittings | Art collection | Land |
| 2019 | | | | | |
| Opening balance | 750 | 89 | 61 | 5,420 | 152,156 |
| Purchases (GBV) | 215 | 226 | 2 | 392 | - |
| Disposals (WDV) | (5) | _ | _ | _ | (116) |
| Depreciation and impairment | (192) | (40) | (14) | _ | _ |
| Closing balance | 768 | 275 | 49 | 5,812 | 152,040 |
| 2020 | | | | | |
| Opening balance | 768 | 275 | 49 | 5,812 | 152,040 |
| Purchases (GBV) | 107 | 235 | 95 | 147 | _ |
| Disposals (WDV) | (1) | _ | _ | _ | - |
| Depreciation and impairment | (188) | (77) | (11) | | _ |
| Closing balance | 686 | 433 | 133 | 5,959 | 152,040 |

| \$ '000 | Community Land | Land improvement s depreciable | Buildings non-specialis ed | Buildings specialised | Roads |
|-------------------------|-------------------|--------------------------------------|----------------------------------|--------------------------|---------|
| 2019 Opening balance | 62,490 | 696 | 31,557 | 15,937 | 105,610 |

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

| \$ '000 | Community Land | Land improvement s depreciable | Buildings non-specialis ed | Buildings specialised | Roads |
|-----------------------------------|-------------------|--------------------------------------|----------------------------------|--------------------------|---------|
| | | · | | • | |
| Transfers from/(to) another asset | | | | | |
| class | - | - | - | _ | 798 |
| Purchases (GBV) | _ | 105 | 4,931 | 62 | 4,020 |
| Disposals (WDV) | _ | _ | (513) | (7) | (103) |
| Depreciation and impairment | _ | (9) | (729) | (502) | (2,355) |
| Closing balance | 62,490 | 792 | 35,246 | 15,490 | 107,970 |
| 2020 | | | | | |
| Opening balance | 62,490 | 792 | 35,246 | 15,490 | 107,970 |
| Transfers from/(to) another asset | - , | | , - | -, | - , |
| class | _ | _ | _ | _ | 87 |
| Purchases (GBV) | _ | 128 | 226 | 902 | 2,027 |
| Disposals (WDV) | _ | _ | (40) | (168) | (163) |
| Depreciation and impairment | _ | (10) | (762) | (412) | (2,366) |
| FV gains – other comprehensive | | (10) | (1.52) | () | (2,000) |
| income | 8,448 | _ | 3,647 | 1,425 | _ |
| Closing balance | 70,938 | 910 | 38,317 | 17,237 | 107,555 |

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

| \$ '000 | Footpaths | Stormwater drainage | Other open space recreational | Heritage collections | Library books |
|-----------------------------------|---------------------------------------|---|-------------------------------------|----------------------|---------------|
| 2019 | | | | | |
| Opening balance | 14,650 | 50,373 | 32,700 | 13 | 788 |
| Transfers from/(to) another asset | , | , | - , | | |
| class | _ | 314 | 349 | - | _ |
| Purchases (GBV) | 524 | 292 | 2,071 | _ | 230 |
| Disposals (WDV) | (27) | (8) | (85) | _ | _ |
| Depreciation and impairment | (248) | (491) | (820) | _ | (236) |
| FV gains – other comprehensive | , , , , , , , , , , , , , , , , , , , | (, , , , , , , , , , , , , , , , , , , | · · · · · | | · · · · |
| income | | (1,118) | (3,507) | _ | _ |
| Closing balance | 14,899 | 49,362 | 30,708 | 13 | 782 |
| 2020 | | | | | |
| Opening balance | 14,899 | 49,362 | 30,708 | 13 | 782 |
| Transfers from/(to) another asset | | | | | |
| class | _ | _ | 163 | _ | _ |
| Purchases (GBV) | 592 | 279 | 2,032 | _ | 187 |
| Disposals (WDV) | (48) | (7) | (74) | _ | _ |
| Depreciation and impairment | (248) | (492) | (833) | _ | (231) |
| Closing balance | 15,195 | 49,142 | 31,996 | 13 | 738 |

| \$ '000 | Other assets | Total |
|---|--------------|---------|
| 2019 | | |
| Opening balance | 39 | 473,329 |
| Transfers from/(to) another asset class | _ | 1,461 |
| Purchases (GBV) | _ | 13,070 |
| Disposals (WDV) | _ | (864) |
| Depreciation and impairment | (4) | (5,640) |
| FV gains – other comprehensive income | _ | (4,625) |
| Closing balance | 35 | 476,731 |
| 2020 | | |
| Opening balance | 35 | 476,731 |
| Transfers from/(to) another asset class | _ | 250 |
| Purchases (GBV) | _ | 6,957 |
| Disposals (WDV) | _ | (501) |
| Depreciation and impairment | (4) | (5,634) |
| FV gains – other comprehensive income | _ | 13,520 |
| Closing balance | 31 | 491,323 |

(5) Highest and best use

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

Mosman Municipal Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 25. Related party disclosures

Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

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

| \$ '000 | 2020 | 2019 |
|--------------------------|-------|-------|
| Compensation: | | |
| Short-term benefits | 1,440 | 1,481 |
| Other long-term benefits | 27 | 28 |
| Total | 1,467 | 1,509 |

Note 26. Events occurring after the reporting date

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

Note 27. Statement of developer contributions

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

Mosman Municipal Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 27. Statement of developer contributions (continued)

Summary of contributions and levies

| | as at 30/06/19 | | | | | | as at 30/0 | 6/20 |
|---|----------------------------------|------------------------------------|----------------|------------------------|---------------------|-----------------------------|------------|------------------------|
| | | Contribution received during th | | Interest | Expenditure | Internal | Held as | Cumulative internal |
| \$ '000 | Opening Cash Non-cash Balance | earned in year | during year | borrowing (to)/from | restricted asset | borrowings due/(payable) | | |
| S7.12 levies – under a plan | 2,549 | 1,285 | _ | 40 | (2,217) | | 1,657 | |
| Total S7.11 and S7.12 revenue under plans | 2,549 | 1,285 | - | 40 | (2,217) | - | 1,657 | - |
| S7.4 planning agreements | 114 | 495 | _ | _ | (160) | | 449 | |
| Total contributions | 2,663 | 1,780 | _ | 40 | (2,377) | _ | 2,106 | _ |

S7.12 Levies – under a plan

CONTRIBUTION PLAN – OPEN SPACE & CAR PARKING

| Open space | 2,549 | 1,285 | _ | 40 | (2,217) | _ | 1,657 | _ |
|------------|-------|-------|---|----|---------|---|-------|---|
| Total | 2,549 | 1,285 | - | 40 | (2,217) | _ | 1,657 | _ |

for the year ended 30 June 2020

Note 28(a). Statement of performance measures - consolidated results

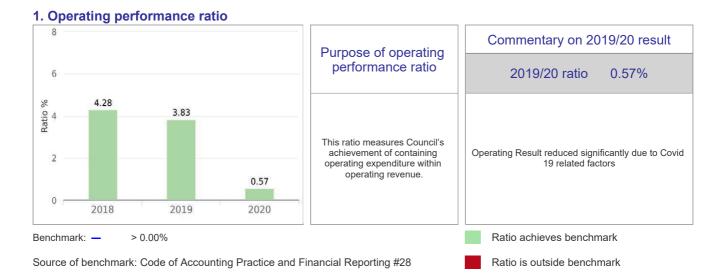
| | Amounts | Indicator | Prior p | periods | Benchmark |
|--|-----------------------|-----------|---------|---------|-----------|
| \$ '000 | 2020 | 2020 | 2019 | 2018 | |
| 1. Operating performance ratio | | | | | |
| Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2} | 262 | 0.57% | 3.83% | 4.28% | >0.00% |
| Total continuing operating revenue excluding capital grants and contributions ¹ | 45,758 | | | | |
| 2. Own source operating revenue ratio | | | | | |
| Total continuing operating revenue excluding all grants and contributions ¹ | 42,582 | 89.53% | 88.99% | 87.84% | >60.00% |
| Total continuing operating revenue ¹ | 47,560 | | | | |
| 3. Unrestricted current ratio | | | | | |
| Current assets less all external restrictions | 11,987 | 1.38x | 1.68x | 1.87x | >1.50x |
| Current liabilities less specific purpose liabilities | 8,677 | | | | |
| 4. Debt service cover ratio Operating result before capital excluding interest and depreciation/impairment/amortisation ¹ Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement) | <u>6,399</u> 2,179 | 2.94x | 4.54x | 4.71x | >2.00x |
| 5. Rates, annual charges, interest and extra charges outstanding percentage | | | | | |
| Rates, annual and extra charges outstanding | 1,108 | 3.90% | 3.33% | 2.48% | <5.00% |
| Rates, annual and extra charges collectible | 28,438 | 0.00,0 | | | |
| 6. Cash expense cover ratio | | | | | |
| Current year's cash and cash equivalents plus all term deposits | 13,626 | 3.55 | 3.83 | 4.22 | >3.00 |
| Monthly payments from cash flow of operating and financing activities | 3,843 | mths | mths | mths | mths |

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

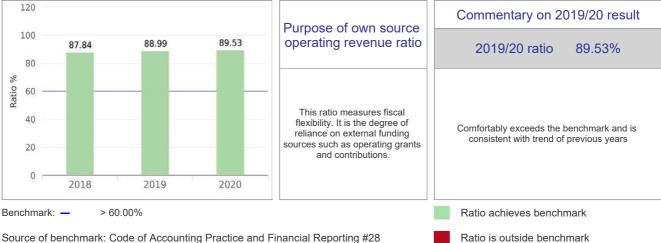
(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

for the year ended 30 June 2020

Note 28(b). Statement of performance measures – consolidated results (graphs)



