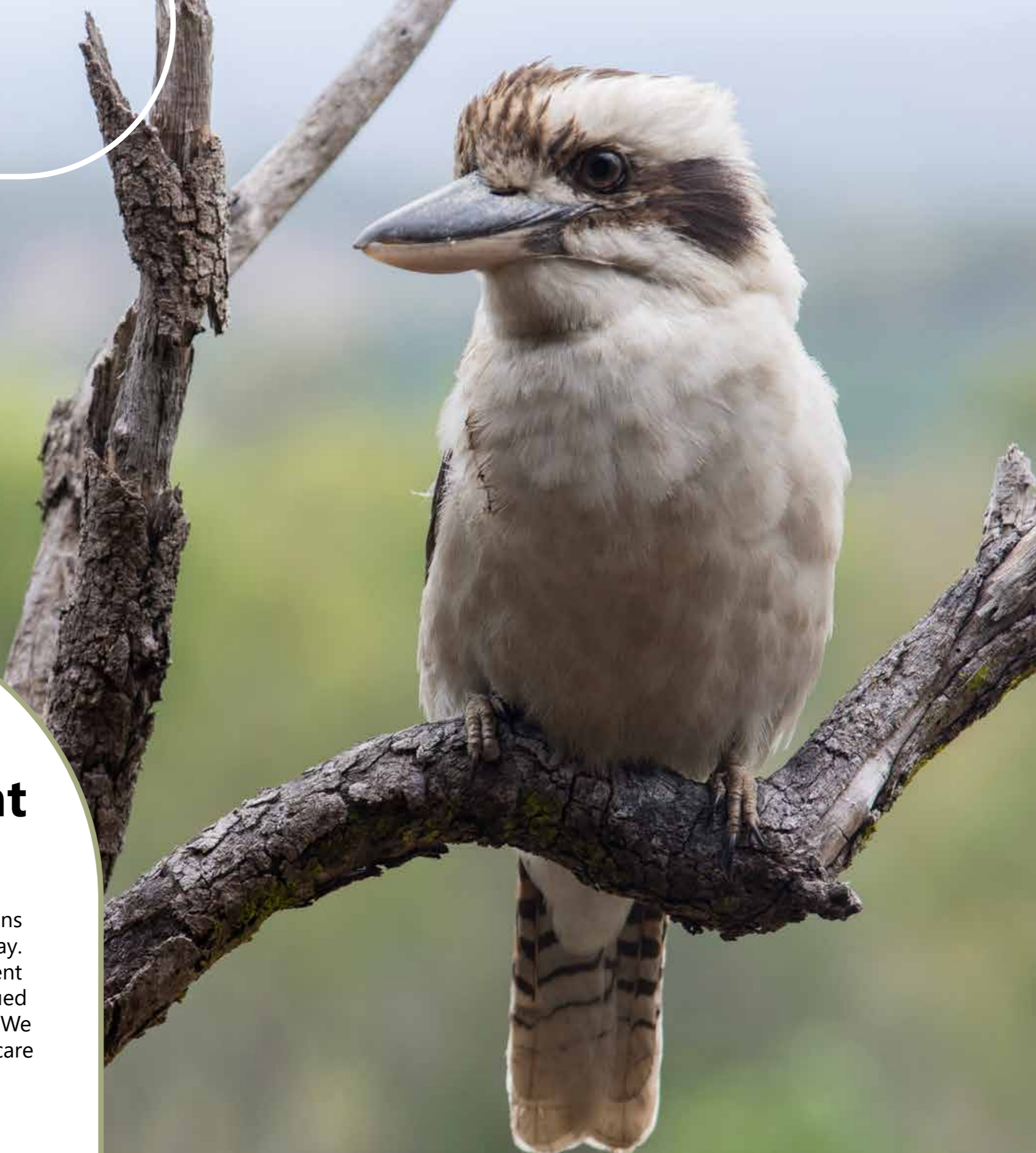


Central
Coast
Council

ANNUAL REPORT

2022-23





Acknowledgment of Country

We acknowledge the Traditional Custodians of the land on which we live, work and play. We pay our respects to Elders, past, present and emerging and recognise their continued connection to these lands and waterways. We acknowledge our shared responsibility to care for and protect our place and people.



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ABOUT THIS REPORT



Avoca Beach

Integrated Planning and Reporting Framework

The Integrated Planning and Reporting (IP&R) Framework was introduced by the Office of Local Government in 2009 and promotes integration with community based objectives.

It allows councils to bring plans and strategies together and provide a roadmap for the delivery of projects, programs and actions that is appropriately resourced and supports community aspirations. Progress is monitored on a quarterly, annual and term basis. This Annual Report forms a part of the IP&R Framework.



Purpose of this Report

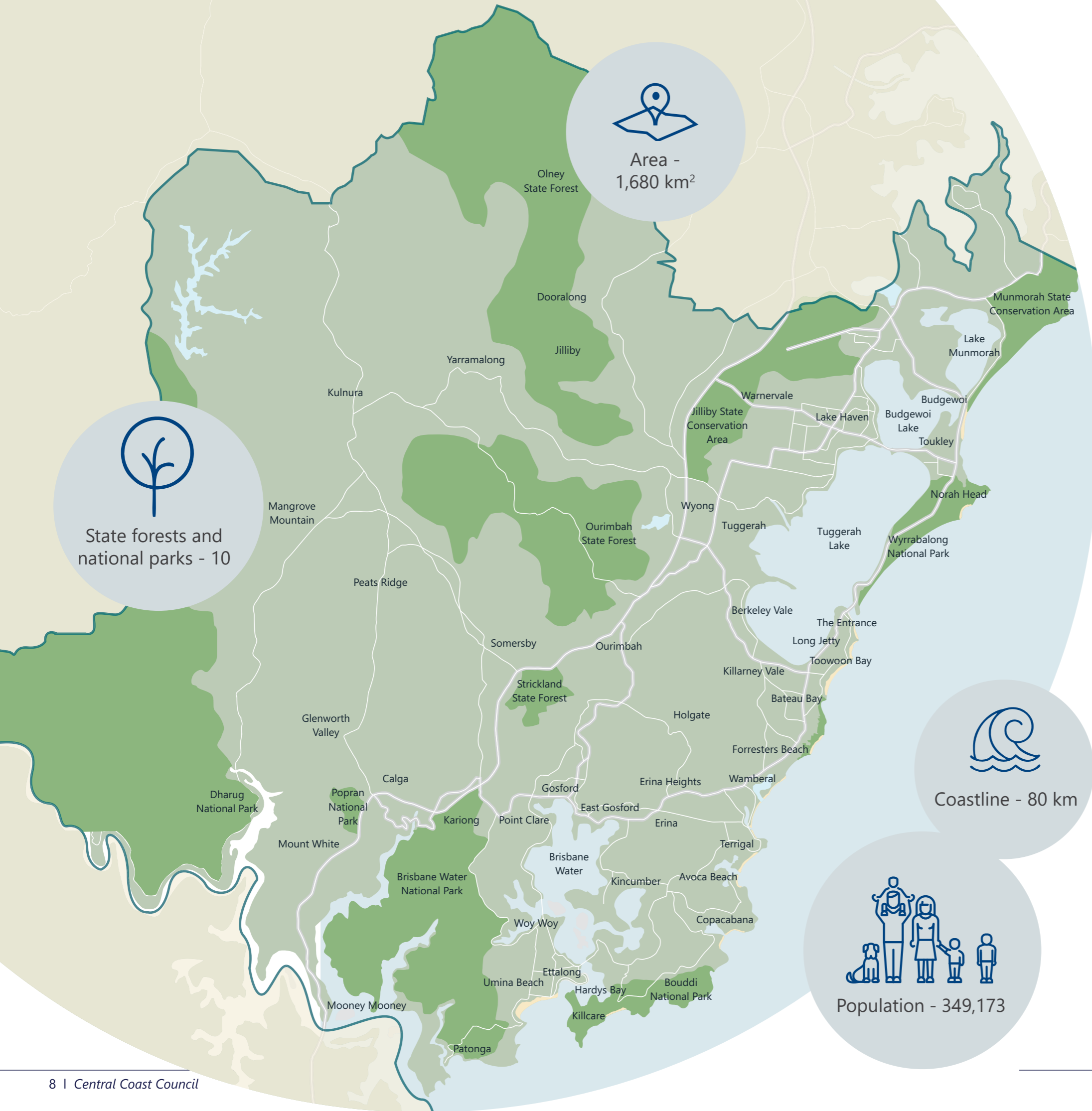
The Annual Report is the key method for Council to maintain accountability and transparency with the community and is prepared in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2021.

This Annual Report provides a comprehensive account of Central Coast Council's performance from 1 July 2022 to 30 June 2023 and progress made against the Operational Plan. The audited financial statements for the 2022-23 reporting period are also included and are provided as a separate attachment.

Report Structure

This Annual Report includes highlights and challenges for the year, information on the region, the organisation, as well as specific information required under legislation. Details on performance against the Operational Plan for 2022-23 is structured around the Community Strategic Plan Themes of Belonging, Smart, Green, Responsible and Liveable.

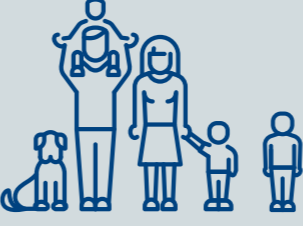
ABOUT THE CENTRAL COAST




Area - 1,680 km²


State forests and national parks - 10


Coastline - 80 km


Population - 349,173



Local Government ranking - 3rd largest by population in NSW



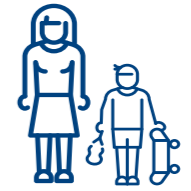
Aboriginal and Torres Strait Islanders - 4.9%



Median age - 43



Born overseas - 16%



Families - 27.1%



Persons with a disability - 7%



Gross regional product
\$17.52 billion



Unemployment
rate - 4.7%



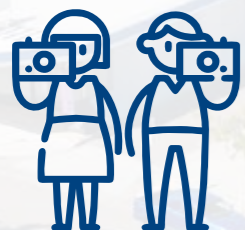
Public transport
to work - 1.4%



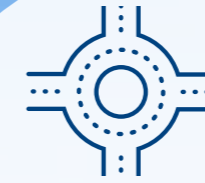
Businesses -
25,800



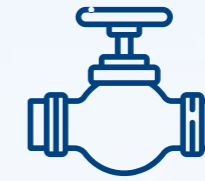
Local jobs
133,045



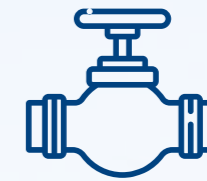
Tourism - 5.7 million
visitors
(overnight and daytrip)



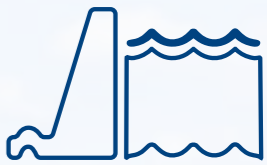
Roads -
2,254 km



Water mains -
2,332 km



Sewer mains -
2,678 km



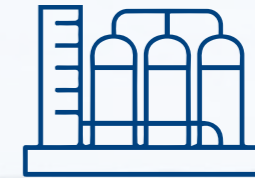
Dams - 3



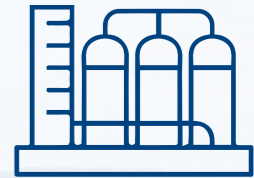
Water treatment
plants - 3



Sewage treatment
plants - 8

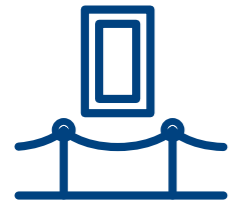


Water pump
stations - 48



Sewage pump
stations - 332





Art gallery - 1



Shared pathways - 905 km



Patrolled beaches - 15



Beaches - 41



Swimming enclosures - 9



Camping ground - 1



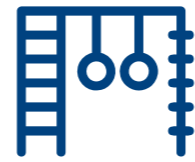
Council libraries - 10



Sporting facilities - 77



Skate parks - 27



Playspaces - 261



BMX facility - 4



Performing arts and theatres - 3



Parks and reserves - 560



Tennis courts - 122



Child care centres - 8



Leisure and aquatic centres - 6



Fitness station/ outdoor gym - 34



Holiday parks - 4



Hockey fields - 3



Sportsground AFL - 9



Baseball - 7



Rugby league - 25



Rugby union - 13



Touch football/ Oztag - 31



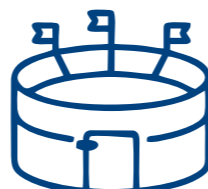
Boat ramps and jetties - 101



Netball courts - 110



Dog off leash area - 61



Stadiums - 3





Administrator's Message

The last 12 months have seen Central Coast Council gaining momentum towards long-term financial sustainability and marked improvements in service delivery. Having met all the financial recovery plan milestones, the organisation's focus shifted towards ensuring financial governance was embedded across all Council functions.

I want to acknowledge the hard work and dedication of the Central Coast Council staff. I am confident that the organisation is now in a much stronger position and beyond where we had thought it could be at this point in time.

I want to thank you, our resilient community, for your patience and for supporting Central Coast Council in times of uncertainty and rebuilding.

I look forward to the Annual Report, as it is a time to stop, reflect and celebrate the achievements and partnership of the organisation and community working together so that this outstanding region can thrive. I highlight some key achievements here:

- Council secured over \$800,000 in Federal Government funding to upgrade six local playspaces across the Coast at Avoca Beach (Ross Park), Mardi (Woolmers Crescent), East Gosford (Hylton Moore Oval), North Avoca (Palm Gully Park), Pretty Beach (Turo Reserve) and Saratoga (Jirramba Reserve) for local families and visitors to enjoy now and in years to come.
- The renewal of the Visitor Information Centre at The Entrance. As a central hub for visitors to the Coast, the facility is now multipurpose, more accessible, incorporates an improved layout and outdoor space for public use, includes a dedicated space for local creatives, has a bookable function area with a modern event space, and much more.
- A successful beach patrol season with over 3.7 million visitations to the Coast's 15 patrolled beaches during Council lifeguard and Surf Life Saving Central Coast patrolling periods. Together the teams completed a total of 1,128 rescues and treated over 1,700 first aid incidents. Council also secured \$2.44 million in funding for beach access projects, which is a huge step towards ensuring our open spaces are available to everyone.
- Central Coast's burgeoning football reputation received another boost with Germany and England choosing to base their women's teams locally

during the FIFA Women's World Cup Australia & New Zealand 2023™ utilising Central Coast Regional Sporting and Recreation Complex at Tuggerah and Central Coast Stadium in Gosford. We are also incredibly proud of our very own Central Coast Mariners, who won the A-League 2023 Championship and are the pride of the Central Coast.

- Council opened a brand-new skate park and pump track at Kariong Oval ahead of schedule, and just in time for the 2023 Easter school holidays for local and visiting families to enjoy.
- Council put its support behind the national Sport4All program as the first local government area to sign up in New South Wales. Sport4All was founded by Dylan Alcott in 2017 and aims to help sporting clubs and schools become more accessible and inclusive to provide people with disability a choice and control over where and how they participate in sport.
- Council consulted with community and stakeholders on 51 individual projects generating over 303,000 active sessions on Your Voice Our Coast and over 617,000 page views of information on this online engagement platform. Nearly 14,000 submissions were received and our interactive mapping tool provided an additional 1,600 pieces of feedback across multiple projects. Projects of most interest to the community were the Rocket Ship Refresh at Lions Park, Long Jetty; the Central Coast Dogs in Open Space Action Plan; and the Safer Cities Her Way project.

The next 12 months will see Council continue working hard to get ready for an incoming elected governing body (Councillors) in September 2024. Central Coast Council has achieved financial sustainability with the financial crisis now behind us.

This financial year 2023-2024 is all about maintaining financial stability and improving the delivery of services to the community, particularly in those areas where we know community expectation is not being met. I have full confidence in the Council leadership and staff that this will be achieved, and the organisation will be in a strong position to hand back control to an elected Council. Thank you for your continued support and I look forward to advocating for the Central Coast community throughout the next 12 months.

Rik Hart
Administrator



CEO's Message

Central Coast Council has made a lot of progress over the last year and we intend to continue this momentum, showing the community that we are an organisation they can depend on and trust. Council has stabilised its financial position, delivered a surplus budget for this financial year and embedded the ongoing diligence required to maintain satisfactory financial performance. Where we are going next is even more important, as we prepare to welcome the return of an elected Council in September next year.

Since my appointment as CEO of Central Coast Council, the last financial year has been the first 12-month period without a COVID-19 lockdown. It has been a pleasure to see our residents moving in and around their communities and enjoying the natural beauty and amenities that the Central Coast offers. We also celebrate our one year anniversary as one of only two locations in New South Wales to hold the certified Australian ECO Destination status. How lucky we are to live in this enviable location.

I am pleased to report that the 2023 financial year has seen Central Coast Council improve against its key performance indicators. Our customer service data shows we are improving at providing quality and timely customer service to our residents, having increased from 44% overall response to 78% response rate. I believe we can improve even more, but this is a fantastic start and I commend our workforce for remaining committed to this goal.

Each year, we measure staff satisfaction through an internal survey. Having a passionate, engaged and satisfied workforce is integral to delivering projects and outcomes for the community. Our staff satisfaction has improved dramatically from the previous financial year. As the leader of this organisation, it is my hope that the staff feel safe and supported to thrive, so this is an achievement I am proud of. For change to be lasting and effective, the whole team needs to be on board, and we are on the right track.

Our capital works program is certainly an achievement in our service to the community. For the 2023 financial year, Central Coast Council invested \$174.7m into the capital works program. While we have not had the

challenges of lockdowns this financial year, our road network sustained repeated damage due to heavy rainfall. Council's crews maintain a 2,200-kilometre road network across the region and fix potholes, remove fallen trees from roads and inspect and repair any other damage as quickly as possible during and following heavy rain. I commend the roads team for deploying all resources, including over \$41m, into fixing and maintaining our roads in challenging times. Approximately three times more potholes are formed during periods of heavy or prolonged rainfall. On average, Council repairs around 60,000 potholes in a year. Astoundingly, this financial year we repaired 109,418 potholes with crews working in persistent rainfall for a six month period.

I would also like to reflect on some of the events that Central Coast Council has been a lead, or partner in this financial year. Our events are the cornerstone of bringing together our communities and uniting everyone from all walks of life and over the last twelve months have included Love Lanes Festival, ChromeFest, NAIDOC week, Harvest Festival, Taste of Toukley, Coastal Twist Festival, Thinking Out Loud Youth Forum, Lakes festival, Central Coast Pets Day Out, and our inaugural Central Coast Music Festival.

I am incredibly proud of what this organisation has achieved in the last 12 months and I am genuinely excited about the road ahead. A review of the Community Strategic Plan, which is the community's 10-year plan for the vision of their region, will be occurring next year and I urge you to take part in the community consultation for this. It is an important document in the Council hierarchy, as the Delivery Program and Operational Plan all lead back to the Community Strategic Plan. We constantly need to make sure we are working towards your aspirations and expectations for this beautiful region to thrive.

David Farmer
Chief Executive Officer

ABOUT COUNCIL

Governance of
Council



Council under Administration

The Minister for Local Government placed Council under Administration in October 2020, with Mr Rik Hart operating as the Administrator. The Administrator acts as the Council, effectively replacing the role previously performed by the Mayor and Councillors. Council will remain under Administration, until such time as the Local Government elections are held in September 2024.

Code of Conduct

The Code of Conduct sets the minimum requirements of conduct for Council Officials. The Code is prescribed by the *Local Government Act 1993* and the *Local Government (General) Regulation 2021* and has been developed to assist Council officials to:

- Understand the standards of conduct that are expected of them;
- Enable them to fulfill their statutory duty to act honestly and exercise a reasonable degree of care and diligence; and
- Act in a way that enhances public confidence in the integrity of Local Government.

In carrying out their functions, the Administrator, members of staff, independent conduct reviewers, members of Council Committees, including a conduct review Committee, and delegates of Council must comply with the applicable provisions of the Code of Conduct. It is the personal responsibility of Council officials to comply with the standards in the Code and regularly review their personal circumstances with this in mind.

Council Meetings

Council Meetings are the key decision-making mechanism for Council and are conducted in accordance with the Code of Meeting Practice and Code of Conduct.

The Administrator makes decisions on behalf of the community at Council Meetings, with meetings held on the fourth Tuesday of the month. An Extraordinary Meeting may also be convened by the Administrator where necessary. All Meetings of Council, excluding confidential sessions and meetings closed to the public, are open to the public and are recorded and webcast on Council's YouTube channel.

Before each meeting, an agenda for the meeting is available on Council's website with the detailed background information included. The Minutes are also published on the website shortly after the meeting. For more details visit: centralcoast.nsw.gov.au/council/meetings-and-minutes



Central Coast Council,
Wyong

Committees and Advisory Groups

Central Coast Council has a number of committees and advisory groups where Councillors, community members and other stakeholders provide advice and feedback on specific issues. These committees and advisory groups include:

Aboriginal Advisory Committee

The role of the Aboriginal Advisory Committee (the Advisory Group) is to identify, examine, and formulate a collective response to issues that affect the Central Coast Aboriginal community. The Committee was established 2022-23 and will convene for meetings in 2023-24.

Audit, Risk and Improvement Committee

This Committee is responsible for providing independent assurance and assistance on risk management, control, governance, internal audits, organisational performance and external accountability responsibilities.

Catchments and to Coast Advisory Committee

This Committee consolidates the two former Committees for Brisbane Water and Tuggerah Lakes. It is responsible for promoting linkages and co-operation between the community, Council, State and Federal Governments, and other key stakeholders in the development and the implementation of coastal, estuarine, catchment and floodplain management plans for the Central Coast region.

Coastal Open Space System (COSS) Committee

This Committee is responsible for providing advice and feedback on championing biodiversity conservation outcomes within the broader community of the Central Coast, as well as providing advice and feedback to Council on the development and implementation of the COSS Strategy for the Central Coast including the expanding COSS.

Companion Animals Working Group

This Group is responsible for providing advice and feedback on the development of strategic policies, programs, events, services and plans for effective management of companion animals within the Local Government Area.

Economic Development and Regional Activation Network

This Group consolidates the former Committees for Employment and Economic Development, Gosford CBD and Waterfront, Tourism, and Town Centres. It is responsible for providing advice and feedback on sustainable economic development initiatives, attracting investment, promoting and supporting sustainable tourism and activating town centres.

Gosford Foundation Trust Management Committee

This Committee is responsible for providing advice and feedback on how the Trustee should deal with Trust assets, the acceptance of gifts of cash and property, the distribution of cash and property, and other matters provided for in the Trust Deed.

Heritage and Culture Advisory Committee

This Committee is responsible for providing advice and feedback on matters relating to natural, historic and Aboriginal cultural heritage, and monitoring the implementation of Council's heritage strategy in line with the NSW Office of Environment and Heritage guidelines.

Local Traffic Committee

The Local Traffic Committee is a technical review committee that operates as an advisory body to Council on traffic related matters. The Committee membership are representatives from Council, the NSW Police Local Area Command, TfNSW and the Local State Member of Parliament or their representative.

Mangrove Mountain and Spencer Advisory Committee

This Committee is responsible for providing advice and feedback on matters relating to the Mangrove Mountain landfill site and the illegal dumping at Spencer, including recommendation and actions for implementation.

Pedestrian Access and Mobility Advisory Committee

This Committee is responsible for providing advice and feedback on active transport projects, including the Pedestrian and Mobility Plan, and safe movement of people through Council's pathway network.



Swadling Reserve



Playspaces Working Group

This Group is responsible for providing advice and feedback on the provision of playspaces across the Central Coast, ensuring the fair and equitable spread of accessible and inclusive playspaces, with a focus on rationalisation/expansion of existing playspaces.

Protection of the Environment Trust Management Committee

This Committee is responsible for providing advice and feedback on how the Trustee should deal with Trust assets, the acceptance of gifts of cash and property, the distribution of cash and property, and other matters provided for in the Trust Deed.

Social Inclusion Advisory Committee

This Committee is responsible for providing advice and feedback on social issues that affect the Central Coast community, with a focus on addressing social issues identified in the Community Strategic Plan.

Status of Women Advisory Group

This Committee is responsible for advocating and raising awareness of issues that affect women on the Central Coast and promoting local networks and events that celebrate women in the community.

Wamberal Seawall Advisory Taskforce

The New South Wales Government established the Wamberal Seawall Advisory Taskforce to provide Council with support in implementing a sustainable long-term solution to the coastal erosion issues at Wamberal Beach. The Taskforce was disbanded by the NSW Government in March 2023. For information on the work undertaken at Wamberal Beach please visit our coastal erosion page.

Water Management Committee

The Committee is responsible for providing high level advice to Council and staff on integrated water management, with the objective of ensuring ongoing water security for the Central Coast in line with social, economic and environmental considerations.

Councillor Statutory Reporting Information

Councillor Fees and Expenses

Central Coast Council has an adopted Councillor Expenses and Facilities Policy which has been prepared in accordance with the *Local Government Act 1993* and *Local Government (General) Regulation 2021*. It complies with the Office of Local Government's guidelines for the payment of expenses and provision of facilities to Mayors and Councillors in NSW. The Policy ensures accountability and transparency in the reimbursement of expenses incurred by Councillors and enables the reasonable and appropriate provision of facilities to assist Councillors to carry out their civic duties.

Councillors were suspended from October 2020 and an Administrator was appointed to perform the role of the elected body. While Council was under administration and no Councillors were present during the reporting period, the fees and expenses for the Administrator is provided:

Administrator Fees		
(i)	Councillor / Administrator office equipment	\$0
(ii)	Telephone calls	\$381
(iii)	Conferences and seminars	\$1,225
(iiia)	Induction training / professional development	\$0
(iv)	Other training (skill development)	\$0
(v)	Interstate visits	\$895
(vi)	Overseas visits	\$0
(vii)	Expenses of spouse, partner or other person	\$0
(viii)	Expenses for provision of care	\$0
	Administrator Salary	\$326,494
	Central Coast Residential Accommodation	\$48,986
	Leaseback Council vehicle	\$8,158
	Food and catering	\$149
TOTAL COSTS (a1)		\$386,288

Councillor Overseas Visits

There were no overseas visits by the Administrator during the reporting period.

Office of the Internal Ombudsman and Disclosures and Investigations Report

In 2022-23, the CEO undertook a structural review in response to feedback from the community about perceived impartiality and independence of the Office of the Internal Ombudsman from the organisational arm of Council. At its meeting held 28 February 2023, Council endorsed the removal of the position of Internal Ombudsman from the organisational structure and created the position of Disclosures and Investigations Coordinator within the Governance, Risk and Legal Unit. The functions of the Office of the Internal Ombudsman are now being managed by the newly created position with close support from the Unit Manager Governance, Risk and Legal.

What does Council's Disclosures and Investigations Coordinator do?

Similar to the Office of the Internal Ombudsman, the Disclosures and Investigations Coordinator provides an avenue for residents, community members, ratepayers, local businesses, staff, Councillors and other Council Stakeholders to raise concerns about:

- Fraud and corruption
- Misconduct
- Maladministration

The Disclosures and Investigations Coordinator manages the factual investigation of issues raised and assists in developing and promoting fraud prevention strategies in the organisation. The role also manages Council's Public Interest Disclosure (PID) framework, liaises with external agencies such as the Independent Commission Against Corruption (ICAC) and NSW Ombudsman, and coordinates the responses to any individual and systemic issues that are identified via investigations. This is undertaken through regular and direct reporting to the CEO, and the Audit, Risk and Improvement Committee (ARIC).

The Disclosures and Investigations Coordinator will ensure that all investigations are conducted impartially to a high ethical standard and reflect Council's values, always ensuring procedural fairness and unbiased decision making. They will also provide or recommend guidance and assistance to staff and management as well as delivering proactive education for continuous improvement in administrative process, good governance and ethical decision making.

2022-23 Complaints and Compliments

The Disclosures and Investigations Coordinator and Office of the Internal Ombudsman received a total of 316 complaints for the 2022-23 financial year, a decline from the previous financial year.

Complaints received are made up of Code of Conduct complaints, referrals from external agencies such as the NSW Ombudsman, ICAC and Office of Local Government on a variety of issues, PID, escalated water claims, and other process/service driven complaints.

From these, 73% of staff Code of Conduct complaints were dismissed. Numerous recommendations were also made for improvements to Council policy and processes when a gap was identified during an investigation.

In comparison, Council received 543 compliments this year, which has increased since the 2021-22 financial year.

Complaints	Number
Total number of complaints received 2022-23	316
Animal attacks / nuisance	4
Compliance matters (property, land, trees etc)	42
Conflict of interest	9
Council services (roads, drainage, waste)	15
Development applications and planning decisions	24
Fraud	1
Inappropriate conduct	106
Non-council matters	10
Privacy	6
Public safety	38
Rates / Water / Hardship	47
Other	14

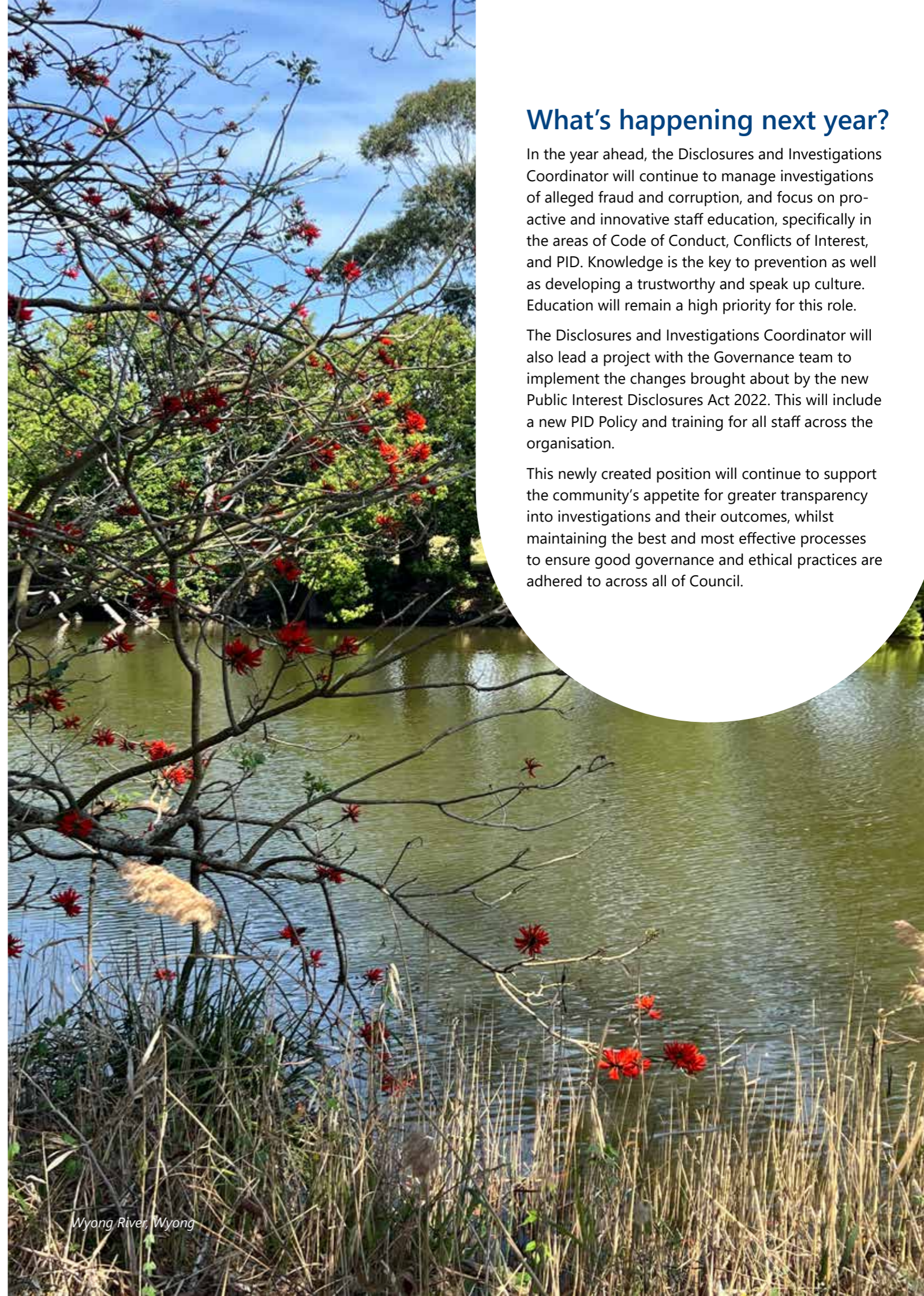
Compliments	Number
Total number of compliments received 2022-23	543
Council decision	5
General feedback	96
Level of service	65
Quality of work	108
Response time	63
Staff performance	206

What's happening next year?

In the year ahead, the Disclosures and Investigations Coordinator will continue to manage investigations of alleged fraud and corruption, and focus on pro-active and innovative staff education, specifically in the areas of Code of Conduct, Conflicts of Interest, and PID. Knowledge is the key to prevention as well as developing a trustworthy and speak up culture. Education will remain a high priority for this role.

The Disclosures and Investigations Coordinator will also lead a project with the Governance team to implement the changes brought about by the new Public Interest Disclosures Act 2022. This will include a new PID Policy and training for all staff across the organisation.

This newly created position will continue to support the community's appetite for greater transparency into investigations and their outcomes, whilst maintaining the best and most effective processes to ensure good governance and ethical practices are adhered to across all of Council.



Wyang River, Wyong

ABOUT THE ORGANISATION



WELCOME TO THE CENTRAL COAST

We acknowledge the Traditional Custodians of the land on which we live, work and play.

We are so grateful to them, and grateful for the way they have cared for the land, water and people of the Central Coast for so long.

We acknowledge our shared responsibility to care for the land, water and people of the Central Coast.



Love our waterways

The Central Coast is home to a diverse range of waterways, from the mighty Snowy Mountains Highway to the beautiful Central Coast Waterways. These waterways are a vital part of our environment and provide a range of recreational opportunities for all.

Mammals
Blatynus, Koala, Southern Brown Bandicoot, Spotted-tailed Quail

Amphibians
Green and Golden Bell Frog, Green Tree Frog, Perrin's Tree Frog

Here are some common species you might find:

Blue Lizard
Common in the Central Coast region.

Eastern Long-necked Swallow
Common in the Central Coast region.

What is an ECO Destination?

ECO Destinations are places that have been certified as being environmentally friendly, socially responsible and economically sustainable. They are places that are committed to protecting the environment and providing a high quality experience for visitors.



The Central Coast is now officially a certified ECO Destination; a world-class place to find sustainable, quality nature-based experiences.

With over 100 ECO Destinations, you can enjoy the best of both worlds: a world-class destination and a commitment to sustainability.



Visitor Information Centre, The Entrance

Corporate Vision and Values

A vibrant organisation doing great things



BE SAFE



BE POSITIVE



BE YOUR BEST



SERVE



COLLABORATE



IMPROVE



Organisational Structure



Rik Hart
Administrator



David Farmer
Chief Executive
Officer



Marissa Racomelara



Melanie Smith



Dr Alice Howe



Boris Bolgoff



Jamie Loader

Corporate Services

- Finance
- Governance, Risk and Legal
- Information Technology
- People and Culture
- Plant and Fleet

Community and Recreation Services

- Communications, Marketing and Customer Engagement
- Community and Culture
- Leisure, Beach Safety and Community Facilities
- Libraries and Education
- Open Space and Recreation

Environment and Planning

- Development Assessment
- Economic Development and Property
- Environmental Compliance Services
- Environmental Management
- Strategic Planning

Infrastructure Services

- Engineering Services
- Facilities and Asset Management
- Roads Construction and Maintenance
- Roads and Drainage Infrastructure
- Procurement and Project Management
- Waste and Resource Recovery

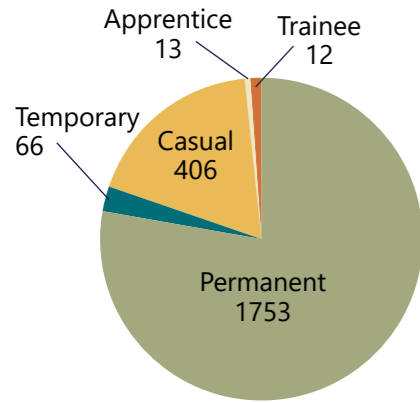
Water and Sewer

- Assets and Projects
- Headworks and Treatment
- Network Operations and Maintenance

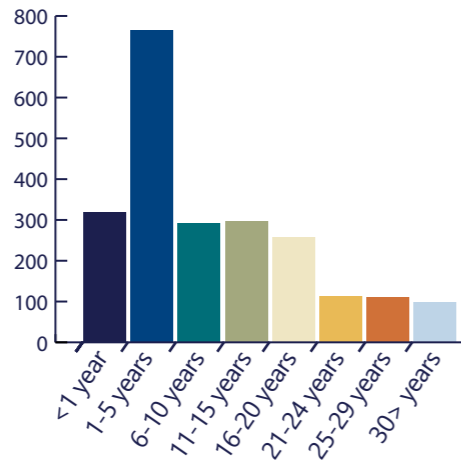
NB: As at 1 September 2023

Workforce Information

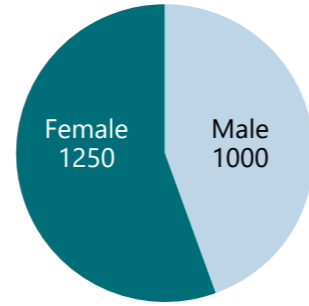
Total employees: 2250



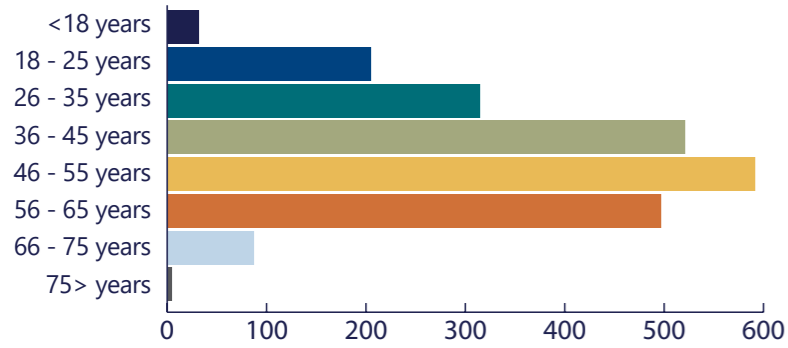
Length of Service by Years



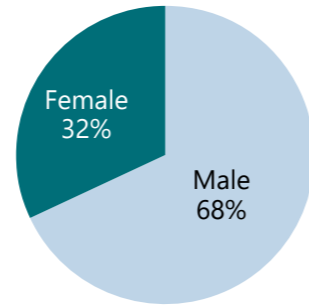
Employees by Gender



Employees by Age



Senior Management by Gender



Full Time Equivalent (FTE): 1722.57

Employee turnover: 10.13%

- NB:**
- as at 30 June 2023
 - Total employees reflects the number of staff employed by Council
 - Council's full time equivalent is derived from the sum of standard hours worked per employee (not including casual employees) e.g. a full time employee is counted as a 1.0 and an employee working 21 hours per week is counted as 0.6. This is a more accurate reflection of Council's workforce and associated employee costs.
 - Senior Management by gender includes CEO, Directors and Unit Managers
 - Turnover includes Casuals



Sports field maintenance

YEAR IN REVIEW



Vera's Water Garden, The Entrance

Community Strategic Plan

Belonging

Our community spirit is our strength

A1 Work within our communities to connect people, build capacity and create local solutions and initiatives.

A2 Celebrate and continue to create opportunities for inclusion where all people feel welcome and participate in community life.

A3 Work together to solve a range of social and health issues that may impact community wellbeing and vulnerable people.

A4 Enhance community safety within neighbourhoods, public spaces and places.



Creativity, connection and local identity

B1 Support reconciliation through the celebration of Aboriginal and Torres Strait Islander cultures.

B2 Promote and provide more sporting, community and cultural events and festivals, day and night, throughout the year.

B3 Foster creative and performing arts through theatres, galleries and creative spaces, by integrating art and performance into public life.

B4 Activate spaces and places to complement activity around town centres, foreshores, lakes and green spaces for families, community and visitors.



Smart

A growing and competitive region

C1 Target economic development in growth areas and major centres and provide incentives to attract businesses to the Central Coast.

C2 Revitalise Gosford City Centre, Gosford Waterfront and town centres as key destinations and attractors for businesses, local residents, visitors and tourists.

C3 Facilitate economic development to increase local employment opportunities and provide a range of jobs for all residents.

C4 Promote and grow tourism that celebrates the natural and cultural assets of the Central Coast in a way that is accessible, sustainable and eco-friendly.



A place of opportunity for people

D1 Foster innovation and partnerships to develop local entrepreneurs and support start-ups.

D2 Support local business growth by providing incentives, streamlining processes and encouraging social enterprises.

D3 Invest in broadening local education and learning pathways linking industry with Universities, TAFE and other training providers.

D4 Support businesses and local leaders to mentor young people in skills development through traineeships, apprenticeships and volunteering.