2. Own source operating revenue ratio



Source of benchmark: Code of Accounting Practice and Financial Reporting #28



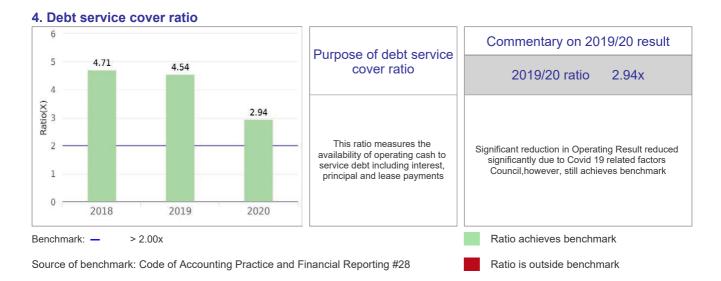
Source of benchmark: Code of Accounting Practice and Financial Reporting #28

3. Unrestricted current ratio

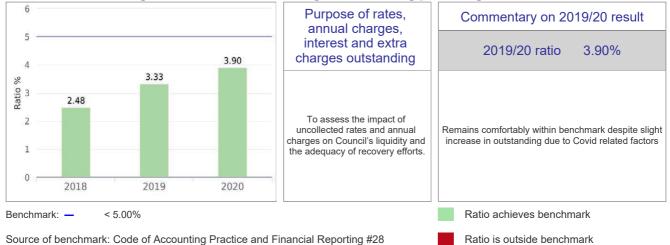
Ratio is outside benchmark

for the year ended 30 June 2020

Note 28(b). Statement of performance measures – consolidated results (graphs)



5. Rates, annual charges, interest and extra charges outstanding percentage



6. Cash expense cover ratio



Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio is outside benchmark

Mosman Municipal Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 29. Council information and contact details

Note 29. Council information and contact details

Principal place of business: Civic Centre Mosman Square, MOSMAN, 2088

Contact details

Enquiries on the Fiancial Statement to Council's Accountant Finance and Strategy, Christian Menday on 02 9978 4072.

Mailing Address: PO Box 211 Monday to Friday 8.30 am to 5pm SPIT JUNCTION NSW 2088

Telephone: 02 9978 4000 **Facsimile:** 02 9978 4132 **Opening hours:** 8:30am - 5:00pm Monday to Friday

Internet: www.mosman.nsw.gov.au Email: council@mosman.nsw.gov.au

Officers

General Manager Dominic Johnson

Responsible Accounting Officer Gary Mills - Chief Financial Officer

Public Officer Ben Wicks - Director Corporate Services

Auditors Auditor General of New South Wales

Elected members

Mayor Carolyn Corrigan

Councillors Roy Bendall David Cook Simon Menzies Libby Moline (Deputy Mayor) Tom Sherlock Jacqui Willoughby

Other information

ABN: 94 414 022 939



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Mosman Municipal Council

To the Councillors of Mosman Municipal Council

Opinion

I have audited the accompanying financial statements of Mosman Municipal Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- 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 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 23 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule -Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Unaib Jeoffrey

Delegate of the Auditor-General for New South Wales

13 November 2020 SYDNEY



Cr Carolyn Corrigan Mayor Mosman Municipal Council PO Box 211 SPIT JUNCTION NSW 2088

Contact: Unaib Jeoffrey Phone no: 02 9275 7450 Our ref: D2026523/1762

13 November 2020

Dear Mayor

Report on the Conduct of the Audit

for the year ended 30 June 2020

Mosman Municipal Council

I have audited the general purpose financial statements (GPFS) of the Mosman Municipal Council (the Council) for the year ended 30 June 2020 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2020 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

| | 2020 | 2019 | Variance |
|--|------|------|----------|
| | \$m | \$m | % |
| Rates and annual charges revenue | 27.5 | 26.9 | 2.2 |
| Grants and contributions revenue | 5.0 | 5.5 | 9.1 |
| Operating result from continuing operations | 3.2 | 5.3 | 39.6 |
| Net operating result before capital grants and contributions | 1.4 | 2.9 | 51.7 |

The Council's operating result from continuing operations (\$3.2 million including depreciation and amortisation expense of \$5.7 million) was \$2.1 million lower than the 2018–19 result.

The decrease was primarily attributable to a \$1.0 million decrement to income from parking fines and a \$0.5 million decrement in rental income as a result of the COVID-19 pandemic.

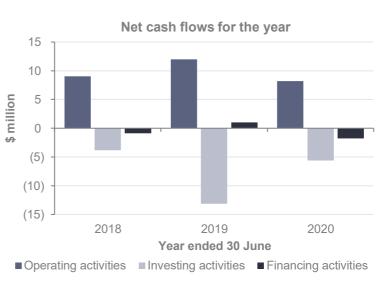
The net operating result before capital grants and contributions (\$1.4 million) was \$1.5 million lower than the 2018–19 result. This movement was due to changes in the operating result as noted above.

Rates and annual charges revenue (\$27.5 million) increased by \$0.6 million (2.2 per cent) in 2019–20. This movement was largely consistent with the approved rate peg of 2.3 per cent, partially offset by a slight reduction in pensioner rebate subsidies received.

Grants and contributions revenue (\$5.0 million) decreased by \$0.5 million (9.1 per cent) in 2019–20 primarily due to a reduction in state government funding related to transport projects.

STATEMENT OF CASH FLOWS

- The Council's cash balance remained fairly stable at \$12.6 million at 30 June 2020 (\$11.9 million at 30 June 2019).
- Cash inflows from operating activities decreased from last year as a result of lower receipts from user charges and fees.
- Cash outflows from investing activities decreased primarily due to a decrease in purchase of infrastructure, property, plant and equipment.
- The cash flows from financing activities decreased slightly from borrowing proceeds.



FINANCIAL POSITION

Cash and investments

| Cash and investments | 2020 | 2019 | Commentary |
|-----------------------|------|------|--|
| | \$m | \$m | |
| External restrictions | 4.3 | 5.3 | External restrictions include unspent specific purpose grants, developer contributions, and domestic waste management charges. |
| Internal restrictions | 6.3 | 8.3 | |
| Unrestricted | 3.0 | 1.3 | Internal restrictions are due to Council policy or decisions for forward plans including the works program. The movement in 2020 included a decrease of \$2.4 million for unspent loan related to the Allan Border Oval project. |
| Cash and investments | 13.6 | 14.9 | |
| | | | Unrestricted balances provide liquidity for day-to- day operations and increased compared to the prior year. |

PERFORMANCE

Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

Operating performance ratio

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

The Council exceeded the OLG benchmark for the current reporting period.

This ratio has reduced in the current reporting period as the Council's income has decreased due to COVID-19 pandemic.

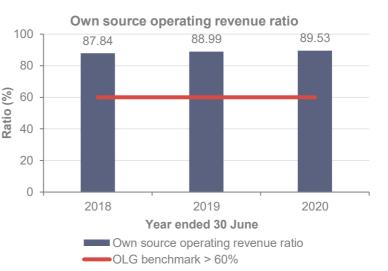


Own source operating revenue ratio

The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

The Council exceeded the OLG benchmark for the current reporting period.

The ratio has remained steady for the past three years.

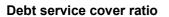


Unrestricted current ratio

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

The Council did not meet the OLG benchmark for the current reporting period, largely due to the impacts from the COVID-19 pandemic.

This ratio indicates that Council currently has \$1.38 of unrestricted current assets available to service every \$1.00 of its unrestricted current liabilities.



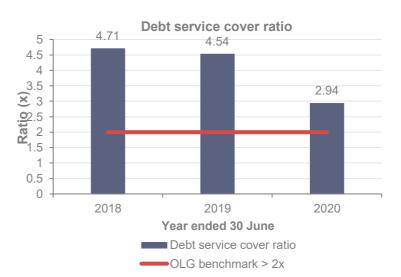
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

The Council exceeded the OLG benchmark for the current reporting period.

Council appears to be effectively monitoring its liquidity levels to ensure it can meet its current liabilities when they fall due.

Unrestricted current ratio 1.87 2 1.68 1.8 1.6 1.38 1.4 **Ratio** (x) 1.2 0.6 0.4 0.2 0 2018 2019 2020 Year ended 30 June Unrestricted current ratio

OLG benchmark > 1.5x

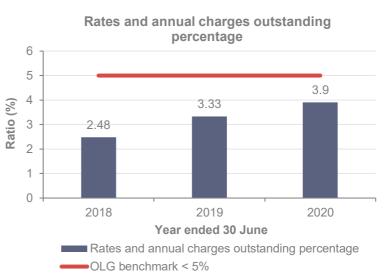


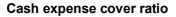
Rates and annual charges outstanding percentage

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5 per cent for metro councils.

The Council met the OLG benchmark for the current reporting period.

The ratio has trended upwards in the last three years.





This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

The Council exceeded the OLG benchmark for the current reporting period.

This indicates that Council had the capacity to cover 3.55 months of cash expenditure without additional cash inflows at 30 June 2020.



Infrastructure, property, plant and equipment renewals

Council spent \$6.5 million on asset renewals in 2019-20 compared to \$10.1 million in 2018-19. Asset renewals are defined as the replacement of existing assets as opposed to the acquisition of new assets.

A short-term benchmark of Council's strategic asset management is to assess the rate at which Council's assets are being renewed against the rate at which they are depreciating. In 2018-19, asset renewals of \$6.5 million represented 114 per cent of Council's \$5.7 million depreciation expense. This result was lower than the 2018–19 result of 178 per cent.