Green

Environmental resources for the future

E1 Educate the community on the value and importance of natural areas and biodiversity, and encourage community involvement in caring for our natural environment.

E2 Improve water quality for beaches, lakes, and waterways including minimising pollutants and preventing litter entering our waterways.

E3 Reduce littering, minimise waste to landfill and educate to strengthen positive environmental behaviours.

E4 Incorporate renewable energy and energy efficiency in future design and planning, and ensure responsible use of water and other resources.



Cherished and protected natural beauty

F1 Protect our rich environmental heritage by conserving beaches, waterways, bushland, wildlife corridors and inland areas, and the diversity of local native species.

F2 Promote greening and ensure the wellbeing of communities through the protection of local bushland, urban trees, tree canopies and expansion of the Coastal Open Space System (COSS).

F3 Improve enforcement for all types of environmental non-compliance including littering and illegal dumping, and encourage excellence in industry practices to protect and enhance environmental health.

F4 Address climate change and its impacts through collaborative strategic planning and responsible land management and consider targets and actions.



**We are one Central Coast.
A Smart, Green and Liveable region with a shared sense of
Belonging and Responsibility**

Responsible

Good governance and great partnerships

G1 Build strong relationships and ensure our partners and community share the responsibilities and benefits of putting plans into practice.

G2 Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making.

G3 Provide strong leadership that is accountable, makes decisions in the best interest of the community and ensures Council is financially sustainable.

G4 Serve the community by providing great customer experience, value for money and quality services.



Balanced and sustainable development

I1 Preserve local character and protect our drinking water catchments, heritage and rural areas by concentrating development along transport corridors and town centres east of the M1.

I2 Ensure all new developments are well planned with good access to public transport, green space and community facilities and support active transport.

I3 Ensure land use planning and development is sustainable and environmentally sound and considers the importance of local habitat, green corridors, energy efficiency and stormwater management.

I4 Provide a range of housing options to meet the diverse and changing needs of the community and there is adequate affordable housing.



Delivering essential infrastructure

H1 Solve road and drainage problem areas and partner with the State Government to improve road conditions across the region.

H2 Improve pedestrian movement safety, speed and vehicle congestion around schools, town centres, neighbourhoods, and community facilities.

H3 Create parking options and solutions that address the needs of residents, visitors and businesses.

H4 Plan for adequate and sustainable infrastructure to meet future demand for transport, energy, telecommunications and a secure supply of drinking water.



Liveable

Reliable public transport and connections

J1 Create adequate, reliable and accessible train services and facilities to accommodate current and future passengers.

J2 Address commuter parking, drop-off zones, access and movement around transport hubs to support and increase use of public transport.

J3 Improve bus and ferry frequency and ensure networks link with train services to minimise journey times.

J4 Design long-term, innovative and sustainable transport management options for population growth and expansion



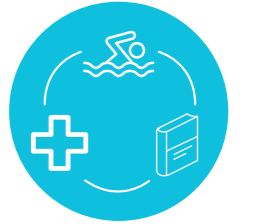
Healthy lifestyle for a growing community

L1 Promote healthy living and ensure sport, leisure, recreation and aquatic facilities and open spaces are well maintained and activated

L2 Invest in health care solutions including infrastructure, services and preventative programs to keep people well for longer.

L3 Cultivate a love of learning and knowledge by providing facilities to support lifelong learning.

L4 Provide equitable, affordable, flexible and co-located community facilities based on community needs.



Out and about in the fresh air

K1 Create a regional network of interconnected shared pathways and cycle ways to maximise access to key destinations and facilities.

K2 Design and deliver pathways, walking trails and other pedestrian movement infrastructure to maximise access, inclusion and mobility to meet the needs of all community members.

K3 Provide signage, public facilities, amenities and playgrounds to encourage usage and enjoyment of public areas.

K4 Repair and maintain wharves, jetties, boat ramps and ocean baths to increase ease of access and enjoyment of natural waterways and foreshores.





The Harvest Festival 'Bush Dancing', Yarramalong

Calendar of Events

July 2022

NAIDOC Week
 Walk for Hope Pet-Pop Ups
 Job Seeker Expo at Gosford Entertainment Ground
 National Tree Day planting events at Wyong (Porters Creek) and Umina Beach
 Citizen Science Workshops

August 2022

Homelessness Week
 Elders reading program at Koolura Aboriginal Preschool
 Gosford Art Prize Competition
 Apprentice and Trainee Expo at Mingara

September 2022

RUOK? Day
 Adult Learners Week
 Central Coast Music Festival
 Biodiversity Month

October 2022

ChromeFest
 Mental Health Month
 Central Coast Multicultural Expo
 Haru festival in Japanese Gardens
 Get Active San Remo and Blue Haven - partnered with Central Coast Local Health District

November 2022

Free Microchipping Day
 The Lakes Festival
 Social Inclusion Week – Paddock to Lake
 Sustainable Future Festival
 Garage Sale Trail

December 2022

Christmas Window Display Competition
 Spencer Community Information Day

January 2023

Australia Day Awards and events
 Movie Nights in Wyong and Toukley

February 2023

Love Lanes Festival
 Library Lovers Day
 Seniors Festival
 World Wetlands Day

March 2023

Harmony Week
 Flavours by the Sea
 Clean Up Australia Day
 Let's Talk Gosford

April 2023

Youth Week
 Voice Against Violence Program
 Grandparents' day

May 2023

Kids Day Out
 Comicon
 Reconciliation Week
 Visitor Information Centre opening at The Entrance

June 2023

Mental Health Week
 Harvest Festival
 Taste of Toukley
 Taste of Wyong
 Careers in Construction Festival

Awards and Recognition

Award	Detail of Award	Project / Staff Member	Achievement
NSW Local Government Excellence Awards	Community Development	Library@yourtime – Central Coast Library Service	Finalist
NSW Local Government Excellence Awards	Community Development	Fire-Ed Up: A Bushfire Resilience Program	Winner
NSW Local Government Excellence Awards	People, Workplace and Wellbeing	Cheers! Recognition and Appreciation	Finalist
NSW Local Government Excellence Awards	Innovative Leadership	Virtual Call Centre Implementation	Finalist
NSW Local Government Excellence Awards	Special Project Initiative	Virtual Reality (VR) 'Live My Experience' Immersive Educational Project	
NSW Local Government Excellence Awards	Special Project Initiative	Rewilding destination marketing from the inside out: Central Coast Council's ECO Destination Journey	Winner
NSW Local Government Excellence Awards	Special Project Initiative	Implementation of an industry leading, fit-for-purpose Cemetery IT system – PlotBox	Finalist
Museums and Galleries of NSW	NSW Health Infrastructure Arts and Health	Gosford Regional Gallery and Gosford Hospital (Central Coast Local Health District)	Winner
Museums and Galleries of NSW: Imagine Award	Imagine Award: Exhibition in medium sized Galleries	Darkinjung Ngurra' (Country) Women's Spirit Connection	Highly Commended
Central Coast Public Health Nutrition	Healthy Menu Award	Education and Care Centres	Winner
National Banksia Sustainability Awards 2023	Marketing and Communications for Impact Award	Rewilding destination marketing from the inside out: Central Coast Council's ECO Destination Journey	Finalist
NSW Top Tourism Town Awards	Top Tiny Tourism Town	Spencer	Finalist
NSW Tourism Awards	Local Government Award for Tourism	Central Coast Council – Destination Central Coast	Silver
Green Destinations Top 100 List	Business & Marketing	People Power: Rebuilding a Region with ECO at Heart - Marketing and Tourism team	Finalist
NSW Local Government Awards	Most Inclusive Youth Week Program	Youth Services Team	Finalist
LGNSW Planning Awards	Cultural Change Innovation / Excellence	Central Coast Green Grid: Our Place	Highly Commended
NSW Community Sport Awards	Local Council of the Year	Central Coast Council	Finalist
Keep Australia Beautiful: Sustainable Communities Tidy Town Awards	Waterways and Marine Protection	Tuggerah Lakes Changemakers' Course	Winner

IPWEA (Institute of Public Works Engineering Australasia) Engineering Excellence Awards	Local Government Excellence in Road Safety Award	Road Safety Videos for Seniors	Winner
IPWEA (Institute of Public Works Engineering Australasia) Engineering Excellence Awards	Environmental Enhancement Project	Buttonderry Waste Management Facility -Landfill Cell 4.4	Winner
AIPM (Australian Institute of Project Management) Awards	Project Management Achievement Awards	Design Development and Construct Sporting Field Amenities at Rogers Park, Woy Woy and Adelaide Street Oval, Killarney Vale	Finalist



Staff Award Recipients, NSW Local Government Excellence Awards

OPERATIONAL PLAN PERFORMANCE



Summary

153 Actions / Measures / Projects



115 COMPLETED

Work is completed / target achieved



12 ACTIVE

Multi-year action or action will continue in 2023-24



19 DELAYED

Work is behind schedule / target has not been achieved



7 INACTIVE

Work is on hold until further notice or there has been a change in priority and it has been closed

Belonging



Galleries

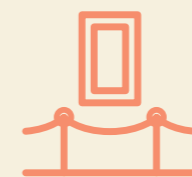
136,771 visits to the Gosford Regional Gallery and Edogawa Garden

5,353 attendances at **art classes** run by the Gallery

4,544 people attended an event at the Gallery

40 school excursions at the Gosford Regional Gallery.

460 entrants to the Gosford Art Prize, 133 finalists



Theatres

Following previous years of COVID-19 closures and lockdowns, our theatres had a successful year.

Of notable mention is **Gosford Musial Society**, which had approximately **17,400** attendees to their annual performances across five productions.

Woy Woy Little Theatre presented four plays, a season of short plays with over **53 performances** in the year.

The **Morning Melodies** hosted over **2,200 attendees**.

Laycock Street Theatre saw over **34 commercial hirers** and high utilisation of dance schools, music competitions, and talent showcases, with over 33 varying community presentations and 61 separate dance school hires.

226 shows

58,570 patrons

68 rehearsals



Events

For information on upcoming events, visit Council's website: centralcoast.nsw.gov.au/whats-on

176,600 event attendees, with \$21 million economic impact

ChromeFest 30,000 attendees

The Lakes Festival 20,000 attendees

Love Lanes Festival 15,000 attendees

Flavours by the Sea 5,000 attendees

Harvest Festival 56,000 attendees

Taste of Toukley 1,500 attendees

Taste of Wyong 2500 attendees



Australia Day, Gosford

Community Awareness and Connection

A number of projects that build awareness and educate community on key issues were delivered this year, including:

- **Live my experience** – a project that uses virtual reality technology as an educational tool where the participant enters a virtual world and they encounter physical and attitudinal barriers that people with disabilities experience every day. The project hosted 300 participants, with 95% of participants saying their ideas held about people with disability had changed after the experience. This was also a finalist project in the NSW Local Government Excellence Awards
- **When this Mountain Speaks** - an intercultural and intergenerational project targeting the CALD (established and newly arrivals) and general community who reside in the Mountain's farming community. Local farmers were invited to share personal stories and memories around settlement, alongside their connection to place/land as caretakers. The project saw seven farming families participate in the project, with the series of pictures and stories exhibited and 120 people attending the launch and exhibition
- **A walk in our shoes** – as part of Homelessness Week an activation piece was installed in Terrigal. The 'walk in our shoes' piece was achieved in partnership with two other organisations and included 1,031 footsteps, 6 visual installations and 2 large signage displays. The installation was aimed at educating passers-by on issues and things they can do as individuals to help, with 10,000 pedestrians seeing the installation.

Keeping our Community Safe

Our community was kept safe during the beach season with a new lifeguard tower constructed at Avoca Beach to improve observation.

2,167,367 visitations at our **15 patrolled locations**



Lifeguards performed **1,128 rescues**, and attended to **1,752 first aid incidents**



Ranger services are provided throughout the year, with this year seeing the investigation and completion of over **12,000 community requests** on parking safety, unauthorised activities and responsible pet ownership. There were over 5,000 specifically related just to complaints about animals (including serious dog attacks). Council Rangers have issued close to \$200,000 worth of fines surrounding dog related matters. Dog attacks in the central coast LGA have decreased for the third year in a row based on effective education and enforcement.

Youth and Senior Activity

Programs and activities dedicated to our youth and seniors was delivered during the year, including:

Over **15,000 participating in activities** at Council's 50+ Leisure and Learning Centres located at Gosford and Ettalong



Over **20,000 low-cost meals delivered** to Council's 50+ Leisure and Learning Centres



Over **8,000 participating in activities and programs designed for young people**



43 young people received an award at the Central Coast Youth Week Awards



Operational Plan 2022-23 Performance

33 Deliverables














Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_001: Develop and deliver community capacity building projects in partnership with the local community to increase community participation and strengthen local neighbourhood connections	5 projects delivered (e.g. mental health initiatives, community resilience programs, social inclusion projects) by 30 June 2023	Community and Culture	✓	Activities and projects include: <ul style="list-style-type: none"> Mental Health Month and RUOK? Day Central Coast Suicide Alliance Gotcha 4 Life Social Inclusion - Paddock to Plate Secrets in plain site Emergency, resilience and recovery meetings for communities at Spencer and Yarramalong
DP_002: Manage Council's suite of Community Grants Program and resource regional program	4 Community Grants Programs delivered (Community Development Grants, Community Events and Place Activation Grants, Community Support Grants, Colliery Grants) and 1 ClubGrants Program delivered by 30 June 2023	Community and Culture	✓	Community Development Grant Program: <ul style="list-style-type: none"> Received 44 applications 23 applications were successful \$289,860.51 of funding awarded. Community Events and Place Activation Program: <ul style="list-style-type: none"> Received 35 applications 23 applications were successful \$279,172.82 of funding awarded. Community Support Program: <ul style="list-style-type: none"> Received 111 applications. 71 applications were successful \$249,829.87 of funding awarded. Chain Valley Colliery Grants Program: <ul style="list-style-type: none"> Received 11 applications 6 applications were successful \$29,570.25 of funding awarded.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_003: Provide community education programs focused on increasing community awareness and influencing behaviour change around key community priorities	3 projects (e.g. Get Ready, Creative Recovery, Walls that Talk) delivered by 30 June 2023	Community and Culture	✓	Activities and projects include: <ul style="list-style-type: none"> Storm Season Campaign Supporting emergency management team with preparedness education and disaster recovery centres Summer Safety Campaign Fire-ed Up program Birdie Books program.
DP_004: Provide opportunities for young people to be engaged and recognised within our community	Implement relevant actions from the Central Coast Youth Strategy	Leisure, Beach Safety and Community Facilities	✓	Activities and projects include: <ul style="list-style-type: none"> Youth Week Calendar Central Coast Youth Week Awards Thinking Out Loud Youth Forum Youth for Youth (Y4Y) Action Team projects Kariong Youth Seat Voice of the Rainbow video series.
DP_005: Provide opportunities for people aged over 50 to be engaged and recognised within our community	Implement relevant actions from the Central Coast Positive Ageing Strategy	Leisure, Beach Safety and Community Facilities	✓	Activities and projects include: <ul style="list-style-type: none"> Weekly Senior's Centre activities and programs delivered at Gosford and Ettalong 50+ Leisure and Learning Centres Growing Older and Loving Life (GOALL) publication completed quarterly during 2022-23 which promotes appropriate aged activities and programs, along with information about aged care services.
DP_006: DIAP: AB1.1 Deliver an annual campaign to educate the community, including children and Council staff, about disability, including: <ul style="list-style-type: none"> the lived experience invisible disabilities respectful behaviours and inclusive practices 	Campaigns have been delivered on identified topics Number of fines for parking in accessible parking without a permit	Community and Culture	✓	Campaigns and projects include: <ul style="list-style-type: none"> Shared Pathways project launched, with stencils indicating the appropriate use of shared pathways installed along the foreshore of Long Jetty. A promotional video shoot to promote initiative and encourage the public to remember that shared pathways are for everybody. Invisible Disabilities Campaign 2,000 bumper stickers provided to each library and customer service location for International Day pop up stall. <p>The number of fines issued for misusing disability parking spaces is 996, valued at over \$598,000.</p>

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_007: DIAP: AB2.1 Implement a program to support local businesses to be more accessible and inclusive	2 businesses implementing actions to improve access and inclusion	Community and Culture	✓	Activities and projects include: <ul style="list-style-type: none"> Inclusive Pottery Program Education for a local business and resources to increase accessibility for people with disabilities.
DP_008: DIAP: LC2.4 Publish and promote Accessibility Maps	Minimum of 2 maps showing access generated by 30 June 2023	Community and Culture	✓	Maps include: <ul style="list-style-type: none"> Accessible Nature Accessible Beaches brochure. Both maps were digitally available and hard copies available at Council's Customer Service in Wyong and Gosford, Council's 10 libraries, The Entrance Visitor Centre, Erina Fair information desk, and The Arthouse.
DP_009: DIAP: E6.1 Actively attract people with disabilities who have a start-up business idea to participate in Council's LaunchPad program	Number of people with disability involved in skills development and networking activities	Community and Culture	✓	LaunchPad Program workshops delivered in February and March 2023. The Program was promoted to People with Disabilities and one community member with lived experience of disability is participating in the program.
DP_010: DIAP: SP5.1 Implement targeted communication to disability network and contacts to share information about access and inclusion developments/opportunities at Council and across the Central Coast community, including reach to Aboriginal, Deaf and CALD communities	Twice-annual communication to key disability groups	Community and Culture	✓	Six disability interagency meetings held in 2022-23. An EOI for new members of the Accessibility and Inclusion Reference Group was also advertised in December 2022. 30 applications were received, with 12 new members appointed.




Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_011: DIAP: LC6.2 Plan and deliver community, cultural, sporting, recreation, leisure and learning events, activities and programs that are welcoming and accessible for people with a disability	Minimum of 2 of accessible events and activities delivered by 30 June 2023	Libraries and Education	✓	Events and activities include: <ul style="list-style-type: none"> Coastlink Storytimes delivered weekly at Lake Haven Library A sensory glow room event at Kincumber in the October school holidays, with the Youth team facilitating the event The Aspect School - a specialist Central Coast Autism educational centre visited Kincumber Library in November for personal development and wellbeing Installation of a touch screen specifically for people that are unable to use a mouse for computer activities at Gosford Library.
DP_013: Develop and deliver community capacity building projects in partnership with the local community to reduce the local impact of domestic and family violence	3 projects delivered (e.g. Awareness campaigns, 16 Days of Activism, Education program with young people) by 30 June 2023	Community and Culture	✓	Activities and projects include: <ul style="list-style-type: none"> 16 Days of Activism Against Gendered Violence Walk Against Domestic Violence An art installation of orange umbrellas by Minka Gillian in Kibble Park, representing the 52 women who die every year in Australia Coercive Control information posters in public amenities around the Central Coast Community education murals and installations in Killarney Vale and Gosford It's not Black or White exhibition – an exhibition of black and white photographs, depicting what the domestic violence was and continues to be for victims and survivors.
DP_014: Develop and deliver community capacity building projects in partnership with the local creative arts and multicultural community	3 projects delivered (e.g. Creative Art Central, If these walls could talk, neighbourhoods project) by 30 June 2023	Community and Culture	✓	Activities and projects include: <ul style="list-style-type: none"> When this Mountain Speaks The easy English Water Safety resource for limited or non-English speaking community members Citizenship Ceremony Flavours by the Sea Creative Art Central.





Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_016: Implement relevant actions from the Central Coast Graffiti Management Strategy	2 projects delivered (e.g. mural project, graffiti kits, parents education, programs with young people) by 30 June 2023	Community and Culture		Activities and projects include: <ul style="list-style-type: none"> 1,000 How to Report Graffiti magnets distributed to libraries, town centres and police Attendance and participation on the Security, Council, Rangers and Police Committee (SCRAP) 115 graffiti removal kits have provided to the community Over the year there were 605 reports of graffiti and vandalism on Council owned assets, which is 275 less than 2021-22.
DP_018: Delivery of an annual Responsible Pet Ownership event	Event delivered by 31 March 2023	Environmental Compliance Services		Central Coast Pets Day Out event successfully carried out on 18 February 2023.
DP_019: Delivery of an annual desexing program	500 animals desexed by 30 June 2023	Environmental Compliance Services		A total of 339 animals were desexed as of 30 June 2023.
DP_020: Delivery of an annual microchipping program	2,000 animals microchipped per year by 30 June 2023	Environmental Compliance Services		A total of 237 animals were microchipped as of 30 June 2023.
DP_021: Deliver a Regional Animal Care Facility by 30 June 2025	Investigation and design completed by 30 June 2023	Environmental Compliance Services		Investigation and design work substantially completed, with feedback received during public notification addressed where appropriate.
DP_022: Council to safely patrol beach locations, and provide beach safety messaging (in partnership with Surf Life Saving Central Coast)	Provide beach lifeguard services to 15 patrolled beaches from September to April	Leisure, Beach Safety and Community Facilities		All 15 beaches were opened and safely patrolled by Council lifeguards from Friday 23 September to 23 April. Swim Safe summer campaign was promoted via Council communication channels to keep the community safe.
DP_023: Develop and deliver community capacity building projects in partnership with the local Aboriginal and Torres Strait Islander community	4 projects delivered (e.g. Ngura, Healthy lifestyle programs, NAIDOC week, elders/school reading program) by 30 June 2023	Community and Culture		Activities and projects include: <ul style="list-style-type: none"> Supporting local organisations to better engage with the Aboriginal community and offer guidance and perspective on strengths and challenges facing the community Elders reading program NAIDOC Week celebrations Reconciliation Week participation with banners installed in Long Jetty and Gosford and designs facilitated by First Nations artist, Jason Coulard.



Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_026: DIAP: AB4.2 Support International Day of People with Disability (IDPWD)	International Day of PWD is celebrated and promoted by Council each year	Community and Culture		Promotional activities for International Day of People with Disability (IDPWD) include: <ul style="list-style-type: none"> A pop-up stall at Westfield Tuggerah, where people were able to learn more about invisible disabilities and participate in the 'Live My Experience' immersive VR experience. The stall had various resources including MLAK information, Accessible Nature brochures, Disability Services Brochures and a number of promotional items for International Day of People with Disability. Video filmed and edited about the innovative Virtual Reality project and distributed through social media for IDPWD.
DP_027: DIAP: LC6.1 Build capacity of Council event staff to deliver accessible and inclusive events, activities and programs	Minimum of 1 Council events staff receiving training / upskilling on accessible events	Community and Culture		Informal skill development provided to event officers by Council's Disability Inclusion Officer through initial meetings and follow-up site visits where events were proposed to take place.
DP_028: DIAP: LC6.2 Plan and deliver community, cultural, sporting, recreation, leisure and learning events, activities and programs that are welcoming and accessible for people with a disability	Minimum of 2 accessible events and activities delivered by 30 June 2023	Community and Culture		In 2022-23 Council's Disability Inclusion Officer attended events planning meetings and site assessments to enable the events team to provide information to the community regarding the accessibility of events. Accessible Features implemented at Lakes festival, Central Coast Music Festival, Love Lanes Festival and Flavours by The Sea.
DP_029: DIAP: LC6.4 Revise Council's event permit and grant funding application forms to include questions on accessibility and inclusion	Forms have been revised to reflect access and inclusion questions by 30 June 2023	Community and Culture		Event and grant application forms have been updated.



Eastcoast Day on the Farm,
Harvest Festival

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
<p>DP_030: DIAP: SP1.7 Make information available on accessible events, activities, services, support and places, including links to accessibility apps, info on where to get help, inclusive community and council activities</p>	<p>Minimum of 3 events, activities and services with access information is available.</p> <p>Minimum of 5 occurrences of which access information is available on the website</p>	Community and Culture		<p>Information provided and regularly updated on Council's website, including:</p> <ul style="list-style-type: none"> • Events, programs and activities • Support Service information • The Accessible Events Guide • The Accessible and Inclusive Sport and Recreation Resource • The Accessible Nature Central Coast Guide
<p>DP_031: Support community organisation and businesses to effectively deliver a range of external events</p>	10 community events supported	Community and Culture		<p>YTD 50 events have been supported, including:</p> <ul style="list-style-type: none"> • Easy Street Hot Rod Show • Max Adventure – Bouddi Coastal Run • Studio K – Creating Kind • Central Coast Surf Academy - Women's Surf Day • Avoca Waterside Weaving • Terrigal Beach Markets • Pianos For the People • Long Jetty Street Festival • Alive Festival • Symphony Under the Stars • Run 4 Reef • Remembrance Day Memorial Services at The Entrance and Gosford • Tinsel Time in Toukley • Environmental Film night at The Entrance • Rolling Sets Music Festival • Naughty Noodle – Clambake • Chilli Festival • Winter Wonderland at The Entrance
<p>DP_032 Develop and deliver an annual Major Events Program, including but not limited to Chromefest, Harvest Festival, The Lakes Festival, Australia Day, New Year's Eve, Love Lanes Festival and Flavours by the Sea</p>	10 events developed and delivered to 100,000 participants by 30 June 2023	Community and Culture		<p>YTD 17 events were delivered to over 176,600 attendees, with an overall economic impact of over \$21 million.</p>

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_033: DIAP: LC6.3 Provide Council theatre and performance art spaces that are welcoming and inclusive, such as Auslan interpretation, audio description and reserve accessible seating only available to people with disability	Deliver at least 2 accessible activities by 30 June 2023	Community and Culture		Activities and projects include: <ul style="list-style-type: none"> • Are You Pulling My Leg and Connected Comedy shows delivered featuring award winning performers with uncensored entertaining insights to disability • Auslan at David Strassman show • A range of ancillary activities delivered across workshops and tours including a theatre tour with Genesis Special Needs Group.
DP_034: Delivery of high-quality exhibitions and programs at Gosford Regional Art Gallery	150,000 visitors to the gallery by 30 June 2023	Community and Culture		YTD visitation is 136,771, which is 14% below pre COVID-19 levels.
DP_035: Develop and deliver creative arts development projects in partnership with the local creative practitioners and organisations	3 projects delivered (e.g. Arts Professional Development, Public Art, Heard Community) by 30 June 2023	Community and Culture		Activities and projects include: <ul style="list-style-type: none"> • The National Association for Visual Arts (NAVA) delivered a workshop on the new code of practice to 25 artists • The second Graham Camp Sculpture installed at Narara Sensory Park • Council Partnered with Naughty Noodle Fun Haus to present Origami in the Edogawa Garden.
DP_036: Delivery of cultural productions, events and performances at Laycock Street and Peninsula Community Theatres	200 cultural productions, events and performances delivered	Community and Culture		YTD there were 280 events, performances and productions delivered.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_079: DIAP: SP6.1 Consult with Council's Access and Inclusion Reference Group to improve awareness amongst people with disability about local emergency information resources, such as the Central Coast Disaster Dashboard, and advocate to primary agencies about any issues raised about access to emergency information	Access and Inclusion Reference Group have been consulted and feel informed	Community and Culture		Access and Inclusion Reference Group (AIRG) consulted and informed on Get Ready workshops and Disaster Resilience Coordinator attending AIRG quarterly meetings.
DP_080: DIAP SP6.2 Provide 'Get Ready Central Coast' information in accessible formats, including Auslan interpreted, Easy English etc	Get Ready (emergency and resilience) information is available in accessible formats	Community and Culture		Review of all Preparedness and Get Ready Information completed.

Smart



Creative Spaces, Toukley

Tourism

Tourism reached pre COVID-19 levels this year, with the actions from the Destination Management Plan helping to bring visitors to the Coast. One of the key actions was the delivery of the new Visitor Information Centre at The Entrance, which opened in April 2023.

The new facility is multipurpose, incorporates an improved layout and outdoor space for public use, includes a dedicated space for local creatives, has a bookable function area with a modern event space, and much more.

Supported by the Federal Government, the new facility will better meet the needs of our growing community and tourism sector.

Gosford Town Centre

During the latter half of 2022, we received an overwhelming response from the community asking about the future development of Gosford.

In response, a Let's Talk Gosford campaign was launched, bringing together 10 exciting projects that planned to help Gosford reach its full potential and create a city full of life and opportunities.

Let's Talk Gosford was an online campaign hosted on Council's engagement platform - yourvoiceourcoast.com/Gosford, and supported by a large in-person event.

87% of domestic overnight **visitors** to the Central Coast were **from NSW**

5.7 million domestic visitors to the Central Coast

\$1.3 billion visitor economy

LoveCentralCoast.com attracting **625,949** visitors, **1.38** million pageviews

17 ecotourism businesses



Economic Growth

Delivery of activities and projects under Council's Economic Development Strategy were delivered this year, included:

- A Strategic Partnership Agreement with Lake Macquarie's Economic Development Agency. This Strategic Partnership is designed to advance regional economic development initiatives and projects across LGA boundaries. The partnership creates the framework for a new era of closer economic engagement between the Central Coast and Lake Macquarie. It is a commitment to work together to scope, identify and work on mutually beneficial economic development initiatives and projects
- A Central Coast exporters roadmap to enhance international economic engagement and trade. The roadmap identifies the Council's role as one of industry collaboration and communication on the export support services that are on offer to local business that are either currently exporting or have the potential to
- Attendance at an Investment Attraction Local Government workshop and running an internal workshop with the Office of Regional Development (ORD) to identify location-specific endowments, specialisations, competitive advantages, and potential target groups for the Central Coast region. ORD will research target groups to understand size of opportunity and suitability for Central Coast and will produce bespoke promotional material, funded by the State Government.
- Establishment of a Visitor Economy Working Group which brings together the relevant specialist areas of Council, Business NSW Central Coast, Central Coast Food Alliance, Tourism Accommodation Australia, Darkinjung Local Aboriginal Land Council, Gosford Erina Business Chamber (Central Coast Tourism Sub-Committee) and Destination Sydney Surrounds North to information share and collaborate as and when required on destination tourism initiatives and projects
- The first Central Coast industry business database comprising of 28,000 businesses. An Economic Development Electronic Newsletter was developed and launched that promotes economic development growth opportunities (grants and business support programs) to local industry
- Collaborating with Central Coast Industry Connect on its inaugural Central Coast Industry Festival. The two-week Festival included nine free capability building workshops and a three day expo that showcased the best manufacturers and food producers
- Commencing the development of a Night Time Economy Discussion Paper that will detail ways for Council to plan better places for businesses, the local community and visitors after dark. The Discussion Paper will include identification of best practice night-time-economy initiatives, a full review of Council's policies and rules and regulations that impact the night-time economy, placemaking initiatives directly geared to the night-time-economy and a night-economy opportunities plan for Gosford City.



Village Green Toukley pavement art - Mark Smith photography

Operational Plan 2022-23 Performance

14 Deliverables



12
COMPLETED



1
ACTIVE







1
DELAYED









0
INACTIVE

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_037: Develop and adopt an Airport Masterplan	Draft Masterplan developed and exhibition completed by 30 June 2023	Economic Development and Property		Finalisation of the Airport Masterplan to be completed in 2023-24 to allow completion of ecological surveys.
DP_045: DIAP: LC1.3 Continue to improve accessibility of places and spaces in Budgewoi, Umina Beach, Wyong, Gosford and The Entrance	Access improvements (e.g. TGSi and kerb ramps) made in 2 town centres per year	Community and Culture		Operational upgrades within Wyong, Gosford, Toukley and The Entrance including accessible furniture, tactile upgrades and facade upgrades to businesses.
DP_046: DIAP: LC3.1 Investigate options to deliver new Accessible Adult Changing Facilities in a key location	An Accessible Adult Changing Facility is installed in at least 1 town centre	Community and Culture		Accessible changing facility installed as part of the upgrade to The Entrance Visitor Information Centre.
DP_047: DIAP: LC7.4 Ensure universal design and accessibility requirements are considered for all renewal and upgrade programs, new capital works, infrastructure and place planning where practicable	Community and Culture Unit demonstrates 1 application of universal design principles	Community and Culture		Provided 109 instances of advice to internal stakeholders, with ongoing education to continue.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_048: Provide a range of coordinated projects, services and place-making activities to increase activation and improve the visitor experience of The Entrance Town Centre	1 Principal Town Centre (The Entrance) managed, maintained and activated annually	Community and Culture		<p>Projects and services include:</p> <ul style="list-style-type: none"> Outdoor Awnings and Carpark upgrade Operational projects of line marking, new synthetic turf in 4 locations, outdoor blinds, centopath maintenance, new signage along foreshore, new light bulbs throughout the entire town centre, boardwalk maintenance and Azzurro blue maintenance Ongoing development relationships within town centre including attendance at business breakfast, correspondence with 200 business owners and stakeholders Major event support including logistics and on ground staff support.
DP_049: Provide a range of coordinated projects, services and place-making activities to increase activation and improve the visitor experience of Wyong Town Centre	1 Principal Town Centre (Wyong) managed, maintained and activated annually	Community and Culture		<p>Projects and services include:</p> <ul style="list-style-type: none"> Operational projects with shade sails cleaned, new flood lights installed, damaged tree grates repaired, vegetarian clearing, fairy lights installed around the entire CBD Tai Chi delivered weekly to over 409 attendees Two movie nights delivered to 250 attendees Three heritage tours Ongoing development relationships within town centre including attendance at business breakfast, correspondence with 186 business owners and stakeholders.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_050: Provide a range of coordinated projects, services and place-making activities to increase activation and improve the visitor experience of Gosford Town Centre	1 Principal Town Centre (Gosford) managed, maintained and activated annually	Community and Culture		<p>Projects and services include:</p> <ul style="list-style-type: none"> Operational projects of pavement high pressure cleaning, Kibble Park fountain removal and landscaping, William Street Plaza landscaping, Mann Street landscaping, Baker Street footpath upgrade, bollard painting Christmas Window Competition Arancini bar pop up Movie night delivered to 200 attendees Tai Chi delivered to 653 attendees across 46 sessions Ongoing development relationships within town centre with Let's Talk Gosford campaign and meetings with NSW Police to address security / safety concerns.
DP_051: Provide a range of coordinated projects, services and place-making activities to increase activation and improve the visitor experience of Toukley Town Centre	1 Principal Town Centre (Toukley) managed, maintained and activated annually	Community and Culture		<p>Projects and services include:</p> <ul style="list-style-type: none"> Operational projects of tree grate replacement, compliance signage upgrade, Toukley bridge signage upgrade, repainting in Village Green, synthetic turf install, shade sail installation, paver remediation bin hutch replacement Community Christmas event Tai Chi delivered to 1,286 attendees across 49 sessions Two movie nights delivered to 300 attendees Ongoing development relationships within town centre with Information and Ideas Exchange session and correspondence with 200 business owners and stakeholders.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_052: Provide a range of coordinated projects, programs, services and place-making activities to increase activation, improve the visitor experience and support the development of social enterprises and businesses in the Central Coast Major Town Centres	8 projects (e.g., Launchpad, Social Spaces, community banners and street flag installations) delivered by 30 June 2023	Community and Culture		Activities and projects include: <ul style="list-style-type: none"> 52 operational projects within Budgewoi, Umina, Ettalong, Woy Woy and Terrigal town centres Creative Arena at Woy Woy activated with workshops, exhibitions delivered by 9 creative groups to over 451 attendees Parkhouse at Kibble Park activated with exhibitions, workshops and installations delivered by 5 creative groups to over 1,725 attendees Pop up Container at Toukley and The Entrance with exhibitions, workshops and installations delivered by 5 creative groups to over 3,170 attendees Facade improvement program within Wyong, Toukley, Gosford and The Entrance town centres with a total funding pool of \$102,000 Christmas window competition completed with 41 businesses participated and 401 votes received across The Entrance, Toukley, Wyong and Gosford. The Entrance Experience App was launched to coincide with the Lakes Festival 17 campaigns across 11 locations.
DP_053: Deliver the Gosford Waterfront and Stadium Project	Concept options drafted, publicly exhibited and preferred option adopted by 30 June 2023	Economic Development and Property		Concept options drafted, publicly exhibited and preferred Gosford waterfront option adopted.
DP_055: Support Greater Cities Commission to implement the Gosford CBD Innovation District	Actively participate in Innovation District activities coordinated by Greater Cities Commission	Economic Development and Property		Funding confirmed for UON campus on Mann Street Gosford and ongoing monitoring of private investment in Gosford. Safer Cities Her Way program underway as well as night time economy discussion paper to improve safety and activation in the CBD.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_057: Deliver Year 1 Actions from the Destination Management Plan (e.g., touring itineraries, food trails and other visitor economy campaigns)	Actions delivered by 30 June 2023	Communications, Marketing and Customer Engagement		Activities and actions include: <ul style="list-style-type: none"> Delivered FIFA World Cup marketing program targeting UK and Germany markets Digital Deep Dive (digital marketing) program to 10 successful EOI applicants Developed Tourism Excellence Program with a roll out plan for 2023-24 Finalist Top Tiny Town NSW Tourism Awards Successfully launched the first Central Coast Winter Campaign. Social media activities delivered to a growing audience of 79,500 lovecentralcoast.com attracted over 235,911 new users who engaged for an average of 1 minute and 21 seconds per visit.
DP_058: Deliver Young Ambassador Program	By 30 June 2023	Communications, Marketing and Customer Engagement		Program incorporated into work placement intakes for August 2023.
DP_059: Deliver ongoing actions for Eco Destination Certification to encourage and build new ecotourism products in the region	2 new products identified	Communications, Marketing and Customer Engagement		Products and operators include: <ul style="list-style-type: none"> Girri Girra Aboriginal Experiences Firescreek Botanical Winery ECO Destination Marketing Guide produced with storytelling scheduled for rollout Established a new partnership with Take 3 for the Sea and Destination Central Coast partnership for visitor messaging.

Green



Waste

A new landfill cell was completed at our Buttonderry Waste Management Facility this year, providing community disposal needs for the next 4.5 years. The newly constructed cell also won an award for excellence in engineering at the IPWEA (Institute of Public Works Engineering Australasia) Engineering Excellence Awards. Council's team, together with our contractors, faced many challenges during the project including COVID-19 impacts, higher than average wet weather and two significant natural disaster events. Despite all this the new cell succeeded in being delivered on time, on budget and meeting expectations.

Council also delivered the inaugural Sustainable Futures Festival in November 2022, which introduced over 2,600 residents to environmentally friendly activities, displays and advice on how to create a more sustainable future and reduce our carbon footprint. Festival highlights include:

- Performances from Junkyard Beats
- An out of this world 'Waste Maze'
- A Christmas waste prevention seminar from Take 3 For the Sea
- Secrets of the Sea' artwork by Minka Gillian
- Beeswax demonstrations
- A daily welcome to country from Girri Girra
- Meeting the waste fighting duo, The Super Sustainables and their nemesis, The Rubbish Rebel
- A brand new, interactive sustainable education vehicle

21,340 mWh of renewable energy delivered to the grid from landfill gas



5,896 vehicles dropped off chemicals during Chemical Collection events



68,078 tonnes of garden organics recovered for recycling



334 illegal dumping incidents with a 14% decrease of reported incidents since last financial year



Wildlife Protection

A rare nest of endangered loggerhead turtle eggs was discovered at Shelly Beach this year, with two surprised beach walkers finding the nest after seeing a turtle crawl into the waves. Following notification to WIRES, NSW National Parks and Wildlife Service (NPWS), and NSW TurtleWatch a temporary fence was installed to protect the site, with turtle conservationists believing the nesting this far south was due to the warmer water being experienced.

The eggs were then excavated and incubated at Taronga Zoo, with more than 90 turtles hatching and being returned to Shelly Beach for release into the ocean.

Floodplain Planning

The Northern Lakes Floodplain Risk Management Study and Plan, and the Davistown and Empire Bay Floodplain Risk Management Study and Plan were adopted this year, providing insight and recommendations into the management of these flood prone areas.

The studies and plans aim to build community resilience to flooding and include flood mitigation works, emergency management plans, flood warning processes, flood education programs, land use planning, and suitable design of infrastructure and buildings.

During their development extensive community consultation took place with residents and businesses within the subject areas, with feedback received from community submissions used to guide amendments to the final documents.

Implementation of the plans is dependent on funding, but with these plans now in place we will have a greater chance at being successful when applying for available grant funding.

Operational Plan 2022-23 Performance

11 Actions / Measures / Projects



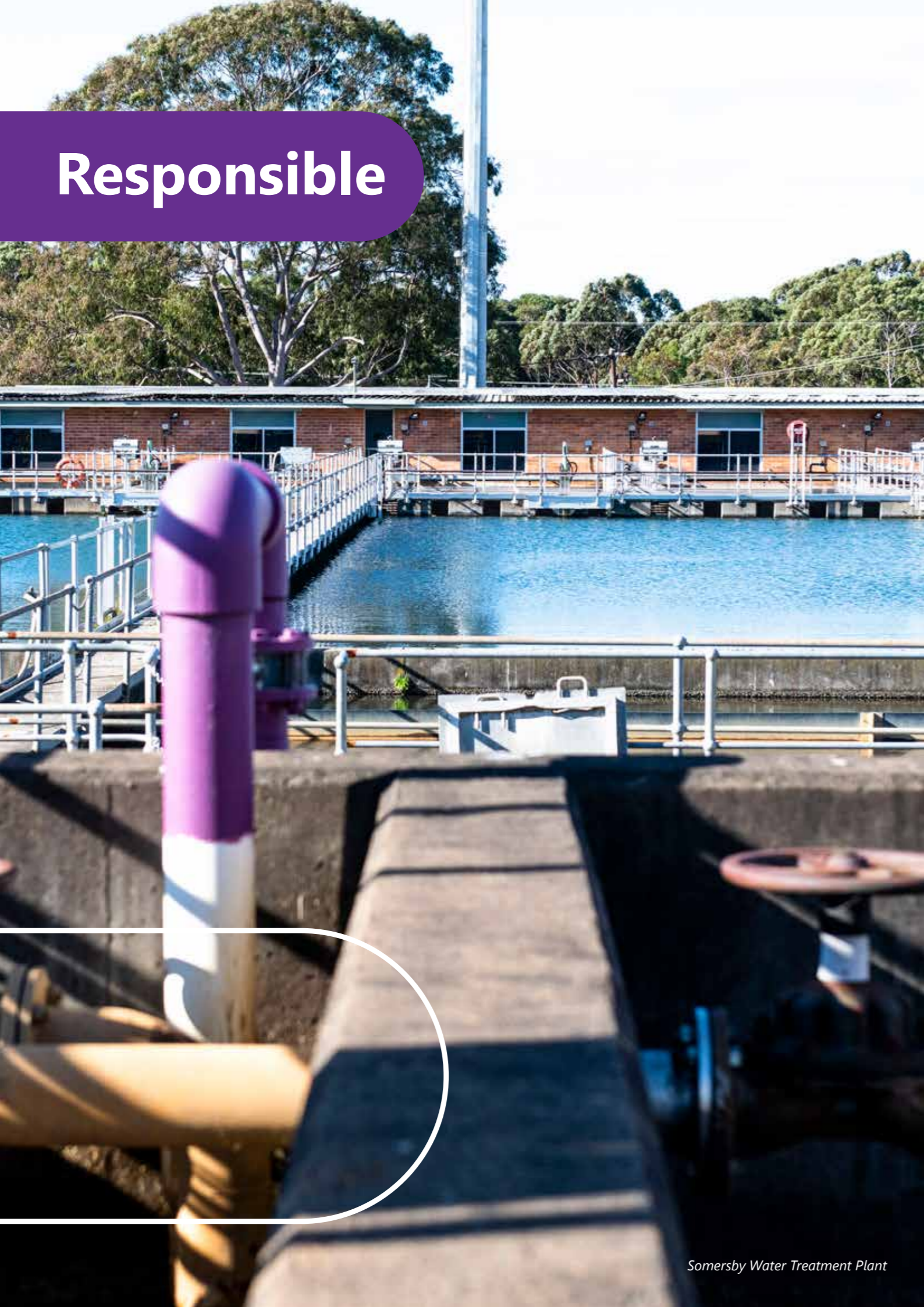
Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_068: Collection of at least 5,000 cubic metres of wrack per annum from the Tuggerah Lakes Estuary to encourage near shore mixing and improved water quality in the near shore zone	By 30 June 2023	Environmental Management		7,329m ³ of wrack collected.
DP_069: Provide public space litter and recycling infrastructure and servicing	> 99% of public litter bins collected in accordance with demand driven service schedule	Waste and Resource Recovery		99.9% of scheduled public litter bin collection services were completed on the scheduled day for the year.
DP_070: Expand the diversion of domestic waste from landfill through implementation of appropriate contracts and optimisation of resource recovery activities at Councils waste facilities	>40% of domestic waste diverted from landfill	Waste and Resource Recovery		Council diverted 43% of domestic waste volumes from landfill, with over 60,000 tonnes of household recyclables, garden organics, and scrap metal resource recovered and sent for recycling during the year.
DP_071: RMS 2.1 and SCAP 4b: Investigate and plan for a large-scale processing solution for Food Organics and Garden Organics (FOGO)	Options presented to Council for consideration by 30 June 2023	Waste and Resource Recovery		Report detailing options and recommendations presented to Council in February 2023. Council resolved to progress to the detailed business case for the delivery of an in vessel composting facility. To be located at Council's Buttonderry Waste Management Facility, and delivered through a public / private partnership.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_073: DIAP LC1.1 Continue to make beaches more accessible with installation of beach matting and other accessible features	4 beach mats installed at beaches, including Ocean Beach, Umina, Terrigal, and Toowoona Bay	Environmental Management		Beach mats installed at Ocean Beach, Umina, Terrigal and Toowoona Bay.
DP_074: BS 1.2.1: Implementation of site management plans to rehabilitate degraded bushland and coastal ecosystems	Implementation of site management plans is progressed in at least 50 reserves by 30 June 2023	Environmental Management		Site Management Plans implemented on 75 Council reserves.
DP_075: Manage key threats to populations of threatened species on Council managed land. Management actions may include habitat restoration, fox control and access control at locations such as the little tern nesting area at The Entrance North	Implementation of actions completed by 30 June 2023	Environmental Management		Pest management program undertaken, with Little Tern season completed with reasonable success. A Loggerhead Turtle nesting site at Shelly Beach was also protected.
DP_076: SCAP 1b: Develop and complete Bio-Resilience Project	Species Management Plan (SMP) for squirrel gliders and swift parrot species developed by 30 June 2023	Strategic Planning		Swift Parrot and Squirrel Glider Species Management Plans (SMPs) in progress, with field surveys complete and modelling for each underway. SMPs to be completed in 2023-24.
DP_082: Complete Stage 3 (identify and evaluated options) of the new Coastal Management Programs (CMP) in accordance with the Coastal Management Manual and the Coastal Management Act 2016	Completion of Stage 3 by 30 June 2023	Environmental Management		Open Coast CMP Stage 2 completed and commencement of Stage 3 achieved. Grant funding for Stages 3 and 4 for the Open Coast CMP and for Stage 3 of the Hawkesbury Nepean CMP received in March 2023. Stage 2 technical studies have taken longer to complete due to realised complexities and resourcing constraints.



Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_084: Enhance community resilience against natural disasters	Flood information tool for Tuggerah Lakes and Lagoons available online by 30 June 2023	Environmental Management	✓	Updated Tool has now been developed and is live online on Council's website.
DP_085: SCAP 4a: Maximise landfill gas capture rates through the installation of new infrastructure, the upgrade of existing equipment and changes to management practices	10% increase in landfill gas capture and combustion rates at the Woy Woy Waste Management Facility relative to 2020-21 levels	Waste and Resource Recovery	✓	New gas collection and combustion infrastructure was installed and commissioned during the year resulting in 5.5Mm ³ of landfill gas being captured and combusted and 6,152MWh of renewable energy generated and delivered to the grid. This is the equivalent to supplying electricity to 1,025 households. This is a 133% increase to landfill gas capture and combustion rates relative to the same period in 2020-21.

Responsible



Somersby Water Treatment Plant

Customer Responsiveness

As part of our customer improvement program a new call centre solution was implemented this year, resulting in the 1300 number being replaced with a new local number.

To deliver the new solution we partnered with the NSW Department of Customer Service's Government Technology Platforms (GTP) group, providing a cost saving to Council. It includes new on hold music, better call quality and our favourite addition, a call back feature.

During the year we also focussed on improving our customer responsiveness with an overall responsiveness rate reaching 78% and our 5 day responsiveness rate at 68%, compared to 44% and 35% respectively.

42,095 service requests

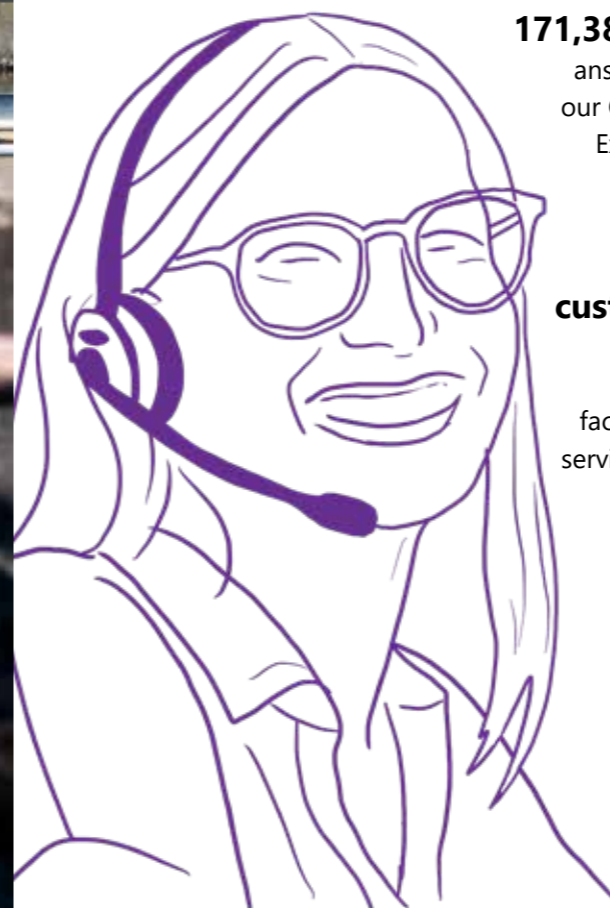
were lodged on behalf of customers, with 6,357 requests resolved at the first point of contact

171,386 calls

answered by our Customer Experience team

22,338 customers served

across all face-to-face service points



Development, Health and Building

2,803 DA's lodged and 2,626 determined



146 formal pre-lodgement meetings

held with prospective applicants, with a potential development value of \$1.184 billion



118 subdivision certificates issued



815 lots released - an increase from 488 lots released in 2021-22.



1,005 food safety inspections of retail food businesses



643 building certification inspections



Processed 256 building information certificates



Roads and Drainage

Despite the extreme weather and the need to provide emergency response across our road network during and following multiple storm events, the roads and drainage team had a successful year completing their program of works, including:

- Introduced the Transport for NSW (TfNSW) systems of Live Traffic for Central Coast Council covering traffic impacts and road closures
- Delivered the Road Maintenance Council Contract (RMCC), which sees Council manage and deliver significant resurfacing works on behalf of TfNSW. For the second year running we delivered 100% of the requested works making us the leading Council in the Hunter Region
- Full network road condition survey completed, with the data to be used to update Council's pavement management system, develop optimised road treatment strategies and inform the 10 year road renewal capital works program.
- Major roads, drainage and design projects:
 - Yakalla Street, Shelly beach culvert and road upgrade, with associated water main and sewer relocation
 - Lakedge Avenue, Berkeley Vale road and drainage upgrade (stage 2), with associated water main relocation designs
 - Steyne Road, Saratoga road and drainage upgrade (stage 1 and 2)
 - Little Wobby Wharf upgrade
 - Virginia Road, Warnervale culvert and road upgrade
 - Warnervale Road, Hamlyn Terrace culvert and road upgrade
 - Springwood Street, Umina Beach road and drainage upgrade
 - St Huberts Island Bridge safety fence upgrade
 - The Ridgway Rd, Avoca Beach road and drainage Upgrade
 - Kala and Walu Avenue, Halekulani road and drainage upgrade
 - Davistown Road, Davistown road and drainage upgrade
 - Batley Street, North Gosford road and drainage upgrade
 - Old Maitland Road, Mardi road safety improvements
 - The Everglades, Umina Beach drainage upgrade
 - Maloneys Bridge, Brush Creek bridge upgrade
 - Racecourse Road, Gosford shared path upgrade
 - Central Coast Highway, Erina shared path upgrade



109,418 potholes repaired - 28% increase on previous year due to increased wet weather



320km unsealed road grading



68km table drains cleared

10km open drains cleared



11km of cleared pipe and box culverts

Water and Sewer

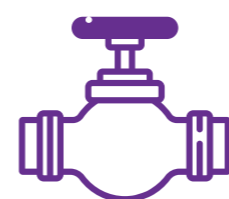
We delivered our first Water and Sewer performance report to customers, detailing our performance from 2017 – 2022, including water main breaks, water quality, sewage overflows, water sampling results, calls answered within 2 minutes, number of connected properties, and water consumption.

To view the performance reports, visit: https://cdn.centralcoast.nsw.gov.au/sites/default/files/2023-09/central_coast_council_water_and_sewer_performance_report_2022-2023.pdf

Other achievements this year include:

- Awarded the contract for the Mardi Water Treatment Plant upgrade and design
- Sewer rising main extension at Bungary Road at Norah head
- Partial rising main replacement at Gwandalan

And one good outcome of the ongoing heavy rainfall meant that Mangrove Creek Dam reached its full capacity. This puts the Central Coast's water supply in a secure position for years to come. However, it was not without its challenges, with rising water levels unpredictable during a natural disaster, it required constant on ground monitoring of the situation and providing daily advice to impacted communities as required. This is the first time the dam has reached full capacity since construction was completed in 1982.



23km of upgraded sewer mains

5.5km of water main renewals



Attended to **366 mains breaks**

Attended to **683 sewer breaks and chokes**



Over **14,200 calls** to the Water Operations Centre



Operational Plan 2022-23 Performance

69 Deliverables








Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_086: DIAP: LC2.2 Work with state government on Gosford City planning to facilitate accessible linkages across Gosford, including links to key hubs and facilities, for example Gosford Train Station and Gosford Hospital	Advocate to NSW Government to provide priority accessible linkages to key hubs and facilities within Gosford	Strategic Planning	✓	Ongoing discussions are being held with NSW Government agencies to support revitalisation of Gosford. The Central Coast Integrated Transport Strategy (action DP_228) will also assist with Council's advocacy role on transportation solutions for the Central Coast and Gosford CBD.
DP_088: DIAP: SP1.5 Update existing guidelines (e.g., Writing Style Guide and Brand Style Guide) with accessibility requirements to assist Council staff to develop information that is accessible	Guidelines have been updated to include accessibility requirements and is available to staff by 30 June 2023	Communications, Marketing and Customer Engagement	✓	Writing Style Guide update completed and information available to staff on Council's intranet.
DP_089: DIAP: SP1.6 Create and promote a Council guide for creating accessible videos; and update procurement terms of engagement (purchase order) to ensure contractors follow the guide	Video guide and procurement terms of engagement completed and available on Vendor Panel by 30 June 2023	Communications, Marketing and Customer Engagement	✓	Guidelines on Creating Accessible Videos is publicly available to the Local List of suppliers through Vendor Panel. The guidelines have been promoted to Council staff through internal communications and are available on Council's intranet.








Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_093: Deliver actions from the Council's annual Communications Campaign Plan	Plan delivered by 30 June 2023	Communications, Marketing and Customer Engagement	✓	Actions implemented, with some actions to be aligned with the revised Engagement Strategy and Communications Campaign Plan in 2023-24.
DP_100: Review and implement updated Fraud and Corruption framework	Framework reviewed, updated and implemented by 30 June 2023	Governance, Risk and Legal	⌚	The commencement of this audit was delayed. Measures to reduce risk have been implemented proactively including reducing excess leave, limited key person dependencies and updates to the Office of the Internal Ombudsman.
DP_101: Review the outsourced internal audit model to determine ongoing suitability	Review conducted and ongoing suitability determined by 30 June 2023	Governance, Risk and Legal	✓	Considered service model in conjunction with the Enterprise Risk Management Framework Review and determined ongoing outsourcing most appropriate model.
DP_105: Develop and implement an online Contributions Calculator	Calculator developed and available online by 30 June 2023	Strategic Planning	⌚	Internal review of project has been undertaken. Calculator released in 2023-24 to align with preparation of Local Infrastructure Contribution Plan.
DP_106: Prepare Council's first annual report on Contributions Plans	Report prepared by 30 November 2022	Strategic Planning	✓	Financial reporting based on income and expenditure has been developed. Developer Contribution income (cash and non-cash) is also included in Council's Financial Statements.
DP_109: Develop new revenue streams for the Visitor Information Centre	Increase in sales revenue by 10% and achieved by 30 June 2023	Communications, Marketing and Customer Engagement	⌚	Strategy developed. Target not met as Centre opened later than planned, April 2023. Actions from Revenue Strategy will continue into 2023-24.
DP_114: Percentage of road and drainage capital works projects completed to scope and budget	90% of capital projects completed to scope and budget	Road and Drainage Infrastructure	✓	The overall road, drainage and pathways capital expenditure is 98%.
DP_120: DIAP: SP2.1 Implement use of 'speech to text' technology for frontline staff to communicate with people who are deaf and promote that it's available	Speech to text technology has been implemented at all customer service locations and customer service staff are proficient in the use of the system	Communications, Marketing and Customer Engagement	✓	Target met. New employees continue to be trained as onboarded

















Road Crew

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_121: Deliver the Customer Insights Program	Conduct 3 transactional customer feedback surveys by 30 June 2023	Communications, Marketing and Customer Engagement		Annual Customer Experience telephone survey completed and one CX transactional survey completed in June with customer follow up. Only 2 surveys were conducted as need for program change and budget allocation to new program in 2023-24
DP_123: Develop 5-year Asset Management Plan for five Council websites addressing the development and maintenance of all sites' functions and content planning cycle	By 30 June 2023	Communications, Marketing and Customer Engagement		Project on hold for 2022-23 due to resourcing constraints. To be implemented in 2023-24.
DP_124: Implement new call centre software to provide quality system enabling a better customer and staff experience	By 31 December 2022	Communications, Marketing and Customer Engagement		Target met. Implementation of new call centre software was delivered on 13 October 2022. A new Council contact number (4306 7900) was introduced and communicated as part of the implementation.
DP_126: Improve quality of information and responses for Customer Experience request system	70% of CXs are responded to within 5 working days	Communications, Marketing and Customer Engagement		Corporate target not met, however response rate within 5 days has improved to 68%.
DP_127: Streamline process and procedures for Customer Knowledge Base (linked to DIAP SP1.4)	Customer Service Knowledge Base has been updated and is in use by 30 June 2023	Communications, Marketing and Customer Engagement		Knowledge Base support from the business improvement, with 100% of Page Contact Details completed, 76% Full Quality Check completed and 24% Incomplete Quality Check as at 30 June 2023.
DP_131: Develop a Central Coast Council Outdoor Dining Policy	Policy has been adopted by Council by 30 June 2023	Environmental Compliance Services		Closed in Q1. A Local Approvals Policy is underway, which will supersede the need for an Outdoor Dining Policy.
DP_133: Percentage of food and public health inspections completed (includes food, hairdressers, skin penetration, public swimming pools and caravan parks)	675 public health inspections completed by 30 June 2023	Environmental Compliance Services		A total of 1,078 public health inspections completed.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_136: DIAP: SP4.2 Review accessibility and inclusiveness of Council Meetings, including investigation of closed caption webcasts	Accessibility review conducted on end-to-end conduct of Council Meetings completed by 30 June 2023	Governance, Risk and Legal		Undertook improvements to business paper distribution, repaired Chamber hearing loop, and improved physical access by opening Function Room for live stream viewing. Improvement will continue in 2023-24.
DP_174: DIAP: LC7.4 Ensure universal design and accessibility requirements are considered for all renewal and upgrade programs, new capital works, infrastructure, and place planning where practicable	Procurement and Project Unit demonstrates 1 application of universal design principles	Procurement and Project Management		Universal design principles carried out through all contract documentation with the inclusion of relevant guidelines and standards regarding accessibility.
DP_183: DIAP: SP1.3 Identify and provide key Integrated Planning and Reporting documents (or summaries of these) in accessible formats, such as Community Strategic Plan, Annual Reports and Operational Plans (with a minimum of 5 documents by 30 June 2025)	Accessibility improvements made to the Integrated Planning and Reporting documents by 30 June 2023	Strategic Planning		The Annual Report 2021-22 and Operational Plan 2023-24 included accessibility improvements.
DP_185: Undertake a review of the Community Strategic Plan and develop the next Delivery Program and Resourcing Strategy	Determine engagement and overall process for review of CSP and commence engagement by 30 June 2023	Strategic Planning		Internal engagement was conducted and will continue as part of the wider engagement plan. External engagement to commence in 2023-24.
DP_188: Develop and implement a framework and approach to Service Reviews	Framework and approach developed by 30 June 2023	Strategic Planning		The Service Optimisation Framework was adopted by Council on 23 May 2023. Priority service identified for review in 2023-24.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_191: Provide a reliable, safe, cost effective and environmentally responsible domestic waste collection to the Central Coast region	> 99% of domestic waste bins collected on the scheduled date.	Waste and Resource Recovery		99.9% of domestic waste bin collection services completed on the scheduled day during the quarter.
DP_194: DIAP: LC2.3 Continue to implement program to make bus stops accessible, including supporting infrastructure like pathways and kerb ramps	25 bus stops made more accessible by 30 June 2023	Road and Drainage Infrastructure		Council upgraded 26 bus stops to improve accessibility.
DP_195: Kilometres of road pavement to be renewed	11km of road pavement renewed by 30 June 2023	Road and Drainage Infrastructure		Council renewed 29.6km of existing road pavement. The significant increase is due to grant funding received during the year.
DP_196: Kilometres of road resurfacing to be renewed	29km of road resurfacing to be renewed by 30 June 2023	Road and Drainage Infrastructure		Council resurfaced 33km of existing road pavement.
DP_198: Kilometres of drainage infrastructure constructed	2.6km of drainage infrastructure to be constructed by 30 June 2023	Road and Drainage Infrastructure		Council constructed 3.9km of drainage infrastructure.
DP_212: Number of days until the Local Traffic Committee Minutes are made available to the public	Local Traffic Committee Minutes available on Council's website within fourteen (14) days following the meeting	Engineering Services		91.5% of the Local Traffic Committee minutes published to Council's website within 14 days with only a minor delay experienced in June.
DP_214: Public safety and community satisfaction with the amenity of roadsides	>70% of annual scheduled servicing of Roadside Vegetation completed on time	Open Space and Recreation		73% of roadside vegetation maintenance completed.









Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_215: DIAP: LC7.4 Ensure universal design and accessibility requirements are considered for all renewal and upgrade programs, new capital works, infrastructure and place planning where practicable	Roads and Drainage Infrastructure Unit demonstrates 1 application of universal design principles	Road and Drainage Infrastructure		Universal design and accessibility requirements are considered in the development of every road and drainage design for renewal, upgrade and new capital works projects where it is practical. For example, the Tuggerawong foreshore shared path project which included the provision of pram ramps and raised boardwalk ramps to facilitate access and manage level changes in a way that ensures accessibility for all members of the community.
DP_218: DIAP: LC5.1 Research and investigate accessible parking sites to fit minibuses/ minivans with rear hoists (e.g. The Entrance)	Recommendations made on opportunities to provide suitable parking for minibuses / vans with rear hoist	Engineering Services		A number of opportunities have been identified including at Avoca Beach, which is going through investigations, and Terrigal Beach which is being investigated for implementation.
DP_219: DIAP: LC5.2 Research opportunity to increase accessible parking spots at beaches, shops and schools close to entrances and facilities (with compliant widths and clearance zones)	Recommendations made on opportunities to increase accessible parking	Engineering Services		A number of opportunities have been identified including at Avoca Beach, which is going through investigations, and Terrigal Beach which is being investigated for implementation.
DP_221: Create the capital works interactive map for roads, drainage and footpath projects	The interactive map will be available to the community on Council's website in July 2022	Engineering Services		Capital works map for all capital projects is available on the website.
DP_222: Maintain and update the roads, drainage and footpath capital works interactive map	The interactive map will be updated to the community on a monthly basis	Engineering Services		Capital works map for all capital projects is available on the website and updated on a monthly basis.
DP_228: Complete the development of an Integrated Transport Strategy	Integrated Transport Strategy drafted by 30 June 2023	Strategic Planning		Drafting of Strategy is underway, included in 2023-24 plan for exhibition by 30 June 2024.








Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_229: Review the Northern Districts Contribution Plan	Review completed and Northern Districts Contribution Plan exhibited by 30 June 2023	Strategic Planning		Draft plan is complete. Awaiting completion of land valuations to allow plan to be publicly exhibited.
DP_230: Review The Entrance Contribution Plan and revise or develop a new contribution plan	Review completed and The Entrance Contribution Plan exhibited and adopted by 30 June 2023	Strategic Planning		Closed in Q2. The review of The Entrance Contribution Plan will be considered in a review and consolidation of Section 7.11 Plans in future financial years.
DP_231: Review the Peninsula Contribution Plan and revise or develop a new contribution plan	Review completed and Peninsula Contribution Plan exhibited and adopted by 30 June 2023	Strategic Planning		Closed in Q2. The review of the contribution plan will be completed concurrently with the Peninsula District Place Plan.
DP_232: Review the 7.12 Local Infrastructure Contribution Plan	7.12 Local Infrastructure Contribution Plan exhibited and adopted by 30 June 2023	Strategic Planning		Draft Contribution Plan prepared for exhibition in August 2023. Plan to be finalised 2023-24.
DP_233: Review the Wyong District Contribution Plan and revise or develop a new contribution plan	Wyong District Contribution Plan review commenced by 30 June 2023	Strategic Planning		Review of the Wyong District Contribution Plan has commenced. The review is being completed concurrently with the Wyong District Place Plan.
DP_237: Water Quality complaints per 1000 properties	8	All WS Units		Full year KPI = 9.0. KPI was high for reporting year due to significant number of dirty water complaints in November 2022, and January to March 2023.
DP_238: Average frequency of unplanned interruptions per 1000 properties	115	All WS Units		Full year KPI = 170.2. KPI was high for the year due to a large number of water main breaks over the reporting period interrupting service to customers, particularly in March, May and June 2023.
DP_239: Water main breaks per 100km of main	14	All WS Units		Full year KPI = 16.4 KPI was high for the year due to a large number of water main breaks over the reporting period, particularly in March, May and June 2023.



Kincumber Sewage Treatment Plant

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_240: Compliance with Australian Drinking Water Guidelines - microbial guideline values (%)	100%	All WS Units	✓	100% of health-related microbial guideline values met.
DP_241: Compliance with Australian Drinking Water Guidelines - chemical guideline values (%)	100%	All WS Units	🕒	99.6% of health-related chemical guideline values met for 2022-23. Two instances elevated concentration of Nickel and one instance elevated concentration of Lead were reported for different sample sites. These sites were resampled and tested, and the result was compliant with the respective guideline values. It is likely that the original elevated results were due to sample contamination from aging plumbing fittings.
DP_242: Wastewater overflows per 100km of main	30	All WS Units	✓	Full year KPI = 20.73
DP_243: Wastewater overflows reported to the environmental regulator per 100km of main	1.5	All WS Units	🕒	Full year KPI = 2.1, due to a relatively high number of monthly reports to the environmental regulator in the reporting year.
DP_244: Wastewater mains breaks and chokes per 100km of mains	34	All WS Units	✓	Full year KPI = 26.31
DP_246: Water sampling and results	Daily sampling reported on Council's website each quarter	All WS Units	🕒	New measure introduced by IPART. Currently working through community consultation process to determine how best to present this data on the Council website.
DP_247: Operating results per property, water and sewerage	Reporting on operational costs quarterly	All WS Units	✓	Operating expenditure results per property placed in Water and Sewer Performance Report and published on Council's website on 30 September 2022.
DP_248: Sewer overflows in dry weather per 100kms of main	Reported quarterly on Council's website	All WS Units	✓	Full year KPI = 13.21 Webpage upgrade to report this data currently underway.
DP_249: Sewer overflows in wet weather per 100kms of main	Reported quarterly on Council's website	All WS Units	✓	Full year KPI = 7.51 Webpage upgrade to report this data currently underway.
DP_252: Complete the Central Coast Heritage Review	Review completed by 30 June 2023	Strategic Planning	⊖	Closed in Q2. A planning proposal, including stakeholder engagement with key state and private groups, will be necessary to add these new items to the LEP. Project deferred to 2023-24.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_253: Prepare a Central Coast Thematic History	Draft a Central Coast Thematic History by 30 June 2023	Strategic Planning		Draft Central Coast Thematic History has been prepared.
DP_257: Percentage of residential development applications (housing dual occupancy and secondary dwellings) determined within 40 days (gross calendar days)	30%	Development Assessment		16% of residential development applications determined within 40 days for 2022-23.
DP_258: Number of mean assessment days for all development applications	< 80 days	Development Assessment		Mean assessment time for all applications was 126 for 2022-23.
DP_259: Complete the Central Coast Street Design Manual by 30 June 2025	Phase 2 completed by 30 June 2023	Strategic Planning		Public exhibition of Street Design Guidelines completed.
DP_263: Complete Phase 2 (Deferred Lands) of the Environmental Lands review	Phase 2 (Deferred Lands) exhibited and adopted by 30 June 2023	Strategic Planning		Agency Consultation is nearing completion. Planning Proposal to be exhibited 2023-24.
DP_265: Continue development of an Employment Lands Strategy	Employment Lands Strategy exhibited by 30 June 2023	Strategic Planning		Draft Employment Land Strategy redrafted to ensure consistency with the Central Coast Regional Plan 2041, new Guidelines for Employment Land Strategies and Employment Zone Reforms, which commenced in April 2023. The draft Employment Land Strategy is expected to be reported to Council Q2 2023-24, seeking approval for public exhibition.
DP_266: Continue development of the Greater Warnervale Structure Plan	Greater Warnervale Structure Plan exhibited by 30 June 2023	Strategic Planning		Public exhibition of Draft Greater Warnervale Structure Plan completed.
DP_267: Develop and adopt a District Place Plan for the Peninsula and West Brisbane Water Social Planning Districts by 31 December 2023	Studies completed and a Draft Peninsula and West Brisbane Water District Place Plan prepared by 30 June 2023	Strategic Planning		Closed in Q2. Unable to be delivered with available resources and other priorities.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_268: Develop and adopt a District Place Plan for the Wyong Social Planning District by 30 June 2024	Studies completed and preparation of a Draft Wyong District Place Plan underway by 30 June 2023	Strategic Planning		Draft District Place Plan has been completed. Public consultation and finalisation to be completed 2023-24.
DP_272: Complete a review of the Interim Local Strategic Planning Statement (LSPS) and a new LSPS developed and adopted (pending Local Government election)	Review of Interim LSPS completed and revisions to LSPS adopted by 30 June 2023	Strategic Planning		Closed in Q2. Unable to be delivered with available resources and other priorities.
DP_274: AAHS - Progress the Council Affordable Housing Land Proposal	Progress on Affordable Housing Development on Land in Ashton Street at The Entrance by June 30 2023	Community and Culture		Council resolved to assign Ashton Street site to Pacific Link Housing following EOI process.
DP_276: AAHS - Undertake actions to educate, raise awareness and advocate on affordable housing and homelessness key issues/gaps/challenges/successes	3 education / awareness raising / advocacy actions are undertaken by June 30 2023	Community and Culture		Activities include: <ul style="list-style-type: none"> • 'A walk in our shoes' activation at Terrigal for Homelessness Week delivered • Homelessness protocol updated with contemporary language. • Crisis relief cards updated with 200 cards sent out.
DP_279: DIAP: LC7.2 Promote Universal design through Council's Housing Strategy	Council's Housing Strategy includes universal design principles	Strategic Planning		This matter has been addressed and included in the Central Coast Local Housing Strategy.
DP_280: Continue development of a Housing Strategy	Housing Strategy drafted for exhibition by 30 June 2023	Strategic Planning		Public exhibition of Draft Housing Strategy completed.
DP_332: Develop a Local Approvals Policy	Local Approvals Policy is exhibited and adopted by 30 June 2023	Strategic Planning		Draft Local Approvals Policy and draft Outdoor Trading Specification are complete. Public consultation and finalisation of documents to be completed 2023-24.

Liveable



Wyong Olympic Pool

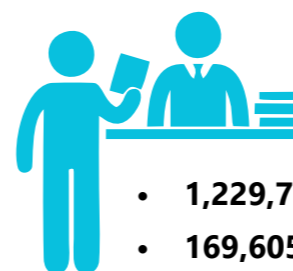
Love of Libraries

Our libraries celebrated an incredible milestone with 75 years of service to our community. The very first library to be established on the Central Coast was Woy Woy Library in 1948, followed by Gosford Library in the same year.

A key factor in the survival of our libraries has been the evolution of libraries into community centres with public internet access, technology classes, meeting rooms, and a range of programs and events for all ages. COVID-19 also impacted the delivery of the service with mobile library services evolving from the pandemic and is a continued service providing access to books and our librarians to people who are isolated or unable to get to one of our library branches.

Other achievements this year include:

- Development consent for the Gosford Regional Library and tenders advertised
- Service desks and storage solutions updated at Bateau Bay and Umina Beach libraries (funded through Local Roads and Community Infrastructure Program)
- New shade sail at Kincumber Library (funded through Local Roads and Community Infrastructure Program)
- Book lockers installed at Umina Beach, Erina and Tuggerah libraries.



- **1,229,792 loans**
- **169,605 PC / WiFi sessions**
- **558,194 library visits**

Active Lifestyle

Council put its support behind the national Sport4All program, as the first local government area to sign up to the program in New South Wales. Sport4All aims to help sporting clubs and schools become more accessible and inclusive to support people with disability to have choice and control over where and how they would like to participate in sport. It is funded by the Australian Government and delivered by Get Skilled Active, who's founder is Dylan Alcott.

Improvements to our sport and recreation infrastructure this year includes:

- Peninsula Leisure Centre heat and ventilation upgraded, a \$3.7 million investment
- Lake Haven Recreation Centre gym equipment replaced, a \$300,000 investment.
- Wyong Pool grand stand upgraded, a \$100,000 investment
- Gosford Pool filtration, heat pump and solar installation, a \$273,000 investment
- Skate park replacement and pump track upgrade at Kariong Oval.



1,150,653 visitors
across Council's six leisure centres and pools



38,955 swim lessons



3,409 group fitness classes



2,422 Active Kid Vouchers and First Lap vouchers, valued at more than \$240,000

155 events hosted by **Central Coast Regional Sports Complex**, an economic value of over **\$9 million** to the region



Mackenzie Reserve, Budgewoi

Playspace Upgrades

Our region boasts many young families and we pride ourselves on providing and maintaining many accessible play spaces for our community. Some of the upgrades and instals that you may have noticed in our region over the year include:

- Killarney Vale, Pioneer Park – nature playspace
- Avoca Beach, Ross Park – district playspace
- Mardi, Woolmers Crescent – local playspace
- East Gosford, Hylton Moore Oval – local playspace

- North Avoca, Palm Gully Park – local playspace
- Pretty Beach, Turo Reserve – local playspace
- Saratoga, Jirramba Reserve – local playspace
- Budgewoi, Mackenzie Reserve – district level playspace renewal.

A number these playspace projects were made possible through joint funding by the Australian Government, Council and various community local community groups.

Operational Plan 2022-23 Performance

26 Actions / Measures / Projects














Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_282: Develop a Faster Rail position paper to advocate its delivery	Position paper developed and adopted by 30 June 2023	Strategic Planning	⊖	Closed in Q2. Position paper will be incorporated into the Integrated Transport Strategy. Advocacy included in Council's submission on the draft Central Coast Regional Transport Plan.
DP-283: Advocate for cycling infrastructure (e.g. on-ride bike lanes) to be constructed as part of upgrades or improvements to the State Road network	Advocate for cycling infrastructure on two State Road through consultation / workshops by 30 June 2023	Engineering Services	✓	Attended various workshops on State Road proposals and advocated for new and improved walking and cycling infrastructure across a range of projects.
DP_284: BP 8.2: Review existing and potential demand for bike racks at key destinations, bike sheds at bus interchanges, and end-of-trip facilities for commuters in key CBDs	Review completed by 30 June 2023	Road and Drainage Infrastructure	✓	Improvements to end-of-trip facilities in key CBD areas across the local government area have been systematically reviewed in conjunction with project delivery and strategy reviews. As an example, new bike racks were installed in The Esplanade at Ettalong as part of a recent road safety project.
DP_285: DIAP: LC2.1 Implement actions from the Pedestrian Access and Mobility Plan (PAMP), seeking external funding as required	4.8km of pathway constructed or improved by 30 June 2023	Road and Drainage Infrastructure	✓	Council constructed 4.9km of shared paths and footpaths across the course of the financial year.



Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_287: DIAP: LC1.4 Continue to make parks and play spaces more accessible and inclusive, with design informed by the 'Everyone Can Play Guidelines'	All new and upgraded play spaces have continuous paths of travel and inclusive play elements	Open Space and Recreation	✓	All playspaces completed and currently in construction phase have accessible paths and inclusive play elements.
DP_288: DIAP: LC7.4 Ensure universal design and accessibility requirements are considered for all renewal and upgrade programs, new capital works, infrastructure and place planning where practicable	Open Space and Recreation Unit demonstrates 1 application of universal design principles	Open Space and Recreation	✓	Ross Park District Playspace renewal has included universal design principles for the pathways and rubberised soft fall to equipment to make them accessible.
DP_291: Community satisfaction with level of service being maintained on all Central Coast Council parks and reserves	>90% of annual scheduled servicing of parks and reserves completed on time.	Open Space and Recreation	✓	94% of parks and reserves scheduled services completed for the full year.
DP_292: Delivery of a high-quality leisure facility and programs at Gosford Olympic Pool	Gosford Olympic Pool attracts 185,000 visitors per year	Leisure, Beach Safety and Community Facilities	✓	Gosford Olympic Pool attracted 224,971 attendances participating in swimming lessons, aqua fitness, recreational swimming, water polo and for rehabilitation during the year.
DP_293: Delivery of a high-quality leisure facility and programs at Peninsula Leisure Centre	Peninsula Leisure Centre attracts 400,000 visitors per year	Leisure, Beach Safety and Community Facilities	✓	Peninsula Leisure Centre attracted 505,572 attendances participating in swimming lessons, fitness, sports programs, recreational swimming, water polo and for rehabilitation during the year.
DP_294: Delivery of a high-quality leisure facility and programs at Niagara Park Stadium	Niagara Park Stadium attracts 100,000 visitors per year	Leisure, Beach Safety and Community Facilities	✓	Niagara Park Stadium attracted 121,665 attendances participating in sports programs, training sessions and events during the year.
DP_295: Delivery of a high-quality leisure facility and programs at Lake Haven Recreation Centre	Lake Haven Recreation Centre attracts 100,000 visitors per year	Leisure, Beach Safety and Community Facilities	✓	Lake Haven Recreation Centre attracted 121,535 attendances participating in fitness and sports programs during the year.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_296: Delivery of a high-quality leisure facility and programs at Wyong Olympic Pool	Wyong Olympic Pool attracts 30,000 visitors per year	Leisure, Beach Safety and Community Facilities	✓	Wyong Olympic Pool closed for operation on 31 March 2023 with 40,561 attendances participating in swim programs, water polo and recreational swimming during the year.
DP_297: DIAP: LC7.4 Ensure universal design and accessibility requirements are considered for all renewal and upgrade programs, new capital works, infrastructure and place planning where practicable	Leisure, Beach Safety and Community Facilities Unit demonstrates 1 application of universal design principles	Leisure, Beach Safety and Community Facilities	✓	Universal design and accessibility improvements, have been incorporated in the planning and design for the Niagara Park Stadium upgrade project. The project includes improved accessible entry and parking, and amenity improvements. Construction will commence in 2023-24.
DP_298: DIAP: LC6.2 Plan and deliver community, cultural, sporting, recreation, leisure and learning events, activities and programs that are welcoming and accessible for people with a disability	Minimum of 2 of accessible events and activities delivered by 30 June 2023	Leisure, Beach Safety and Community Facilities	✓	Council's leisure facilities hosted events and programs for people with a disability including; <ul style="list-style-type: none"> • Scuba Gym • special Olympics • weekly swimming lessons for people with disability • Wheelchair basketball and special Olympic basketball • Soccer group for people with divisibility • Multi-sport days • Wheelchair rugby.
DP_300: DIAP: AB1.2 Continue to promote inclusive sporting opportunities, including with local clubs, active recreation providers, associations and local sports peak bodies and at Council facilities, such as 'Come and Try' Days.	Increased participation by people with disability in mainstream sport	Open Space and Recreation	✓	A disability inclusion Come and Try day was held at Peninsula Leisure Centre for over 120 participants with multiple sporting opportunities. Also, a guide has been developed to help local sporting groups to become more supportive of disabled people wanting to enter into sport.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_301: DIAP: LC6.2 Plan and deliver community, cultural, sporting, recreation, leisure and learning events, activities and programs that are welcoming and accessible for people with a disability	Minimum of 2 of accessible events and activities delivered by 30 June 2023	Open Space and Recreation		Events and activities delivered include Come and Try Day at Peninsula Leisure Centre and Get Active at San Remo / Blue Haven.
DP_303: Community satisfaction with level of service being maintained on all Central Coast Council Sporting Facilities	>90% of annual scheduled servicing of sports Facilities completed on time	Open Space and Recreation		93% of sporting facilities services completed this year.
DP_304: Community satisfaction with level of service being maintained on all Central Coast Council Sporting Facilities	100% of programmed seasonal amendments and changeover completed on time	Open Space and Recreation		All seasonal changeover and amendment programs completed on time.
DP_306: Education and Care provide inclusive opportunities and equitable access for vulnerable children to maximise their learning, development and wellbeing	> 70 children are enrolled across Council's Education and Care centres that meet criteria	Libraries and Education		During 2022-23 Education and Care services supported in excess of 76 vulnerable children.
DP_307: Plan and deliver the Gosford Regional Library project by 30 June 2024	Demolition of existing building completed, and construction commenced by 30 June 2023	Libraries and Education		Delays in awarding contract. Demolition and construction will commence in 2023-24.