Asset renewals in 2019-20 were carried out in accordance with Council's capital works program and were primarily related to buildings, open space assets and road assets.

OTHER MATTERS

Impact of new accounting standards

AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income for Not-for-Profit Entities'

The Council adopted the new accounting standards AASB 15 'Contracts with Customers' and AASB 1058 'Income of Not-for-Profit Entities' (collectively referred to as the Revenue Standards) for the first time in their 2019–20 financial statements.

AASB 15 introduces a new approach to recognising revenue based on the principle that revenue is recognised when control of a good or service transfers to a customer. AASB 15 impacts the timing and amount of revenue recorded in a councils' financial statements, particularly for grant revenue. AASB 15 also increases the amount of disclosures required.

AASB 1058 prescribes how not-for-profit entities account for transactions conducted on non-commercial terms and the receipt of volunteer services. AASB 1058 significantly impacts the timing and amount of income recorded in a councils' financial statements, particularly for grant income and rates which are paid before the commencement of the rating period.

The Council recognised a \$0.4 million adjustment to opening accumulated surplus at 1 July 2019 on adoption of the new Revenue Standards.

The Council disclosed the impact of adopting the new Revenue Standards in Note 17.

AASB 16 'Leases'

The Council adopted the new accounting standard AASB 16 'Leases' for the first time in their 2019–20 financial statements.

AASB 16 changes the way lessees treat operating leases for financial reporting. With a few exceptions, operating leases will now be recorded in the Statement of Financial Position as a right-of-use asset, with a corresponding lease liability.

AASB 16 results in lessees recording more assets and liabilities in the Statement of Financial Position and changes the timing and pattern of expenses recorded in the Income Statement.

The Council recognised right-of-use assets and lease liabilities of \$1.15 million at 1 July 2019 on adoption of AASB 16 relating to embedded assets in the Council's waste management contract.

The Council disclosed the impact of adopting AASB 16 in Note 14 and Note 17.

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

Unaib Jeoffrey Audit Leader, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: Dominic Johnson, General Manager Louise Scambler, Chair of the Audit, Risk and Improvement Committee Jim Betts, Secretary of the Department of Planning, Industry and Environment

SPECIAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2020

Proud to be Mosman | Protecting our Heritage | Planning our Future | Involving our Community



Special Purpose Financial Statements

for the year ended 30 June 2020

Contents

Page

Special Purpose Financial Statements

SPECIAL SCHEDULES for the year ended 30 June 2020

Proud to be Mosman | Protecting our Heritage | Planning our Future | Involving our Community



Special Schedules

for the year ended 30 June 2020

| Contents | Page |
|--|------|
| Special Schedules | |
| Permissible income for general rates | 3 |
| Report on Infrastructure Assets - Values | 7 |

Permissible income for general rates

| \$ '000 | Notes | Calculation 2020/21 | Calculation 2019/20 |
|--|-------------------------|------------------------|------------------------|
| Notional general income calculation ¹ | | | |
| Last year notional general income yield | а | 20,587 | 20,037 |
| Plus or minus adjustments ² | b | 6 | 4 |
| Notional general income | c = a + b | 20,593 | 20,041 |
| Permissible income calculation | | | |
| Or rate peg percentage | е | 2.60% | 2.70% |
| Or plus rate peg amount | i = e x (c + g) | 535 | 541 |
| Sub-total | k = (c + g + h + i + j) | 21,128 | 20,582 |
| Plus (or minus) last year's carry forward total | I | 13 | 18 |
| Sub-total | n = (l + m) | 13 | 18 |
| Total permissible income | o = k + n | 21,141 | 20,600 |
| Less notional general income yield | р | 21,096 | 20,587 |
| Catch-up or (excess) result | q = o - p | 46 | 14 |
| Less unused catch-up ⁵ | S | (14) | |
| Carry forward to next year ⁶ | t = q + r + s | 32 | 14 |

Notes

(1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.

(2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.

(5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.

(6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule - Permissible income for general rates

Mosman Municipal Council

To the Councillors of Mosman Municipal Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Mosman Municipal Council (the Council) for the year ending 30 June 2021.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting – update number 28 (LG Code), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, Special Schedule 'Report on infrastructure assets as at 30 June 2020.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.

Unaib Jeoffrey

Delegate of the Auditor-General for New South Wales

13 November 2020 SYDNEY

Report on Infrastructure Assets

as at 30 June 2020

| Asset Class | Asset Category | Estimated cost to bring assets to satisfactory standard \$ '000 | agreed level of service set by | 2019/20 Required maintenance ^a \$ '000 | 2019/20 Actual maintenance \$ '000 | Net carrying amount \$ '000 | Gross replacement cost (GRC) \$ '000 | Assets 1 | gross r | ition as a eplacem 3 | | |
|------------------------|--|---|--------------------------------|--|---|-----------------------------------|---|-------------|---------|----------------------------|------|------|
| | | | \$ 000 | \$ 000 | \$ 000 | \$ 000 | \$ 000 | 1 | 2 | 3 | 4 | 5 |
| (a) Report | on Infrastructure Assets - Val | ues | | | | | | | | | | |
| Buildings | Buildings – specialised | _ | _ | 364 | 555 | 17,236 | 23,907 | 43.0% | 32.0% | 25.0% | 0.0% | 0.0% |
| | Council offices | _ | _ | 168 | 554 | 12,013 | 15,268 | 67.0% | 32.0% | 1.0% | 0.0% | 0.0% |
| | Council works depot | _ | _ | 37 | 56 | 1,981 | 2,434 | 65.0% | 35.0% | 0.0% | 0.0% | 0.0% |
| | Library | _ | _ | 102 | 93 | 5,595 | 8,307 | 10.0% | 52.0% | 38.0% | 0.0% | 0.0% |
| | Cultural facilities | _ | _ | 244 | 175 | 7,765 | 10,160 | 57.0% | 39.0% | 4.0% | 0.0% | 0.0% |
| | Other buildings | _ | _ | 128 | 87 | 1,279 | 3,694 | 30.0% | 50.0% | 20.0% | 0.0% | 0.0% |
| | Childcare centres | _ | _ | 15 | 11 | _ | _ | 2.0% | 65.0% | 33.0% | 0.0% | 0.0% |
| | Multistorey car park | _ | _ | 184 | 127 | 9,685 | 12,260 | 0.0% | 12.0% | 88.0% | 0.0% | 0.0% |
| | Sub-total | | - | 1,242 | 1,658 | 55,554 | 76,030 | 39.2% | 32.9% | 27.9% | 0.0% | 0.0% |
| Roads | Sealed roads | 239 | 239 | 1,167 | 1,708 | 51,624 | 90,854 | 26.0% | 52.0% | 21.0% | 1.0% | 0.0% |
| | Footpaths | 99 | 99 | 143 | 57 | 15,912 | 20,574 | 32.0% | 54.0% | 12.0% | 2.0% | 0.0% |
| | Other road assets | 234 | 234 | 57 | 14 | 17,947 | 23,632 | 35.0% | 37.0% | 26.0% | 2.0% | 0.0% |
| | Kerb and Gutter | _ | _ | 42 | 12 | 12,863 | 30,147 | 11.0% | 54.0% | 35.0% | 0.0% | 0.0% |
| | Retaining Walls | 165 | 165 | 38 | 4 | 19,077 | 38,551 | 17.0% | 45.0% | 37.0% | 1.0% | 0.0% |
| | Physical Traffic Devices | 58 | 58 | 107 | 22 | 4,031 | 5,425 | 52.0% | 32.0% | 13.0% | 3.0% | 0.0% |
| | Lines and Signs | - | _ | 32 | 1 | 184 | 2,168 | 34.0% | 41.0% | 25.0% | 0.0% | 0.0% |
| | Street Furniture | 168 | 168 | 17 | 2 | 1,112 | 3,600 | 20.0% | 25.0% | 49.0% | 6.0% | 0.0% |
| | Sub-total | 963 | 963 | 1,603 | 1,820 | 122,750 | 214,951 | 24.5% | 48.5% | 25.8% | 1.2% | 0.0% |
| Stormwater drainage | Stormwater quality improvement devices | 100 | 100 | 61 | 70 | 3,037 | 3,833 | 16.0% | 12.0% | 67.0% | 5.0% | 0.0% |
| | Rainwater re-use tank | - | _ | 18 | _ | 1,213 | 1,402 | 40.0% | 60.0% | 0.0% | 0.0% | 0.0% |
| | Open conduits (drains) | 1 | 1 | 33 | 28 | 2,069 | 3,370 | 18.0% | 45.0% | 37.0% | 0.0% | 0.0% |
| | Closed conduits (pipes) | 126 | 126 | 60 | 14 | 35,369 | 50,921 | 5.0% | 51.0% | 43.0% | 1.0% | 0.0% |
| | Nodes (pits) | 1 | 1 | 60 | 100 | 7,454 | 9,495 | 4.0% | 88.0% | 7.0% | 1.0% | 0.0% |
| | Sub-total | 228 | 228 | 232 | 212 | 49,142 | 69,021 | 6.8% | 53.8% | 38.2% | 1.2% | 0.0% |