Action / Indicator	Target / Timeline	Responsible Unit	Status	Comment
DP_308: Library Services provide programs and activities outside of library branches that address identified needs and interests of the community and increases lifelong learning	> 120 outreach activities are delivered	Libraries and Education		A total of 354 activities for 6,539 attendees for the year. This is an increase of 28% on last year's number of activities delivered and 50% increase in the number of attendees.
DP_309: Library Services provide access to technology that meets the needs of the community	> 85,000 public access PC and wi-fi sessions	Libraries and Education		A total of 169,605 sessions for the year. This is a 176% increase on last year's sessions.
DP_310: Library Services provide access to information and literature for community use	> 1,000,000 loans of physical and digital resources	Libraries and Education		A total of 1,229,792 loans for the year. This is a 9.4% increase on last year's loans.
DP_311: Effective promotion of Library Services results in an increase of visitation to branches	> 800,000 visits to library branches achieved by 30 June 2023	Libraries and Education		A total of 558,194 visits. This is a 92.6% increase on last year's visits, demonstrating that people are returning to our libraries after the closures and uncertainty of the COVID-19 pandemic.
DP_315: Manage and administer the bookings of community halls and facilities	12,000 annual bookings for the community are facilitated	Leisure, Beach Safety and Community Facilities		A total of 28,860 community facility bookings this year.
DP_316: Efficient delivery of community facilities that meet the community needs	A minimum of six-monthly inspections completed for 100% of community facilities operating under a lease, licence or hire agreement	Leisure, Beach Safety and Community Facilities		76 site inspections have been completed for community facilities operating under a lease, licence or hire agreement during quarter four, with six monthly inspections completed for 100% these.

STATUTORY REPORTING



Local Government Act 1993

Achievements against the Community Strategic Plan

Achievements against the Community Strategic Plan were reported to Council in September 2021. The End of Term Report 2018-19 to 2020-21 is available on Council's website. The next End of Term Report will be prepared as part of the Annual Report 2023-24.

Achievements against the Delivery Program

This Annual Report provides details of Council's performance against the Delivery Program and Operational Plan for 2022-23 which is aligned to the Community Strategic Plan.

Anti-Slavery Statement

Nil to report – no issues raised by the Anti-slavery Commissioner during the year.

Modern Slavery Compliance Statement

Council has undertaken the following actions in response to the Modern Slavery legislation:

- Undertaken a risk assessment of all suppliers engaged by Council over the last 2 years (over 3,000 in total) via an online survey, identifying that over 99% of respondents were considered low risk
- Updated the Procurement Policy and Statement of Business Ethics to include reference to Modern Slavery
- Developed and implemented Modern Slavery returnable schedules for use in Request for Quote (RFQ) and Request for Tender (RFT) documentation
- Incorporated a termination clause into Council's standard conditions of contract allowing Council to terminate a contract if evidence of Modern Slavery is identified in a contractors supply chain
- Developed a intranet site on Modern Slavery containing training materials, presentations and a general staff awareness and executive management toolkit explaining what Modern Slavery is and identify what categories of expenditure it is typically associated with.

Environmental Upgrade Agreements

There are no environmental upgrade agreements to report on for the reporting period.

Local Government (General) Regulation 2021

Amounts Granted under Section 356

Sponsorship, Grants, Contributions and Donations	Full Year Actual
Central Coast Academy of Sport	\$45,000
Community Development Grant Program	\$256,806
Community Events and Place Activation Grant Program	\$237,736
Community Support Grant Program	\$233,377
Convict Trail	\$5,000
LakeCoal Community Funding	\$27,801

Sponsorship, Grants, Contributions and Donations	Full Year Actual
Protection of the Environment Trust (POET)	\$48,413
Reconnecting Regional NSW Community Events Program	\$200,000
Secrets in Plain Sites Outdoor Exhibition - Country Women's Association of NSW	\$3,000
Surf Clubs Sponsorship	\$97,500
Surfing NSW Inc	\$116,000
The Art House	\$1,050,625
The Hawkesbury-Nepean River System Coastal Management Program	\$28,894
Tip Subsidies - Charities	\$55,692
Town Centres Façade Improvement Program	\$97,964
Youth Events	\$3,500
Total	\$2,507,307

Coastal Protection Services Levy

Council did not levy a coastal protections services charge for the reporting period.

Companion Animal Activities

a) Lodgement of pound data collection returns with the OLG:

- 1,499 animals were impounded by Council - 480 cats and 1019 dogs. Of these:
 - 555 dogs and 31 cats were returned to their owners
 - 357 cats and 257 dogs went into rehoming
 - 13 cats had to be euthanised due to ill health / disease / injury.
 - 36 dogs were euthanised, 28 were dangerous and could not be rehomed and the remaining 8 due to illness.../disease .../injury

b) Lodgement of data about dog attacks with the OLG:

There were 239 reported dog attacks on the Central Coast in 2022-23, these attacks occurred in the following locations::

Location	Number
Private property	74
Public road or footpath	130
Public off-leash area	8
Public place / beach or park	19
Public Place - Outside of dog's residence	49
Public Place - Tethered at shopping centre / elsewhere	17

The most common times for an attack to occur on the Central Coast is:

- 2 pm

Dog Attack Victim and Injuries - Animal	
Dog Attack Victim	Number
Dogs	145
Cats	14
Livestock	2
Other (poultry and pocket pets)	4
Injury severity	Number
No injury	53
Minor injury	32
Medical attention	42
Hospitalisation	16
Death	22 (8 dogs, 9 cats, 1 livestock, 4 poultry/other)

NB: Each dog attack often results in multiple victims, intervention by the dog owner(s) during the attack often results in an injury to the person and the animal(s) involved.

Dog Attack Victim and Injuries - Human	
Dog Attack Victim	Number
Adult (16 and over)	166
Under 16 – Supervised	5
Under 16 – Unsupervised	6
Injury Severity	Number
No injury	88
Minor injury	42
Medical attention	32
Hospitalisation	15
Death	0

- c) The amount of funding spent on companion animal management and activities:
- \$80,000 spent on Responsible Pet Ownership Education Projects which includes educational initiatives, desexing initiatives, microchipping initiatives, signage, the annual pet day out event and pop-up stalls throughout the year.
 - \$800,000 spent on the operation of the Council Animal Care Facilities at Erina and Charmhaven that service the entire Central Coast LGA
- d) Companion animal community education programs carried out and strategies the Council has in place to promote and assist the desexing of dogs and cats during the 2022-23 financial year included:
- 'Responsible Pet Ownership Education 360' consistent educational messaging through multiple media platforms including educational Pet Packs and educational signage.
 - 'Responsible Pet Ownership Calendar Project' includes the RPO Annual Event, Pet Pop-Ups, School Holiday incursions and Free Microchipping Days, over 20 events in total.

- Desexing Saves Lives' Councils subsidies desexing program.
 - 'Fed not Owned' project targeting feral cat ownership and desexing.
 - RPO Signage' installation of engaging and easy to understand dog specific signage.
- e) Council's strategies for complying with the requirement under Section 64 of the Local Government Act to seek alternatives to euthanasia for unclaimed animals:
Council's Animal Care Facilities are managed by SOCARES who are responsible for the rehoming of unclaimed animals after the impound period. All re-home able animals go into the rehoming program. In the 2022-23, 357 cats and 257 dogs were able to be rehomed from Council's Animal Care Facilities. Where animals are euthanised, the reason for euthanasia includes medical issues/disease or the animal was not suitable for rehoming due to their temperament which also includes dogs that were subject to a declaration and could not be rehomed.
- f) Off-leash areas provided in the council area: 61
- g) Detailed information on fund money used for managing and controlling companion animals:
- \$80,000 spent on Responsible Pet Ownership Education Projects which includes educational initiatives, desexing initiatives, microchipping initiatives, signage, the annual pet day out event and pop-up stalls throughout the year.
 - \$800,000 spent on the operation of the Central Coast Animal Care Facilities at Erina and Charmhaven that service the entire Central Coast LGA.

Contracts Awarded over \$150,000

Name of Contractor	Nature of Goods and Services Supplied	Multi-year Contract*	Contract Value
GHD Pty Ltd	Settlers Road Landslide - Detailed Design of Remediation Option	No	\$152,973
Hunter H2O Holdings Pty Ltd	Investigation and Design Services for Toukley Sewage Treatment Plant Major Optimisations	Yes	\$155,420
Form Construction Group Pty Ltd	Holiday Parks Roof Replacement, Amenity Block 4 – Toowoona Bay Holiday Park	No	\$155,748
Department of Planning and Environment	Floodplain Management - Review of Tuggerah Lakes Flood Study	Yes	\$156,100
Deloitte Financial Advisory Pty Limited	Consultant, Disaster Claims (AGRN 960/1012/1025)	Yes	\$161,117
Anzarts Institute Limited	Consultancy - Theatre Specialist for Performing Arts Development Strategy and Process Implementation	Yes	\$162,290
Trisley's Hydraulic Services Pty Ltd	Replacement of 50M Pool Filtration, Gosford Pool	No	\$168,840
DNA Electrical Pty Ltd	Supply and Installation of Lights in Coles Carpark, 25 Yaralla Road, Toukley	Yes	\$169,852
Schneider Electric Systems Australia Pty Ltd	ClearSCADA Software Support 2022-2023	No	\$176,287
Complete Playgrounds Pty Ltd	Replace Rubber Softfall at various play spaces	No	\$177,115

Name of Contractor	Nature of Goods and Services Supplied	Multi-year Contract*	Contract Value
Delcare Constructions Pty Ltd	Watermain Relocation - Alison Road and Hope Street, Wyong	No	\$177,357
D. K. Graves Pty. Limited	Rectification of Fire Damage, Killarney Athletics Field	No	\$179,518
iGoDirect Group Pty Ltd	Staff Recognition and Appreciation Program 2022-2024	Yes	\$180,000
D. K. Graves Pty. Limited	Sporting Facilities - Waste Bin Enclosures	No	\$184,990
ADW Johnson Pty Limited	Regional Animal Care Facility Site Investigations	Yes	\$190,049
Brown Environmental Earthworks Planning Pty Ltd	The Entrance Channel Foreshore Works 2023	No	\$197,341
Converge International Pty Ltd	Provision of Staff Counselling Services	Yes	\$198,400
Unique Building Partners Pty Ltd	Renewal Works at Pelican Wharf, North Entrance	Yes	\$198,967
Environmental Partnership (NSW) Pty Ltd	Development, Consultation and Exhibition of Plans of Management for Crown and Council Community Lands	Yes	\$211,068
Vor Environmental Australia Pty Ltd	Servicing of Step Screens at Kincumber and Woy Woy Sewerage Treatment Plants (Vendor Panel)	No	\$221,255
ARA Security Services Pty Ltd	CCTV Upgrade - Coral Street Carpark, The Entrance	No	\$222,625
Envisionware Pty Ltd	Library Service PC Booking and Print Management System via open tender	Yes	\$222,971
Finstat Consulting Pty Ltd	Finance Improvement Plan Implementation	No	\$229,950
Life Fitness Australia Pty Ltd	Replacement and Upgrade of Gym Equipment at Lake Haven Recreation Centre	Yes	\$234,030
ARRB Group Ltd	Central Coast Council Road Network Asset Condition Survey 2020/2021	Yes	\$234,117
Duncan Metal Roofing and Plumbing Services Pty Limited	Bird Proofing - Springfield and Blackwall Reservoirs	No	\$241,450
Hunter H2O Holdings Pty Ltd	Maintenance Planning and Scheduling Implementation - Project Manager	Yes	\$249,760
Hunter H2O Holdings Pty Ltd	Maintenance Planning and Scheduling Implementation Project Manager	Yes	\$249,810
ECEL Pty Ltd	Plant and Fleet Business Review	No	\$250,000
Eire Constructions Pty Ltd	Sewer Main Replacement, Wyong Hospital	No	\$250,136
Bruce W Raffan Pty Ltd	Provision of Occupational Physician Services	Yes	\$251,986
Fenworx Pty Ltd	Asphalt Works, Old Maitland Road	No	\$260,400

Name of Contractor	Nature of Goods and Services Supplied	Multi-year Contract*	Contract Value
East Coast Design and Construction Pty Ltd	Water Pipe Replacement, Holiday Parks - Patonga Camp Ground	No	\$266,764
PLUS ES	Dark Fibre	Yes	\$277,140
TGB and Son Pty Ltd	Minor Road Works Construction, Eastern Side – Sydney Avenue, Umina	No	\$301,683
Initial Hygiene	Provision of Sanitary Hygiene for sites across Central Coast	Yes	\$307,497
Computer Systems (Australia) Pty Ltd	Water and Sewer Northern Server Replacement - 2022-2023	No	\$316,800
Department of Customer Service	Virtual Call Centre Solution, Department of Customer Service - GTP	Yes	\$328,673
ANA Asphalts	Transport for NSW, Heavy Patching Steel Stone Bumps - Various Locations	No	\$329,856
PLUS ES	Network Upgrade Buttonderry Waste Management Facility	Yes	\$361,760
GHD Pty Ltd	Investigation and Design Services for Wyong South, Charmhaven and Gwandalan - Effluent Disposal System Upgrades.	No	\$381,654
GHD Pty Ltd	Bushfire Management of Critical Water and Assets	Yes	\$394,488
Flottweg Australia Pty Ltd	Sludge Dewatering Mechanical Refurbishment, Kincumber Sewerage Treatment Plant	Yes	\$396,355
Baker Built Pty Ltd	Supply and Installation of Outdoor Dining Awnings, The Entrance	No	\$398,990
The Rix Group Pty Ltd	Pembertons Hill Road - Pavement Shoulder and Table Drain Reinstatement	No	\$399,397
Datacom Systems (AU) Pty Ltd	IT Contracting - Zscaler Renewal 2023	Yes	\$437,114
TPG Network Pty Ltd	Internet Links Upgrade	Yes	\$500,500
The Centre for Sustainable Debt Recovery Pty Ltd	Sale of Land for Unpaid Rates - S.713 (Direct Appointment).	Yes	\$545,455
North Shore Paving Co Pty Ltd	Memorial Park Carpark, The Entrance	Yes	\$549,448
Convic Pty Ltd	Kariong Oval Recreation Area Skate Park and Pump Track	Yes	\$555,831
InQuik Pty Ltd	Design and Supply of Bridge Components and Piling System - Yorky's Bridge - Brush Creek Road, Cedar Brush Creek	Yes	\$580,831
Brown Environmental Earthworks Planning Pty Ltd	Saltmarsh Rehabilitation - Various sites	No	\$640,954
Waeger Constructions Pty Ltd	Design and Supply of Bridge Components and Piling System - Bridge	Yes	\$682,000

Name of Contractor	Nature of Goods and Services Supplied	Multi-year Contract*	Contract Value
	Replacement - Little Jilliby Road, Little Jilliby		
InQuik Pty Ltd	Design and Supply of Bridge Components and Piling System - Maloney's Bridge - Brush Creek Road, Cedar Brush Creek	Yes	\$710,723
Data Addiction Pty Ltd	Business Intelligence and Insights	Yes	\$721,530
Abergeldie Contractors Pty Ltd	Mardi Water Treatment Plant Upgrade, Early Contractor Involvement	No	\$750,000
Crestwood Building Pty Ltd	Roof Replacement, Mardi Water Treatment Plant and Wyong South Sewage Treatment Plant.	Yes	\$762,152
Rivers Construction Pty Ltd	Refurbishment of Sewage Pump Station WW04, Woy Woy	Yes	\$776,200
AECOM Australia Pty Ltd	Investigation and Design Services for Charmhaven and Gwandalan Sewage Treatment Plant, Major Capital Upgrades	Yes	\$797,992
Delcare Constructions Pty Ltd	Shared Path Construction, Stage 4 - Tuggerawong	Yes	\$805,658
The Trustee for The Exceed Creative Trust	Central Coast Town Centre - Christmas Decorations	Yes	\$922,788
Esri-Australia Pty Ltd	ESRI Local Government Enterprise Agreement 2022-2025	Yes	\$930,000
Tetra Tech Coffey Pty Ltd	Waste Landfill Sites Monitoring and Reporting 2022-2025	Yes	\$937,934
XINC Engineering Pty Ltd	Upgrade Railing Security Fencing, St Huberts Island Bridge	Yes	\$994,105
Leadsun Australia Pty Ltd	Central Coast Holiday Parks – Street Lighting Upgrade	No	\$1,016,472
GHD Pty Ltd	Design and Documentation for Woy Woy Waste Management Facility, South Landfill Cell	Yes	\$1,270,082
TCM Civil Pty Ltd	Sewer Pump Station GW05 Refurbishment	Yes	\$1,325,378
Autopool Pty Ltd	Supply and Delivery – Seven (7) tipper trucks with cranes (Trucks: Cab-Chassis)	Yes	\$1,443,974
North Construction and Building Pty Ltd	Design and Construction of the new Norah Head Community Hall and Playspace	Yes	\$1,573,939
Flovac Systems	Vacuum Sewer System Refurbishment, Tacoma North	Yes	\$1,784,188
Sydney Water Corporation	External Laboratory Analysis for Water and Sewer	Yes	\$1,841,046

Name of Contractor	Nature of Goods and Services Supplied	Multi-year Contract*	Contract Value
Bolte Civil Pty Limited	Road Upgrade, Stage 1 – Steyne Road, Saratoga	Yes	\$2,422,697
The Trustee for Lewers Family Trust	Design and Construction of Umina Skatepark	Yes	\$2,437,447
Utilstra Pty Ltd	Construction of Low Pressure Sewer System, South Tacoma	Yes	\$2,824,724
North Construction and Building Pty Ltd	Design and Construction - Mangrove Creek Dam Visitors Centre (SCM1461)	Yes	\$2,925,874
Eire Constructions Pty Ltd	SPS TO08 Rising Main Upgrade - Norah Head	Yes	\$2,975,901
Aqua Assets Pty Ltd	Provision of Sewage Vacuum Tankers for Cleaning of Sewerage Infrastructure	Yes	\$3,090,400
Larsen and Toubro Infotech Limited	Integrations Support and Maintenance	Yes	\$3,312,224
SD Civil Engineering Pty Ltd	Road Upgrade – Tramway Road, View Street and Elgata Avenue, North Avoca.	Yes	\$3,372,827
Claude Outdoor Pty Ltd	Supply, Installation, Operation and Maintenance of Illuminated Advertising Directional Signage.	Yes	\$3,407,250
Delcare Constructions Pty Ltd	Road Upgrade - Springwood Street, Blackwall (from Gallipoli Avenue to Wyalong Road)	Yes	\$3,630,824
Bolte Civil Pty Limited	Magenta, Stage 2 – Shared Path Construction	Yes	\$11,923,007
Shell Energy Retail Pty Ltd	Small Sites Electricity Supply from 2022	Yes	\$17,112,800
Diamond Energy Retail Pty Limited	Supply of Large Sites and Street Lighting Electricity	Yes	\$29,933,193
Abergeldie Contractors Pty Ltd	Design and Construction, Mardi Water Treatment Plant Upgrade	Yes	Commercial in Confidence
DS Insight Pty Ltd	Water and Sewer Asset Monitoring - Satellite AI - Rezatec and Detection Services	No	Commercial in Confidence
VenuesLive Management Services (CC) Pty Ltd	Central Coast Stadium Management Rights	Yes	Commercial in Confidence
Adam Lowe Earthmoving Pty Ltd	Plant and Equipment - Waste Management Facility	Yes	Schedule of Rates
Australian Native Landscapes	Organics receipt, transfer and processing	Yes	Schedule of Rates
B&D Excavations Australia Pty Limited	Plant and Equipment - Waste Management Facility	Yes	Schedule of Rates
Currie and Brown (Australia) Pty Ltd	Quantity Surveyor for Natural Disaster and Capital Projects	Yes	Schedule of Rates
Davis Earthmoving and Quarrying Pty Ltd	Plant and Equipment - Waste Management Facility	Yes	Schedule of Rates

Name of Contractor	Nature of Goods and Services Supplied	Multi-year Contract*	Contract Value
Origin Energy LPG Limited	Natural Gas Supply C4000 - Contract 2022-2024	Yes	Schedule of Rates
Wormald Australia Pty Ltd	Inspection, Servicing and Maintenance – Fire Protection Systems and Equipment	Yes	Schedule of Rates

* Multi-year refers to the contract continuing over more than 1 financial year

Equal Employment Opportunity (EEO) Activities

The following EEO activities were undertaken during the reporting period:

- Redesigned EEO Management Plan 2023-2026
- Adjustments for recruitment
- Review of Workplace Leave and Flexibility Policy
- Diversity and Inclusion intranet page created on the intranet with a focus on Ageing Positively and Youth Employment
- Review performance review and performance management procedures to ensure that they are non- discriminatory in content and administration.

Legal Proceeding Information

Legal Proceeding Expenses	
Expenditure	\$1,096,000
Less Costs Recovered	\$528,700
Total	\$566,895

Finalised Matters	Result
Land and Environment Court of NSW	
White Dickson Architects Pty Ltd	Discontinued
Michael Norman	Discontinued
The Trustee for RD Main Unit Trust	Discontinued
Blue Group Projects Pty Ltd	Judgment
James Moses	Discontinued
Michael Norman	Consent orders
Redsab Pty Ltd	Judgment
Jonathon Odisho	Judgment
Peter Fryar trading as Key Urban Planning	Judgment
Peisah and Freund	Discontinued
Kassem Khanafer	Discontinued
Simon Ochudzawa	Judgment
James Moses	Discontinued
C Ahadzadeh Pty Ltd	Judgment

Finalised Matters	Result
KHMS Corporation Pty Ltd	Judgment
Jedaclew Pty Ltd	Judgment
AJ and PJ Brand Pty Ltd	Discontinued
CKDS Architecture Pty Ltd	Discontinued
Robert Reeve	Discontinued
Matthew Arthur Harrison t/a All Town Skips	Judgment
Zenith Tuggerah Pty Limited	Dismissed - in favour of Council
Colin Wallace	Judgment

Supreme Court of NSW	
Verde Terra Pty Limited, Mangrove Mountain Landfill Pty Limited and Mangrove Properties (NSW) Pty Limited	Dismissed – in favour of Council
Pastoral Investment Land Loan	Consent Orders

Local Court of NSW	
Various criminal prosecutions	Control orders (0)
	Conviction with penalty (2)
	Discontinued (2)
	Dismissed/Withdrawn (2)
	Section 10 dismissal no conviction (0)
	Section 196 Convicted in Absence (1)
	Section 9 Conditional Release Order (0)

Ongoing Matters	Court
Weekes Property Pty Ltd	Land and Environment Court
Nicholas Adamo	Land and Environment Court
Pmando Holdings Pty Ltd	Land and Environment Court
MKY Enterprises (Aust) Pty Ltd	Land and Environment Court
St Traidin Pty Ltd	Land and Environment Court
Ty Barron Blanch	Land and Environment Court
Sancorp Wyreema Pty Ltd	Land and Environment Court
Kyle Bay Holdings Pty Ltd	Land and Environment Court
Andrey Vinogradov	Land and Environment Court
Andrey Vinogradov	Land and Environment Court
Andrey Vinogradov	Land and Environment Court
Andrey Vinogradov	Land and Environment Court
Vale Nominee Pty Ltd	Land and Environment Court
Kassem Khanafer	Land and Environment Court

Ongoing Matters	Court
Brentford Properties and Lamonby Properties	Land and Environment Court
KW Resort Stage 2 Pty Ltd	Land and Environment Court
CCS Design Pty Ltd (Knight Mapleton)	Land and Environment Court
Stevens Holdings Pty Limited	Land and Environment Court
CCS Design Pty Ltd (Knight Mapleton)	Land and Environment Court
Caruana	Land and Environment Court
Cedar Ranch Pty Ltd	Land and Environment Court
Cedar Ranch Pty Ltd	Land and Environment Court
IDA Safe Constructions Pty Ltd	Land and Environment Court
Doug Sneddon Planning Pty Ltd	Land and Environment Court
Chemico	Land and Environment Court
IDA Safe Constructions Pty Ltd	Land and Environment Court
Oakland60 Pty Ltd	Land and Environment Court
Kinderland Industries Pty Ltd	Land and Environment Court
Nyinya Investments	Land and Environment Court
Jam Pad Investments Pty Ltd	Land and Environment Court
40 Gindurra Road Somersby Pty Ltd 2018/156286	Land and Environment Court
Pastoral Investment Land and Loan 2018/339406	Land and Environment Court
Verde Terra and Ors	High Court of Australia
Kenneth Linton Smith	Supreme Court
Azzuro Blue Pty Ltd	Supreme Court
Centura Global Holdings Pty Ltd	Supreme Court

External Bodies Exercising Council Functions

Body	Purpose
Wandering Glider	Tourism industry services
Scout PR	Destination public relations services
Hunter Central Coast Regional Planning Panel	In accordance with Section 2.15 of the Environmental Planning and Assessment Act 1979, the Panel acts as a consent authority for applications under Part 4 of the Act where such applications are identified as 'regionally significant' development
Central Coast Local Planning Panel	In accordance with Section 2.19 of the Environmental Planning and Assessment Act 1979, the Panel acts as a consent authority for applications under Part 4 of the Act where such applications conferred to it by Ministerial Direction
Berkeley Road Sports Complex	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
Kulnura Memorial Hall	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility

Body	Purpose
San Remo Neighbourhood Centre	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
Sohier Park Community Hall	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
St Barnabas Church	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
Toukley Neighbourhood Centre	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
Tuggerah Community Hall	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
Tuggerawong Retirement Village	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
Wyong Old School Community Centre	In accordance with Section 355 of the Local Government Act 1993, Council has resolved to delegate functions to a committee for the care, control and management of the relevant Council facility
Fishbone Investments Pty Ltd (t/as Personal Services Australia)	Cemetery operations and maintenance of Point Clare and Wamberal Cemeteries (Cemeteries Lease)
SOCARES Central Coast	SOCARES operate Council's two Animal Care Facilities under contract and undertake functions prescribed within the NSW Companion Animals Act 1998. SOCARES also complete reporting functions to the NSW OLG in relation to impounded animals.

Other Bodies in which Council had a Controlling Interest

Body	Details
Gosford Affordable Housing Trust	The Trust was established under the former Gosford City Council. The objectives of the Trust are to promote and encourage the provision of social housing within the city of Gosford and to guide the administration of trust assets
Gosford Foundation Trust	The Trust was established under the former Gosford City Council. The objectives of the Trust are to encourage and facilitate benevolent acts for the benefit of the community and to guide the administration of Trust assets
Protection of the Environment Trust (PoET)	The Trust was established under the former Gosford City Council. The objectives of the Trust are to promote the protection and enhancement of the natural environment and to guide the administration of Trust assets
The Art House Wyong Performing Arts and Conference Centre Limited	The Art House is an independent company limited by guarantee and formed under Section 358 of the Local Government Act 1993. It is managed by an independent not-for-profit entity with an independent board of directors, that includes Council as a member.

Other Bodies in which Council Participated

Body	Details
Gosford Foundation Trust	The Trust was established under the former Gosford City Council. The objectives of the Trust are to encourage and facilitate benevolent acts for the benefit of the community and to guide the administration of Trust assets
Venues Live	Central Coast Council has a joint venture with Venues Live for the operation of Central Coast Stadium in Gosford.
Protection of the Environment Trust (POET)	The Trust was established under the former Gosford City Council. The objectives of the Trust are to promote the protection and enhancement of the natural environment and to guide the administration of Trust assets.
Youth for Youth (Y4Y) Action Team	The Y4Y Action Team is responsible for advocating, advising and acting on youth-related issues

Rates and Charges Written Off

The rates and charges written off for the reporting period was \$2,732.30

Remuneration of Chief Executive Officer (General Manager)

Remuneration Detail	Amount
(i) Salary	\$503,919
(ii) Bonus and Other Payments	\$0
(iii) Superannuation	\$27,380
(iv) Non Cash Benefits	\$0
(v) FBT payable	\$0

Remuneration of Senior Staff

Remuneration Detail	Amount
(i) Salary	\$2,452,443
(ii) Bonus and Other Payments	\$0
(iii) Superannuation	\$233,150
(iv) Non Cash Benefits	\$0
(v) FBT payable	\$4,013

Labour Statistics

Labour Statistics	
Total number of persons who performed paid work for Council on the nominated date of 23 November 2022	
Persons employed by the council as:	1,653
Permanent full-time	1,322
Permanent part-time	184
Casual basis	89

Labour Statistics

Fixed-term contract	49
Senior staff members	9
Persons engaged by the council, under a contract or other arrangement with the person's employer, wholly or principally for the labour of the person	77
Persons supplied to the council, under a contract or other arrangement with the person's employer, as an apprentice or trainee	0*

NB: The total number for the labour statistics will differ from the figures on Workforce Information page. The above table represents the total number of people who performed paid work on a particular day, while the figures on the Workforce Information page is the total number of people employed by Council (permanent, fixed term and casual employees).

*Apprentice and trainees are employed by Council, with 5 apprentices and 7 trainees working the day of 23 November 2022.

Staff Overseas Visits

During the year one staff member went overseas to Canada for the Retention and Expansion International Conference from 21-23 June 2023.

Stormwater Management Services Levy

Council did not levy a stormwater management services charge for the reporting period.

Works on Private Land

There are no works to report during this reporting period.

Carers Recognition Act 2010

Report on Compliance with the Act

There are no activities to report during this reporting period.

Disability Inclusion Act 2014

Implementation of the Disability Inclusion Action Plan

Action Description	Indicators	Progress Comment
Educate the community about disability		
<p>DIAP: AB1.1</p> <p>Deliver an annual campaign to educate the community, including children and Council staff, about disability, including:</p> <ul style="list-style-type: none"> the lived experience invisible disabilities respectful behaviours and inclusive practices 	<p>Campaigns have been delivered on identified topics</p> <p>Number of fines for parking in accessible parking without a permit</p>	<p>Campaigns and projects include:</p> <ul style="list-style-type: none"> Shared Pathways project launched, with stencils indicating the appropriate use of shared pathways installed along the foreshore of Long Jetty. A promotional video shoot to promote initiative and encourage the public to remember that shared pathways are for everybody. Invisible Disabilities Campaign 2,000 bumper stickers provided to each library and customer service location for International Day pop up stall.

Action Description	Indicators	Progress Comment
		The number of fines issued for misusing disability parking spaces is 996, valued at over \$598,000.
<p>DIAP: AB1.2</p> <p>Continue to promote inclusive sporting opportunities, including with local clubs, active recreation providers, associations and local sports peak bodies and at Council facilities, such as 'Come and Try' Days.</p>	Increased participation by people with disability in mainstream sport	A disability inclusion Come and Try day was held at Peninsula Leisure Centre for over 120 participants with multiple sporting opportunities. Also, a guide has been developed to help local sporting groups to become more supportive of disabled people wanting to enter into sport.
Educate businesses to be more inclusive and accessible		
<p>DIAP: AB2.1</p> <p>Implement a program to support local businesses to be more accessible and inclusive</p>	2 businesses implementing actions to improve access and inclusion	<p>Activities and projects include:</p> <ul style="list-style-type: none"> • Inclusive Pottery Program • Education for a local business and resources to increase accessibility for people with disabilities.
Positive representation of people with disability in Council communications		
<p>DIAP: AB4.2</p> <p>Support International Day of People with Disability (IDPWD)</p>	International Day of PWD is celebrated and promoted by Council each year	<p>Promotional activities for International Day of People with Disability (IDPWD) include:</p> <ul style="list-style-type: none"> • A pop-up stall at Westfield Tuggerah, where people were able to learn more about invisible disabilities and participate in the 'Live My Experience' immersive VR experience. The stall had various resources including MLAK information, Accessible Nature brochures, Disability Services Brochures and a number of promotional items for International Day of People with Disability. • Video filmed and edited about the innovative Virtual Reality project and distributed through social media for IDPWD.
Continue to make our natural places and spaces more accessible and inclusive		
<p>DIAP LC1.1</p> <p>Continue to make beaches more accessible with installation of beach matting and other accessible features</p>	4 beach mats installed at beaches, including Ocean Beach, Umina, Terrigal, and Toowoona Bay	Beach mats installed at Ocean Beach, Umina, Terrigal and Toowoona Bay.
<p>DIAP: LC1.3</p> <p>Continue to improve accessibility of places and spaces in Budgewoi, Umina Beach, Wyong, Gosford and The Entrance</p>	Access improvements (e.g. TGSi and kerb ramps) made in 2 town centres per year	Operational upgrades within Wyong, Gosford, Toukley and The Entrance including accessible furniture, tactile upgrades and facade upgrades to businesses.
<p>DIAP: LC1.4</p>	All new and upgraded play spaces have continuous	All playspaces completed and currently in construction phase these inclusive of

Action Description	Indicators	Progress Comment
Continue to make parks and play spaces more accessible and inclusive, with design informed by the 'Everyone Can Play Guidelines'	paths of travel and inclusive play elements	accessible paths and inclusive play elements.
Make it easier to get around		
DIAP: LC2.1 Implement actions from the Pedestrian Access and Mobility Plan (PAMP), seeking external funding as required	4.8km of pathway constructed or improved by 30 June 2023	Council constructed 4.9km of shared paths and footpaths across the course of the financial year.
DIAP: LC2.2 Work with state government on Gosford City planning to facilitate accessible linkages across Gosford, including links to key hubs and facilities, for example Gosford Train Station and Gosford Hospital	Advocate to NSW Government to provide priority accessible linkages to key hubs and facilities within Gosford	Ongoing discussions are being held with NSW Government agencies to support revitalisation of Gosford. The Central Coast Integrated Transport Strategy (action DP_228) will also assist with Council's advocacy role on transportation solutions for the Central Coast and Gosford CBD.
DIAP: LC2.3 Continue to implement program to make bus stops accessible, including supporting infrastructure like pathways and kerb ramps	25 bus stops made more accessible by 30 June 2023	Council upgraded 26 bus stops to improve accessibility.
DIAP: LC2.4 Publish and promote Accessibility Maps	Minimum of 2 maps showing access generated by 30 June 2023	Maps include: <ul style="list-style-type: none"> • Accessible Nature • Accessible Beaches brochure. Both maps were digitally available and hard copies available at Council's Customer Service in Wyong and Gosford, Council's 10 libraries, The Entrance Visitor Centre, Erina Fair information desk, and The Arthouse.
Improve access to public toilets and adult changing places		
DIAP: LC3.1 Investigate options to deliver new Accessible Adult Changing Facilities in a key location	An Accessible Adult Changing Facility is installed in at least 1 town centre	Accessible changing facility installed as part of the upgrade to The Entrance Visitor Information Centre.
Improve accessible parking		
DIAP: LC5.1 Research and investigate accessible parking sites to fit minibuses/ minivans with rear hoists (e.g. The Entrance)	Recommendations made on opportunities to provide suitable parking for minibuses / vans with rear hoist	A number of opportunities have been identified including at Avoca Beach, which is going through investigations, and Terrigal Beach which is being investigated for implementation.
DIAP: LC5.2 Research opportunity to increase accessible parking spots at beaches, shops and schools close to entrances and facilities (with	Recommendations made on opportunities to increase accessible parking	A number of opportunities have been identified including at Avoca Beach, which is going through investigations, and Terrigal Beach which is being investigated for implementation.

Action Description	Indicators	Progress Comment
compliant widths and clearance zones)		
Make community events, programs and activities more inclusive of people with disability		
<p>DIAP: LC6.1</p> <p>Build capacity of Council event staff to deliver accessible and inclusive events, activities and programs</p>	<p>Minimum of 1 Council events staff receiving training / upskilling on accessible events</p>	<p>Informal skill development provided to event officers by Council's Disability Inclusion Officer through initial meetings and follow-up site visits where events were proposed to take place.</p>
<p>DIAP: LC6.2</p> <p>Plan and deliver community, cultural, sporting, recreation, leisure and learning events, activities and programs that are welcoming and accessible for people with a disability</p>	<p>Minimum of 2 of accessible events and activities delivered by 30 June 2023</p>	<p>Events and activities include:</p> <ul style="list-style-type: none"> • Coastlink Storytimes delivered weekly at Lake Haven Library • A sensory glow room event at Kincumber in the October school holidays, with the Youth team facilitating the event • The Aspect School - a specialist Central Coast Autism educational centre visited Kincumber Library in November for personal development and wellbeing • Installation of a touch screen specifically for people that are unable to use a mouse for computer activities at Gosford Library. • Scuba Gym • special Olympics • weekly swimming lessons for people with disability • Wheelchair basketball and special Olympic basketball • Soccer group for people with divisibility • Multi-sport days • Wheelchair rugby. • Come and Try Day at Peninsula Leisure Centre • Get Active at San Remo / Blue Haven.
<p>DIAP: LC6.3</p> <p>Provide Council theatre and performance art spaces that are welcoming and inclusive, such as Auslan interpretation, audio description and reserve accessible seating only available to people with disability</p>	<p>Deliver at least 2 accessible activities by 30 June 2023</p>	<p>Activities and projects include:</p> <ul style="list-style-type: none"> • Are You Pulling My Leg and Connected Comedy shows delivered featuring award winning performers with uncensored entertaining insights to disability • Auslan at David Strassman show • A range of ancillary activities delivered across workshops and tours including a theatre tour with Genesis Special Needs Group.

Action Description	Indicators	Progress Comment
<p>DIAP: LC6.4</p> <p>Revise Council's event permit and grant funding application forms to include questions on accessibility and inclusion</p>	Forms have been revised to reflect access and inclusion questions by 30 June 2023	Event and grant application forms have been updated.
<p>'Universal Design' principles are embedded in Council policies, planning and infrastructure projects</p>		
<p>DIAP: LC7.2</p> <p>Promote Universal design through Council's Housing Strategy</p>	Council's Housing Strategy includes universal design principles	This matter has been addressed and included in the Central Coast Local Housing Strategy.
<p>DIAP: LC7.4</p> <p>Ensure universal design and accessibility requirements are considered for all renewal and upgrade programs, new capital works, infrastructure and place planning where practicable</p>	Demonstrates 1 application of universal design principles	<p>Example of universal design principles across the organisation include:</p> <ul style="list-style-type: none"> • 109 instances of advice to internal stakeholders, with ongoing education to continue. • Universal design principles carried out through all contract documentation with the inclusion of relevant guidelines and standards regarding accessibility. • Universal design and accessibility requirements are considered in the development of every road and drainage design where it is practical. For example, the Tuggerawong foreshore shared path project included the provision of pram ramps and raised boardwalk ramps to facilitate access and manage level changes in a way that ensures accessibility for all members of the community. • Ross Park District Playspace renewal has included universal design principles for the pathways and rubberised soft fall to equipment to make them accessible. • Universal design and accessibility improvements have been incorporated in the planning and design for the Niagara Park Stadium upgrade project. The project includes improved accessible entry and parking, and amenity improvements.
<p>Career development and leadership</p>		
<p>DIAP: E6.1</p> <p>Actively attract people with disabilities who have a start-up business idea to participate in Council's LaunchPad program</p>	Number of people with disability involved in skills development and networking activities	LaunchPad Program workshops delivered in February and March 2023. The Program was promoted to People with Disabilities and one community member with lived experience of disability is participating in the program.

Action Description	Indicators	Progress Comment
Council information is available and accessible to people with disability		
DIAP: SP1.3 Identify and provide key Integrated Planning and Reporting documents (or summaries of these) in accessible formats, such as Community Strategic Plan, Annual Reports and Operational Plans (with a minimum of 5 documents by 30 June 2025)	Accessibility improvements made to the Integrated Planning and Reporting documents by 30 June 2023	The Annual Report 2021-22 and Operational Plan 2023-24 included accessibility improvements.
DIAP: SP1.5 Update existing guidelines (e.g., Writing Style Guide and Brand Style Guide) with accessibility requirements to assist Council staff to develop information that is accessible	Guidelines have been updated to include accessibility requirements and is available to staff by 30 June 2023	Writing Style Guide update completed and information available to staff on Council's intranet.
DIAP: SP1.6 Create and promote a Council guide for creating accessible videos; and update procurement terms of engagement (purchase order) to ensure contractors follow the guide	Video guide and procurement terms of engagement completed and available on Vendor Panel by 30 June 2023	Guidelines on Creating Accessible Videos is publicly available to the Local List of suppliers through Vendor Panel. The guidelines have been promoted to Council staff through internal communications and are available on Council's intranet.
DIAP: SP1.7 Make information available on accessible events, activities, services, support and places, including links to accessibility apps, info on where to get help, inclusive community and council activities	Minimum of 3 events, activities and services with access information is available. Minimum of 5 occurrences of which access information is available on the website	Information provided and regularly updated on Council's website, including: <ul style="list-style-type: none"> • Events, programs and activities • Support Service information • The Accessible Events Guide • The Accessible and Inclusive Sport and Recreation Resource • The Accessible Nature Central Coast Guide
Customer Service is more accessible		
DIAP: SP2.1 Implement use of 'speech to text' technology for frontline staff to communicate with people who are deaf and promote that it's available	Speech to text technology has been implemented at all customer service locations and customer service staff are proficient in the use of the system	Target met. New employees continue to be trained as onboarded.
Targeted communication to groups Council may not reach		
DIAP: SP5.1 Implement targeted communication to disability network and contacts to share information about access and inclusion developments/ opportunities at Council and across the Central Coast community,	Twice-annual communication to key disability groups	Six disability interagency meetings held in 2022-23. An EOI for new members of the Accessibility and Inclusion Reference Group was also advertised in December 2022. 30 applications were received, with 12 new members appointed.

Action Description	Indicators	Progress Comment
including reach to Aboriginal, Deaf and CALD communities		
Emergency Management is inclusive of people with disability		
<p>DIAP: SP6.1</p> <p>Consult with Council's Access and Inclusion Reference Group to improve awareness amongst people with disability about local emergency information resources, such as the Central Coast Disaster Dashboard, and advocate to primary agencies about any issues raised about access to emergency information</p>	Access and Inclusion Reference Group have been consulted and feel informed	Access and Inclusion Reference Group (AIRG) consulted and informed on Get Ready workshops and Disaster Resilience Coordinator attending AIRG quarterly meetings.
<p>DIAP SP6.2</p> <p>Provide 'Get Ready Central Coast' information in accessible formats, including Auslan interpreted, Easy English etc</p>	Get Ready (emergency and resilience) information is available in accessible formats	Review of all Preparedness and Get Ready Information completed.

Environmental Planning and Assessment Act 1979

Planning Agreements entered into, completed or still in force during 2022-23

Date Executed	Agreement Parties	Property Description	Agreement Details	Status
November 2012	Wyong Shire Council and Stephen Thorne and Associates Pty Ltd	18 Pacific Highway, Wadalba	This agreement sets out the monetary S94 contributions.	Ongoing
December 2010	Wyong Shire Council and Fabcot Pty Ltd	275 Pacific Highway, Lake Munmorah	This agreement is the additional benefit for the Lake Munmorah Village Shopping Centre development with the upgrade of local pathways in two stages.	Completed
December 2013 (amended in August 2015)	Wyong Shire Council and Pelican Horizons Pty Ltd	2 Ocean Road (Lot 1 DP 513519) and 14 The Entrance Road West (Lot 2 DP 536168), The Entrance	This agreement provides for the provision of an additional public benefit and the increase in the height and Floor Space Ratio.	Ongoing
July 2014	Wyong Shire Council and Wyong Coal Pty Limited	Wallarah 2 Coal Project - Land subject to Development Application SSD-4974 made under the EP&A Act 1979	This agreement sets the amounts and form of contributions to be paid by the developer and the timing thereof.	Ongoing

Date Executed	Agreement Parties	Property Description	Agreement Details	Status
December 2015	Wyong Shire Council and Rustrum Pty Ltd	Main Road, Toukley (proposed Lot 912 in proposed subdivision of Lot 91 DP 565884 and Lot 5 DP 514932)	This agreement sets out the monetary S94 and public benefit contributions.	Ongoing
March 2016	Wyong Shire Council and IDA Safe Constructions Pty Ltd	10 Oscar Drive, Chittaway Point (Lots 1-3 DP21536, Lot 1 DP 1014033, Lots 1 DP 22467, Lots 10-11 DP 11777)	This agreement sets out the necessary actions to offset impacts to threatened flora and fauna arising from development of the land.	Ongoing
July 2016	Central Coast Council and Fabcot Pty Ltd	11W Figtree Boulevard, Wadalba (Lot 198 DP 1006789)	This agreement specifies the design and construction works to be completed.	Ongoing
September 2016	Central Coast Council and Lakecoal Pty Ltd	Chain Valley Bay Colliery	This agreement sets out the payment and management of contributions for ROM extractions.	Ongoing
August 2017	Central Coast Council and Rifon 2 Pty Ltd	200 Main Road, Toukley (Lot 32 DP 805021)	This agreement sets out the public benefit contribution for the provision of infrastructure and facilities.	Completed
November 2017	Central Coast Council and Threshold Development Pty Ltd	165 Louisiana Road, Wadalba (Lot 51 DP 1195704)	This agreement sets out the contributions and obligations of the developer to comply with the land rezoning.	Ongoing
July 2018	Central Coast Council and Transnational Pastoral Pty Ltd	414 Old Maitland Road, Mardi (Lot A DP 396416, Lot 36 DP 755249, Lot 41 DP 123953, Lot 1 DP 554423, Lot 1 DP 229971, Lot 101 DP 604655, Lot 1 DP 120512, Lot 1 DP 229970)	This agreement sets out the contributions and obligations of the developer to comply with the subdivision of land.	Ongoing
August 2018	Central Coast Council and Zaychan Pty Ltd	137 Johns Road, Wadalba (Lot 27 DP 663622)	This agreement sets out the contributions and obligations of the developer or subsequent owner to comply with the subdivision of land.	Ongoing
September 2006 (amended January 2007)	Gosford City Council, Norman Augustus McDonald Hunter and Norbet Enterprises Pty Ltd	Avoca Drive, Avoca Beach (Lot 651 DP 16791 and Lot 140 DP 9359)	This agreement sets out the construction and the provision of public amenities.	September 2006 (amended January 2007)

Date Executed	Agreement Parties	Property Description	Agreement Details	Status
May 2013	Gosford City Council and Narara Ecovillage Co-operative Limited	Research Road, Narara (Lot 13 DP 1126998)	This agreement sets out the contributions and obligations of the subdivision of land.	Ongoing
September 2022	Central Coast Council and Industrial Discounts Pty Ltd	39 Dell Rd, West Gosford	This agreement sets out the dedication of C2 Environmental Conservation land.	Completed
September 2021	Central Coast Council and Susanne M Glasson	107 Matcham Road, Matcham	This agreement sets out the land for inclusion or embellishment of existing land within the COSS.	Completed
September 2021	Central Coast Council and Nancy E Graham	24 Collingwood Drive, Matcham	This agreement sets out the land for inclusion or embellishment of existing land within the COSS.	Completed
September 2021	Central Coast Council and Nick Ursino and Nancy Ursino	14 Collingwood Drive, Matcham	This agreement sets out the land for inclusion or embellishment of existing land within the COSS.	Completed
September 2021	Central Coast Council and James M Ryan and Veronica P Ryan	2 Collingwood Drive, Matcham	This agreement sets out the land for inclusion or embellishment of existing land within the COSS.	Completed
September 2022	Central Coast Council and Industrial Discounts Pty Ltd	39 Dell Road, West Gosford	This agreement sets out the land for inclusion in the COSS and payment for bushland management works and access to COSS land	Ongoing
September 2022	Central Coast Council and Doyalson Wyee RSL Club	49 Wentworth Avenue and 80-120 Pacific Highway, Doyalson	This agreement sets out the requirement to relocate sporting clubs, provide landscape reports, prepare and implement Vegetation Management Plans, register covenant over landscape corridor, and construct traffic control signals	September 2022
October 2022	Central Coast Council and Wathara NSW Pty Limited	985 – 991 The Entrance Road, and 139 Bakali Road, Forresters Beach	This agreement sets out the requirements to provide a benefit in form of the Development Contribution being: Open Space Contribution; Road Works Contribution; C2 Land Contribution	Ongoing
November 2022	Central Coast Council and MHE Property Co Ptd Ltd ATF MHE	45 Mulloway Road Chain Valley Bay	This agreement sets out the requirements to provide monetary Contributions for	Ongoing

Date Executed	Agreement Parties	Property Description	Agreement Details	Status
	Operator Trust 3; Proponents Representative Vivacity.		public purpose of providing Council with funding necessary for construction of or improvements of local infrastructures in the vicinity of development land.	
November 2022	Central Coast Council and JG Developments Pty Ltd	15 Mulloway Road Chain Valley Bay	This agreement sets out the requirements to provide monetary Contributions for public purpose of providing Council with funding necessary for construction of or improvements of local infrastructures in the vicinity of development land.	Ongoing
November 2022	Central Coast Council and Pacific Link Housing Limited	18 Macleay Avenue, Woy Woy	This agreement sets out the requirements to provide public purposes- provision of public amenities, affordable housing conservation and enhancement of the natural environment. Dedication of land for the provision of public Drainage purpose and retention of vegetation.	Ongoing
January 2023	Central Coast Council and Allam Land No. 3 Pty Ltd	200 Hakone Road, Woongarra, 14 Wildberry Road, Woongarra and 188-189 Hakone Road, Woongarra	This agreement sets out the requirements to provide monetary Contributions for public purpose of providing Council with funding necessary for construction of or improvements of local infrastructures in the vicinity of development land.	Ongoing
June 2023	Central Coast Council and Rose Living Pty Ltd, Alda Properties (Lake Munmorah) Pty Ltd, Urban Land Redevelopment Pty Ltd, Robin Ernest Becker and Roxanne Annette Becker	285,295,305, 315 & 325 Pacific Highway Lake Munmorah	This agreement sets out the requirements to provide a benefit in form of the Development Contribution being: Open Space Contribution; Open Space Embellishment Works; Road Works Contribution & Monetary Contributions for public purpose of providing Council with funding necessary for construction of or improvements of local infrastructures in the vicinity of development land	June 2023

Government Information (Public Access) Regulation 2009

Government Information (Public Access) Information

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	15	4	0	0	0	0	0	0
Not for profit organisations or community groups	1	0	0	1	0	0	0	0
Members of the public (Legal Representatives)	19	3	0	3	0	0	0	0
Members of the public (Other)	65	16	0	5	0	0	0	2

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

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Personal information applications*	4	0	0	0	0	0	0	0
Access applications (other than personal information applications)	92	21	0	9	0	0	0	2
Access applications that are partly personal information applications and partly other	4	2	0	0	0	0	0	0

*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual)

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (Section 41 of the Act)	7
Application is for excluded information of the agency (Section 43 of the Act)	0
Application contravenes restraint order (Section 110 of the Act)	0
Total number of invalid applications received	7
Invalid applications that subsequently became valid applications	0

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

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

Consideration	Number of occasions consideration used
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	5
Business interests of agencies and other persons	18
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

Timeframe	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	126
Decided after 35 days (by agreement with applicant)	3
Not decided within time (deemed refusal)	0
Total	129

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

Review Type	Decision varied	Decision upheld	Total
Internal Review	0	0	0
Review by Information Commissioner	0	1	1
Internal review following recommendation under Section 93 of Act	0	0	0
Review by NCAT	0	0	0
Total	0	1	1

**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)

Applicant Type	Number of applications for review
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type transfer)

Transfer Type	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Independent Pricing and Regulatory Tribunal – Section 508(2) Instrument

Special Variation

In May 2022, IPART approved a temporary rate increase (Special Variation) of 15% (includes 2% rate peg), commencing from 1 July 2021 and expiring 30 June 2031. As noted in IPART's determination, the purpose of the SV is to enable Council to:

- Repay restricted funds accessed unlawfully;
- Improve financial sustainability; and
- Address special cost pressures.

As part of IPART's conditions of approval, Council is required to report in its Annual Report for each year between 2021-22 and 2030-31 on the following for those years:

- i) The program of expenditure that was actually funded by the Additional Income;

- ii) Any significant differences between the Proposed Program and the program of expenditure that was actually funded by the Additional Income and the reasons for those differences
- iii) The outcomes achieved as a result of the Additional Income;
- iv) The Council's actual revenues, expenses and operating balance against the projected revenues, expenses and operating balance as outlined in the Long Term Financial Plan; and
- v) Any significant differences between the Council's actual revenues, expenses and operating balance and projected revenues, expenses and operating balance as outlined in the Long Term Financial Plan and the reasons for those differences.

The information required for the 2022-23 financial year is as follows:

- i) Program of expenditure; and
- ii) Any significant differences between the Proposed Program and actual expenditure, and if so, reason for difference

SV Revenue above assumed Rate Peg \$000	Proposed Program Expenditure \$000	Actual Program Expenditure \$000	Difference between Proposed and Actual \$000
23,038	23,038	23,038	-

- iii) Outcome of Additional Income

Outcome of Additional Income	Actual \$000
SV Income	23,038
Emergency Loan Repayment	
Capital	9,693
Interest	1,465
Repayment to Restricted Funds	11,880
Total	23,038

- iv) Actual revenues, expenses and operating balance against the projected revenues, expenses and operating balance
- v) Any significant differences between actual revenue, expenses and operating balance and projected, and if so, reason for difference

Financial Summary	Projected* \$000	Actual \$000	Difference \$000	Reason for difference between Projected and Actual
Total Revenue	453,954	533,291	79,337	<ul style="list-style-type: none"> • \$29.4M favourable Grants and Contributions Capital Income. • \$16.8M favourable User Charges and Fees following a non-COVID affected financial year. • \$15.5M favourable Interest Revenue from a high interest rate environment.

Financial Summary	Projected* \$000	Actual \$000	Difference \$000	Reason for difference between Projected and Actual
				<ul style="list-style-type: none"> \$14.2M favourable Grants and Contributions Operating Income. \$3.4M favourable from other revenue streams.
Total Expenses	393,065	427,830	(34,765)	<ul style="list-style-type: none"> (\$14.7M) unfavourable loss on disposal of assets. (\$12.8M) unfavourable material and contracts expenses following a non-COVID affected financial year. (\$6.3M) unfavourable depreciation and amortisation expenses following addition of donated assets. (\$1.0M) unfavourable from other expenditure streams.
Operating Result from Continuing Operations	60,889	105,463	44,573	
Net Operating Result before Capital Grants and Contributions	13,000	28,209	15,209	
Cumulative Net Operating Result before Capital Grants and Contributions	48,389	73,028	24,639	

*NB: Figures reflect Council's 2022 SRV application to continue the SRV to June 2031.

Public Interest Disclosure Act 1994

Public Interest Disclosure Information

PID Statistical Information (from 1 July 2022 to 30 June 2023)			
	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
a) Number of public officials who made public interest disclosures to your public authority	2	0	0
b) Number of public interest disclosures received by your public authority	2	0	0
Of public interest disclosures received, how many were primarily about:			
(i) Corrupt conduct	2	0	0
(ii) Maladministration	0	0	0
(iii) Serious and substantial waste of public money or local government money (as appropriate)	0	0	0

PID Statistical Information (from 1 July 2022 to 30 June 2023)

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
(iv) Government information contravention	0	0	0
(v) Local Government pecuniary interest contraventions	0	0	0
c) Number of public interest disclosures finalised by the public authority	2	0	0

- d) Does the public authority have a public interest disclosures policy in place? Yes
- e) What actions have been taken to ensure staff awareness or their responsibilities under Section 6E(1)(b) of the Act have been met (*that staff of the public authority are aware of the contents of the policy and the protections under this Act for a person who makes a public interest disclosure*)
- Staff Training at induction and ongoing.
 - Links to Internal Reporting Policy, Procedures and reporting forms available on Council's internet and intranet sites.

Protection of the Environment Operations Act 1997

Enforceable Undertakings

In January 2019, following a water pollution occurrence at Wamberal the Environmental Protection Authority issued an Enforceable Undertaking to Council. The Enforceable Undertaking was still in place during the reporting period, with the following information provided:

- Council holds Environmental Protection Licence No. 1802 (Licence) for the management of the reticulated sewer network associated with Kincumber Sewage Treatment Plant. This licence is regulated by the EPA.
- A water pollution incident occurred in January 2019 to which the Licence applies as a result of a break in a sewer rising main at 893 The Entrance Road, Wamberal, NSW 2260. This impacted Forrester's Creek, a tributary of Wamberal Lagoon.
- After locating the main break, Council undertook actions to isolate the rising main and fix it immediately. In response to the overflow, Council liaised with the EPA and undertook the following clean-up actions:
 - Damming off the affected areas of the creek
 - Pumping contaminated creek water back into the sewer network
 - Mechanical aeration of the creek
 - Flushing with clean water
- Throughout the clean-up, Council undertook water quality sampling and kept the community informed of the situation via door knocks, media releases, public health warning signage and social media notifications.

- v. In response to the incident, Council and the EPA entered into an Enforceable Undertaking on 15 January 2020 pursuant to Section 253A of the *Protection of the Environment Operations Act 1997* (POEO Act).
- vi. Enforceable undertakings are a voluntary and legally binding agreement between the EPA and a party (in this case, Council) alleged to have breached the POEO Act. The agreement includes commitments by Council, in response to an alleged breach, that are designed to achieve improved environmental outcomes. The Enforceable Undertaking process is often used as an alternative to prosecution in the Land and Environment Court, as it diverts legal costs towards fit-for-purpose environmental projects.
- vii. The Enforceable Undertaking and progress reports are available on Council's website: <https://www.centralcoast.nsw.gov.au/environment/environmental-programs/environmental-management/enforceable-undertaking>
- viii. Council has now completed all sewer pump station (SPS) electrical switchboard upgrades within the LGA which support the new SCADA upgrades.
- ix. Council has also produced a technical paper reviewing assessment outcomes of the SPS diurnal tracking hardware and its suitability and best use as a system tool in detecting potential network faults.
- x. Ongoing works to align with the Undertakings:
 - o The primary consideration for the sewer rising main renewal is in respect to the TfNSW road widening project with a focus agreement between stakeholders on the alignment of the new main. Council have an open line of communication with TfNSW in relation to this project.
 - o TfNSW road widening construction is now underway.
 - o Council design period is now completed, and main construction is expected to commence between August 2023 – November 2023.

Swimming Pool Act 1992

Swimming Pool Inspections

During the reporting period 485 certificates of compliance were issued and 237 certificates of non-compliance were issued. This included inspections across a range of building types, including single dwellings, two of more dwellings, tourist and visitor accommodation.

Other Information

Tree Vandalism Statistics

As part of its role, Council responds to tree compliance complaints reported by the public. The following information details the outcomes of the requests received during the reporting period on tree compliance.

In 2022-23, Council received a total of 454 requests for illegal tree works. Of the total illegal tree works requests received, approximately 23% (106) are for tree vandalism on public land. The remaining 77% are related to alleged illegal tree works on private land. The outcomes of these

requests are summarised in the below table. Those items recorded in the 'Other' column of the table typically referred to situations such as Ausgrid undertaking exempt clearance works for asset protection.

	Successful Prosecution / PIN	Formal Caution	Insufficient Evidence to Proceed	Prior Approval or Exemption	Other	Total
Public Tree Vandalism Reports	6	4	81	0	15	106
Private Tree Vandalism Reports	34	12	100	202	0	348
Total	40	16	181	202	15	454

As a result of the investigations undertaken by Council, it was found that 9% of reports received resulted in the issuing of financial penalty. Whilst this rate has increased from previous years, it is also to be noted that in some instances, multiple reports relate to the same incident where the enforcement action was taken. The main reasons for this low rate of successful action is because most reports are not supported by sufficient evidence to take formal regulatory action.

A total of nine penalty infringement notices under the *Environment Planning and Assessment Act 1979* for development without consent (totalling \$60,000) were issued on private land. Furthermore, three penalty infringement notices under the *Local Government Act 1993* for remove / damage tree in public place (totalling \$660) were issued. An additional 16 formal cautions have been issued for technical / minor breaches. A large proportion of investigations found that property owners have exemption under the NSW Rural Fire Service 10/50 Vegetation Clearing Code of Practice or allege danger from falling branches during storms.



Attachment - Financial Reports

Central Coast Council

1 July 2022 to 30 June 2023



General Purpose Financial Statements

Central Coast Council

1 July 2022 to 30 June 2023

Central
Coast
Council

Central Coast Council

General Purpose Financial Statements

for the year ended 30 June 2023

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Overview

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

2 Hely Street Wyong, NSW 2259

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.centralcoast.nsw.gov.au

Central Coast Council

General Purpose Financial Statements

for the year ended 30 June 2023

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

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

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

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

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

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

Signed in accordance with a resolution of Council made on 31 October 2023.



Rik Hart
Administrator
31 October 2023



David Farmer
Chief Executive Officer
31 October 2023



Emma Galea
Responsible Accounting Officer
31 October 2023

Central Coast Council

Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Restated Actual 2022
Income from continuing operations				
390,335	Rates and annual charges	B2-1	389,286	365,780
145,542	User charges and fees	B2-2	164,980	140,237
9,666	Other revenues	B2-3	16,103	12,740
34,046	Grants and contributions provided for operating purposes	B2-4	56,622	47,717
75,883	Grants and contributions provided for capital purposes	B2-4	111,826	74,009
4,890	Interest and investment income	B2-5	23,888	7,118
7,917	Other income	B2-6	14,738	8,025
5,294	Net gain from the disposal of assets	B4-1	–	21,587
673,573	Total income from continuing operations		777,443	677,213
Expenses from continuing operations				
180,750	Employee benefits and on-costs	B3-1	184,873	162,831
198,729	Materials and services	B3-2	204,252	165,542
11,421	Borrowing costs	B3-3	13,072	14,588
158,781	Depreciation, amortisation and impairment of non-financial assets	B3-4	174,928	169,394
38,252	Other expenses	B3-5	44,043	50,757
–	Net loss from the disposal of assets	B4-1	9,408	–
587,933	Total expenses from continuing operations		630,576	563,112
85,640	Operating result from continuing operations		146,867	114,101
85,640	Net operating result for the year attributable to Council		146,867	114,101
9,758	Net operating result for the year before grants and contributions provided for capital purposes		35,041	40,092

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

Central Coast Council

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	Restated 2022
Net operating result for the year – from Income Statement		146,867	114,101
Other comprehensive income:			
Amounts that will not be reclassified subsequent to operating result			
Gain/(loss) on revaluation of infrastructure, property, plant and equipment	C1-8	<u>375,374</u>	<u>689,669</u>
Total other comprehensive income for the year		<u>375,374</u>	<u>689,669</u>
Total comprehensive income for the year attributable to Council (restated)		<u>522,241</u>	<u>803,770</u>

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

Central Coast Council

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	Restated 2022	Restated 1 July 2021
ASSETS				
Current assets				
Cash and cash equivalents	C1-1	79,523	55,009	65,709
Investments	C1-2	248,590	164,034	163,412
Receivables	C1-4	89,794	66,678	63,880
Inventories	C1-5	1,593	1,509	1,403
Non-current assets classified as 'held for sale'	C1-7	20,677	15,702	44,358
Other	C1-10	5,925	3,767	3,608
Total current assets		446,102	306,699	342,370
Non-current assets				
Investments	C1-2	432,443	433,094	255,297
Receivables	C1-4	2,806	3,348	3,384
Infrastructure, property, plant and equipment (IPPE)	C1-8	8,527,681	8,135,785	7,488,745
Intangible assets	C1-9	19,454	22,942	30,024
Right of use assets	C2-1	5,597	3,060	2,483
Other	C1-10	663	704	623
Total non-current assets		8,988,644	8,598,933	7,780,556
Total assets		9,434,746	8,905,632	8,122,926
LIABILITIES				
Current liabilities				
Payables	C3-1	88,774	83,198	72,152
Contract liabilities	C3-2	32,517	17,317	16,443
Lease liabilities	C2-1	487	331	241
Borrowings	C3-3	104,245	27,484	39,539
Employee benefit provisions	C3-4	57,978	53,333	52,493
Provisions	C3-5	6,668	8,970	6,288
Total current liabilities		290,669	190,633	187,156
Non-current liabilities				
Contract liabilities	C3-2	7,348	7,279	9,020
Lease liabilities	C2-1	5,877	2,963	2,320
Borrowings	C3-3	181,619	285,864	307,674
Provisions	C3-5	84,914	76,815	78,448
Total non-current liabilities		279,758	372,921	397,462
Total liabilities		570,427	563,554	584,618
Net assets		8,864,319	8,342,078	7,538,308
EQUITY				
Accumulated surplus		7,278,259	7,131,392	7,017,291
IPPE revaluation reserve	C4-1	1,586,060	1,210,686	521,017
Total equity		8,864,319	8,342,078	7,538,308

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

Central Coast Council

Statement of Changes in Equity

for the year ended 30 June 2023

	Notes	2023			2022		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus Restated	IPPE revaluation reserve Restated	Total equity Restated
\$ '000							
Opening balance at 1 July		7,131,392	1,210,686	8,342,078	7,005,356	521,017	7,526,373
Correction of prior period errors	G4-1	–	–	–	11,935	–	11,935
Restated opening balance		7,131,392	1,210,686	8,342,078	7,017,291	521,017	7,538,308
Net operating result for the year		146,867	–	146,867	106,071	–	106,071
Correction of prior period errors	G4-1	–	–	–	8,030	–	8,030
Restated net operating result for the period		146,867	–	146,867	114,101	–	114,101
Other comprehensive income							
– Gain / (loss) on revaluation of infrastructure, property, plant and equipment	C1-8	–	375,374	375,374	–	689,669	689,669
Total comprehensive income		146,867	375,374	522,241	114,101	689,669	803,770
Restated closing balance at 30 June		7,278,259	1,586,060	8,864,319	7,131,392	1,210,686	8,342,078

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

Central Coast Council

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Cash flows from operating activities				
<i>Receipts:</i>				
389,507	Rates and annual charges		380,240	371,564
144,520	User charges and fees		164,456	136,902
4,890	Interest received		20,420	7,265
109,929	Grants and contributions		137,852	103,149
–	Bonds, deposits and retentions received		162	–
19,243	Other (includes rental income)		21,549	44,404
<i>Payments:</i>				
(178,035)	Payments to employees		(176,629)	(165,099)
(198,672)	Payments for materials and services		(200,393)	(164,423)
(10,282)	Borrowing costs		(10,534)	(12,772)
–	Bonds, deposits and retentions refunded		–	(1,138)
(38,252)	Other (includes EPA levy)		(37,153)	(52,558)
242,848	Net cash flows from operating activities	G1-1	299,970	267,294
Cash flows from investing activities				
<i>Receipts:</i>				
80,000	Sale of investments		294,000	241,255
24,940	Proceeds from sale of IPPE and non-current assets held for sale		9,309	60,603
<i>Payments:</i>				
(130,000)	Purchase of investments		(375,490)	(432,771)
(176,509)	Payments for IPPE		(175,376)	(113,441)
–	Purchase of intangible assets		–	576
(201,569)	Net cash flows from investing activities		(247,557)	(243,778)
Cash flows from financing activities				
<i>Receipts:</i>				
–	Proceeds from borrowings		–	5,728
<i>Payments:</i>				
(27,484)	Repayment of borrowings		(27,484)	(39,593)
–	Principal component of lease payments		(415)	(351)
(27,484)	Net cash flows from financing activities		(27,899)	(34,216)
13,795	Net change in cash and cash equivalents		24,514	(10,700)
54,856	Plus: cash and cash equivalents at beginning of year		55,009	65,709
68,651	Cash and cash equivalents at end of year	C1-1	79,523	55,009

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

Central Coast Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 31 October 2023. 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 consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

Council is a not for-profit entity.

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

Historical cost convention

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

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 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 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. fair values of infrastructure, property, plant and equipment – refer Note C1-8
- ii. tip remediation provisions – refer Note C3-5
- iii. employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer to Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.
- iv. Assets classified as held for sale - refer to Note C1-7.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the *Local Government Act 1993*, 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 the financial statements of the Council.

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

- general purpose operations
- water service
- sewerage service
- drainage
- domestic waste

A1-1 Basis of preparation (continued)

- committees established under the *Local Government Act 1993 (NSW) S355*

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993*, a separate and distinct Trust Fund is maintained to account for all money and property received by 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 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

Volunteer services are services received by Council from individuals or other entities without charge or for consideration significantly less than the fair value of those services. These may include:

- Committees with volunteer members,
- Volunteers at art galleries or museums,
- Library volunteers,
- Childcare volunteers,
- Outdoor space volunteers, and
- Volunteers at special Council events.

Volunteer services will only be recognised when:

- such services would be purchased if they had not been donated, and
- the fair value of those services can be reliably measured.

Council, as necessary, has recognised the cost and associated income of volunteer services in relation to Council's Art Gallery and Theatre as Other Income and Other Expenses in Notes B2-3 and B3-2 respectively.

New accounting standards and interpretations issued but not yet effective

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

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

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

New accounting standards adopted during the year

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

- *AASB 2022-3 Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*
- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 – 2020 and Other Amendments*

None of these Standards had a significant impact on Council's reported position or performance.

B Financial Performance

B1 Functions or activities

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

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

\$ '000	Income		Expenses		Operating results		Grants and contributions		Carrying amount of assets	
	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹
Functions or activities										
Responsible	697,759	603,697	478,758	429,852	219,001	173,845	130,572	85,316	8,682,009	8,219,919
Liveable	47,077	30,208	93,351	69,561	(46,274)	(39,353)	25,820	10,782	621,819	572,111
Belonging	5,889	3,544	18,576	20,443	(12,687)	(16,899)	733	269	46,882	42,992
Smart	22,546	36,700	24,629	19,580	(2,083)	17,120	9,727	6,535	63,674	52,707
Green	4,172	3,064	15,262	23,676	(11,090)	(20,612)	1,596	18,824	20,362	17,903
Total functions and activities	777,443	677,213	630,576	563,112	146,867	114,101	168,448	121,726	9,434,746	8,905,632

(1) Restated 2021/22

B1-2 Components of functions or activities

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

Responsible

- Governance
- Partnerships - Plans into practice
- Communicate with community
- Engage with community
- Serve the community
- Delivering essential Infrastructure (roads, carparks, energy, water, telecommunications)

Liveable

- Public transport connections
- Plans transport management options
- Shared pathways
- Signage, public facilities, amenities, playgrounds, public areas
- Waterways, wharves, jetties, boat ramps and ocean baths
- Sport, leisure, recreational facilities, open space
- Healthcare
- Learning and knowledge
- Community facilities
- Heritage
- Land use planning
- Environmental
- Housing

Belonging

- Community spirit
- Connect people
- Inclusion and well being
- Social and health issues
- Community safety
- Activate places
- Events
- Sporting, cultural, festivals
- Arts

Smart

- Economic development
- CBD, town centres
- Tourism
- Innovation and futures

Green

- Natural areas
- Biodiversity
- Water quality
- Litter and landfill
- Renewable energy
- Protection of environment

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2023	2022
Ordinary rates		
Residential	173,191	171,594
Farmland	912	900
Mining	2,300	2,373
Business	24,791	24,405
Less: pensioner rebates (State Government funded)	(2,179)	(2,206)
Less: pensioner rebates (Council funded)	(1,779)	(1,806)
Rates levied to ratepayers	197,236	195,260
Pensioner rate subsidies received	2,140	2,236
Total ordinary rates	199,376	197,496
Special rates		
Town improvement	1,531	1,519
Parking	221	219
Tourism / business development	1,086	1,078
Total special rates	2,838	2,816
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	77,970	77,126
Water supply services	23,265	12,991
Sewerage services	65,478	58,222
Drainage	18,823	15,557
Waste management services (not-domestic)	3,817	3,736
Section 611 charges	91	116
Liquid trade waste	585	307
Less: pensioner rebates (State Government funded)	(3,316)	(3,292)
Less: pensioner rebates (Council funded)	(2,712)	(2,773)
Annual charges levied	184,001	161,990
Pensioner annual charges subsidies received:		
– Water	1,028	1,167
– Sewerage	881	1,178
– Domestic waste management	1,162	1,133
Total annual charges	187,072	165,468
Total rates and annual charges	389,286	365,780

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

Accounting policy

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

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area.

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

B2-2 User charges and fees

\$ '000	2023	2022
User charges		
Water supply services	61,439	54,789
Sewerage services	18,481	16,371
Waste management services (other)	67	36
Liquid trade waste	2,821	2,563
Total user charges	82,808	73,759
Fees		
Building services – other	1,189	1,620
Development applications	5,507	4,192
Inspection services	724	349
Private works – section 67	409	274
Registration fees	340	223
Regulatory/statutory fees	180	235
Rezoning fees	234	214
Section 10.7 certificates (EP&A Act)	1,028	1,001
Other	348	389
Section 603 certificates	594	758
Town planning	–	169
Aerodrome	61	41
Camping ground	813	557
Child care	8,088	7,214
Companion animals	317	401
Engineering design fees	711	1,117
Holiday parks	12,505	10,682
On site sewer management (OSSM)	665	540
Parking fees	505	287
Parks and recreation	677	590
Sewerage Connection Income	501	469
Swimming centres	4,847	2,792
Theatres	1,020	508
Tipping fees	24,583	22,089
Transport for NSW works (state roads not controlled by Council)	12,629	6,829
Water connection fees	989	1,079
Other	2,708	1,859
Total fees	82,172	66,478
Total user charges and fees	164,980	140,237
Timing of revenue recognition for user charges and fees		
User charges and fees recognised over time	–	–
User charges and fees recognised at a point in time	164,980	140,237
Total user charges and fees	164,980	140,237

Accounting policy

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

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

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

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

B2-3 Other revenues

\$ '000	2023	2022
Fines – parking	735	2,662
Landfill sale of scrap metal	1,318	1,420
Fines – other	2,832	1,220
Sales – general	1,077	1,200
Event revenue	2,913	1,042
Insurance claims recoveries	1,894	1,575
Legal fees recovery – other	257	586
Diesel rebate	553	389
Cemetery income	290	359
Recreation	–	265
Landfill gas royalty payment	508	342
Arts centre	2	58
Section 355 Committee income	15	129
Other	3,709	1,608
COVID-19 waivers and refunds	–	(115)
Total other revenue	16,103	12,740
Timing of revenue recognition for other revenue		
Other revenue recognised over time	–	–
Other revenue recognised at a point in time	16,103	12,740
Total other revenue	16,103	12,740

Accounting policy for other revenue

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

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

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

B2-4 Grants and contributions

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
General purpose grants and non-developer contributions (untied)				
Current year allocation				
Financial assistance – general component	5,853	11,416	–	–
Financial assistance – local roads component	1,387	2,430	–	–
Payment in advance - future year allocation ²				
Financial assistance – general component	24,978	17,528	–	–
Financial assistance – local roads component	5,496	3,749	–	–
Amount recognised as income during current year	37,714	35,123	–	–
Special purpose grants and non-developer contributions (tied)				
Cash contributions				
Aged and disabled	27	33	–	–
Bushfire and emergency services	3,549	1,694	82	61
Child care	375	498	154	8
Community care	428	20	–	–
Employment and training programs	207	149	–	–
Environmental programs	3,347	1,796	399	154
Heritage and cultural	16	–	–	–
Library	993	941	441	1,002
LIRS subsidy	52	136	–	–
Recreation and culture	–	–	–	87
Recreational facilities	330	41	3,925	4,861
Roads and bridges	–	–	18,980	19,049
Roadworks	19	66	–	9
Sewerage (excl. section 64 contributions)	–	–	–	138
Street lighting	1,006	986	–	–
Transport (roads to recovery)	–	–	2,772	2,772
Transport for NSW contributions (regional roads, block grant)	3,901	3,772	–	–
Transport (other roads and bridges funding)	1,542	123	2,420	2,475
Vehicle contributions by employees	1,914	1,776	–	–
Water / Sewer Infrastructure	–	–	18,420	5,665
Water supplies (excl. section 64 contributions)	–	–	–	45
Youth services	50	44	–	–
Other	1,152	519	1,188	295
Non-cash contributions				
Donated assets ¹	–	–	33,595	16,044
Total special purpose grants and non-developer contributions (tied)	18,908	12,594	82,376	52,665
Total grants and non-developer contributions	56,622	47,717	82,376	52,665
Comprising:				
– Commonwealth funding	39,839	36,777	17,409	16,009
– State funding	14,349	8,769	31,275	19,820
– Other funding	2,434	2,171	33,692	16,836
	56,622	47,717	82,376	52,665

(1) Restated 2021/22

(2) The 2023 - 2024 Financial Assistance Grant from Commonwealth Government totalling \$30.474M was received by Council during the current financial year and hence is reported as 2022 - 2023 income although it relates to 2023 - 2024 financial year.

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G5				
Cash contributions					
S 7.11 – contributions towards amenities/services		–	–	23	431
S 7.12 – fixed development consent levies		–	–	1,164	2,254
S 64 – water supply contributions		–	–	3,325	4,705
S 64 – sewerage service contributions		–	–	2,851	2,293
Other developer contributions		–	–	572	341
S 7.11 – stormwater contributions		–	–	2,677	1,151
S 7.11 – roadworks		–	–	5,905	3,204
S 7.11 – open space		–	–	7,105	3,770
S 7.11 – community facilities		–	–	4,093	2,568
Non-cash contributions					
S 64 – sewerage service contributions		–	–	720	334
S 64 – water supply contributions		–	–	1,015	293
Total developer contributions	G5	<u>–</u>	<u>–</u>	<u>29,450</u>	<u>21,344</u>
Total grants and contributions		<u>56,622</u>	<u>47,717</u>	<u>111,826</u>	<u>74,009</u>
Timing of revenue recognition					
Grants and contributions recognised over time		12,665	7,331	6,794	57,964
Grants and contributions recognised at a point in time		43,957	40,386	105,032	16,045
Total grants and contributions		<u>56,622</u>	<u>47,717</u>	<u>111,826</u>	<u>74,009</u>

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Grants				
Unspent funds at 1 July	6,716	4,223	8,852	10,736
Add: Funds received and not recognised as revenue in the current year	7,938	4,006	16,069	5,399
Less: Funds received in prior year but revenue recognised and funds spent in current year	(3,944)	(1,513)	(4,524)	(7,283)
Unspent funds at 30 June	10,710	6,716	20,397	8,852
Contributions				
Unspent funds at 1 July	701	490	200,990	185,634
Add: contributions received and not recognised as revenue in the current year	146	304	35,719	23,141
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	(162)	(93)	(10,348)	(7,785)
Unspent funds at 30 June	685	701	226,361	200,990

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement but include differing performance obligations within AASB 15, for example, event milestones. 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.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

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.

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion 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.

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

Developer 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* (EP&A Act).

B2-4 Grants and contributions (continued)

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 Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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.

B2-5 Interest and investment income

\$ '000	2023	2022
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	1,633	1,456
– Cash and investments	22,255	5,660
Other	–	2
Total interest and investment income	23,888	7,118

Accounting policy

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

B2-6 Other income

\$ '000	Notes	2023	2022
Rental income			
Properties not held for investment		5,190	5,129
Room/Facility Hire		4,154	2,666
Outdoor space		264	154
Other		145	76
Total rental income	C2-2	9,753	8,025
Fair value increment on investments through profit and loss		4,985	–
Total other income		14,738	8,025

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	130,187	131,367
Employee termination costs	3,254	1,191
Employee leave entitlements	37,274	20,729
Superannuation	16,687	15,846
Workers Compensation	6,195	2,252
Fringe benefit tax (FBT)	76	184
Payroll tax	1,908	2,005
Total employee costs	195,581	173,574
Less: capitalised costs	(10,708)	(10,743)
Total employee costs expensed	184,873	162,831

Accounting policy

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

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.

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

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

B3-2 Materials and services

\$ '000	Notes	2023	2022
Raw materials and consumables		19,920	14,509
Contractor costs		77,462	40,883
Contract costs Garbage collection		33,760	31,250
Contract costs Green waste processing		6,621	5,456
Contract costs Corporate systems		–	3,169
Contract costs Agency hire		4,574	2,262
Contract costs Roads		–	10,583
Audit Fees	F2-1	1,108	751
Previously other expenses:			
Advertising		569	628
Bank charges		1,342	1,496
Commissions		4,961	4,412
Computer software charges		11,044	11,208
Election expenses		6	140
Councillor, Mayoral and Administrator fees and associated expenses	F1-2	337	320
Electricity and heating		15,366	11,672
Events and promotions		2,424	1,807
Gas charges		370	506
Insurance		4,663	4,715
Licences		1,268	1,427
Planning NSW development application fees		775	774
Postage		1,143	1,145
Printing and stationery		767	648
Street lighting		4,766	4,482
Subscriptions and publications		632	684
Telephone and communications		1,566	1,089
Tip rehabilitation provision adjustment		738	3,021
Travel expenses		70	41
Training costs		1,067	950
Valuer general fees		991	886
Vehicle registrations		942	754
Other expenses		3,456	2,167
Legal expenses:			
– Legal expenses: other		431	396
Expenses from Peppercorn leases		5	35
Expenses from short-term leases		1,085	368
Expenses from leases of low value assets		14	908
Variable lease expenses relating to usage		9	–
Total materials and services		204,252	165,542

Accounting policy

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

Computer software charges

In April 2021, the International Financial Reporting Standards Interpretations Committee issued a final agenda decision where configuration or customisation costs in a cloud computing arrangement are to be treated as period costs instead of capitalising such costs as intangible assets as was the case prior to this decision. This treatment has been consistently applied during the year ended 30 June 2023.