Report on Infrastructure Assets - Values (continued)

as at 30 June 2020

| Asset Class | Asset Category | Estimated cost to bring assets to satisfactory standard | agreed level of service set by | 2019/20 Required maintenance ª | 2019/20 Actual maintenance | Net carrying amount | Gross replacement cost (GRC) | Assets | | ition as a eplacem | | |
|--------------|--------------------|--|--------------------------------|--------------------------------------|----------------------------------|------------------------|------------------------------------|--------|-------|-----------------------|------|------|
| | | \$ '000 | \$ '000 | \$ '000 | \$ '000 | \$ '000 | \$ '000 | 1 | 2 | 3 | 4 | 5 |
| Open space / | Marine structures | 133 | 133 | 42 | 16 | 7,000 | 13,551 | 23.0% | 6.0% | 69.0% | 2.0% | 0.0% |
| recreational | Sporting fields | 5 | 5 | 537 | 457 | 4,841 | 6,128 | 59.0% | 26.0% | 15.0% | 0.0% | 0.0% |
| assets | Parks & reserves | 27 | 27 | 742 | 1,499 | 7,980 | 11,517 | 9.0% | 16.0% | 74.0% | 1.0% | 0.0% |
| | Other | 6 | 6 | 789 | 551 | 12,175 | 15,194 | 1.0% | 42.0% | 57.0% | 0.0% | 0.0% |
| | Sub-total | 171 | 171 | 2,110 | 2,523 | 31,996 | 46,390 | 17.1% | 22.9% | 59.2% | 0.8% | 0.0% |
| | TOTAL - ALL ASSETS | 1,362 | 1,362 | 5,187 | 6,213 | 259,442 | 406,392 | 23.4% | 43.6% | 32.1% | 0.9% | 0.0% |

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

- 1 Excellent/very good No work required (normal maintenance)
- 2 Good Only minor maintenance work required
- 3 Satisfactory Maintenance work required
- 4 Poor Renewal required
- 5 Very poor Urgent renewal/upgrading required

Report on Infrastructure Assets (continued)

as at 30 June 2020

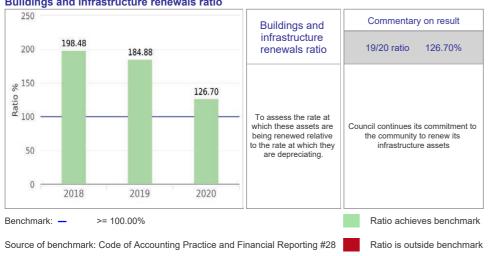
| | Amounts | Indicator | Prior p | eriods | Benchmark |
|---|----------------|---------------|----------|----------|-----------|
| \$ '000 | 2020 | 2020 | 2019 | 2018 | |
| Infrastructure asset performance indicators (consolidated) * | | | | | |
| Buildings and infrastructure renewals ratio 1 Asset renewals 2 | 6,478 | 126.70% | 184.88% | 198.48% | >=100.00% |
| Depreciation, amortisation and impairment | 5,113 | 120.1070 | 101.0070 | 100.1070 | 100.007 |
| Infrastructure backlog ratio 1 Estimated cost to bring assets to a satisfactory standard | 1,362 | 0.52% | 1.03% | 1.03% | <2.00% |
| Net carrying amount of infrastructure assets | 259,442 | | | | |
| Asset maintenance ratio | | | | | |
| Actual asset maintenance Required asset maintenance | 6,213 5,187 | 119.78% | 106.89% | 124.85% | >100.00% |
| Cost to bring assets to agreed service level Estimated cost to bring assets to an agreed service level set by Council | 1,362 | 0.34% | 0.64% | 0.63% | |
| Gross replacement cost | 406,392 | U.34 % | 0.04% | 0.03% | |

(*) All asset performance indicators are calculated using classes identified in the previous table.

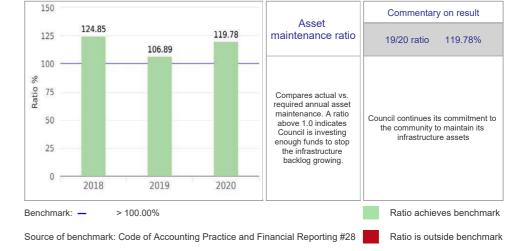
(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Report on Infrastructure Assets (continued) as at 30 June 2020

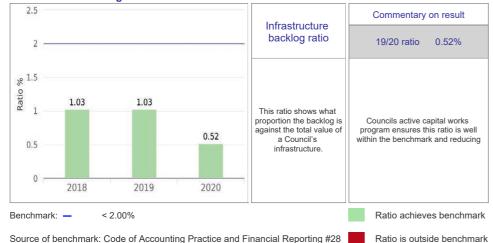


Buildings and infrastructure renewals ratio

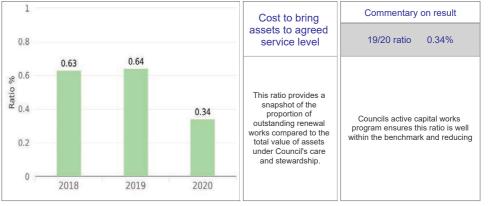


Asset maintenance ratio

Infrastructure backlog ratio



Cost to bring assets to agreed service level



This page is intentionally left blank

Section Four

State of the Environment Report 2019-2020

MOSMAN

STATE OF THE ENVIRONMENT Scorecard 2019-20

CONTENTS

| Introduction | 4 |
|---|----|
| State of the Environment | 8 |
| Climate Change and Air Quality | 8 |
| Total Water Cycle | 10 |
| Biodiversity | 12 |
| Waste | 14 |
| Transport | 16 |
| Planning, Built Environment and Heritage | 18 |
| Engagement and Education for Sustainability | 22 |
| Future Directions | 24 |

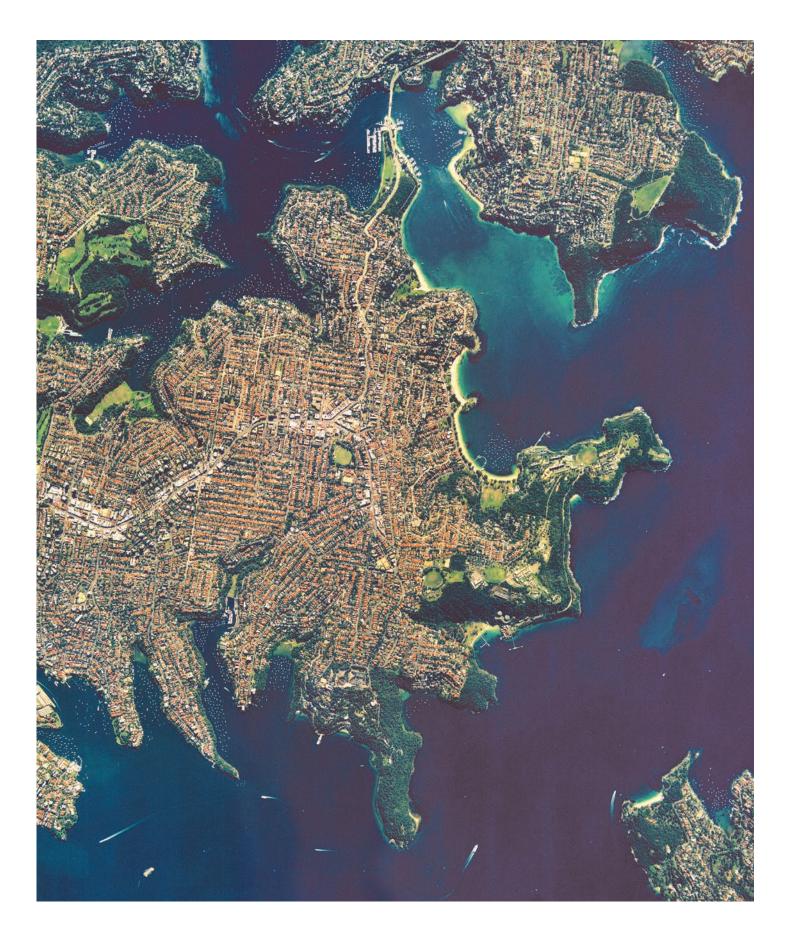
INTRODUCTION

The Mosman Local Government Area

The Mosman LGA is located 8km north-east of the CBD on Sydney's lower north shore. It is one of Australia's premier suburbs with an unmatched harbourside setting. Occupying some 8.7 sq km, Mosman features stunning bays and beaches punctuated by rugged headlands, sandstone cliffs, bushland areas and foreshore parklands.

Mosman's undulating foreshore is approximately 24km in length and is emphasised by more than a dozen headlands. Mosman is home to many popular swimming and recreation beaches and bays including Chinamans, Balmoral The Spit, Cobblers and Clifton Gardens. The majority of the foreshore include significant rocky areas, bushland, including many protected areas, parks and tourist attractions, such as Sydney Harbour National Park and Taronga Zoo. The 2019 data showed 30,981 people lived in Mosman, with the median age of residents 42 years old. Children aged 0-14 years account for 17.9% of Mosman's population and people aged 65 years and over equate to 18.8% of the population.

Mosman Council's vision is to preserve and enhance biodiversity, including Mosman's bushland, parks, tree canopy, beaches and marine environment through best practice operational and maintenance programs, infrastructure upgrades, regulatory practice and education campaigns. Council's aim is to also reduce its carbon footprint and minimise its waste to landfill.





State of the Environment Report

This report aims to show that Council is sustainable and is actively managing the use of our local environment whilst conserving and protecting it for the enjoyment of future generations.

The State of the Environment (SOE) Report provides an annual snapshot of the condition of the environment, current impacts on the environment and the Council's response to these impacts.

The 2019-2020 SOE Scorecard summarises key areas of operation and projects undertaken by Council to improve the local environment for residents and visitors alike.

Key Areas

This SOE focuses on seven key areas chosen by the State Government, these include:

- Climate Change and Air Quality
- Total Water Cycle
- Biodiversity
- Waste
- Transport
- Planning, Built Environment and Heritage
- Engagement and Education for Sustainability

Within these areas are a number of standard indicators used to measure change. These indicators align with the goals and objectives of Council's MOSPLAN and allow for change in environmental management to be measured over time.