B3-3 Borrowing costs

\$ '000	Notes	2023	2022
Interest on leases		283	153
Interest on overdraft		2	–
Interest on loans		10,088	11,390
Interest on other debts		166	101
Amortisation of discounts and premiums			
- Floating Rate Notes		–	1,647
Remediation liabilities	C3-5	2,533	1,297
Total borrowing costs expensed		13,072	14,588

Accounting policy

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

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

Depreciation and amortisation

Plant and equipment		7,632	8,112
Office equipment		2,275	2,809
Furniture and fittings		1,313	1,269
Land improvements (depreciable)		1,018	2,032
Infrastructure:	C1-8		
– Buildings – specialised ¹		14,748	13,435
– Other structures		489	3,126
– Roads ¹		38,079	33,203
– Bridges		855	773
– Footpaths ¹		3,543	3,155
– Stormwater drainage ¹		13,382	11,943
– Water supply network		34,641	29,591
– Sewerage network		36,355	33,396
– Swimming pools		544	951
– Other open space/recreational assets		12,051	4,639
– Other infrastructure		2,040	2,433
Other assets:			
– Library books		770	807
– Other		145	236
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5,C1-8	2,705	2,242
Right of use assets	C2-1	948	507
Intangible assets	C1-9	3,488	3,103
Total depreciation and amortisation costs		177,021	157,762

Impairment / revaluation decrement/(increment) of IPPE

Plant and equipment		–	350
Office equipment		–	1
Furniture and fittings		3	–
Land improvements (depreciable)		(1,102)	5,426
Infrastructure:	C1-8		
– Buildings – specialised		(24)	24
– Other structures		–	3,158
– Swimming pools		(46)	46
– Other open space/recreational assets		(792)	792
– Other infrastructure		(132)	132
Intangible assets	C1-9	–	1,703
Total impairment costs charged to Income Statement (IPPE)		(2,093)	11,632

Total depreciation, amortisation and impairment for non-financial assets

174,928	169,394
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B3-4 Depreciation, amortisation and impairment of non-financial assets (continued)

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

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. When a net revaluation increment reverses a net revaluation decrement previously recognised as an expense in the trading result in respect of the same class of non-current asset, it must be recognised immediately as revenue in the trading account.

(1) Restated 2021/22

B3-5 Other expenses

\$ '000	2023	2022
Impairment of receivables		
Sundry debtors and other charges	956	1,345
Fair value decrement on investments		
Fair value decrement on investments through profit and loss	2,570	13,097
Other expenses		
Contributions/levies to other levels of government		
– NSW Fire and rescue levy	3,334	2,919
– NSW rural fire service levy	2,055	1,539
– Waste levy	31,093	28,533
– Holiday Park levy	601	504
– NSW State emergency services levy	926	504
Donations, Contributions and assistance to other organisations (Section 356)		
– The Art House	1,051	970
– Surf Life Saving Clubs	214	214
– Community grants	956	684
– Other contributions and donations	287	448
Total other expenses	44,043	50,757

Accounting policy

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

Impairment expenses are recognised when identified.

B4 Gains or losses

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

\$ '000	Notes	2023	2022
Gain (or loss) on disposal of non-current assets classified as 'held for sale'	C1-7		
Proceeds from disposal – non-current assets held for sale		–	52,817
Less: carrying amount of non-current assets held for sale		–	(30,578)
Gain (or loss) on disposal		–	22,239
Gain (or loss) on disposal of plant and equipment	C1-8		
Proceeds from disposal – plant and equipment		2,515	2,826
Less: carrying amount of plant and equipment assets sold/written off		(1,673)	(2,368)
Gain (or loss) on disposal		842	458
Gain (or loss) on disposal of infrastructure assets	C1-8		
Proceeds from disposal – infrastructure		–	–
Less: carrying amount of infrastructure assets sold/written off		(6,548)	(925)
Gain (or loss) on disposal		(6,548)	(925)
Gain (or loss) on disposal of investments	C1-2		
Proceeds from disposal/redemptions/maturities – investments		294,000	241,255
Less: carrying amount of investments sold/redeemed/matured		(294,000)	(241,255)
Gain (or loss) on disposal		–	–
Gain (or loss) on disposal of land	C1-8		
Proceeds from disposal – community and operational Land		6,794	4,960
Less: carrying amount of community and operational Land assets sold/written off		(6,396)	(2,988)
Gain (or loss) on disposal		398	1,972
Gain (or loss) on disposal of stormwater drainage assets	C1-8		
Proceeds from disposal – Stormwater Drainage		–	–
Less: carrying amount of stormwater drainage assets sold/written off		(329)	–
Gain (or loss) on disposal		(329)	–
Gain (or loss) on disposal of sewerage network assets	C1-8		
Proceeds from disposal – Sewerage Network		–	–
Less: carrying amount of sewerage network assets sold/written off		(791)	–
Gain (or loss) on disposal		(791)	–
Gain (or loss) on disposal of water supply assets	C1-8		
Proceeds from disposal – water supply assets		–	–
Less: carrying amount of water supply assets sold/written off		(1,372)	–
Gain (or loss) on disposal		(1,372)	–
Gain (or loss) on disposal of other assets	C1-8		
Proceeds from disposal – Other assets		–	–
Less: carrying amount of other assets sold/written off		(1,608)	(2,157)
Gain (or loss) on disposal		(1,608)	(2,157)
Net gain (or loss) from disposal of assets		(9,408)	21,587

Accounting policy

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

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 28 June 2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Revenues				
Rates and annual charges	390,335	389,286	(1,049)	0% U
User charges and fees	145,542	164,980	19,438	13% F
Favourable variance relates to additional income from RMS user charges, external tipping fees, tourist park user charges and swimming pool fees.				
Other revenues	9,666	16,103	6,437	67% F
To be compared alongside Other Income as below: favourable variance due to unrealised gains on investments in a high interest rate environment during 2022-2023, increase in income from fines, increase in ticketing income, increase in community facilities rental income and one-off insurance recoveries.				
Operating grants and contributions	34,046	56,622	22,576	66% F
Favourable variance predominantly relates to an increased amount of Financial Assistance Grant pre-paid in 2022-2023, but also increase in operating grant amounts for roads and bridges funding.				
Capital grants and contributions	75,883	111,826	35,943	47% F
Favourable variance predominantly relates to a large amount of donated assets in 2022-2023 that were not included in the original budget forecast, as well as increased developer contribution income for road works and community facilities.				
Interest and investment revenue	4,890	23,888	18,998	389% F
Favourable variance relates to the value of Council's investment portfolio and interest earnings on floating rate notes and bonds from a high interest rate environment in 2022-2023.				
Net gains from disposal of assets	5,294	-	(5,294)	(100)% U
To be compared alongside Net losses from disposal of assets as below: see Net losses from disposal of net assets unfavourable variance explanation.				
Other income	7,917	14,738	6,821	86% F
To be compared alongside Other Revenue as above: see Other Revenue for favourable variance explanation.				

B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
Expenses				
Employee benefits and on-costs	180,750	184,873	(4,123)	(2)% U
Materials and services	198,729	204,252	(5,523)	(3)% U
Borrowing costs	11,421	13,072	(1,651)	(14)% U
Unfavourable variance relates to an increased amortisation of tip remediation costs due to a high CPI/inflation environment in 2022-2023.				
Depreciation, amortisation and impairment of non-financial assets	158,781	174,928	(16,147)	(10)% U
Unfavourable variance relates to a flow on effect of increased depreciation for 2022-2023 from the significant revaluation increments and adjustments made in the 2021-2022 financial year. The original depreciation forecast for 2022-2023 was developed based on information in the system from early 2022, before any revaluation or adjustments were planned.				
Other expenses	38,252	44,043	(5,791)	(15)% U
Unfavourable variances relates to fair value decrements and increments (see Other revenue explanation) on investments in a high interest rate environment during 2022-2023 that were not included in the original budget forecast, as well as increased EPA waste levy costs.				
Net losses from disposal of assets	-	9,408	(9,408)	∞ U
To be compared alongside Net gain from disposal of assets as above: Unfavourable variance due to a large write down of assets including fixed assets, roads, buildings and water supply assets, but slightly offset by proceeds from disposal of operational land that were not included in the original budget forecast.				
Statement of cash flows				
Cash flows from operating activities	242,848	299,970	57,122	24% F
Favourable variance due to increased user charges and fees income following a full financial year with no COVID impacts, additional grants funding from the Financial Assistance Grant pre-paid in 2022-2023 and Council's investment portfolio following a high interest rate environment present in 2022-2023.				
Cash flows from investing activities	(201,569)	(247,557)	(45,988)	23% U
Unfavourable variance due to no proceeds from sales of investments made in 2022-2023 and a reduced amount of proceeds from sales of Infrastructure, Property, Plant and Equipment. This is slightly offset by a reduced amount of purchases of investments as compared to the original budget forecast for 2022-2023.				
Cash flows from financing activities	(27,484)	(27,899)	(415)	2% U

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2023	2022
Cash assets		
Cash on hand and at bank	53,255	24,109
Deposits at call	26,268	30,900
Total cash and cash equivalents	79,523	55,009

Accounting policy

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

C1-2 Financial investments

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Financial assets at fair value through the profit and loss				
Government and semi-government bonds	–	80,236	–	74,683
NCD's, FRN's	38,590	327,207	19,034	303,411
Total	38,590	407,443	19,034	378,094
Debt securities at amortised cost				
Long term deposits	210,000	25,000	145,000	55,000
Total financial investments	248,590	432,443	164,034	433,094

Accounting policy

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

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

Financial assets

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

Classification

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

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

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

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.

C1-2 Financial investments (continued)

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.

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

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

\$ '000	2023	2022
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	760,556	652,137
Less: Externally restricted cash, cash equivalents and investments	<u>(517,363)</u>	<u>(430,948)</u>
Cash, cash equivalents and investments not subject to external restrictions	<u>243,193</u>	<u>221,189</u>

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

\$ '000	2023	2022
External restrictions		
External restrictions included in cash, cash equivalents and investments above comprise:		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	100,043	109,395
Developer contributions – water	10,288	6,209
Developer contributions – sewer	18,086	18,442
Developer contributions – drainage	33,493	36,061
Developer contributions – VPA – general	2,824	2,737
Developer contributions – VPA – water	1,079	1,059
Developer contributions – VPA – sewer	507	497
Developer contributions – VPA - drainage	1,403	1,377
Developer contributions – bonus provisions	5,822	5,617
Developer Contributions – Sec 7.12 Levy	51,625	18,377
Specific purpose unexpended grants – general	18,292	13,118
Specific purpose unexpended grants – water	2,286	2,310
Specific purpose unexpended grants - sewer	10,498	14
Specific purpose unexpended grants - drainage	31	127
Cemeteries	510	609
Contributions to works including COSS	6,896	6,732
Crown land	1,947	1,676
Domestic waste management	115,063	97,419
Gosford parking station special rate levies	1,277	943
Holiday parks and camping ground	14,756	15,792
Self insurance claims – water	1,478	1,359
Self insurance claims – general	8,561	5,305
Self insurance claims – sewer	1,078	1,633
Stormwater management	570	571
Tourism levies	2,895	3,478
Water Supply Authority	105,256	79,288
Other External Restrictions	799	803
Total external restrictions	517,363	430,948

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

(b) Internal allocations

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

Davistown Wetlands	1,436	1,436
Drainage Licence Fee	696	621
Emergency services levy savings	339	339
Employees leave entitlement	9,127	11,173
Employment generating projects	2,816	3,155
Property development	4,862	5,074
Regional Library	11,570	11,570
Section 355/advances/deposits	368	458
Tip replacement/rehabilitation	37,518	35,453
Waste disposal facility	29,963	24,212
Emergency loan repayments	43,000	–
Future projects reserve	5,000	–
Multi-year projects	1,085	–
Total internal allocations	147,780	93,491

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or

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

policy of the elected Council.

C1-4 Receivables

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Rates	10,854	–	6,158	–
Interest and extra charges	1,833	–	1,733	–
User charges and fees	12,489	2,310	11,881	2,827
Accrued revenues				
– Interest on investments	5,011	–	1,643	–
– User charges and fees	13,491	–	10,702	–
– Government subsidies	2,229	–	2,345	–
– Other income accruals	3,918	–	1,111	–
Government grants and subsidies	17,087	–	6,119	–
Net GST receivable	4,281	–	2,486	–
Waste management annual charge	4,211	–	3,445	–
Drainage annual charge	1,914	–	1,635	–
Water annual charge	2,049	–	1,432	–
Sewerage annual charge	6,425	–	8,130	–
Other debtors	7,992	496	11,058	521
Total	93,784	2,806	69,878	3,348
Less: provision for impairment				
Sundry debtors and other charges	(3,990)	–	(3,200)	–
Total provision for impairment – receivables	(3,990)	–	(3,200)	–
Total net receivables	89,794	2,806	66,678	3,348

Accounting policy

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

Impairment

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

When estimating ECL, 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.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1. When considering the ECL for rates and annual charges debtors, Council considers that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. Credit losses are measured at 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.

Council writes off a 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 beyond the applicable statute of limitations period, whichever occurs first. None of the receivables that have been written off are subject to enforcement activity.

Where 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.

C1-5 Inventories

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
At cost				
Stores and materials	1,593	-	1,509	-
Total inventories	1,593	-	1,509	-

Accounting policy

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.

C1-6 Contract assets and Contract cost assets

Nil

C1-7 Non-current assets classified as held for sale

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Non-current assets held for sale				
Land	13,915	-	9,109	-
Buildings	6,762	-	6,543	-
Plant	-	-	50	-
Total non-current assets classified as held for sale	20,677	-	15,702	-

Details of assets held for sale

Non-current assets held for sale comprises four parcels of land, the Gosford Administration building and associated sites, and the East Gosford Training Centre. These assets have been deemed excess to Council's operational requirements and were available for sale and actively marketed as at 30 June 2023.

At the date of this Report, Council has a signed contract for sale with TAFE for the Gosford Administration site.

The remaining assets are expected to be settled during the financial year ending 30 June 2024.

Accounting policy

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use and are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

C1-8 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period							At 30 June 2023		
	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss / revaluation decrements (recognised in P/L)	WIP transfers	Adjustments and transfers	Revaluation increments / (decrements) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000													
Capital work in progress	204,342	–	204,342	176,595	–	–	–	(168,689)	–	–	212,248	–	212,248
Plant and equipment	97,179	(53,125)	44,054	1,648	(1,673)	(7,632)	–	14,430	1,249	–	108,372	(56,297)	52,075
Office equipment	19,298	(12,741)	6,557	–	(4)	(2,275)	–	89	–	–	19,381	(15,013)	4,368
Furniture and fittings	15,528	(6,890)	8,638	–	(47)	(1,313)	(3)	99	460	–	15,982	(8,147)	7,835
Land:													
– Operational land	554,008	–	554,008	–	(2,009)	–	–	–	(9,049)	(67,748)	475,202	–	475,202
– Crown and Community land	564,916	–	564,916	7,109	(4,387)	–	–	–	2,599	(4,035)	566,201	–	566,201
– Land under roads (post 30/6/08)	2,149	–	2,149	–	–	–	–	–	412	–	2,561	–	2,561
Land improvements – depreciable	21,579	(3,781)	17,798	–	–	(1,018)	1,102	–	–	–	22,988	(5,106)	17,882
Infrastructure:													
– Buildings – specialised	934,719	(406,532)	528,187	–	(1,372)	(14,748)	24	10,096	(4,230)	56,691	980,046	(405,400)	574,646
– Other structures	8,888	(2,259)	6,629	394	(20)	(489)	–	935	1,426	–	12,333	(3,457)	8,876
– Roads	2,187,244	(694,756)	1,492,488	7,775	(5,847)	(38,079)	–	74,506	–	82,505	2,359,470	(746,122)	1,613,348
– Bridges	71,144	(28,423)	42,721	–	(50)	(855)	–	6,557	–	2,859	82,108	(30,877)	51,231
– Footpaths	252,210	(100,840)	151,370	931	(528)	(3,543)	–	5,813	551	9,085	273,792	(110,112)	163,680
– Bulk earthworks (non-depreciable)	380,359	–	380,359	825	(104)	–	–	544	–	19,459	401,083	–	401,083
– Stormwater drainage	1,708,902	(532,945)	1,175,957	3,842	(329)	(13,382)	–	9,032	–	59,852	1,808,992	(574,019)	1,234,973
– Water supply network	2,362,055	(1,060,602)	1,301,453	2	(1,374)	(34,641)	–	8,366	–	98,210	2,549,504	(1,177,486)	1,372,018
– Sewerage network	2,447,521	(1,016,658)	1,430,863	21	(791)	(36,355)	–	23,548	–	109,273	2,657,729	(1,131,169)	1,526,560
– Swimming pools	9,366	(1,954)	7,412	–	–	(544)	46	–	–	405	9,982	(2,662)	7,320
– Other open space/recreational assets	204,623	(50,622)	154,001	10,985	(184)	(12,051)	792	2,006	113	6,691	228,182	(65,830)	162,352
– Other infrastructure	44,133	(10,469)	33,664	51	–	(2,040)	132	2,724	–	2,127	49,990	(13,331)	36,659
Other assets:													
– Library books	4,837	(3,047)	1,790	–	–	(770)	–	813	–	–	5,649	(3,817)	1,832
– Other	6,893	(2,994)	3,899	–	–	(145)	–	–	276	–	7,247	(3,218)	4,029
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):													
– Tip assets	50,489	(27,959)	22,530	1,746	–	(2,705)	–	9,131	–	–	61,366	(30,664)	30,702
Total infrastructure, property, plant and equipment	12,152,382	(4,016,597)	8,135,785	211,924	(18,719)	(172,585)	2,093	–	(6,193)	375,374	12,910,408	(4,382,727)	8,527,681

C1-8 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period							At 30 June 2022		
	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss / revaluation decrements (recognised in P/L)	WIP transfers	Adjustments and transfers	Revaluation increments / (decrements) to equity (ARR)	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated
\$ '000													
Capital work in progress	154,250	–	154,250	114,749	–	–	–	(64,598)	(58)	–	204,342	–	204,342
Plant and equipment	103,656	(53,848)	49,808	1,378	(2,368)	(8,112)	(350)	3,208	490	–	97,179	(53,125)	44,054
Office equipment	17,686	(10,011)	7,675	–	(160)	(2,809)	(1)	1,778	74	–	19,298	(12,741)	6,557
Furniture and fittings	14,866	(5,566)	9,300	–	(162)	(1,269)	–	523	246	–	15,528	(6,890)	8,638
Land:													
– Operational land	485,789	–	485,789	–	(2,988)	–	–	–	(799)	72,006	554,008	–	554,008
– Crown and Community land	424,488	–	424,488	–	–	–	–	–	–	140,428	564,916	–	564,916
– Land under roads (post 30/6/08)	2,149	–	2,149	–	–	–	–	–	–	–	2,149	–	2,149
Land improvements – depreciable	51,579	(20,009)	31,570	–	(14)	(2,032)	(5,426)	43	(7,242)	899	21,579	(3,781)	17,798
Infrastructure:													
– Buildings – specialised	807,922	(351,845)	456,077	6,294	(976)	(13,435)	(24)	4,211	5,274	70,766	934,719	(406,532)	528,187
– Other structures	48,974	(14,026)	34,948	–	(897)	(3,126)	(3,158)	680	(22,214)	396	8,888	(2,259)	6,629
– Roads	2,026,575	(611,962)	1,414,613	4,452	–	(33,203)	–	381	–	106,243	2,187,244	(694,756)	1,492,488
– Bridges	66,063	(25,623)	40,440	–	–	(773)	–	1	–	3,050	71,144	(28,423)	42,721
– Footpaths	233,660	(90,485)	143,175	554	–	(3,155)	–	31	–	10,765	252,210	(100,840)	151,370
– Bulk earthworks (non-depreciable)	352,771	–	352,771	469	–	–	–	–	–	27,119	380,359	–	380,359
– Stormwater drainage	1,562,748	(474,396)	1,088,352	2,898	–	(11,943)	–	254	5	96,391	1,708,902	(532,945)	1,175,957
– Water supply network	2,186,967	(973,533)	1,213,434	–	–	(29,591)	–	47,077	–	70,532	2,362,055	(1,060,602)	1,301,453
– Sewerage network	2,314,878	(928,164)	1,386,714	–	–	(33,396)	–	–	–	77,545	2,447,521	(1,016,658)	1,430,863
– Swimming pools	11,373	(6,451)	4,922	–	–	(951)	(46)	148	1,853	1,486	9,366	(1,954)	7,412
– Other open space/recreational assets	195,096	(61,278)	133,818	–	(723)	(4,639)	(792)	5,369	17,003	3,964	204,623	(50,622)	154,001
– Other infrastructure	47,330	(16,939)	30,391	–	(15)	(2,433)	(132)	167	2,296	3,391	44,133	(10,469)	33,664
Other assets:													
– Library books	4,126	(2,240)	1,886	–	–	(807)	–	711	–	–	4,837	(3,047)	1,790
– Other	7,126	(5,927)	1,199	–	(135)	(236)	–	16	(1,633)	4,688	6,893	(2,994)	3,899
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):													
– Tip assets	43,260	(22,284)	20,976	–	–	(2,242)	–	–	3,796	–	50,489	(27,959)	22,530
Total infrastructure, property, plant and equipment	11,163,332	(3,674,587)	7,488,745	130,794	(8,438)	(154,152)	(9,929)	–	(909)	689,669	12,152,382	(4,016,597)	8,135,785

C1-8 Infrastructure, property, plant and equipment (continued)

Accounting policy

Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

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

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.

Useful lives of IPPE

Land and bulk earthworks are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	4 to 12	Playground equipment	4 to 50
Office furniture	4 to 50	Benches, seats etc.	10 to 50
Computer equipment	3 to 20		
Vehicles	5 to 20	Buildings	10 to 80
Heavy plant/road making equipment	8 to 25		
Other plant and equipment	2 to 37	Land Improvements - depreciable	6 to 100
Water and sewer assets		Stormwater assets	
Dams and reservoirs	15 to 200	Drains	120
Bores	20 to 30	Culverts	120
Reticulation pipes	14 to 100	Flood control structures	80 to 100
Transportation assets		Other infrastructure assets	
Sealed roads: surface	12 to 100	Swimming pools	8 to 100
Sealed roads: structure	40 to 160	Other open space/recreational assets	3 to 100
Unsealed roads	30	Other infrastructure	10 to 100
Kerb and gutters	10 to 100	Other structures	5 to 100
Bridges	80 to 100		
Road pavements	40 to 100	Other assets	
Footpaths	30 to 80	Library books	5
		Other	6 to 500
Tip assets	4 to 50		

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

Revaluation model

Infrastructure, property, plant and equipment are held at fair value. 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.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Planning and Environment.

Increases in the carrying amounts arising on revaluation are credited to the IPPE 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 IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Land under roads

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

C1-8 Infrastructure, property, plant and equipment (continued)

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of 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 the Crown reserves are under a lease arrangement they are accounted for under AASB 16 *Leases*, refer to Note C2-1.

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

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

These Rural Fire Service assets are recognised as assets of the Council in these financial statements.

C1-9 Intangible assets

Intangible assets

\$ '000	2023	2022
Software		
Opening values at 1 July		
Gross book value	30,466	30,444
Accumulated amortisation and impairment	(7,524)	(2,123)
Net book value – opening balance	22,942	28,321
Movements for the year		
WIP - net movement	–	(1,683)
Development costs	–	576
Amortisation charges	(3,488)	(3,103)
Gross book value (written off) / written back	–	1,129
Accumulated amortisation charges written off / (written back)	–	(2,298)
Closing values at 30 June		
Gross book value	30,466	30,466
Accumulated amortisation and impairment	(11,012)	(7,524)
Total software – net book value	19,454	22,942
Drainage easements		
Opening values at 1 July		
Gross book value	–	1,703
Net book value – opening balance	–	1,703
– Impairment charges	–	(1,703)
Closing values at 30 June		
Gross book value	–	1,703
Accumulated impairment	–	(1,703)
Total Drainage easements – net book value	–	–
Total intangible assets – net book value	19,454	22,942

Accounting policy

Software

Software development costs include only those costs directly attributable to the development phase (including external direct costs of materials and services, direct payroll and payroll-related costs of employees' time spent on the project) and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset. Amortisation is calculated on a straight-line basis over periods generally ranging from five to ten years.

Drainage Easements

Easements (the right of access over land) are no longer recognised as intangible assets.

C1-10 Other

Other assets

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
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C1-10 Other (continued)

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Prepayments		5,925	-	3,767	-
Investment in the Art House	D2-1	-	663	-	704
Total other assets		5,925	663	3,767	704

C2 Leasing activities

C2-1 Council as a lessee

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

Terms and conditions of leases

Buildings

Council leases land and buildings to support some of its operational activities. The leases are generally between 3 and 50 years with one containing a renewal option to allow Council to renew the non-cancellable lease term at their discretion. A number of leases contain an annual pricing mechanism based on either fixed increases or CPI movements at each anniversary of the lease inception.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items. The leases are for between 1 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage.

Extension options

Council includes options in the building leases to provide flexibility and certainty to Council operations; the extension options are at Council's discretion. At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

(a) Right of use assets

\$ '000	Plant and Equipment	Right-of-Use Assets	Total
2023			
Opening balance at 1 July	–	3,060	3,060
Additions to right-of-use assets	–	3,498	3,498
Adjustments due to re-measurement of lease liability	–	(13)	(13)
Depreciation charge	–	(948)	(948)
Balance at 30 June	–	5,597	5,597
2022			
Opening balance at 1 July	13	2,470	2,483
Additions to right-of-use assets	–	294	294
Adjustments due to re-measurement of lease liability	–	790	790
Depreciation charge	(7)	(500)	(507)
Reclass IPPE categories to overall right-of-use assets	(6)	6	–
Balance at 30 June	–	3,060	3,060

C2-1 Council as a lessee (continued)

(b) Lease liabilities

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

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2023					
Cash flows	487	1,963	3,914	6,364	6,364
2022					
Cash flows	331	1,534	1,429	3,294	3,294

(c) Income Statement

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

\$ '000	2023	2022
Interest on lease liabilities	283	153
Depreciation of right of use assets	948	507
Expenses relating to short-term leases	1,085	368
Expenses relating to low-value leases	14	908
Expenses relating to Peppercorn leases	5	35
Variable lease expenses relating to usage	9	–
	2,344	1,971

(d) Statement of Cash Flows

Total cash outflow for leases	1,811	1,746
	1,811	1,746

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

Council has a number of leases at significantly below market for land and buildings which are used for:

- libraries
- child care centres
- youth centres
- boat ramps

The leases are generally between 10 and 99 years and require payments of a maximum amount of \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases. None of the leases in place are individually material from a statement of financial position or performance perspective.

Accounting policy

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

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

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

C2-1 Council as a lessee (continued)

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

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

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

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

Exceptions to lease accounting

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

Leases at significantly below market value / Concessionary leases

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

C2-2 Council as a lessor

Operating leases

Council leases out a number of outdoor spaces and properties to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included in the Statement of Financial Position as:

- property, plant and equipment – where the rental is incidental, or the asset is held to meet Council's service delivery objective (refer note C1-8).

\$ '000	2023	2022
Assets held as property, plant and equipment		
Council provides operating leases on Council buildings for the purpose of recreational activities, the table below relates to operating leases on assets disclosed in C1-8.		
Properties not held for investment	5,190	5,129
Room / Facility hire	4,154	2,666
Outdoor space	264	154
Other	145	75
Total income relating to operating leases for Council assets	9,753	8,024

C2-2 Council as a lessor (continued)

\$ '000	2023	2022
Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:		
< 1 year	4,820	2,959
1–2 years	4,964	2,631
2–3 years	5,113	2,284
3–4 years	5,267	1,954
4–5 years	5,425	1,783
> 5 years ¹	–	12,314
Total undiscounted lease payments to be received	25,589	23,925

(1) Council notes due to an overhaul of the tenancy schedule in financial year 2022-2023, leases & licenses will not be projected beyond 5 years due to having no assumption that agreements will be renewed for further years despite having option periods. All existing lease and licence holders are assumed to exercise renewal options or continue in place as periodic tenants for the next 5 years. This is consistent with historic behaviour.

Accounting policy

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

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

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

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

C3 Liabilities of Council

C3-1 Payables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Payables				
Goods and services	29,226	-	25,283	-
Prepaid rates and annual charges	15,243	-	19,593	-
Accrued expenses:				
– Interest on borrowings	604	-	693	-
– Salaries and wages	6,604	-	3,005	-
– Other expenditure accruals	24,975	-	23,952	-
Security bonds, deposits and retentions	3,742	-	3,580	-
Developer bonds	6,557	-	6,121	-
Overpayments	1,423	-	685	-
Other payables	400	-	286	-
Total payables	88,774	-	83,198	-

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

\$ '000	2023	2022
Payables – overpayments, security bonds, deposits and retentions	27,088	26,536
Total payables	27,088	26,536

Accounting policy

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

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

C3-2 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	18,142	2,255	6,598	2,254
Unexpended operating grants (received prior to performance obligation being satisfied) - AASB 15	(ii)	10,710	-	6,717	-
Unexpended capital contributions (to construct Council controlled assets)	(i)	116	4,320	116	4,155
Unexpended operating contributions (received prior to performance obligation being satisfied) - AASB 15	(ii)	686	-	687	-
Total grants and contributions received in advance		29,654	6,575	14,118	6,409
User fees and charges received in advance:					
Upfront fees – leisure centre	(iii)	42	-	29	-
Deposits received in advance of services provided		2,821	773	3,170	870
Total user fees and charges received in advance		2,863	773	3,199	870
Total contract liabilities		32,517	7,348	17,317	7,279

Notes

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

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

(iii) Upfront membership fees for Council's leisure centres do not meet the definition of a performance obligation and therefore the funds received are recorded as a contract liability on receipt and recognised as revenue over the expected average membership life.

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

\$ '000	2023	2022
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	4,360	7,421
Operating grants (received prior to performance obligation being satisfied)	4,016	1,513
Capital contributions (to construct Council controlled assets)	-	46
Operating contributions (received prior to performance obligation being satisfied)	162	93
User fees and charges received in advance:		
Upfront fees – leisure centre	29	37
Total revenue recognised that was included in the contract liability balance at the beginning of the period	8,567	9,110

Significant changes in contract liabilities

During the financial year Council received additional operating grants relating to Storm events and Environmental programs that will be spent during 2022-2023.

Accounting policy

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

C3-3 Borrowings

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Loans – secured ¹	104,245	181,619	27,484	285,864
Total borrowings	104,245	181,619	27,484	285,864

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

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

(a) Changes in liabilities arising from financing activities

\$ '000	2022		Non-cash movements				2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	313,348	(27,484)	–	–	–	–	285,864
Lease liability (Note C2-1b)	3,294	3,070	–	–	–	–	6,364
Total liabilities from financing activities	316,642	(24,414)	–	–	–	–	292,228

\$ '000	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	347,213	(33,865)	–	–	–	–	313,348
Lease liability (Note C2-1b)	2,561	–	–	–	–	733	3,294
Total liabilities from financing activities	349,774	(33,865)	–	–	–	733	316,642

(b) Financing arrangements

\$ '000	2023	2022
Total facilities		
Bank overdraft facilities	–	500
Credit cards/purchase cards	480	1,240
Master lease facilities	5,000	1,850
Total financing arrangements	5,480	3,590
Drawn facilities		
– Credit cards/purchase cards	65	60
– Master lease facilities	4,332	916
Total drawn financing arrangements	4,397	976
Undrawn facilities		
– Bank overdraft facilities	–	500
– Credit cards/purchase cards	415	1,180
– Master lease facilities	668	934
Total undrawn financing arrangements	1,083	2,614

Additional financing arrangements information

Breaches and defaults

There were current and prior year, there were no defaults or breaches on any loans.

Security over loans

Loans are secured over future cash flows of the Council
Lease liabilities are secured by the underlying leased assets.

C3-3 Borrowings (continued)

Bank overdrafts

The bank overdraft facility may be drawn at any time.
It may also be terminated by the bank without notice.

Accounting policy

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

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

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

C3-4 Employee benefit provisions

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Annual leave	18,373	–	17,858	–
Vested sick leave	6,064	–	5,947	–
Long service leave	31,735	–	28,076	–
Other leave	1,806	–	1,452	–
Total employee benefit provisions	57,978	–	53,333	–

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

\$ '000	2023	2022
Provisions – employees benefits	31,109	29,928
	31,109	29,928

Accounting policy

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

Short-term obligations

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

Other long-term employee benefit obligations

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

C3-5 Provisions

\$ '000	2023	2023	2022	2022
	Current	Non-Current	Current	Non-Current
Self insurance – workers compensation	2,403	8,714	2,253	6,044
Self insurance – public liability	1,088	–	1,165	–
Self insurance – other	17	–	–	–
Road Rectification Works	–	–	1,064	–
Payroll tax	424	–	424	–
Other	–	–	257	–
Asset remediation/restoration	2,736	76,200	3,807	70,771
Total provisions	6,668	84,914	8,970	76,815

C3-5 Provisions (continued)

Movements in provisions

\$ '000	Other provisions			Total
	Self insurance	Asset remediation	Payroll Tax and Other	
2023				
At beginning of year	9,462	74,578	1,745	85,785
Changes to provision:				
– Amounts capitalised	–	923	–	923
– Revised discount rate	–	5	–	5
– Revised costs	–	733	–	733
Unwinding of discount	–	2,533	–	2,533
Additional provisions	8,894	–	–	8,894
Amounts used (payments)	(6,134)	(660)	1,908	(4,886)
Other	–	824	(3,229)	(2,405)
Total	12,222	78,936	424	91,582
2022				
At beginning of year	9,428	71,064	1,099	81,591
Changes to provision:				
– Amounts capitalised	–	–	–	–
– Revised discount rate	–	519	–	519
– Revised costs	–	2,502	(85)	2,417
Unwinding of discount	–	1,297	–	1,297
Additional provisions	3,447	–	3,056	6,503
Amounts used (payments)	(3,414)	(804)	(2,325)	(6,543)
Other	1	–	–	1
Total	9,462	74,578	1,745	85,785

Nature and purpose of provisions

Asset remediation

The asset remediation provision represents the present value estimate of future costs that Council will incur to restore, rehabilitate and reinstate tips as a result of past operations.

Self-insurance

To recognise liabilities for outstanding claims (uninsured losses) arising from Council's decision to undertake self-insurance for certain risks faced.

Payroll tax and other

To recognise liabilities for miscellaneous employee provisions not relating to leave entitlements and outstanding payroll tax arising from Council's water, sewer, cemetery and parking station activities.

Road Rectification Works

To recognise the liability for on-going road works not covered by Grant relief resulting from a number of significant weather events experienced in the LGA which severely impacted local roads.

Accounting policy

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 a borrowing cost.

Asset remediation - tips

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation

C3-5 Provisions (continued)

phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Self-insurance

Council has decided to self-insure for various risks, including public liability, workers compensation and professional indemnity. A provision for self-insurance has been made to recognise outstanding claims. Council also maintains cash and investments to meet expected future claims; refer to Note C1-3.

Self Insurance Provisions represent both (i) claims incurred but not reported and (ii) claims reported and estimated as a result of Council being a self insurer for Workers Compensation Claims.

Public Liability and Professional Indemnity claims are expensed as they meet the recognition criteria as set out in AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Specific uncertainties relating to the final costs and the assumptions made in determining Provisions for Self Insurance include:

- A wage inflation index was used for future claims escalation. A bond yield of between 0.850% and 3.845% per annum over a 50 year period.
- All monetary amounts for past Workers Compensation claims were indexed to bring them to 'standardised' values at 30 June 2023.
- Workers Compensation claim payments projected into the future by the adopted actuarial model are in 'standardised' values as at 30 June 2023.

The last actuarial assessment of Workers Compensation Claims was undertaken in July 2023 and was performed by David A Zaman Pty Ltd. Director David Zaman, BSc, FIA, FIAA, MBA.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

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

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water, sewer, drainage and domestic waste. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water, sewer, drainage and domestic waste columns are restricted for use for these activities.

D1-1 Income Statement by fund

\$ '000	Drainage 2023	Domestic Waste 2023	General 2023	Water 2023	Sewer 2023
Income from continuing operations					
Rates and annual charges	18,891	77,154	205,747	22,339	65,155
User charges and fees	–	62	77,275	64,688	22,955
Interest and investment income	90	224	17,415	800	5,359
Other revenues	–	–	14,971	98	1,034
Grants and contributions provided for operating purposes	64	–	56,190	201	167
Grants and contributions provided for capital purposes	7,658	–	77,254	9,165	17,749
Other income	7	–	14,731	–	–
Total income from continuing operations	26,710	77,440	463,583	97,291	112,419
Expenses from continuing operations					
Employee benefits and on-costs	1,925	722	153,845	14,015	14,366
Borrowing costs	461	–	3,217	7,158	2,236
Materials and services	8,523	53,004	77,305	31,204	34,216
Depreciation, amortisation and impairment of non-financial assets	13,385	–	89,366	35,186	36,991
Other expenses	3	15,802	27,486	217	535
Net losses from the disposal of assets	329	–	6,901	1,372	806
Total expenses from continuing operations	24,626	69,528	358,120	89,152	89,150
Operating result from continuing operations	2,084	7,912	105,463	8,139	23,269
Net operating result for the year attributable to Council	2,084	7,912	105,463	8,139	23,269
Net operating result for the year before grants and contributions provided for capital purposes	(5,574)	7,912	28,209	(1,026)	5,520

D1-2 Statement of Financial Position by fund

\$ '000	Drainage 2023	Domestic Waste 2023	General 2023	Water 2023	Sewer 2023
ASSETS					
Current assets					
Cash and cash equivalents	71	5,784	63,585	1,892	8,191
Investments	669	54,736	97,771	17,903	77,511
Receivables	2,981	4,691	41,483	24,444	16,195
Inventories	–	–	1,593	–	–
Other	–	–	5,421	252	252
Non-current assets classified as held for sale	–	–	20,197	–	480
Total current assets	3,721	65,211	230,050	44,491	102,629
Non-current assets					
Investments	95	54,543	298,524	547	78,734
Receivables	1	3	(6,497)	227	9,072
Infrastructure, property, plant and equipment	1,273,048	–	4,150,854	1,469,088	1,634,691
Intangible assets	–	–	19,454	–	–
Right of use assets	–	–	4,669	464	464
Other	–	–	663	–	–
Total non-current assets	1,273,144	54,546	4,467,667	1,470,326	1,722,961
Total assets	1,276,865	119,757	4,697,717	1,514,817	1,825,590
LIABILITIES					
Current liabilities					
Payables	743	9,765	59,992	10,428	7,846
Contract liabilities	131	–	21,769	32	10,585
Borrowings	26,243	–	61,217	13,527	3,258
Lease liabilities	–	–	281	103	103
Employee benefit provisions	103	224	47,907	5,068	4,676
Provisions	–	–	5,278	748	642
Total current liabilities	27,220	9,989	196,444	29,906	27,110
Non-current liabilities					
Contract liabilities	1,375	–	2,819	2,255	899
Lease liabilities	–	–	5,033	422	422
Borrowings	6,857	–	26,581	116,640	31,541
Provisions	–	–	82,975	1,214	725
Total non-current liabilities	8,232	–	117,408	120,531	33,587
Total liabilities	35,452	9,989	313,852	150,437	60,697
Net assets	1,241,413	109,768	4,383,865	1,364,380	1,764,893
EQUITY					
Accumulated surplus	1,013,489	109,768	3,682,295	956,641	1,516,066
IPPE revaluation reserves	227,924	–	701,570	407,739	248,827
Total equity	1,241,413	109,768	4,383,865	1,364,380	1,764,893

D1-3 Details of internal loans

	Council ID / Ref 2013 GF-WF	Council ID / Ref 2015 SF-WF	Council ID / Ref 2015 GF-WF
Details of individual internal loans			
Borrower (by purpose)	Water Fund	Water Fund	Water Fund
Lender (by purpose)	General Fund	Sewer Fund	General Fund
Date of Minister's approval	N/A	27/05/2015	N/A
Date raised	30/06/2013	27/05/2015	31/05/2015
Term years	20	20	20
Dates of maturity	30/06/2033	21/02/2035	26/05/2035
Rate of interest (%)	5.72	5.72	5.72
Amount originally raised	20,000,000	10,000,000	10,000,000
Total repaid during year (principal and interest)	1,681,948	842,232	841,519
Principal outstanding at end of year	12,782,462	7,196,251	7,297,455

	Council ID / Ref 2022 GF-DF	Council ID / Ref 2023 GF-DF
Details of individual internal loans		
Borrower (by purpose)	Drainage Fund	Drainage Fund
Lender (by purpose)	General Fund	General Fund
Date of Minister's approval	N/A	N/A
Date raised	30/06/2022	30/06/2023
Term years	1	1
Dates of maturity	30/06/2023	30/06/2024
Rate of interest (%)	Nil	Nil
Amount originally raised	25,702,956	25,702,956
Total repaid during year (principal and interest)	25,702,956	0
Principal outstanding at end of year	0	25,702,956

D2 Interests in other entities

D2-1 Subsidiaries

Council's consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 10 and the accounting policy described below.

Name of Operation/Entity	Principal activity
The Art House, Wyong Shire Performing Arts and Conference Centre Limited	Operations undertaken - Performing Arts Place of business - 19-21 Margaret Street, Wyong

Interests in Subsidiary	Principal place of business	Ownership 2023	Ownership 2022	Voting rights 2023	Voting rights 2022
Council's interest in Subsidiary		100%	100%	100%	100%

The nature of risks associated with Council's interests in the Subsidiary

The Art House is managed by an independent Incorporated Association with Council as a board member via a funding agreement with Council. The Art House delivers its services through a formal agreement with Council. This provides The Art House with the required autonomy and sector peer involvement to service the creative, media and business sectors as well as deliver a creative entertainment program for local, regional and national markets. Its performance is monitored via clear Key Performance Indicators (KPIs). Business Plan targets are reported to Council as required.

Council does not control the Art House or its activities, however through Board representation, Council does have significant influence over the Art House's relevant activities.

Council provided financial support of \$1.05M during the financial year (\$1.0M indexed per annum for ten years from 2015/16 onwards).

Reporting dates of Subsidiary

The Art House prepares audited financial statements on a calendar year basis.

Summarised financial information for the Subsidiary

\$ '000	2023	2022
Summarised statement of comprehensive income		
Revenue	3,069	1,972
Expenses	(3,110)	(1,890)
Profit/(loss) for the period	(41)	82
Total comprehensive income	(41)	82
Summarised statement of financial position		
Current assets	1,518	2,375
Non-current assets	43	29
Total assets	1,561	2,404
Current liabilities	866	1,670
Non-current liabilities	32	30
Total liabilities	898	1,700
Net assets	663	704

D2-1 Subsidiaries (continued)

\$ '000	2023	2022
Summarised statement of cash flows		
Cash flows from operating activities	(435)	655
Cash flows from investing activities	(30)	45
Net increase (decrease) in cash and cash equivalents	(465)	700

Accounting policy for subsidiaries

Subsidiaries are all entities (including structured entities) over which the Council has control. Control is established when the Council is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

These consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements. Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

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's objective is to maximise its return on cash and investments while maintaining an adequate level of liquidity and preserving capital. The finance team manages the cash and Investments portfolio with the assistance of independent advisers. Council has an investment policy which complies with s625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up performance of the portfolio as required by local government regulations.

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 the finance team under policies approved by Council.

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

The risks associated with the financial instruments held are:

- interest rate risk – the risk that movements in interest rates could affect returns
- 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 a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to the Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers before placing any cash and investments.

(a) Market risk – interest rate and price risk

\$ '000	2023	2022
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	7,606	6,521
Impact of a 10% movement in price of investments		
– Equity / Income Statement	76,056	65,214

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

(b) Credit risk

Council's major receivables comprise rates, annual charges, user charges and fees.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery policies.

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

There are no significant concentrations of credit risk other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance. The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

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

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

Credit risk profile

Receivables - Rates and Annual Charges

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

\$ '000	Not yet due	Overdue rates and charges		Total
		< 5 years	> 5 years	
2023				
Gross carrying amount	6,050	18,730	673	25,453
2022				
Gross carrying amount	4,161	16,089	550	20,800

Receivables - non-rates and annual charges and contract assets

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

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

\$ '000	Not yet due	Overdue debts				Total
		< 30 days	31 - 60 days	61 - 90 days	> 90 days	
2023						
Gross carrying amount	21,540	1,316	1,265	979	43,344	68,444
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	9.21%	5.83%
ECL provision	-	-	-	-	3,992	3,992
2022						
Gross carrying amount	15,845	905	870	673	34,134	52,427
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	9.37%	6.10%
ECL provision	-	-	-	-	3,200	3,200

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

(c) Liquidity risk

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

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

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

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

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

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

\$ '000	Weighted average interest rate	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractu al cash outflows	Carrying values
2023						
Payables	0.00%	63,230	25,544	–	88,774	88,774
Borrowings	3.42%	113,294	108,575	130,409	352,278	285,864
Total financial liabilities		176,524	134,119	130,409	441,052	374,638
2022						
Payables	0.00%	53,895	29,294	–	83,189	83,198
Borrowings	3.18%	37,746	203,974	148,304	390,024	313,348
Total financial liabilities		91,641	233,268	148,304	473,213	396,546

E2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment
- Financial assets

During the reporting period Council has also measured the following assets at fair value on a non-recurring basis:

- Non-current assets classified as held for sale

Where the carrying value of a non-current asset held for sale was higher than its fair value, the asset was written down to fair value.

Fair value hierarchy

All assets and liabilities measured at fair value are 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: Unobservable inputs for the asset or liability

The table below shows the assigned level for each asset and liability held at fair value by Council:

E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy							
		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total ¹	
		2023	2022	2023	2022	2023	2022 ¹	2023	2022
Recurring fair value measurements									
Financial assets									
Financial investments	C1-2								
At fair value through profit or loss		446,033	397,128	-	-	-	-	446,033	397,128
Total financial assets		446,033	397,128	-	-	-	-	446,033	397,128
Infrastructure, property, plant and equipment									
Plant and equipment	C1-8	-	-	-	-	52,075	44,054	52,075	44,054
Office equipment		-	-	-	-	4,367	6,557	4,367	6,557
Furniture and fittings		-	-	-	-	7,835	8,638	7,835	8,638
Operational land		-	-	-	-	475,202	554,008	475,202	554,008
Crown and Community land		-	-	-	-	566,201	564,916	566,201	564,916
Land under Roads		-	-	-	-	2,561	2,149	2,561	2,149
Land improvements – depreciable		-	-	-	-	17,882	17,798	17,882	17,798
Buildings – specialised		-	-	-	-	574,646	528,187	574,646	528,187
Other structures		-	-	-	-	8,876	6,629	8,876	6,629
Roads		-	-	-	-	1,613,348	1,492,488	1,613,348	1,492,488
Bridges		-	-	-	-	51,231	42,721	51,231	42,721
Footpaths		-	-	-	-	163,680	151,370	163,680	151,370
Bulk earthworks – non depreciable		-	-	-	-	401,083	380,359	401,083	380,359
Stormwater drainage		-	-	-	-	1,234,973	1,175,957	1,234,973	1,175,957
Water supply network		-	-	-	-	1,372,018	1,301,453	1,372,018	1,301,453
Sewerage network		-	-	-	-	1,526,560	1,430,863	1,526,560	1,430,863
Swimming pools		-	-	-	-	7,320	7,412	7,320	7,412
Other open space/recreational assets		-	-	-	-	162,352	154,001	162,352	154,001
Other infrastructure		-	-	-	-	36,659	33,664	36,659	33,664
Library books		-	-	-	-	1,832	1,790	1,832	1,790
Other		-	-	-	-	4,029	3,899	4,029	3,899
Tip assets		-	-	-	-	30,702	22,530	30,702	22,530
Total infrastructure, property, plant and equipment	C1-8	-	-	-	-	8,315,432	7,931,443	8,315,432	7,931,443
Non-recurring fair value measurements									
Non-current assets held for sale									
Land		-	-	13,915	9,109	-	-	13,915	9,109
Buildings		-	-	6,762	-	-	6,543	6,762	6,543
Plant		-	-	-	-	-	50	-	50
Total non-recurring fair value measurements		-	-	20,677	9,109	-	6,593	20,677	15,702

(1) Restated 2021/22

E2-1 Fair value measurement (continued)

Valuation techniques

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

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are based on the valuation techniques employed by the former Councils.

Infrastructure, property, plant and equipment (IPPE)

Plant and equipment, office equipment, furniture and fittings

Plant and equipment, office equipment, furniture and fittings assets are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items.

Therefore these assets are disclosed at fair value in the notes.

These asset categories include:

- plant and equipment
 - o Major plant items – tractors, excavators, street sweepers, tippers, rollers, forklifts, backhoes, beach cleaners and weed harvester
 - o Minor plant items – generators, mowers, trailers, chainsaws, wood chippers and power hand tools
 - o Fleet vehicles – trucks, commercial vehicles and passenger vehicles
- office equipment – computer hardware, communications equipment, digital cameras, photocopiers
- furniture and fittings – work stations, storage cabinets, CCTV, air conditioning units.

The unobservable level 3 inputs used include:

- pattern of consumption
- useful life
- residual value.

Council reviews the value of these assets based on the gross replacement cost of similar assets.

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

Operational land

This asset class is comprised of all Council's land classified as Operational Land under the *Local Government Act 1993*. Council's accounting policy is to value the freehold land at market value basis.

Council engaged Scott Fullarton Valuation Pty Ltd to value operational land in 2023. The land was valued using level 3 inputs that would be taken into account by buyers and sellers in setting the price, including but not limited to dimensions, land use and zoning, exposure to traffic and topography.

Crown and Community land

Community Land assets are comprised of Council owned land classified as Community Land under the *Local Government Act 1993*. Crown land is under the care and management of Council on behalf of the Crown.

Council's accounting policy is to value Crown and Community land based on the unimproved land values provided by the Valuer General or an average unit rate based on the land values for similar properties (land use, land size, shape and location).

These are considered level 3 observable inputs.

Crown and Community land have been valued at 30 June 2023 using the VG valuations for 2022-2023.

Land under roads

Land under roads consists of land under roadways and road reserves including land under footpaths, nature strips and median strips as per AASB 1051. Council has elected not to recognise as an asset land under roads acquired before 1 July 2008.

Land under roads acquired since 1 July 2008 has been recognised in accordance with AASB 116 Property, Plant and Equipment. Where Council has acquired land under roads it is recognised at cost where the cost represents fair value. Where the land under roads is dedicated or acquired at nominal value the land is recognised at its fair value.

Land under roads has been valued at 30 June 2023 using the Englobo method (which is a discounted method) and VG valuations published on 1 July 2022. This asset class is classified as Level 2 as significant inputs used are observable.

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

E2-1 Fair value measurement (continued)

Land improvements

This asset class is comprised of landscaping, estuary protection works, access works, water features and paved public areas.

This asset class is classified as Level 3 as significant inputs used in the valuation are unobservable.

Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items.

Buildings – specialised

It is Council's accounting policy to value buildings for which a market exists using the best estimate of the price reasonably obtainable in the market at the date of valuation. Where there is no depth in market the buildings will be determined on the depreciated current replacement cost basis.

The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and firefighting equipment, and general lighting). The buildings and site improvements will be physically inspected and measured.

This asset class is categorised as Level 3 as some of the inputs used in the valuation of these assets require significant professional judgement and are unobservable.

Council engaged Scott Fullarton Valuation Pty Ltd to value all buildings in 2023. The approach estimated the replacement cost of each building and componentising of significant parts of specific buildings with different useful lives and taking into account Council's asset management practices.

Where the unit rates could be supported by market evidence, Level 2 inputs were utilised. Other outputs (such as estimates of residual value, useful life, asset condition and componentisation including the split between short and long life components) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, this asset class has been valued utilising Level 3 inputs.

Other structures

This asset class is comprised of holiday park structures, cemetery assets, water tanks, fountains, fencing and structures which do not meet the definition of a building and are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items.

The replacement cost approach will be utilised to value other structures. Unobservable Level 3 inputs used include useful life, asset condition and pattern of consumption.

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

Roads

This asset class is comprised of the road carriageway, car parks, and other road related assets. Council's roads are separated into segments for inspection and valuation and componentised into the surface, sub-base, base and associated earthworks. Other road related assets include bus shelters, footpaths, guard rails, speed humps, kerb and gutter, medians, pedestrian refuges and roundabouts.

Council engaged Morrison Low to value all Roads Infrastructure assets at 30 June 2022. The gross replacement cost for each asset was calculated using the current replacement cost approach.

Unit rates were developed for each road classification and traffic volume, based on data available including the cost to construct similar assets from actual contract rates and industry unit rates. Some of the other significant inputs are remaining useful life, pattern of consumption, dimensions and road classification.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

This asset class was assessed for fair value at 30 June 2023 using the movement in the NSW Roads and Bridges Construction index since the last comprehensive valuation. The movement was considered material and the carrying value of this asset class was adjusted accordingly.

Bridges

This asset class is comprised of road and foot bridges.

Council engaged Morrison Low to value all bridges at 30 June 2022. The gross replacement cost for each asset was calculated using the current replacement cost approach.

Bridges are assessed by physical inspection in accordance with Roads and Maritime Services guidelines. Condition information is updated as changes are observed through regular inspections.

E2-1 Fair value measurement (continued)

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

This asset class was assessed for fair value at 30 June 2023 using the movement in the NSW Roads and Bridges Construction index since the last comprehensive valuation. The movement was considered material and the carrying value of this asset class was adjusted accordingly.

Footpaths

This asset class is comprised of pedestrian walkways and cycle ways (shared paths).

Council engaged Morrison Low to value all footpaths as at 30 June 2022. The gross replacement cost for each asset was calculated using the replacement cost approach.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

This asset class was assessed for fair value at 30 June 2023 using the movement in the NSW Roads and Bridges Construction index since the last comprehensive valuation. The movement was considered material and the carrying value of this asset class was adjusted accordingly.

Bulk earthworks (non-depreciable)

This asset class contains the formation costs for roads and buildings. Buildings and sporting facilities are recognised and valued at cost and Council assumes that the carrying amount reflects the fair value of these assets.

This asset class has been recognised as non-depreciable as it is not expected that bulk earthworks will need to be renewed during the normal operational use of the assets.

This asset class was assessed for fair value at 30 June 2023 using the movement in the NSW Other Heavy & Civil Construction index since the last comprehensive valuation. The movement was considered material and the carrying value of this asset class was adjusted accordingly.

Stormwater drainage

The Stormwater drainage asset class consists of Council's pits, pipes, detention basins, open drains, culverts, floodgates, wetlands, headwalls and gross pollutant traps.

Council engaged Morrison Low to value all drainage assets as at 30 June 2022. The gross replacement cost for each asset was calculated using the replacement cost approach. The gross replacement cost for each asset was calculated using the current replacement cost approach.

Significant inputs considered in the valuation of these assets are asset condition, remaining useful life and pattern of consumption.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

This asset class was assessed for fair value at 30 June 2023 using the movement in the NSW Other Heavy and civil engineering construction index since the last comprehensive valuation. The movement was considered material and the carrying value of this asset class was adjusted accordingly.

Water supply network

This asset class is comprised of water treatment plants, water pump stations, reservoirs, water mains, tunnels, dams, weirs and water meters.

Council engaged external consultants GHD, to undertake the valuation of all water supply infrastructure assets at 30 June 2021. The gross replacement cost for each asset was calculated using the current replacement cost approach. Significant inputs considered in the valuation of these assets are remaining useful life, asset condition, unit rates and pattern of consumption.

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

This asset class was indexed at 30 June 2023 using the applicable rate as published in the NSW Reference Rates manual and the carrying value of the assets were adjusted accordingly.

Sewerage network

This asset class is comprised of sewer treatment plants, sewer pump stations, sewer vacuum systems and sewer mains.

E2-1 Fair value measurement (continued)

Council engaged external consultants GHD, to undertake the valuation of all sewerage network assets at 30 June 2021. The gross replacement cost for each asset was calculated using the current replacement cost approach. Significant inputs considered in the valuation of these assets are remaining useful life, asset condition, unit rates and pattern of consumption.

This asset class was indexed at 30 June 2023 using the applicable rate as published in the NSW Reference Rates manual and the carrying value of the assets were adjusted accordingly.

Swimming pools

Assets within this class are comprised of ocean baths, swimming pools and associated structures.

Council engaged Scott Fullarton Valuations Pty Ltd to undertake a comprehensive valuation of this asset class in 2022.

The gross replacement cost approach was utilised to value this asset class. This approach estimates the gross replacement cost based on current replacement cost approach. Significant unobservable inputs considered in the valuation of these assets are remaining useful life, pattern of consumption and asset condition.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

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

Other open space/recreational assets

This asset class is comprised of life guard towers, tennis courts, athletics tracks, picnic shelters, playground equipment, skate parks, fencing and sporting facilities.

Council engaged Scott Fullarton Valuations to value Open Space and Recreational assets as at 30 June 2022. This asset class was valued using the current replacement cost approach.

Significant unobservable inputs considered in the valuation of these assets are remaining useful life, pattern of consumption and asset condition. Asset conditions are determined by field inspections using ratings of 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

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

Library books

Assets included in this asset class consist of library books, journals, magazines, CDs and DVDs which are recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items. There are no major variances between the fair value and carrying amount of these assets and these assets are disclosed at fair value in the notes.

Whilst these assets are recognised at cost with supporting supplier invoices (observable input) the remaining significant inputs (useful life, pattern of consumption and asset condition) are unobservable and therefore categorised as Level 3. There has been no change to the valuation process during the reporting period.

Other assets

Other assets include miscellaneous assets which are recognised and valued at cost including the Heritage Collection which comprises artwork and sculptures. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the items.

The replacement cost or insured value approach will be utilised to value other assets. Significant unobservable inputs considered in the valuation of these assets are useful life, pattern of consumption and asset condition and therefore categorised as Level 3. There has been no change to the valuation process during the reporting period.

Tip asset

This asset class includes the tip cells at Council's Waste Facilities which is recognised and valued at cost. Council assumes that the carrying amount reflects the fair value of the assets due to the nature of the item. Significant unobservable inputs considered in the valuation of these assets are useful life and pattern of consumption and therefore categorised as Level 3. There has been no change to the valuation process during the reporting period.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

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

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Plant and equipment	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Office equipment	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Furniture and fittings	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Crown and Community land	Market approach. Land values obtained from the NSW Valuer-General	Land value, land area, level of restriction
Land under Roads	Market-based direct comparison	Extent and impact of use, market cost of land per square metre, restrictions
Land improvements	Cost approach	Pattern of consumption, useful life and residual value
Buildings	Market / cost approach	Current replacement cost of equivalent asset using componentisation, asset condition, remaining life and residual value.
Other structures	Cost approach	Useful life, pattern of consumption and asset condition
Roads	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Bridges	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Footpaths	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Bulk earthworks	Cost approach	Useful life, pattern of consumption and asset condition
Stormwater drainage	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Water supply network	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Sewerage network	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Swimming pools	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Open space / recreational	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Other infrastructure	Cost approach	Current replacement cost of modern equivalent asset, asset condition, and remaining lives
Library books	Cost approach	Useful life, pattern of consumption and asset condition

E2-1 Fair value measurement (continued)

	Valuation technique/s	Unobservable inputs
Other	Cost approach	Useful life, pattern of consumption and asset condition
Tip assets	Cost approach	Pattern of consumption and useful life

E2-1 Fair value measurement (continued)

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

\$ '000	Plant and equipment		Office equipment		Furniture and fittings		Crown and Community land	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	44,054	49,808	6,557	7,675	8,638	9,300	564,916	424,488
Transfers from/(to) another asset class	1,249	3,698	–	1,852	460	769	2,599	–
Purchases (GBV)	16,077	1,378	89	–	99	–	7,109	–
Disposals (WDV)	(1,673)	(2,368)	(4)	(160)	(47)	(162)	(8,377)	–
Depreciation and impairment	(7,632)	(8,112)	(2,275)	(2,809)	(1,313)	(1,269)	–	–
Revaluation decrements to Income Statement	–	(350)	–	(1)	(3)	–	–	–
Revaluation increments / (decrements) to Equity (ARR)	–	–	–	–	–	–	(46)	140,428
Closing balance	52,075	44,054	4,367	6,557	7,834	8,638	566,201	564,916

\$ '000	Land under Roads		Tip assets		Land improve-ments		Buildings	
	2023	2022	2023	2022	2023	2022	2023	2022 ¹
Opening balance	2,149	2,149	22,530	20,976	17,798	31,569	528,187	456,077
Transfers from/(to) another asset class	412	–	–	3,796	–	(7,198)	5,864	9,485
Purchases (GBV)	–	–	10,877	–	–	–	–	6,294
Disposals (WDV)	–	–	–	–	–	(14)	(1,372)	(976)
Depreciation and impairment	–	–	(2,705)	(2,242)	(1,018)	(2,032)	(14,748)	(13,435)
Revaluation decrements to Income Statement	–	–	–	–	1,102	(5,426)	24	(24)
Revaluation increments / (decrements) to Equity (ARR)	–	–	–	–	–	899	56,691	70,766
Closing balance	2,561	2,149	30,702	22,530	17,882	17,798	574,646	528,187

(1) Restated 2021/22

\$ '000	Other structures		Roads		Bridges		Footpaths	
	2023	2022	2023	2022 ¹	2023	2022	2023	2022 ¹
Opening balance	6,629	34,949	1,492,486	1,414,613	42,721	40,442	151,370	143,175
Transfers from/(to) another asset class	1,426	(21,535)	74,506	381	6,557	1	6,365	31
Purchases (GBV)	1,329	–	7,775	4,452	–	–	931	554
Disposals (WDV)	(20)	(897)	(5,847)	–	(50)	–	(528)	–
Depreciation and impairment	(489)	(3,126)	(38,079)	(33,203)	(855)	(773)	(3,543)	(3,155)
Revaluation decrements to Income Statement	–	(3,158)	–	–	–	–	–	–
Revaluation increments / (decrements) to Equity (ARR)	–	396	82,505	106,243	2,858	3,051	9,085	10,765
Closing balance	8,875	6,629	1,613,346	1,492,486	51,231	42,721	163,680	151,370

E2-1 Fair value measurement (continued)

\$ '000	Bulk earthworks		Stormwater drainage		Water supply network		Sewerage network	
	2023	2022 ¹	2023	2022 ¹	2023	2022	2023	2022
Opening balance	380,359	352,771	1,175,957	1,088,352	1,301,453	1,213,434	1,430,863	1,386,713
Transfers from/(to) another asset class	544	–	9,032	259	8,368	47,077	23,549	–
Purchases (GBV)	825	469	3,842	2,898	2	–	21	–
Disposals (WDV)	(104)	–	(329)	–	(1,374)	–	(791)	–
Depreciation and impairment	–	–	(13,382)	(11,943)	(34,641)	(29,591)	(36,355)	(33,396)
Revaluation increments / (decrements) to Equity (ARR)	19,459	27,119	59,853	96,391	98,210	70,533	109,273	77,546
Closing balance	401,083	380,359	1,234,973	1,175,957	1,372,018	1,301,453	1,526,560	1,430,863

\$ '000	Swimming pools		Open space / recreational		Other infrastructure		Library books	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	7,412	4,922	154,001	133,817	33,664	30,391	1,790	1,886
Transfers from/(to) another asset class	–	2,001	113	22,374	2,724	2,462	–	711
Purchases (GBV)	–	–	12,990	–	51	–	813	–
Disposals (WDV)	–	–	(184)	(723)	–	(15)	–	–
Depreciation and impairment	(544)	(951)	(12,051)	(4,639)	(1,908)	(2,433)	(770)	(807)
Revaluation decrements to Income Statement	–	(46)	–	(792)	–	(132)	–	–
Revaluation increments / (decrements) to Equity (ARR)	452	1,486	7,483	3,964	2,128	3,391	–	–
Closing balance	7,320	7,412	162,352	154,001	36,659	33,664	1,833	1,790

\$ '000	Other		Total	
	2023	2022	2023	2022
Opening balance	3,899	1,199	7,377,433	6,848,706
Transfers from/(to) another asset class	275	(1,617)	144,043	64,547
Purchases (GBV)	–	–	62,830	16,045
Disposals (WDV)	–	(135)	(20,700)	(5,450)
Depreciation and impairment	(145)	(236)	(172,453)	(154,152)
Revaluation decrements to Income Statement	–	–	1,123	(9,929)
Revaluation increments / (decrements) to Equity (ARR)	–	4,688	447,951	617,666
Closing balance	4,029	3,899	7,840,227	7,377,433

Highest and best use

The following non-financial assets of Council are being utilised for purposes that do not generate commercial revenues:

Community based assets

Council undertakes a number of services with a strong focus of providing community benefits to its constituents. These services are based on meeting essential community needs and are not of a nature that would be provided in a commercially competitive environment.

Crown land under Council's care and control as well as Council-owned land that has been classified as community land under the provisions of the *Local Government Act 1993*.

Furthermore, Council has a number of buildings that are applied in delivering community services. The restrictions on the land and the community use of the buildings in delivering community based services is considered to be the "highest and best use" of those assets to Council.

E3-1 Contingencies

The following 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.

CONTINGENT LIABILITIES

1. Guarantees

(i) Defined benefit plan

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

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

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

Description of the funding arrangements.

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

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

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

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

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

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

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

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

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

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

E3-1 Contingencies (continued)

The amount of employer contributions to the defined benefit section of the Scheme and recognised as an expense for the year ending 30 June 2023 was \$1,059,519.73. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2022.

Council's expected contribution to the plan for the next annual reporting period is \$1,113,742.08.

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

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

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

The share of any funding surplus or deficit that can be attributed to Council is 3.69%.

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

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

Investment return	6.0% per annum
Salary inflation *	3.5% per annum
Increase in CPI	6.0% for FY 22/23 2.5% per annum thereafter

* Plus promotional increases

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

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 by December 2023.

(ii) Statewide Limited

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

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

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

(iii) Other guarantees

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

2. Other liabilities

(i) Third party claims

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

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

Contaminated lands

Council is required by law to remediate its contaminated sites. The projected costs associated with this remediation are provided for within the financial statements at Note C3-5 and are based on certain estimates and assumptions. Prior to

E3-1 Contingencies (continued)

remediation works being carried out, monitoring works are required to manage site risks while post remediation there is a period of validation to ensure that the remediation has been successful. These costs are included within the projections provided for within the financial statements at Note C3-5. Post remediation and validation, Council will continue to monitor each site for at least an additional 10 years. This monitoring will vary between each site and cannot be reliably estimate at this time however may approximate \$1,030,985.01. This estimate is based on the former landfill sites actual monitoring costs for 2023-24 of \$103,098.50 multiplied by 10 years.

Waste Remediation

In 2018-2019 Council made notifications to the NSW Environmental Protection Authority (NSW EPA) under Section 60 of the Contaminated Land Management Act 1997 for six retired landfill sites. In March 2020 Council was advised that three of these sites (Hylton Moore Oval, Frost Reserve and Adcock Park) are significant enough to warrant regulation under the Contaminated Land Management Act 1997. In August 2020 the NSW EPA approved Council's Voluntary Management Proposals for each of these three sites. In 2020-2021 the community consultation plans and site management plans were completed. In 2022 detailed site investigations commenced and these were completed in June 2023. The Human Health and Ecological Risk Assessments were completed in August 2023 and the Remedial Options Assessment and individual Remedial Action Plans identifying any remedial works that may be required to address the potential impact to the environment and public health are scheduled for completion in 2023-24. The estimated cost to undertake the development of the Remedial Options Assessments and individual Remedial Action Plans and their review by a NSW EPA accredited contaminated site auditor across all three sites is an additional \$682,828.18 and this has been fully provided for within the financial statements at Note C3-5. At this stage there is no reliable way to estimate the cost of any further remediation activities that may be required at these sites.

Legal Expenses

The Council is a party to a number of legal proceedings in various jurisdictions. All known costs have been recognised, however as the various legal proceedings are still in progress, it is not possible to estimate the ultimate financial impact. For example, legal costs that the Council may be awarded, or ordered to pay; and other financial penalties that may be imposed, subject to the powers of the Court or Tribunal in the relevant jurisdiction.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

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

\$ '000	2023	2022
Compensation:		
Short-term benefits	2,127	2,516
Other long-term benefits	339	257
Termination benefits	–	847
Total	2,466	3,620

F1-2 Councillor, Mayoral and Administrator fees and associated expenses

\$ '000	2023	2022
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The aggregate amount of Councillor, Mayoral and Administrator fees and associated expenses included in materials and services expenses in the Income Statement are:

Administrator fees and expenses	337	320
Total	337	320

F1-3 Other related parties

\$ '000	Ref	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
2023						
Funding and in-kind support services	1	1,051	-	Funding and support services provided in line with the funding agreement	-	-
2022						
Funding and in-kind support services	1	970	-	Funding and support services provided in line with the funding agreement	-	-

1 The former Wyong Shire Council entered into a funding and service level agreement with The Art House, Wyong Shire Performing Arts and Conference Centre Limited in 2016 to provide funding and in-kind services.

F2 Other relationships

F2-1 Audit fees

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

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements ¹

	961	700
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Total Auditor-General remuneration	961	700
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Non NSW Auditor-General audit firms

(i) Audit and other assurance services

Other audit and assurance services

	123	39
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Remuneration for audit and other assurance services	123	39
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(ii) Non-assurance services

Other services

	24	12
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Total audit fees	1,108	751
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(1) Total disclosed in current year largely relates to prior year external audit fees.

G Other matters

G1-1 Statement of Cash Flows information

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

\$ '000	2023	2022
Net operating result from Income Statement	146,867	114,101
Add / (less) non-cash items:		
Depreciation, amortisation and impairment	177,021	157,409
(Gain) / loss on disposal of assets	9,408	(21,587)
Non-cash capital grants and contributions	(35,330)	(8,288)
Investments classified as 'at fair value'	(2,415)	13,097
Impairment of assets	(2,093)	11,632
Unwinding of discount rates on reinstatement provisions	2,538	1,816
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(23,364)	(4,107)
Increase / (decrease) in provision for impairment of receivables	790	1,345
(Increase) / decrease of inventories	(84)	(106)
(Increase) / decrease of other current assets	(2,117)	(240)
Increase / (decrease) in payables	3,943	1,225
Increase / (decrease) in other accrued expenses payable	4,622	7,953
Increase / (decrease) in other liabilities	(2,989)	1,868
Increase / (decrease) in contract liabilities	15,269	(867)
Increase / (decrease) in employee benefit provision	4,645	(2,304)
Increase / (decrease) in other provisions	3,259	2,377
Net cash provided from operating activities	299,970	275,324
(b) Non-cash financing and investing activities		
Other dedications	33,595	16,044
Total non-cash financing and investing activities	33,595	16,044

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2023	2022
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Plant and equipment	9,143	5,186
Land and buildings	3,661	7,114
Technology	45	180
Tip assets	2,328	2,123
Stormwater Management infrastructure	913	3,007
Open Space infrastructure	3,439	2,062
Road infrastructure	23,290	7,509
Sewerage and water infrastructure	41,196	35,323
Total commitments	84,015	62,504

Details of capital commitments

Major projects to continue next year include:

- * Water Treatment Plant Major Upgrade - Mardi
- * Sewer infrastructure reinforcements - Gosford CBD
- * Sewer Main Rehabilitation Program - Region Wide
- * Gosford Regional Library and Innovation Hub
- * Magenta Shared Pathway Construction
- * Skate Park Upgrade - Umina Skate Park
- * Water Treatment Plant Trunk Mains to Clear Water Tank Upgrade - Mardi
- * Plant & Fleet Vehicles - Acquisitions
- * Road Resealing Program

G3-1 Events occurring after the reporting date

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

G4 Changes from prior year statements

G4-1 Correction of errors

Nature of prior period error

During 2022-2023 Council recognised building assets that had not previously been recognised. These assets were several years old at the time of first recognition. Council also recognised roads, drainage, footpaths and bulk earthworks assets that had been constructed by others and handed over to Council prior to 2022-2023. The financial statements have been adjusted to reflect that these assets relate to periods earlier than the current reporting period. These errors have been corrected by restating the balances at the beginning of the earliest period presented (1 July 2021) and taking the adjustments through to accumulated surplus at that date. Comparatives for (2021/22) have also been restated, where applicable, to reflect the correction of errors. The impact on each line item of the financial statements is shown in the tables below:

Changes to the opening Statement of Financial Position at 1 July 2021

\$ '000	As Previously Reported 1 July, 2021	Impact Increase/ (decrease)	Restated Balance 1 July, 2021
Total current assets	342,370	–	342,370
Infrastructure, property, plant and equipment	7,476,810	11,935	7,488,745
Total non-current assets	7,768,621	11,935	7,780,556
Total assets	8,110,991	11,935	8,122,926
Net assets	7,526,373	11,935	7,538,308
Accumulated surplus	7,005,356	11,935	7,017,291
Total equity	7,526,373	11,935	7,538,308

G4-1 Correction of errors (continued)

Adjustments to the comparative figures for the year ended 30 June 2022

\$ '000	As Previously Reported 30 June, 2022	Impact Increase/ (decrease)	Restated Amount 30 June, 2022
Total current assets	306,699	–	306,699
Infrastructure, property, plant and equipment	8,115,820	19,965	8,135,785
Total non-current assets	8,578,968	19,965	8,598,933
Total assets	8,885,667	19,965	8,905,632
Net assets	8,322,113	19,965	8,342,078
Accumulated surplus	7,111,427	19,965	7,131,392
Total equity	8,322,113	19,965	8,342,078

Income Statement

\$ '000	As Previously Reported 30 June, 2022	Impact Increase/ (decrease)	Restated Amount 30 June, 2022
Grants and contributions provided for capital purposes	65,626	8,383	74,009
Total income from continuing operations	668,830	8,383	677,213
Depreciation and amortisation	169,041	353	169,394
Total expenses from continuing operations	562,759	353	563,112
Net operating result for the year	106,071	8,030	114,101

Statement of Comprehensive Income

\$ '000	As Previously Reported 30 June, 2022	Impact Increase/ (decrease)	Restated Amount 30 June, 2022
Net operating result for the year	106,071	8,030	114,101
Total comprehensive income for the year	795,740	8,030	803,770

G5 Statement of developer contributions

G5-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land						
Drainage	23,450	2,397	–	–	543	(542)	–	25,848	–
Roads	19,315	5,811	–	–	608	(26)	–	25,708	(183)
Parking	5,579	–	–	–	83	(2,175)	–	3,487	–
Open space	17,235	6,278	–	–	700	(307)	–	23,906	614
Community facilities	30,916	3,875	–	–	712	–	–	35,503	(2,202)
Other	523	572	–	–	18	(426)	–	687	–
Drainage Capital	7,189	216	–	–	99	(3,999)	–	3,505	–
Drainage Land	3,261	50	–	–	55	(1,464)	–	1,902	–
Storm Water/Flood Mitigation	2,161	11	–	–	65	–	–	2,237	–
Roads Capital	6,211	78	–	–	16	(5,727)	–	578	–
Roads Land	83	–	–	–	–	(83)	–	–	–
Open Space Land	7,943	202	–	–	106	(4,546)	–	3,705	–
Open Space Embellishment	1,683	617	–	–	29	(1,091)	–	1,238	–
Community Capital	8,115	200	–	–	64	(6,109)	–	2,270	–
Community Land	462	12	–	–	14	–	–	488	–
Recreation	2,642	–	–	–	–	(2,642)	–	–	–
Footpaths	776	1	–	–	11	(430)	–	358	–
Environment Protection	897	–	–	–	–	(897)	–	–	–
Towncentre Improvements	1,964	17	–	–	59	–	–	2,040	–
Car Parking Administration	73	–	–	–	2	–	–	75	–
S7.11 contributions – under a plan	140,478	20,337	–	–	3,184	(30,464)	–	133,535	(1,771)
S7.12 levies – under a plan	18,377	1,202	–	–	1,537	30,509	–	51,625	–
Total S7.11 and S7.12 revenue under plans	158,855	21,539	–	–	4,721	45	–	185,160	(1,771)
S7.11 not under plans	4,978	–	–	–	–	(4,978)	–	–	–
S7.4 planning agreements	5,670	–	–	–	143	–	–	5,814	1,771
S64 contributions - Water	6,209	3,325	–	330	530	(105)	–	10,288	–
S64 contributions - Sewer	18,442	2,851	–	230	697	(4,135)	–	18,086	–
Total contributions	194,154	27,715	–	560	6,091	(9,173)	–	219,348	–

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.

Under the *Local Government Act 1993*, Council levies S64 contributions for Water and Sewer Infrastructure assets. These contributions are outlined in the relevant Development Servicing Plans (DSPs) and in accordance with the *Water Management Act 2000*.

G5-1 Summary of developer contributions (continued)

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.