CLIMATE CHANGE AND AIR QUALITY

| Air Quality | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
|---|-----------|-----------|-----------|-----------|------------------------------|
| Number of air pollution complaints received by Council | 2 | 12 | 12 | 5 | Down ↓ |
| Energy | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
| Electricity use Council operations (kWh) | 1,588,203 | 1,598,413 | 1,523,945 | 1,388,213 | Down ↓ |
| Council energy and consumption (GJ) | 6,648 | 6,880 | 7,254 | 6,240 | Down ↓ |
| GHG emissions from Council energy and gas use (tonnes CO2-e) | 1,511 | 1,493 | 1,414 | 1,206 | Down ↓ |
| Total residential and non residential electricity use for Mosman (MWh)* | 136,916 | 134,219 | 131, 834 | * | |
| Solar generation exported to the grid (MWh)* | 757 | 767 | 997 | * | |

* Data not available at time of printing.

Planning for Climate Action

Mosman Council has a proud history of great work in environmental management. As a community we value our natural coastline, open space areas and tree-lined streets. To take the next step in Council's responsibility for environmental stewardship, Council in November 2019 declared a Climate Emergency. In July 2020 Council adopted the followingemissions targets:

- net zero emissions for Council operations by 2030
- aspirational net zero emissions for the community by 2040.

These targets are realistic and in line with many LGAs throughout Australia.

It is considered that the best way to achieve these targets is to prepare a Climate Strategy and Action Plan with extensive input from the community. The Climate Strategy and Action plan will:

- replace Council's current Environmental Management Plan and incorporate existing functions and actions Council is already undertaking.
- establish a clear policy direction for Council in alignment with Council's Strategic plan: MOSPLAN
- outline an emissions reduction pathway for Council
- facilitate prioritisation, scoping and costing of projects.
- provide leadership and build the community's capacity to reduce its emissions.

Council has also formed a Climate Action Community Consultative Committee to provide advice and recommendations to Council on this area.

Solar PV installation MBSC

New solar panels have recently been installed on the Marie Bashir Mosman Sports Centre. It is estimated that the 51kWpDC PV system will generate approximately 68,000kWh per year. This will save 61.2t CO2 in greenhouse gas emissions per year, and reduce electricity purchase by 27%.

Council partnered with PV Industries, a Sydney-based start-up that recycles solar panels, to divert the old components from landfill. The aluminium racking was recycled through a metal recycling partners, and the panels and inverters were transported to PV Industries' facility for future processing. Some panels were also sent to the University of New South Wales, for research and development on advancing PV end of life solutions and recycling technology.

Council reducing energy use

It has been one full year since the Civic Centre and Depot buildings were renovated.

Upgrades included LED lighting with sensors and timers that reflect the building use as well as energy efficient air conditioning units. COVID-19 lockdown also resulted in lower energy consumption due to a large number of staff working from home between March and June 2020.

TOTAL WATER CYCLE

| Stormwater | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
|--|-----------|-----------|-----------|-----------|---------------------------------|
| Number of gross pollutant traps (GPTs) | 35 | 35 | 35 | 35 | Stable $\leftarrow \rightarrow$ |
| Total gross pollutants removed from GPTs (tonnes) | 368 | N/A | 305 | 260 | Down ↓ |
| Water Consumption | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
| Total LGA potable water use (kilolitres) | 3,201,659 | 3,429,718 | 3,262,836 | 3,059,919 | Down ↓ |
| | | | | | |
| Total residential potable water use (kilolitres per capita* | 89 | 113 | 105 | 99* | Down ↓ |

* Based on 2019 Estimated Resident Population of 30,981.

Drought

2019 was Australia's warmest year on record, marked by severe, protracted drought throughout New South Wales and Sydney. In response Level 1 water restrictions were introduced by Sydney Water on 1 June 2019 for the first time in more than a decade. Stricter Level 2 restrictions were introduced in December 2019 when dam levels fell to 45%. In response to the restrictions Council limited irrigation of sport fields and turns off it's public water fountains. Heavy rainfall in February 2020 (which boosted Greater Sydney's water supply levels to 81.5%) saw Sydney Water drop restrictions back to Level 1, which remain in place.

Gross Pollutant Traps

The volume of Gross Pollutant varies from year to year based on numerous factors. From the number of rainfall events to the heat which may affect bark shedding, wind gust (which affects leaves being blown off trees) to street cleaning time all affect the volume of litter entering our system. Tonnages are lower in 2019/20, most likely due to drought conditions for more than half the year.

SQIDs

A comprehensive review of SQIDs was undertaken in December 2019. A prioritised list of possible 'upgrades' was recommended. Based on budget availability, Council is working its way through the list.

Kahibah Creek maintenance

In March 2019 Council undertook significant earthworks at Kahibah Creek to reduce stormwater and flooding of Balmoral Oval. The channel was deepened and a sandstone block retaining wall was installed to withstand peak flows and divert water back into the allocated drainage channel.



BIODIVERSITY

| Biodiversity Condition | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
|---|---------|---------|---------|-----------------|---------------------------------|
| Noxious weed* notices | 0 | 0 | 0 | 0 | Stable $\leftarrow \rightarrow$ |
| Noxious weed* assessments undertaken | 15 | 14 | 22 | 15 | Down ↓ |
| Number of registered active bushcare volunteers | 86 | 86 | 95 | 48 ⁺ | Down ↓ |
| Bushcare Program volunteer hours | 1,860 | 1,700 | 2,200 | 840 ‡ | Down ↓ |
| Number of active bushcare groups | 21 | 22 | 20 | 18 ‡ | Down ↓ |
| Total number of native plants supplied to volunteers, contractors and residents | 13,000 | 10,000 | 9,000 | 7,000 ‡ | Down ↓ |
| Number of native plant species recorded in LGA | 490 | 490 | 490 | 490 | Stable $\leftarrow ightarrow$ |
| Number of threatened flora species | 3 | 3 | 3 | 3 | Stable $\leftarrow ightarrow$ |
| Number of threatened fauna species | 5 | 5 | 5 | 5 | Stable $\leftarrow ightarrow$ |
| Number of endangered ecological communities | 2 | 2 | 2 | 2 | Stable $\leftarrow ightarrow$ |
| Number of endangered fauna populations | 0 | 0 | 0 | 0 | Stable $\leftarrow ightarrow$ |
| Number of feral fauna species targeted through programs (eg. rabbits, foxes, cats) | 1 | 1 | 1 | 2 | Stable ←→ |

*The term noxious is now redundant. Weeds are managed through the Biosecurity Act.

⁺ Numbers reduced due to COVD-19 and improved volunteer recordkeeping.

‡ Numbers reduced due to COVI-19 lockdown.

Revegetation at Balmoral Park

After many months of intensive weed control at Balmoral Park, Council bush regenerators have used favourable spring-time conditions to plant over 1100 endemic native species. This newly revegetated plot runs adjacent to the gully off Coronation Avenue, in an area which was once over-run with weeds such as Morning glory, Lantana and Palm grass. For this project, Council selected a range of sandstone gully forest natives suited to a north-eastern facing aspect and sparse canopy cover. Faster growing shrubs such as Acacia linifolia and Dodonaea triguetra and canopy species Corymbia gummifera will provide a base layer of shade and moisture for other seedlings to establish and, over time, these plants will grow to their full potential through continued on-site maintenance. This will ensure a newly rejuvenated shrub and canopy layer at Balmoral Park.

National Tree Day July 2019

Local families, corporates, bushcarers and Councillors Willoughby and Sherlock gathered on Sunday 28 July 2019 with Mosman Council to celebrate National Tree Day with a community planting session at Spit Reserve West. The aim was to restore native canopy cover using a range of indigenous trees and shrubs. 350 native trees were planted thanks to the overwhelming volunteer turn-out. Council also supplied trees to Mosman Public School, Ballykin Early Learning Centre and Active Kids Group for Schools Tree Day. Every year this event sees 300,000 people around the country take part in the fesitivities, making it Australia's largest nature-care initiative. Council wishes to thank all volunteers, staff and members for a job well done.

Street Tree Planting

Council completed another street tree planting program in 2019/20 with over 300 semi-mature trees planted across Council's streets and parks. Locations were identified to complement existing tree avenues, increase canopy and habitat in Biodiversity and Habitat link areas. The tree planting also revitalises our ageing canopy to maintain the tree lined streets and parks Mosman is well known for. While conditions have been tough with the prolonged drought and high winds, an 85% survival rate was achieved. The 15% lost trees were replaced in Autumn 2020.

Rawson Park wildlife corridor

Last year, Federal Member of Parliament, Ms Zali Steggall OAM, MP announced grant funding for the Communities Environment Program open to Warringah electorate groups for 2019/2020. Mosman Council was successful in receiving support for restoration works adjacent to Rawson Oval. The works were in collaboration with Mosman Parks and Bushland Association.

With significant weed control, debris removal and mulching 500 native plants were installed. The project will enhance a wildlife corridor, allowing safe passage and habitat for native fauna and replenish food sources.

White's Seahorse

In March 2020 Clifton Gardens was chosen as the site for pilot project led by Sea Life Sydney Aquarium in collaboration with the NSW Department of Primary Industries (DPI) Fisheries and the University of Technology Sydney (UTS). This important conservation project aims to help recover this iconic Endangered species. The decline in White's Seahorse is largely due to habitat loss and degradation. Artificial habitats inspired by discarded crab traps (called seahorse hotels) provide a temporary structure for corals, sponges and algae to grow on. The seahorse hotels are biodegradable so they break down over time, leaving a new natural habitat behind. The seahorse colony is monitored regularly and recent reports indicate that they are thriving.

WASTE

| Waste | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
|--|---------|---------|---------|---------|---------------------------|
| Total waste to landfill, including general cleanup (tonnes) | 6,701 | 7,050 | 6,695 | 7372* | Up↑ |
| Total waste to recycling including paper, co- mingled, metal and green waste (tonnes) | 4,326 | 3,928 | 3,856 | 4,613** | Up ↑ |
| Total waste to landfill, including general cleanup per capita (kg) | 218 | 248 | 217 | 238*‡ | Up↑ |
| Total waste to recycling, including metal and green waste per capita (kg) | 141 | 138 | 125 | 149*‡ | Up ↑ |
| Green waste diverted from landfill per capita (kg) | 49 | 43 | 46 | 68† | Up ↑ |
| Total e-waste collected | 59,039 | 52,871 | 34,189 | 24,958 | Down ↓ |

 * 10% increase consistent across other LGAs and attributable to COVID-19 lockdown.

⁺ Increase mainly attributed to increase in vegetation due to Autumn rain.

‡ Figures based on 2019 Estimated Resident Population of 30,981 for 2019.

Council Depot improves recycling

Enhanced source separation of street sweepings and waste from Council operations, parks and gardens has seen a significant improvement in recycling rates at the Council Depot. The new source separation system was implemented and yielded a 20% recycling rate. 2019/20 is the first full year and yielded a recycling rate of 56%. This was mainly achieved by separating street sweeping and garden waste from other waste streams.

Reducing waste to landfill

Council has partnered with The Bower, a charity committed to reducing landfill, to offer their Collection and Rehoming service to Mosman residents at no cost. Donated household goods, are collected by The Bower and resold at low cost or donated to people in need.

Auditing of MUD's recycling

Media discussions on what can and can't be recycled can cause confusion in relation to home kerbside recycling. In response, Know Waste returned this year to multi-unit dwellings to finish installing educational bin stickers and to audit waste and recycling bins. The programme was co-funded by Council and the NSW EPA (Better Waste and Recycling Grant) with the aim to increase community knowledge on how to use our bin system correctly. A total of 4,963 colour coded bin tags were issued as part of the auditing process. Green tags indicated correct bin usage and red tags highlighted what needed to change. Over a three week period yellow lidded recycling bins had an improvement range from 51% to 69% with a final overall contamination rate of less than 1% recorded.

Where does our recycling end up?

What happens to our recycling:

- Councils recycling goes to Kimbriki Environmental Enterprises. From there it is either processed on site or transported for further recycling.
- Glass and Plastics are converted into road base, cement, sand blast medium and other sand products. Hard plastics our washed and flaked locally for remanufacturing in Australia and exported.
- Metals including steel and aluminium are transported to a local metal recycler.
- Paper and cardboard are transported to Visy Smithfield for pulping and manufacture of new cardboard, boxes and packaging locally.
- Garden Organics are processed into compost at Kimbriki. 'Greenlife' compost is sold locally. The remaining material is shredded and hauled firstly to ANL Badgerys Creek where it is composted and blended to make bagged products for re-sale throughout NSW.

TRANSPORT

| Transport | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
|---|---------|---------|---------|--------------------|---------------------------|
| Registered vehicles in Council LGA ⁺ | 19,791 | 19,820 | 19,697 | 20,007* | Up ↑ |
| Number of Council fleet vehicles | 22 | 21 | 21 | 21 | Stable ←→ |
| GHG emissions from Council fleet vehicles (tonnes CO2-e) | 117 | 79 | 66 | 32.25 ⁺ | Down↓ |
| Number of carshare members as at 30 June 2020 | 825 | 889 | 996 | 1,177 | Up ↑ |

* Source: RMS NSW, 2019.

⁺ Decrease attributable to operational changes made to staff useage of cars and COVID-19 lockdown.

Car Share

Council continues to support car share. The car share service providers have been well supported by the community, particularly after COVID-19 lockdown. As at 30 June 2020 there are a total of 1177 registered car share customers in the Mosman LGA.

Active Transport Strategy

The Mosman Active Transport Strategy (MATS) 2020-2025 is currently underway. Council will use this Strategy to direct planned pedestrian and cyclist infrastructure improvements around Mosman over the next five years. Informed by the recent community input, the Strategy is currently being drafted. The strategy will identify and prioritise walking and cycling infrastructure projects to be implemented by Council over the next five years.

Active Transport infrastructure upgrades

As a part of Councils objective for reducing local vehicles' trips and encouraging cycling and walking, improvements to the cycling network where made at various locations including:

- Prince Albert Street
- Cowles Road
- Bradleys Head Road
- Middle Head Road

Improvement to the pedestrian network were also made at Earl Street, Glen Street, Harnett Avenue, Milton Road, The Esplanade and Wolseley Road.



PLANNING, BUILT ENVIRONMENT AND HERITAGE

| Population | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
|--|---------|---------|---------|---------|---------------------------------|
| Estimated population of LGA – at 30 June (ERP) | 30,465 | 30,877 | 30,877 | 30,981* | N/A |
| Residential density (persons per hectare) | 35.22 | 35.70 | 35.70 | 35.80 | N/A |
| Noise | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
| General noise complaints received by Council | 49 | 83 | 33 | 112 | Up ↑ |
| Barking dog complaints received by Council | 25 | 38 | 66 | 60 | Down ↓ |
| Development Applications | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
| Total number of development applications received by Council | 260 | 258 | 249 | 152 | Down ↓ |
| Number of development applications approved | 197 | 231 | 206 | 118 | Down ↓ |
| Aboriginal Heritage | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
| Total number of Aboriginal heritage sites | 105 | 105 | 105 | 105 | Stable $\leftarrow ightarrow$ |
| Non Aboriginal Heritage | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
| Total number of non-Aboriginal heritage items | 483 | 481 | 481 | 481 | Stable $\leftarrow \rightarrow$ |
| Number of built items* | 444 | 445 | 445 | 445 | Stable $\leftarrow \rightarrow$ |
| Number of landscape items* | 34 | 34 | 34 | 34 | Stable $\leftarrow ightarrow$ |
| Number of archeological items | 13 | 10 | 10 | 10 | Stable $\leftarrow ightarrow$ |
| Heritage conservation areas | 13 | 13 | 13 | 13 | Stable $\leftarrow ightarrow$ |

* Based on 2019 Estimated Resident Population of 30,981.

Mosman Public Domain Manual

The Mosman Public Domain Manual sets guidelines, design coordination and material palettes for all public domain, streetscape and maintenance works in the Mosman LGA.

The manual has been written for a broad audience and is intended to be used by Council, residents, designers, developers, building owners and their agents (such as urban designers and landscape architects). In addition, the manual will be used by planners and other staff within Mosman Council to assess proposed development applications within the LGA.

The 'Public Domain Manual' applies to all work carried out in the public domain which are under or will revert to the ownership, care, control and management of Mosman Council.

The manual is not intended to initiate an extensive program of works but will be used to inform any works within the public domain that occur under Council's normal operations. This manual works in conjunction with Council's standard details to ensure new works implemented over time are cohesive and consistent.

Local Strategic Planning Statement

During 2019 and 2020, Council undertook a significant project to prepare the Mosman Local Strategic Planning Statement (LSPS), which sets out the Council's 20-year vision for land use planning in Mosman. The Mosman LSPS builds upon the vision expressed in Council's Community Strategic Plan MOSPLAN 2018-2028, identifying that as Mosman grows and changes to meet community needs, a key priority for Council will be to maintain the high levels of environmental amenity, liveability and landscape quality that characterise the municipality. Consultation with the Mosman community undertaken during June-August 2019 confirmed the importance of these values.

Whilst Mosman's population growth is anticipated to be modest compared to other areas in Greater Sydney (increasing from 30,215 people in 2016, to 32,250 people by 2036), the Mosman LSPS notes that challenges will be faced in meeting future housing demands within the limits of available land, preserving Mosman's distinctive character and special sense of place, and ensuring adequate infrastructure capacity to support growth. A suite of planning priorities and actions relating to housing, local centres, infrastructure and the environment will guide future growth. The Mosman LSPS was endorsed by Council on 3 December 2019, and officially made by Council in March 2020 following the receipt of support from the Greater Sydney Commission.



Scenic Protection Area advocacy

Sydney Harbour is widely recognised as one of the most beautiful urban harbours in the world and the gateway to Sydney. Mosman, being prominently located within Sydney Harbour across from The Heads, is an integral part of this landscape, and protecting the visual significance and landscape quality of Mosman's foreshore slopes, and the amenity of existing residential properties, has been a Council priority for many years. Through careful planning and ongoing lobbying by Council, the foreshore lands known as the Mosman Scenic Protection Area - have been excluded from the NSW Government's Housing Code since 2009.

This exclusion, however, is due to cease on 30 November 2021. Without it, new dwellings and significant alterations to existing dwellings could be built without the need to submit a development application to Council, leaving the foreshore slopes vulnerable to development that had no consideration of Council's policies to maintain the existing landscape, consider submissions from the community and to protect neighbouring properties from view loss, privacy loss and overshadowing. Throughout 2019-2020 Council has continued its campaign of lobbying the State Government to ensure ongoing protection of this important area.

Plan of Management for Mosman's Open Space

At the beginning of 2020 the Council's Urban Planning Team held community drop in sessions at Reid Park and Sirius Cove reserve. The sessions coincided with a consultation program being run to canvass community suggestions, ideas and feedback on the development of a Plan of Management for open space at Reid Park, Sirius Cove Reserve, Harnett Park and Curraghbeena Park.

The sessions were well attended by members of the public who braved the elements to get involved. Issues discussed were varied including off-leash dog walking, kayak and dinghy storage, vegetation management, new ideas for park furniture and much more. Over 250 submissions were received at the drop in sessions and online via Council's consultation webpage. The submissions helped inform the draft Plan of Management which is anticipated to be exhibited in late 2020.

ENGAGEMENT AND EDUCATION FOR SUSTAINABILITY

| Education | 2016-17 | 2017-18 | 2018-19 | 2019-20 | Change from previous year |
|---|---------|---------|---------|-----------------|------------------------------|
| Total number of environmental programs (workshops, events, surveys) delivered to the community. | 87 | 63 | 65 | 40* | Down ↓ |
| Total number of environmental programs (workshops, events, surveys) delivered to Council staff. | 11 | 5 | 12 | 6* | Down ↓ |
| Number of HarbourCare volunteers | 19 | 26 | 67 | 29 ⁺ | Down ↓ |

* Decrease attributable to COVID-19 lockdown.

⁺ Decrease attributable to COVID-19 lockdown and enhanced volunteer recordkeeping.

Reuseable Cup Trial

The Huskee Cup Trial was launched in September 2019 in order to reduce the quantity of single -use cups going to landfill. The programme allowed customers to return their used cup in exchange for a clean one. This system was focussed on people who have multiple take away coffees in a day. Thirty two percent of cafes approached registered for the trial and were listed on both Huskee and Responsible Café website sites. One café carefully adapted the trial to better suit their particular clientele. The end result being reusable cups regularly being picked-up and returned by customers on their way to gymnasiums and other exercise facilities. Over the seven week trial it was estimated that 2,300 cups were diverted from landfill.

Seaside forage

In August 2019 Diego Bonetto, experienced forager, hosted a seaside forage at Rosherville Reserve. Residents gathered together at the Reserve to better understand the diversity of weeds, indigenous plants and seaweeds suitable for the dinner plate. (Please be aware when foraging that there are many plants that are poisonous to humans. Do not harvest plants you are not sure about).

Ocean Action Pod

The Ocean Action Pod, a multi-media educational experience created by the Total Environment Centre, appeared on Balmoral Beach in October 2019 to engage the community about the growing problem of plastic pollution.



FUTURE DIRECTIONS

Mosman Council is committed to protecting the environment and has set a net zero emission target by 2030 for Council operations.

Future directions include:

- Development of Climate Strategy and Action Plan
- Forming of the Climate Action Community Consultative Committee.
- Monitor SUDs' waste disposal and educate as necessary
- Increase street tree planting to increase canopy cover in areas susceptible to urban heat island effect
- Expand the HarbourCare and BushCare programs and encourage foreshore community engagement and connectivness based on environmental protection works
- Continue bushland restoration works including increase in 90%+ native vegetation cover
- Continue to install solar PV to suitable Council building assets
- Install EV charging station at rear of Council Civic Centre.
- Investigate and prepare Council fleet plan for transition to EV and hybrid models.
- LED lighting upgrades at Vista Street Carpark, Drill Hall and Marie Bashir Mosman Sports Centre.
- Community education
- Textile recycling service to begin in October 2020.
- A public place single-use coffee cup collection and recycle service.



STATE OF THE ENVIRONMENT Scorecard 2019-20

Mosman

This page is intentionally left blank

Section Five

Disability Inclusion Action Plan 2017-2021



Disability Inclusion Action Plan 2017-2021 Reporting: Implementation of Actions 1 July 2019 to 30 June 2020

PROGRESS LEGEND



Completed

Progressing

Not Due To Start



Not Progressing

Actions 1. Developing positive community attitudes and behaviours

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|---|---|-----------|---|--|----------|
| Listen to people with disability | | | | | |
| Seek ongoing feedback from people with disability and community members about progress on access and inclusion. Make adjustments to the actions in this plan to respond to feedback as needed. Share feedback and actions to improve accessibility taken by Council with Council staff. | Community Development; Community Services | Ongoing | Community satisfaction rates with information and support for people with disability in biennial survey | Community satisfaction mean score for services and facilities for people with disability increased from 6.68 in 2017 to 6.83 in 2018 in Council's Community Survey. There was no survey in 2019. Accessibility improvements highlighted in newsletters and local media. | |

Promote understanding and positive attitudes among Council staff

| Include disability awareness training in staff induction [New Starter Orientation Program] to ensure staff recognise providing accessible information, processes, services and facilities as a core responsibility; this includes ensuring frontline staff know where to refer customers for information. | Human Resources; Training for all Sections as relevant | 2019/20 | N and % of staff trained per year % staff reporting increased confidence following training | Disability Awareness training provided in May 2018. 96 staff attended. 52% of Council staff. Content covered in staff inductions, 10 new staff trained. Dementia awareness training provided to 6 staff and Anxiety & Depression training offered to 5 staff using expert facilitators. We | |
|---|--|---------|--|--|--|
| Provide more detailed training for relevant staff on access and inclusion for people with disability, with input from local disability service providers. | | | | hosted a Sector wide forum that discussed dementia and disabilities for 15 participants. Staff participated in a Northern Sydney Disability Expo and disseminated information within Council. | |

| Promote understanding, positive attitudes a | Promote understanding, positive attitudes and connections in the community | | | | | | | | |
|---|--|---------|---------------------------|--|--|--|--|--|--|
| Hold or link to events and activities that promote inclusion, such as events for International Day of People with Disability. | All Sections as relevant | Ongoing | N events held per year | Council's IDPwD schools event planned for 21 November 2019 was cancelled due to smoke haze and the inability of schools to participate. Library held a special story time for International Day of People with Disability 3/12/2019 presented by hearing impaired Outreach Librarian. | | | | | |
| Work with Ability Links and Local Area Coordinators to promote inclusion in the community. | Community Services | Ongoing | N activities per year | The LACs presented to the Principals Liaison Group around NDIS and inclusion strategies for children with a disability and parents. | | | | | |

| Promote understanding, positive attitudes a | nd connections in t | he communi | ty | |
|--|--|------------|---|--|
| Work with Ability Links to investigate a volunteer program to connect people with disability and community members interested in the same activities or volunteering opportunities. | Community Services | 2019/20 | Program investigated | Initial contact made with Ability Links for investigation, & Gig Buddies for Council's Volunteering Expo. Volunteering opportunities provided within Council programs, including an adult with a disability and a young person with a disability. In 2019/20 5 volunteers were recorded as LWD. Further action has been delayed due to the suspension of Volunteer activities during COVID19. |
| Promote positive stories of inclusion and actions taken to increase access. Include pictures of people of all abilities in promotional materials. | Community Services; Communications | Ongoing | N publications that promote inclusion and/or pictures that include people of different abilities | Promotion of IDPwD, available programs and services, and new accessible facilities (Raglan St West carpark), in local media, including images. |

| Engage with groups in the community to pro | Engage with groups in the community to promote inclusion | | | | | | | | |
|--|--|---------|---|--|--|--|--|--|--|
| Connect the Chamber of Commerce with relevant providers to advise local businesses on inclusion and access. | Community Services | 2018/19 | N linkages made | Chamber connected previously & participated in a community forum in May 2019, which included disability providers. Members of the Chamber attended community consultation events to help with the development of an ageing framework including discussions around older people care and disability. | | | | | |
| Connect sporting associations and clubs to advice on how they can increase access and inclusion. For example, refer them to the <u>All In! The</u> <u>Inclusion Guide</u> online resource and connect them to advice through 6-monthly meetings with sporting associations. | Environment and Open Space | 2019/20 | All major sporting clubs and user groups connected to advice | February 2019 presentation by NSW Office of Sport highlighting Participation Plans for Sydney Districts. All In! Inclusion Guide links provided to all clubs in August 2019. | | | | | |

| Engage with groups in the community to promote inclusion | | | | | | | | | |
|---|--|---------|---|---|--|--|--|--|--|
| inclusion.Continue to offer Council's International Day of | | Ongoing | % children reporting improved knowledge of inclusion and accessibility % services reporting more confidence with inclusion | IDPwD 2019 event cancelled as per above. Regular quarterly meetings were scheduled and held by library to engage with local Principals to seek feedback on library services for their schools and an update on their areas. | | | | | |

Actions 2. Creating liveable communities

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|--|------------------------------------|-----------|--------------------------------------|--|----------|
| Listen to people with disability | | | | | |
| Continue to work with our Access and Mobility Community Consultative Committee to identify barriers and actions to improve access. | Community Services; Engineering | Ongoing | N actions taken to improve access | Council supported a successful Government Grant application by Committee members that assisted in funding accessible toilets at Mosman Junction. Council worked also with its Access and Mobility Committee to identify locations for and install an accessible ramp at Clifton Gardens Beach. | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|---|---|-----------------|--|--|----------|
| Investigate establishing formal criteria to more effectively assess and prioritise requests from the community for improvements to pathways or pram ramps. | Engineering; Community Services | 2019/20 | Process confirmed | Council was successful in securing State Government grants for pram ramps during 2019/20. As a result 16 ramps were upgraded along with access to two carparks on the Esplanade . | |
| Progressively increase access in the local c | ommunity and to Co | ouncil faciliti | es | | |
| Continue to implement actions in the Access Strategy and consult with the Access and Mobility Community Consultative Committee and the community when undertaking upgrades and planning new works, including: • council facilities • sport and recreation facilities • playgrounds • public toilets and adult change facilities • accessible parking spaces • ramps • hand rails • continuous pathways. | Engineering; Environment and Open Space | Ongoing | N and type of upgrades made per year | The upgrade of Clifton Gardens playground included fully accessible play equipment. New works on accessible amenities and beach access were also undertaken in consultation with the Access and Mobility Committee, together with smaller works such as pram ramps. | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|--------|---|-----------|-----------|--|----------|
| water. | Engineering; Environment and Open Space; Governance; Community Services | | complete | Work on the Clifton Gardens Beach access ramp was completed in August 2020. | |

| Continue to implement strategies in the Pedestrian Access and Mobility Plan. | Engineering | Ongoing | N and type of actions implemented per year | Planning and design works were completed for the Raglan Street West accessible toilets. For all other footpath or building upgrades an assessment took place around access improvements and was implemented where possible. | |
|---|---|---------|---|---|--|
| Ensure Council's signage strategy for public domain, wayfinding and building and asset signage provides consistent and legible signage, including appropriate light reflective value (for people with vision impairment). | Communications, Engineering, Environment and Open Space, Compliance | Ongoing | N signage upgrades per year 14 new signs to be installed | A total of 14 new signs were to be installed during the period. | |

| Improve process for providing access supp | orts | | | | |
|--|----------------|-----------|--|--|--|
| Review eligibility criteria and process for requests for: assistance in handling of waste bins mobility parking permits. | Engineering | 2019/20 | Revised process in place | Assistance with bins is assessed on a case by case basis and referred to the waste contractors for assistance. An audit of mobility parking was completed and the new requests are being assessed on case by case basis. | |
| Collaborate with state government to improv | ve access | | | | |
| Make submissions to State Government about policy and legislation affecting access. | Urban Planning | As needed | No of submissions made Outcome of submissions | There were no submissions made in 2019/20. | |

| Collaborate with state government to improve access | | | | | | | | |
|---|-------------|-----------|--|---|--|--|--|--|
| Collaborate with State Government on accessible transport and safer road crossings. | Engineering | As needed | N improvements made during DIAP period | Continued to collaborate with B-Line project. Council liaised with RMS for proposed pedestrian crossings and refuge islands at Spit East where improvements were made. | | | | |

Actions 3. Supporting access to meaningful employment

| Action | Responsibility | Timeframe | Indicator | Comments | Progress | |
|--|-----------------|-----------|-----------------------------|--|----------|--|
| Ensure council recruitment process is accessible | | | | | | |
| Ensure job advertisements promote Council as an Equal Opportunity employer. | Human Resources | Ongoing | Process in place by 2018 | Statement listed on all job advertisements. | | |
| Ask candidates if they have any particular needs to make the application and selection process accessible. | Human Resources | Ongoing | reasonable adjustment to | No requests for assistance despite applicants being prompted during interview process. | | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|---|---|-----------|--|--|----------|
| Include greater focus on inclusion in staff selection training and add a point in training around reasonable workplace adjustments. | Human Resources | 2017/18 | % training sessions including focus on inclusion and reasonable adjustment | Covered in recruitment and selection corporate practice and training provided to all recruitment managers - 100%. | |
| Ensure Council is an inclusive and accessib | le workplace | | | - | |
| Promote an inclusive workplace culture through induction training. | Human Resources; all sections as relevant | Ongoing | N staff trained per year | 10 staff (all new perm / fixed term staff). | |
| Respond to any adjustment needs of staff with disability (including workplace ergonomics and physical access barriers to Council workplaces). | Human Resources; Engineering | Ongoing | % of requests for reasonable adjustment that are made | None related to disability. | |
| Consider accessibility of software and hardware in IT procurement. | IT Services | Ongoing | Standard accessibility conditions for procurement adopted % systems that are accessible | Software is reviewed prior to procurement to ensure accessibility options are available. | |

| Explore volunteering opportunities for people with disability | | | | | | |
|---|--------------------|---------|---------------------------------|--|--|--|
| Actively explore options to support volunteering options for people with disability, for example, by connecting with Ability Links. | Community Services | 2019/20 | N volunteer connections made | Actively promoted access and inclusion to schools i.e. Mosman High and universities for volunteer opportunities at Council. Actively promoted support of people living with Dementia and facilitated support groups and activities. 5 recorded volunteers LWD this year. Recruitment and promotion in the second half of year impacted impacted by COVID-19. | | |

| Support employment opportunities in the community | | | | | | |
|---|--------------------------|---------|---|--|--|--|
| Explore opportunities to procure services from Australian Disability Enterprises and businesses employing people with disability. | Governance | | N procurements from ADEs/ inclusive workplaces | No opportunities presented to date. | | |
| Connect Chamber of Commerce with relevant providers to advise local businesses on inclusive employment e.g. by connecting businesses to advice from Disability Employment Services | Community Development | 2018/19 | | Advice provided to the Chamber on local disability employment services. | | |

Actions 4. Improving access to services through better systems and processes

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|--|--------------------------------|-----------|--|--|----------|
| Policy and corporate practice | · | | | | |
| Ensure access and inclusion are considered when new policies or corporate practices are written or existing policies or corporate practices are changed. | Governance | 2017/18 | % policies in which access and inclusion are considered | Access and inclusion considered when reviewing policy and corporate practice. | |
| Improve Council website and information acces | S | | • | | |
| Work toward WCAG 2.0 compliance for Council's websites. Involve people with disability in usability testing of web services where feasible. | IT Services; Communications | 2019/20 | % Website WCAG 2.0 Compliant | Council website upgraded and constantly improved for WCAG compliance. Implemented a web reader plug-in on all 3rd level content pages on the Council website, as well as the Gallery and Events sites. | |
| Inventory existing software for ease of accessibility. | IT Services | 2017/18 | Inventory completed | Completed. | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|--|---|-----------|--|---|----------|
| Encourage all software suppliers to improve accessibility with new updates. | IT Services | Ongoing | % new systems procured that are accessible | This is an ongoing exercise. | |
| Continue Council digitisation process to improve accessibility of records and information. | Governance | Ongoing | Digitisation complete by July 2021 | Documents continue to be digitised by Council's Information Management Team. | |
| Develop standard templates for Council documents and forms to ensure accessibility of both print and online versions. Provide support to submit forms if needed. | Communications, with input from Customer Services, Finance and IT Services | 2017/18 | System procured System implemented and forms are accessible | Accessibility options continue to be investigated and implemented, noting that some operating systems now have accessibility options built in. | |
| Ensure customer facing staff identify people's preferred forms of communication and share this information across sections of Council, so people do not have to make the same request to different sections. | All sections | 2018/19 | Process developed | Council's Customer Service Charter includes helping customers access services, with internal communication processes subject to ongoing review and improvement. | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|---|---|-----------|--|---|----------|
| Explore upgrading content on Council's website that: collates information about what is accessible in Mosman Council area provides links to advocacy and linkages services. | IT Services; Communications | 2018/19 | Plan for page developed Update process identified | Updates made to People with Disability page on website, plus the inclusion of a Parks accessibility rating document. | |
| Investigate requirements for an interactive map of accessible locations in the Council area | IT Services; Communications Engineering | 2018/19 | Investigation complete | Interactive map of accessible parks established on Council's MyMosman app. | |
| Provide accessible events and services | | | | | |
| Events planning: Ensure Council run and sponsored events are accessible, including an accessible information and registration process, access to transport/ accessible parking, continuous pathways, accessible toilets, and hearing loops (when located indoors). | All Sections as relevant | Ongoing | % venues that are accessible to people with disability Key Council venues are wheelchair accessible with accessible toilets | Council's major events are held at wheelchair- accessible venues with accessible facilities. Hearing loops have been installed in the Seniors Centre Hall. | |
| Include a checklist in documents to consider accessibility in planning stage. | Communications; Community Services to assist with | ar | and parking. | Council's Events and Community Care Teams consider | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|--|--|-----------|--|--|----------|
| | development of checklist | | | accessibility as part of overall event planning. | |
| • Promote accessibility of events in advertising; use universal icons and highlight accessible locations (e.g. toilets, parking) | All Sections as relevant | | | Consideration is given to accessibility in event promotion. | |
| Continue our current services for young people with disability and older people. | Community Services | | N participants in services per year | Mosman Community Care continues to provide Friday Youth Group to young adults LWD. New marketing and promotional changes took place to promote the program. Stories written about participants to be used on website promotion. Due to COVID-19, this program was suspended from March to June 2020. | |
| Encourage local service providers to identify options for activities that are inclusive of people with disability, e.g. art workshops. | Community Development; Environment and Planning | 2018/19 | N activities run per year | Council's programs, including Community Grants, encourage local service providers | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress | |
|--|---|--------------------|---|---|----------|--|
| | | | | to consider and include people with disability. | | |
| Investigate opportunities for local organisations to use Council facilities for meetings, training and other activities. | Community Services | 2018/19 | Review complete | Within guidelines, use of Council venues is proactively provided. | | |
| Promote local supports for people with disability through community stalls at monthly Mosman market investigating the establishment of a monthly community hot desk in Council to give service providers the opportunity to discuss their services with residents. | Cultural Services; Community Services | 2019/20 2017/18 | N providers participating in stall Hot desk trialled | A local disability service, Fighting Chance are regular market stallholders and are supported by Council in their participation. A hot desk was trialled Feb-June 2018 however NDIS LAC discontinued the hot desk after trial. Regular promotion of Council services at Mosman Markets. | | |
| Feedback, consultation and meetings | | | | | | |
| Review compliments and complaints and feedback processes to ensure these are accessible to people with disability. | Governance; Communications; Customer Services | 2017/18 | Process reviewed and any necessary changes made | Complaints policy and systems substantially reviewed. | | |

| Action | Responsibility | Timeframe | Indicator | Comments | Progress |
|---|----------------|-----------|-----------|--|----------|
| Use accessible venues for public meetings and consultations | All Sections | 0 0 | | All meetings & consultations held in Council's accessible venues. | |



20192020 ANNUAL REPORT Mosman COUNCIL