G5-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land						
CONTRIBUTION PLAN NUMBER 5 - WEST NARARA (REPEALED)									
Drainage Capital	1,001	-	-	-	-	(1,001)	-	-	-
Drainage Land	124	-	-	-	-	(124)	-	-	-
Roads Capital	260	-	-	-	-	(260)	-	-	-
Open Space Land	430	-	-	-	-	(430)	-	-	-
Community Capital	380	-	-	-	-	(380)	-	-	-
Recreation	197	-	-	-	-	(197)	-	-	-
Total	2,392	-	-	-	-	(2,392)	-	-	-
CONTRIBUTION PLAN NUMBER 7 - NIAGARA PARK (REPEALED)									
Drainage Capital	304	-	-	-	-	(304)	-	-	-
Roads Capital	60	-	-	-	-	(60)	-	-	-
Open Space Land	42	-	-	-	-	(42)	-	-	-
Community Capital	99	-	-	-	-	(99)	-	-	-
Recreation	33	-	-	-	-	(33)	-	-	-
Total	538	-	-	-	-	(538)	-	-	-

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from	
		Cash	Non-cash Land							
CONTRIBUTION PLAN NUMBER 8 - LISAROW (REPEALED)										
Drainage Capital	569	-	-	-	-	(569)	-	-	-	
Drainage Land	859	-	-	-	-	(859)	-	-	-	
Roads Capital	618	-	-	-	-	(618)	-	-	-	
Open Space Land	144	-	-	-	-	(144)	-	-	-	
Community Capital	3,181	-	-	-	-	(3,181)	-	-	-	
Recreation	210	-	-	-	-	(210)	-	-	-	
Total	5,581	-	-	-	-	(5,581)	-	-	-	
CONTRIBUTION PLAN NUMBER 16 - KINCUMBER (REPEALED)										
Drainage Capital	433	-	-	-	-	(433)	-	-	-	
Drainage Land	53	-	-	-	-	(53)	-	-	-	
Roads Capital	509	-	-	-	-	(509)	-	-	-	
Open Space Land	535	-	-	-	-	(535)	-	-	-	
Total	1,530	-	-	-	-	(1,530)	-	-	-	
CONTRIBUTION PLAN NUMBER 21 - KARIONG (REPEALED)										
Drainage Capital	403	-	-	-	-	(403)	-	-	-	
Roads Capital	54	-	-	-	-	(54)	-	-	-	
Open Space Land	1,027	-	-	-	-	(1,027)	-	-	-	
Community Capital	326	-	-	-	-	(326)	-	-	-	
Total	1,810	-	-	-	-	(1,810)	-	-	-	
CONTRIBUTION PLAN NUMBER 23 - SPRINGFIELD (REPEALED)										
Drainage Capital	44	-	-	-	-	(44)	-	-	-	
Drainage Land	35	-	-	-	-	(35)	-	-	-	
Roads Capital	377	-	-	-	-	(377)	-	-	-	
Open Space Land	534	-	-	-	-	(534)	-	-	-	
Total	990	-	-	-	-	(990)	-	-	-	

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from	
		Cash	Non-cash Land							
CONTRIBUTION PLAN NUMBER 31 - PENINSULA										
Drainage Capital	3,190	216	-	-	99	-	-	3,505	-	
Drainage Land	1,797	50	-	-	55	-	-	1,902	-	
Roads Capital	484	78	-	-	16	-	-	578	-	
Open Space Land	3,397	202	-	-	106	-	-	3,705	-	
Community Land	462	12	-	-	14	-	-	488	-	
Open Space Embellishment	686	616	-	-	29	(100)	-	1,231	-	
Community Capital	2,006	200	-	-	64	-	-	2,270	-	
Total	12,022	1,374	-	-	383	(100)	-	13,679	-	
CONTRIBUTION PLAN NUMBER 36 - ERINA VALLEY (REPEALED)										
Other	29	-	-	-	-	(29)	-	-	-	
Total	29	-	-	-	-	(29)	-	-	-	
CONTRIBUTION PLAN NUMBER 42 - ERINA (REPEALED)										
Drainage Capital	1,245	-	-	-	-	(1,245)	-	-	-	
Drainage Land	393	-	-	-	-	(393)	-	-	-	
Roads Capital	529	-	-	-	-	(529)	-	-	-	
Roads Land	83	-	-	-	-	(83)	-	-	-	
Open Space Land	1,418	-	-	-	-	(1,418)	-	-	-	
Community Capital	1,092	-	-	-	-	(1,092)	-	-	-	
Recreation	1,370	-	-	-	-	(1,370)	-	-	-	
CONTRIBUTION PLAN NUMBER 36 - ERINA VALLEY										
Total	6,130	-	-	-	-	(6,130)	-	-	-	
CONTRIBUTION PLAN NUMBER 43 - EAST GOSFORD (REPEALED)										
Roads Capital	319	-	-	-	-	(319)	-	-	-	
Open Space Embellishment	809	-	-	-	-	(809)	-	-	-	
Footpaths	290	-	-	-	-	(290)	-	-	-	
Total	1,418	-	-	-	-	(1,418)	-	-	-	

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from	
		Cash	Non-cash Land							
CONTRIBUTION PLAN NUMBER 47A - TERRIGAL										
Storm Water/Flood Mitigation	2,161	11	-	-	65	-	-	2,237	-	
Open Space Embellishment	6	1	-	-	-	-	-	7	-	
Footpaths	346	1	-	-	11	-	-	358	-	
Towncentre Improvements	1,964	17	-	-	59	-	-	2,040	-	
Total	4,477	30	-	-	135	-	-	4,642	-	
CONTRIBUTION PLAN NUMBER 48 - AVOCA (REPEALED)										
Open Space Embellishment	135	-	-	-	-	(135)	-	-	-	
Footpaths	38	-	-	-	-	(38)	-	-	-	
Total	173	-	-	-	-	(173)	-	-	-	
CONTRIBUTION PLAN NUMBER 49 - NORTH GOSFORD (REPEALED)										
Open Space Land	416	-	-	-	-	(416)	-	-	-	
Open Space Embellishment	14	-	-	-	-	(14)	-	-	-	
Footpaths	102	-	-	-	-	(102)	-	-	-	
Total	532	-	-	-	-	(532)	-	-	-	
CONTRIBUTION PLAN NUMBER 52 - SPRINGFIELD / ERINA CREEK (REPEALED)										
Roads Capital	6	-	-	-	-	(6)	-	-	-	
Total	6	-	-	-	-	(6)	-	-	-	
CONTRIBUTION PLAN NUMBER 57 - JOHN WHITEWAY DRIVE (REPEALED)										
Roads Capital	54	-	-	-	-	(54)	-	-	-	
Total	54	-	-	-	-	(54)	-	-	-	
CONTRIBUTION PLAN NUMBER 58 - ERINA FAIR (REPEALED)										
Roads Capital	991	-	-	-	-	(991)	-	-	-	
Total	991	-	-	-	-	(991)	-	-	-	
CONTRIBUTION PLAN NUMBER 67 - WOY WOY PARKING (REPEALED)										
Parking	1,366	-	-	-	-	(1,366)	-	-	-	
Total	1,366	-	-	-	-	(1,366)	-	-	-	

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from	
		Cash	Non-cash Land							
CONTRIBUTION PLAN NUMBER 68 - UMINA PARKING (REPEALED)										
Parking	458	-	-	-	-	(458)	-	-	-	
Total	458	-	-	-	-	(458)	-	-	-	
CONTRIBUTION PLAN NUMBER 69 - TERRIGAL PARKING										
Parking	1,557	-	-	-	47	-	-	1,604	-	
Car Parking Administration	73	-	-	-	2	-	-	75	-	
Total	1,630	-	-	-	49	-	-	1,679	-	
CONTRIBUTION PLAN NUMBER 70 - EAST GOSFORD PARKING (REPEALED)										
Parking	229	-	-	-	-	(229)	-	-	-	
Total	229	-	-	-	-	(229)	-	-	-	
CONTRIBUTION PLAN NUMBER 71 - CAR PARKING AVOCA BEACH (REPEALED)										
Parking	5	-	-	-	-	(5)	-	-	-	
Total	5	-	-	-	-	(5)	-	-	-	
CONTRIBUTION PLAN NUMBER 72 - ETTALONG CAR PARKING (REPEALED)										
Parking	117	-	-	-	-	(117)	-	-	-	
Total	117	-	-	-	-	(117)	-	-	-	
CONTRIBUTION PLAN NUMBER 98 - BENSVILLE (REPEALED)										
Roads Capital	4	-	-	-	-	(4)	-	-	-	
Open Space Embellishment	33	-	-	-	-	(33)	-	-	-	
Total	37	-	-	-	-	(37)	-	-	-	
CONTRIBUTION PLAN NUMBER 164 - GOSFORD (REPEALED)										
Roads Capital	1,946	-	-	-	-	(1,946)	-	-	-	
Community Capital	1,031	-	-	-	-	(1,031)	-	-	-	
Recreation	832	-	-	-	-	(832)	-	-	-	
Environment Protection	897	-	-	-	-	(897)	-	-	-	
Total	4,706	-	-	-	-	(4,706)	-	-	-	

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land						
CONTRIBUTION PLAN NUMBER 1 - WYONG									
Drainage	2,185	–	–	–	42	–	–	2,227	–
Roads	2,631	14	–	–	51	–	–	2,696	–
Parking	1,751	–	–	–	34	–	–	1,785	–
Open space	3,029	77	–	–	64	–	–	3,170	–
Community facilities	2,773	107	–	–	66	–	–	2,946	500
Other	53	–	–	–	1	–	–	54	–
Total	12,422	198	–	–	258	–	–	12,878	500
CONTRIBUTION PLAN NUMBER 2 - SOUTHERN LAKES									
Drainage	1,359	12	–	–	26	–	–	1,397	–
Roads	945	–	–	–	18	–	–	963	–
Open space	3,109	205	–	–	63	–	–	3,377	325
Community facilities	2,428	548	–	–	57	–	369	3,402	–
Other	3	81	–	–	1	(61)	–	24	–
Total	7,844	846	–	–	165	(61)	369	9,163	325
CONTRIBUTION PLAN NUMBER 3 - THE ENTRANCE									
Drainage	5	–	–	–	1	–	–	6	–
Roads	3,852	220	–	–	77	(26)	–	4,123	–
Parking	89	–	–	–	2	–	–	91	–
Open space	2,164	123	–	–	43	–	–	2,330	–
Community facilities	51	176	–	–	33	–	–	260	–
Total	6,161	519	–	–	156	(26)	–	6,810	–
CONTRIBUTION PLAN NUMBER 5 - OURIMBAH									
Roads	267	–	–	–	5	–	–	272	–
Open space	201	9	–	–	4	–	–	214	–
Community facilities	2,117	8	–	–	41	–	–	2,166	–
Other	1	1	–	–	1	(1)	–	2	–
Total	2,586	18	–	–	51	(1)	–	2,654	–

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from	
		Cash	Non-cash Land							
CONTRIBUTION PLAN NUMBER 6 - TOUKLEY										
Drainage	6	-	-	-	-	-	-	6	-	
Roads	16	-	-	-	1	-	-	17	-	
Parking	7	-	-	-	-	-	-	7	-	
Open space	1,217	147	-	-	27	-	-	1,391	106	
Community facilities	2,116	147	-	-	43	-	-	2,306	-	
Total	3,362	294	-	-	71	-	-	3,727	106	
CONTRIBUTION PLAN NUMBER 7 - GOROKAN										
Roads	87	-	-	-	15	-	-	102	-	
Open space	1,074	409	-	-	29	-	-	1,512	183	
Community facilities	875	342	-	-	21	-	-	1,238	-	
Other	3	55	-	-	1	(42)	-	17	-	
Total	2,039	806	-	-	66	(42)	-	2,869	183	
CONTRIBUTION PLAN NUMBER 8 - SAN REMO										
Drainage	364	3	-	-	7	-	-	374	-	
Roads	404	36	-	-	21	-	-	461	-	
Open space	1,338	98	-	-	40	-	-	1,476	-	
Community facilities	103	81	-	-	3	-	-	187	-	
Other	3	13	-	-	-	(9)	-	7	-	
Total	2,212	231	-	-	71	(9)	-	2,505	-	
CONTRIBUTION PLAN NUMBER 9 - BUDGEWOI										
Roads	86	-	-	-	-	-	-	86	(183)	
Open space	547	43	-	-	10	(307)	-	293	-	
Community facilities	2,212	35	-	-	42	-	-	2,289	-	
Other	2	6	-	-	1	(4)	-	5	-	
Total	2,847	84	-	-	53	(311)	-	2,673	(183)	

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land						
CONTRIBUTION PLAN NUMBER - 13 SHIRE WIDE									
Open space	1,508	592	-	-	36	-	-	2,136	-
Community facilities	104	449	-	-	1	-	(369)	185	(2,702)
Other	14	86	-	-	1	(65)	-	36	-
Total	1,626	1,127	-	-	38	(65)	(369)	2,357	(2,702)
CONTRIBUTION PLAN NUMBER 15 - NORTHERN DISTRICTS									
Roads	3,046	526	-	-	62	-	-	3,634	-
Open space	1,595	611	-	-	35	-	-	2,241	-
Community facilities	3,494	517	-	-	71	-	-	4,082	-
Other	4	71	-	-	1	(54)	-	22	-
Total	8,139	1,725	-	-	169	(54)	-	9,979	-
CONTRIBUTION PLAN NUMBER 17 - WARNERVALE DISTRICT									
Drainage	19,531	2,382	-	-	467	(542)	-	21,838	-
Roads	7,981	5,016	-	-	357	-	-	13,354	-
Open space	1,453	3,965	-	-	349	-	-	5,767	-
Community facilities	14,643	1,465	-	-	334	-	-	16,442	-
Other	411	259	-	-	11	(161)	-	520	-
Total	44,019	13,087	-	-	1,518	(703)	-	57,921	-

S7.12 Levies – under a plan

CONTRIBUTION PLAN NUMBER GCIP (INCLUDING REPEALED CONTRIBUTIONS)

Town-centre Improvements	15,488	611	-	-	1,496	32,912	-	50,507	-
Total	15,488	611	-	-	1,496	32,912	-	50,507	-

CONTRIBUTION PLAN NUMBER WYONG

Other	2,889	591	-	-	41	(2,403)	-	1,118	-
Total	2,889	591	-	-	41	(2,403)	-	1,118	-

G5-3 Contributions not under plans

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Net Contributions received - Non-cash	Interest and investment income earned	Amounts expended / repealed	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from	
		Cash	Non-cash Land							
GOSFORD CITY IMPROVEMENT & ERINA PARKING (REPEALED)										
Parking	2,960	-	-	-	-	(2,960)	-	-	-	
Roads Capital	525	-	-	-	-	(525)	-	-	-	
Open Space Land	608	-	-	-	-	(608)	-	-	-	
Open Space Embellishment	260	-	-	-	-	(260)	-	-	-	
Community Capital	541	-	-	-	-	(541)	-	-	-	
Environment Protection	84	-	-	-	-	(84)	-	-	-	
Total	4,978	-	-	-	-	(4,978)	-	-	-	

G6 Statement of performance measures

G6-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	Indicator 2022 ³	Benchmark
1. Operating performance				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	40,897	6.19%	7.66%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	660,632			
2. Own source operating revenue				
Total continuing operating revenue excluding all grants and contributions ¹	604,010	78.19%	81.43%	> 60.00%
Total continuing operating revenue inclusive of all grants and contributions ¹	772,458			
3. Unrestricted current ratio				
Current assets less all external restrictions	312,367	2.63x	1.80x	> 1.50x
Current liabilities less specific purpose liabilities	118,965			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	230,990	5.64x	3.98x	> 2.00x
Principal repayments (from the Statement of Cash Flows) plus borrowing costs (from the Income Statement)	40,971			
5. Rates and annual charges outstanding percentage				
Rates and annual charges outstanding	27,286	6.60%	4.75%	< 5.00%
Rates and annual charges collectable	413,452			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus term deposits	314,523	8.34 months	7.02 months	> 3.00 months
Payments from cash flow of operating and financing activities	37,717			

(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, impairment losses on receivables, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

(3) Restated 2021/22

G6-2 Statement of performance measures by fund

\$ '000	General Indicators		Water Indicators		Sewer Indicators		Benchmark
	2023	2022 ³	2023	2022 ³	2023	2022 ³	
1. Operating performance							
Total continuing operating revenue excluding capital grants and contributions less operating expenses	7.22%	10.75%	0.54%	(8.06)%	6.23%	4.90%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ^{1,2}							
2. Own source operating revenue							
Total continuing operating revenue excluding all grants and contributions ¹	74.96%	77.98%	90.36%	88.92%	83.92%	94.39%	> 60.00%
Total continuing operating revenue inclusive of all grants and contributions ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	2.62x	4.65x	No liabilities	No liabilities	∞	No liabilities	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ^{1,2}	8.22x	7.96x	2.33x	1.37x	8.48x	3.22x	> 2.00x
Principal repayments (from the Statement of Cash Flows) plus borrowing costs (from the Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	5.77%	3.74%	9.66%	8.27%	9.11%	8.97%	< 5.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year cash and cash equivalents plus term deposits	7.35 months	6.74 months	3.94 months	1.89 months	21.99 months	13.87 months	> 3.00 months
Payments from cash flow of operating and financing activities							

(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, impairment losses on receivables, net loss on disposal of assets, and net loss on share of interest in joint ventures and associates using the equity method.

(3) Restated 2021/22

End of the audited financial statements



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Central Coast Council

To the Administrators of Central Coast Council

Opinion

I have audited the accompanying financial statements of Central Coast Council (the Council), which comprise the Statement by Administrator and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, 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 2023, 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).

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 have fulfilled my other ethical responsibilities in accordance with APES 110.

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 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Administrator is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements, Special Schedules (the Schedules) and the general purpose financial statements of the Central Coast Council Water Supply Authority.

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, I have separately expressed an opinion on the:

- special purpose financial statements and Special Schedule - Permissible income for general rates as required by the *Local Government Act 1993*
- general purpose financial statements of the Central Coast Water Supply Authority as required by the *Government Sector Audit Act 1983*.

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 Administrators' Responsibilities for the Financial Statements

The Administrator is 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 Administrator determines 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 Administrator is 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 B5-1 '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.



Caroline Karakatsanis
Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY



Mr Rik Hart
Administrator
Central Coast Council
2 Hely Street
WYONG NSW 2259

Contact: Caroline Karakatsanis
Phone no: 02 9275 7143
Our ref: /1710

31 October 2023

Dear Administrator,

**Report on the Conduct of the Audit
for the year ended 30 June 2023
Central Coast Council**

I have audited the general purpose financial statements (GPFS) of the Central Coast Council (the Council) for the year ended 30 June 2023 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 2023 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.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

I identified the following significant audit issue and observation during my audit of the Council's financial statements. This issue and observation was addressed as part of my audit.





High risk matters

The following high risk matter of governance interest was identified during my audit. High risk matters have high consequences and are likely to occur.

Risk assessment	Matter
 High	<p>Fair value assessment of infrastructure, property, plant and equipment (IPPE) asset classes not subject to comprehensive revaluations (partial repeat issue)</p> <p>Council's initial fair value assessment of IPPE did not include an assessment of fair value movements for bulk earthworks, other infrastructure and land improvements. This resulted in a material subsequent adjustment to the financial statements of \$22.8 million. We acknowledge that council did perform fair value assessments for the remaining asset classes not subject to comprehensive revaluation in 2022–23, using relevant indices.</p> <p>However, these were not updated to reflect the latest available June 2023 indices resulting in a material overstatement in the indexation of roads, bridges, footpaths and stormwater drainage by \$64.4 million. This was subsequently adjusted in the 30 June 2023 financial statements. Management's quality review of IPPE fair value assessments could be further improved.</p>

INCOME STATEMENT

Operating result

	2023 \$m	2022* \$m	Variance %
Rates and annual charges revenue	389.3	365.8	 6.4
Grants and contributions revenue	168.4	121.7	 38.4
Operating result from continuing operations	146.9	114.1	 28.7
Net operating result before capital grants and contributions	35.0	40.1	 12.7

* The 2022 comparatives have been restated to correct a prior period error. Note G4-1 of the financial statements provides details of the prior period error.

Rates and annual charges revenue (\$389.3 million) increased by \$23.5 million (6.4%) in 2022–23 due to the rate peg increase of 1 per cent and increased annual charges for water supply of 23 per cent and continuation of the special rate variation of 13 per cent applied to general rates.

Grants and contributions revenue (\$168.4 million) increased by \$46.7 million (38.4%) in 2022–23 primarily due to the following:

- increase of \$17 million in state funding and an increase of \$17.6 million in non-cash contributions recognised during the year
- increase of \$8.1 million of developer contributions recognised during the year
- receiving 95 per cent of the financial assistance grants for 2023–24 in advance (75 per cent in 2021–22)

The Council's operating result from continuing operations (\$146.9 million including depreciation, amortisation and impairment expense of \$174.9 million) was \$32.8 million higher than the 2021–22 result.

The net operating result before capital grants and contributions (\$35.0 million) was \$5.1 million lower than the 2021–22 result.

STATEMENT OF CASH FLOWS

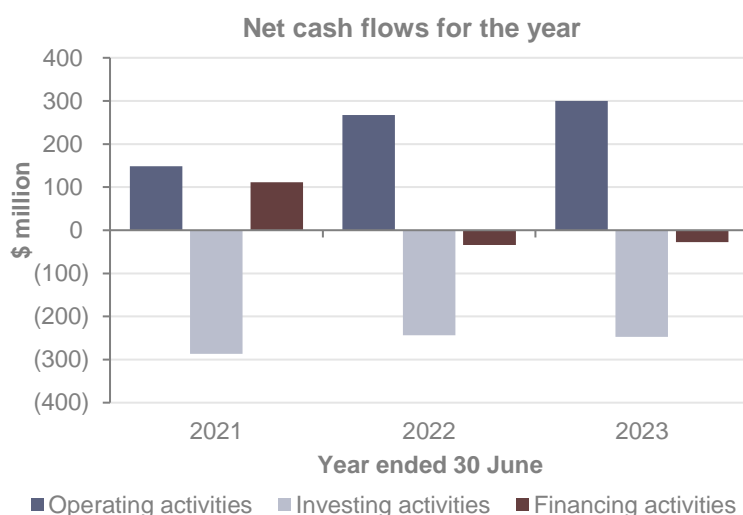
Cash balances increased due to receiving 95 per cent of the 2023–24 financial assistance grant in advance.

The Council reported an increase in cash and cash equivalents from \$55.0 million at 30 June 2022 to \$79.5 million at 30 June 2023.

Cash flows from operating activities increased by \$32.7 million.

Cash flows from investing activities decreased by \$3.8 million.

Cash flows from financing activities was negative this year due to repayment of instalments on loans.



FINANCIAL POSITION

Cash and investments

Cash and investments	2023	2022	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	760.6	652.1	Externally restricted balances comprise mainly of developer contributions, domestic waste management, and the Water Supply Authority related funds.
Restricted and allocated cash, cash equivalents and investments:			Internal allocations are determined by council policies or decisions, which are subject to change.
• External restrictions	517.4	430.9	At 30 June 2023, Council reported a positive cash and investment balance, after external restrictions, of \$243.2 million (\$221.2 million in 2022).
• Internal allocations	147.8	93.5	Internal allocations were \$147.8 million in 2023 (\$93.5 million in 2022).

Debt

At 30 June 2023, Council had:

- \$285.9 million in secured loans (\$313.3 million in 2021–22)

PERFORMANCE

Performance measures

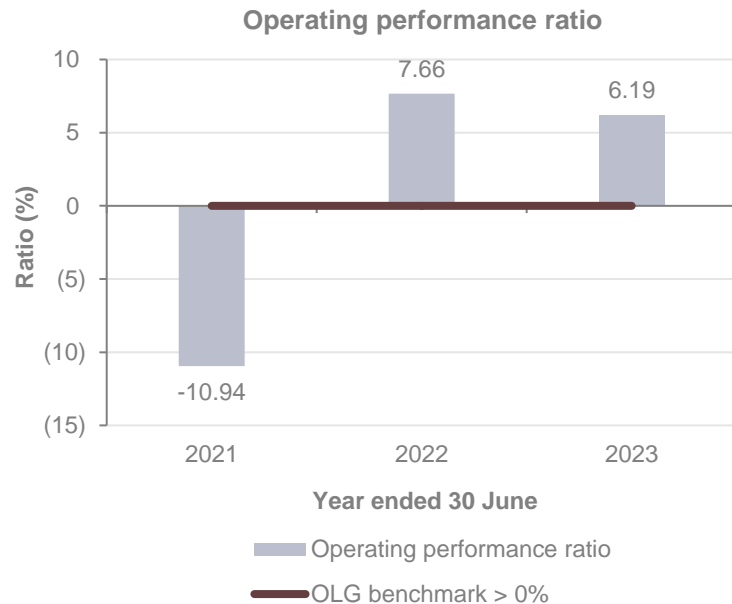
The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning and Environment.

Operating performance ratio

The Council met the benchmark for the current reporting period.

The 2022 ratio was restated to correct a prior period error.

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.

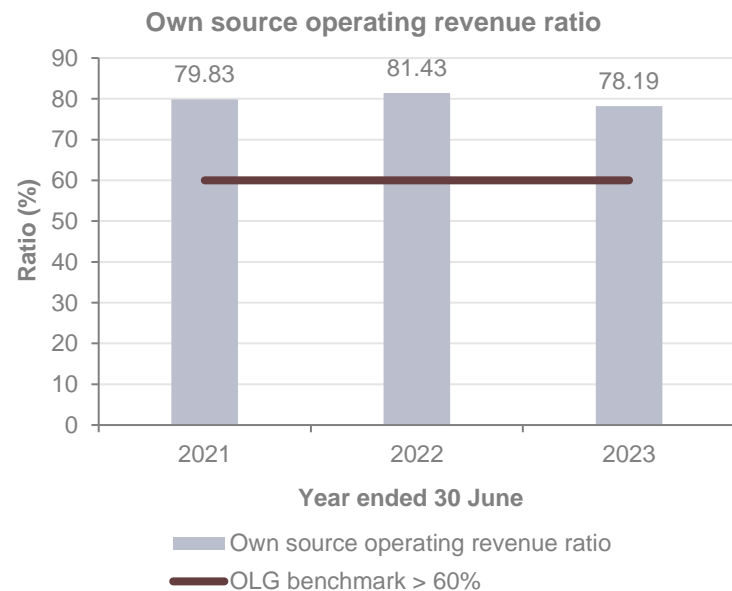


Own source operating revenue ratio

The Council met the benchmark for the current reporting period.

The 2022 ratio was restated to correct a prior period error.

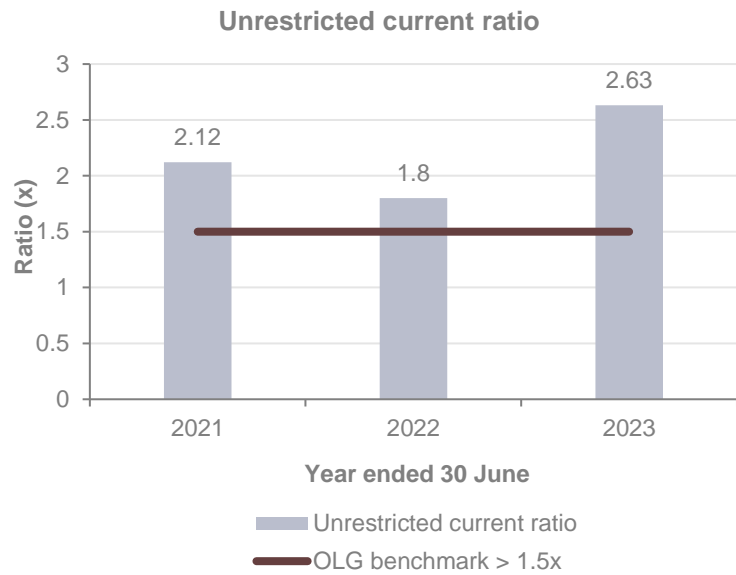
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

The Council continued to meet the benchmark for the current financial year.

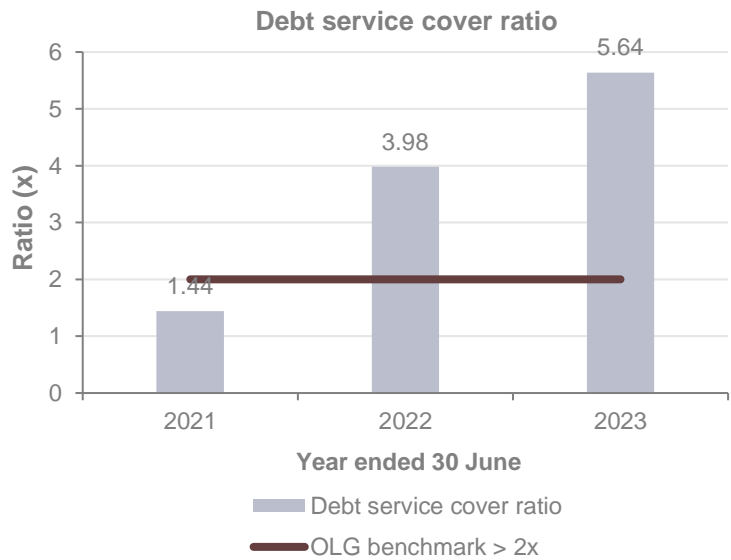
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

The Council met the benchmark for the current and prior financial years compared to not meeting the benchmark in 2021.

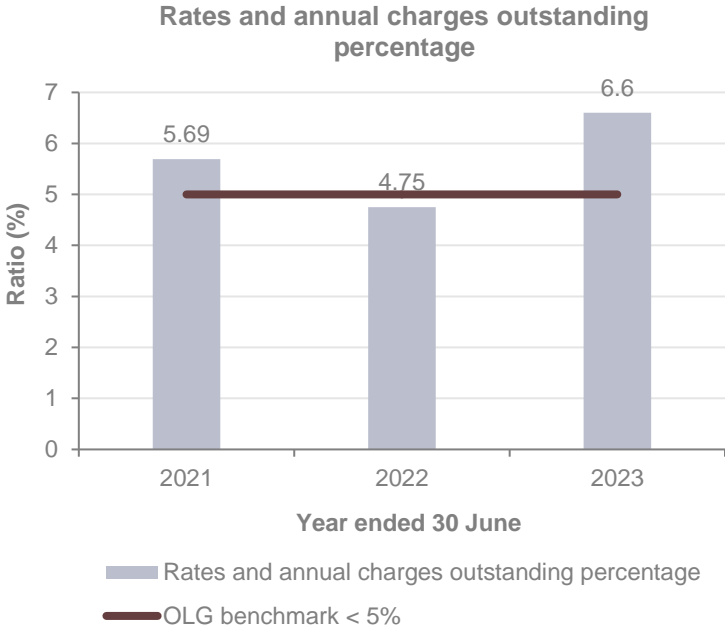
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

The Council did not meet the benchmark for the current reporting period.

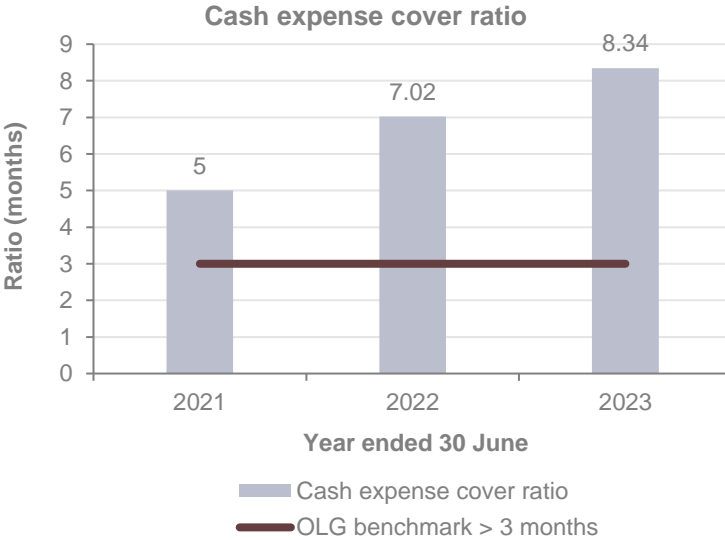
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5 per cent for metropolitan councils.



Cash expense cover ratio

The Council continued to meet the benchmark for the current reporting period.

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.



Infrastructure, property, plant and equipment renewals

Council had new asset additions of \$211.9 million in 2022–23 compared to \$130.8 million in 2021–22. Of this amount, \$11 million was spent on open space/recreational assets and \$7.8 million spent on roads.

The Council did not separately disclose assets renewals in the GPFS.

OTHER MATTERS

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.



Caroline Karakatsanis
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: David Farmer, Chief Executive Officer
Carl Millington, Chair of Audit, Risk and Improvement Committee



Special Purpose Statements

Central Coast Council

1 July 2022 to 30 June 2023

Central Coast Council

Special Purpose Financial Statements

for the year ended 30 June 2023

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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities), and **(c)** those activities with a turnover of less than \$2 million that Council has formally declared as a business activity (defined as Category 2 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Central Coast Council

Special Purpose Financial Statements

for the year ended 30 June 2023

Statement by Administrator and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- NSW Government Policy Statement *Application of National Competition Policy to Local Government*,
- Division of Local Government Guidelines *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*,
- The Local Government Code of Accounting Practice and Financial Reporting,
- The NSW Office of Water *Best-Practice Management of Water and Sewerage Guidelines*.

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records, and
- present overhead reallocation charges to businesses as fair and reasonable.

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 31 October 2023.



Rik Hart
Administrator
31 October 2023



David Farmer
Chief Executive Officer
31 October 2023



Emma Galea
Responsible Accounting Officer
31 October 2023

Central Coast Council

Income Statement of water supply business activity

for the year ended 30 June 2023

\$ '000	2023	2022
Income from continuing operations		
Access charges	22,339	12,212
User charges	62,892	55,925
Fees	1,796	1,788
Interest and investment income	800	318
Grants and contributions provided for operating purposes	201	34
Other income	98	5
Total income from continuing operations	88,126	70,282
Expenses from continuing operations		
Employee benefits and on-costs	14,015	12,562
Borrowing costs	7,158	7,776
Materials and services	30,826	24,581
Depreciation, amortisation and impairment	35,186	30,815
Water purchase charges	378	369
Net loss from the disposal of assets	1,372	–
Calculated taxation equivalents	690	680
Other expenses	217	52
Total expenses from continuing operations	89,842	76,835
Surplus (deficit) from continuing operations before capital amounts	(1,716)	(6,553)
Grants and contributions provided for capital purposes	9,165	8,718
Surplus (deficit) from continuing operations after capital amounts	7,449	2,165
Surplus (deficit) from all operations before tax	7,449	2,165
Less: corporate taxation equivalent (25%) [based on result before capital]	–	–
Surplus (deficit) after tax	7,449	2,165
Opening accumulated surplus	948,500	945,655
Adjustments for amounts unpaid:		
– Taxation equivalent payments	690	680
Closing accumulated surplus	956,639	948,500
Return on capital %	0.4%	0.1%
Subsidy from Council	–	49,814
Calculation of dividend payable:		
Surplus (deficit) after tax	7,449	2,165
Less: capital grants and contributions (excluding developer contributions)	(9,165)	(8,718)
Surplus for dividend calculation purposes	–	–
Dividend calculated from surplus	–	–

Central Coast Council

Income Statement of sewerage business activity

for the year ended 30 June 2023

\$ '000	2023	2022
Income from continuing operations		
Access charges	65,155	57,850
User charges	18,783	16,607
Liquid trade waste charges	3,036	2,766
Fees	1,136	1,050
Interest and investment income	5,359	2,026
Grants and contributions provided for operating purposes	167	21
Net gain from the disposal of assets	–	9
Other income	1,034	106
Total income from continuing operations	94,670	80,435
Expenses from continuing operations		
Employee benefits and on-costs	14,366	13,090
Borrowing costs	2,236	2,684
Materials and services	34,216	26,676
Depreciation, amortisation and impairment	36,991	34,035
Net loss from the disposal of assets	806	–
Calculated taxation equivalents	239	236
Other expenses	535	3,021
Total expenses from continuing operations	89,389	79,742
Surplus (deficit) from continuing operations before capital amounts	5,281	693
Grants and contributions provided for capital purposes	17,749	4,759
Surplus (deficit) from continuing operations after capital amounts	23,030	5,452
Surplus (deficit) from all operations before tax	23,030	5,452
Less: corporate taxation equivalent (25%) [based on result before capital]	(1,320)	(173)
Surplus (deficit) after tax	21,710	5,279
Opening accumulated surplus	1,492,792	1,487,104
Adjustments for amounts unpaid:		
– Taxation equivalent payments	239	236
– Corporate taxation equivalent	1,320	173
Closing accumulated surplus	1,516,061	1,492,792
Return on capital %	0.5%	0.2%
Subsidy from Council	–	52,178
Calculation of dividend payable:		
Surplus (deficit) after tax	21,710	5,279
Less: capital grants and contributions (excluding developer contributions)	(17,749)	(4,759)
Surplus for dividend calculation purposes	3,961	520
Dividend calculated from surplus	1,980	260

Central Coast Council

Income Statement – Drainage

for the year ended 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
Income from continuing operations		
Annual charges	18,891	15,610
Interest and investment income	90	65
Grants and contributions provided for operating purposes	64	62
Other income	7	–
Total income from continuing operations	19,052	15,737
Expenses from continuing operations		
Employee benefits and on-costs	1,925	1,591
Borrowing costs	461	477
Materials and services	8,523	5,169
Depreciation, amortisation and impairment	13,385	13,652
Net loss from the disposal of assets	329	–
Calculated taxation equivalents	77	77
Other expenses	3	32
Total expenses from continuing operations	24,703	20,998
Surplus (deficit) from continuing operations before capital amounts	(5,651)	(5,261)
Grants and contributions provided for capital purposes	7,658	2,403
Surplus (deficit) from continuing operations after capital amounts	2,007	(2,858)
Surplus (deficit) from all operations before tax	2,007	(2,858)
Less: corporate taxation equivalent (25%) [based on result before capital]	–	–
SURPLUS (DEFICIT) AFTER TAX	2,007	(2,858)
Opening accumulated surplus	1,007,448	1,010,229
Adjustments for amounts unpaid:		
– Taxation equivalent payments	77	77
Closing accumulated surplus	1,009,532	1,007,448
Return on capital %	(0.4)%	(0.4)%
Subsidy from Council	5,190	49,121

Central Coast Council

Income Statement – Holiday Parks

for the year ended 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
Income from continuing operations		
User charges	12,504	10,682
Fees	9	–
Total income from continuing operations	12,513	10,682
Expenses from continuing operations		
Employee benefits and on-costs	323	260
Borrowing costs	36	–
Materials and services	8,315	7,445
Depreciation, amortisation and impairment	878	543
Net loss from the disposal of assets	–	53
Calculated taxation equivalents	281	284
Other expenses	492	468
Total expenses from continuing operations	10,325	9,053
Surplus (deficit) from continuing operations before capital amounts	2,188	1,629
Grants and contributions provided for capital purposes	21	10
Surplus (deficit) from continuing operations after capital amounts	2,209	1,639
Surplus (deficit) from all operations before tax	2,209	1,639
Less: corporate taxation equivalent (25%) [based on result before capital]	(547)	(407)
SURPLUS (DEFICIT) AFTER TAX	1,662	1,232
Opening accumulated surplus	34,720	32,328
Adjustments for amounts unpaid:		
– Taxation equivalent payments	281	284
– Corporate taxation equivalent	547	407
– Subsidy paid/contribution to operations	7,267	469
Closing accumulated surplus	44,477	34,720
Return on capital %	6.7%	7.0%
Subsidy from Council	–	–

Central Coast Council

Income Statement – Leisure Centres

for the year ended 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
Income from continuing operations		
User charges	7,571	4,501
Other income	530	363
Total income from continuing operations	8,101	4,864
Expenses from continuing operations		
Employee benefits and on-costs	6,721	5,127
Materials and services	4,531	3,905
Depreciation, amortisation and impairment	1,905	2,153
Net loss from the disposal of assets	6	7
Calculated taxation equivalents	561	451
Total expenses from continuing operations	13,724	11,643
Surplus (deficit) from continuing operations before capital amounts	(5,623)	(6,779)
Grants and contributions provided for capital purposes	67	–
Surplus (deficit) from continuing operations after capital amounts	(5,556)	(6,779)
Surplus (deficit) from all operations before tax	(5,556)	(6,779)
Less: corporate taxation equivalent (25%) [based on result before capital]	–	–
SURPLUS (DEFICIT) AFTER TAX	(5,556)	(6,779)
Opening accumulated surplus	41,152	41,658
Adjustments for amounts unpaid:		
– Taxation equivalent payments	561	451
– Subsidy payable/contribution to operations by Council	15,421	5,822
Closing accumulated surplus	51,578	41,152
Return on capital %	(9.6)%	(14.2)%
Subsidy from Council	5,623	8,527

Central Coast Council

Income Statement – Child Care

for the year ended 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
Income from continuing operations		
User charges	8,091	7,215
Grants and contributions provided for operating purposes	549	630
Other income	–	1
Total income from continuing operations	8,640	7,846
Expenses from continuing operations		
Employee benefits and on-costs	6,542	5,845
Borrowing costs	22	22
Materials and services	2,199	2,145
Depreciation, amortisation and impairment	367	376
Net loss from the disposal of assets	20	10
Calculated taxation equivalents	370	300
Total expenses from continuing operations	9,520	8,698
Surplus (deficit) from continuing operations before capital amounts	(880)	(852)
Grants and contributions provided for capital purposes	154	8
Surplus (deficit) from continuing operations after capital amounts	(726)	(844)
Surplus (deficit) from all operations before tax	(726)	(844)
Less: corporate taxation equivalent (25%) [based on result before capital]	–	–
SURPLUS (DEFICIT) AFTER TAX	(726)	(844)
Opening accumulated surplus	6,900	6,571
Plus/less: other adjustments (prior year subsidy payable by Council)	–	–
Adjustments for amounts unpaid:		
– Taxation equivalent payments	370	300
– Subsidy payable/contribution to operations by Council	2,636	873
Closing accumulated surplus	9,180	6,900
Return on capital %	(8.1)%	(10.3)%
Subsidy from Council	858	1,124

Central Coast Council

Income Statement – Commercial Waste

for the year ended 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
Income from continuing operations		
Annual charges	4,310	4,167
Interest and investment income	9	8
Total income from continuing operations	4,319	4,175
Expenses from continuing operations		
Employee benefits and on-costs	19	19
Materials and services	1,490	1,535
Other expenses	2,801	2,300
Total expenses from continuing operations	4,310	3,854
Surplus (deficit) from continuing operations before capital amounts	9	321
Surplus (deficit) from continuing operations after capital amounts	9	321
Surplus (deficit) from all operations before tax	9	321
Less: corporate taxation equivalent (25%) [based on result before capital]	(2)	(80)
SURPLUS (DEFICIT) AFTER TAX	7	241
Opening accumulated surplus	(25)	461
Adjustments for amounts unpaid:		
– Corporate taxation equivalent	2	80
– Subsidy paid/contribution to operations	(272)	(807)
Closing accumulated surplus	(288)	(25)
Return on capital %	0.0%	0.0%
Subsidy from Council	–	–

Central Coast Council

Income Statement – Building Certification

for the year ended 30 June 2023

\$ '000	2023 Category 2	2022 Category 2
Income from continuing operations		
Fees	652	866
Other income	2	4
Total income from continuing operations	654	870
Expenses from continuing operations		
Employee benefits and on-costs	2,547	2,153
Materials and services	1,225	901
Calculated taxation equivalents	78	52
Total expenses from continuing operations	3,850	3,106
Surplus (deficit) from continuing operations before capital amounts	(3,196)	(2,236)
Surplus (deficit) from continuing operations after capital amounts	(3,196)	(2,236)
Surplus (deficit) from all operations before tax	(3,196)	(2,236)
Less: corporate taxation equivalent (25%) [based on result before capital]	–	–
SURPLUS (DEFICIT) AFTER TAX	(3,196)	(2,236)
Opening accumulated surplus	(1,058)	(1,282)
Adjustments for amounts unpaid:		
– Taxation equivalent payments	78	52
– Subsidy payable/contribution to operations by Council	2,986	2,408
Closing accumulated surplus	(1,190)	(1,058)
Return on capital %	0.0%	0.0%
Subsidy from Council	3,196	2,236

Central Coast Council

Statement of Financial Position of water supply business activity

as at 30 June 2023

\$ '000	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	1,892	1,576
Investments	17,903	8,375
Receivables	24,444	19,060
Other	252	69
Total current assets	44,491	29,080
Non-current assets		
Right of use assets	464	–
Investments	547	547
Receivables	227	227
Infrastructure, property, plant and equipment	1,469,088	1,394,454
Total non-current assets	1,470,326	1,395,228
Total assets	1,514,817	1,424,308
LIABILITIES		
Current liabilities		
Contract liabilities	32	62
Lease liabilities	103	–
Provisions	748	731
Payables	10,428	7,685
Borrowings	13,527	12,845
Employee benefit provisions	5,068	4,362
Total current liabilities	29,906	25,685
Non-current liabilities		
Contract liabilities	2,255	2,254
Lease liabilities	422	–
Provisions	1,214	1,102
Borrowings	116,640	130,174
Total non-current liabilities	120,531	133,530
Total liabilities	150,437	159,215
Net assets	1,364,380	1,265,093
EQUITY		
Accumulated surplus	956,641	948,500
IPPE revaluation reserves	407,739	316,593
Total equity	1,364,380	1,265,093

Central Coast Council

Statement of Financial Position of sewerage business activity

as at 30 June 2023

\$ '000	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	8,191	9,631
Investments	77,511	51,165
Receivables	16,195	16,314
Other	252	69
Non-current assets classified as held for sale	480	–
Total current assets	102,629	77,179
Non-current assets		
Right of use assets	464	–
Investments	78,734	78,734
Receivables	9,072	10,035
Infrastructure, property, plant and equipment	1,634,691	1,517,895
Total non-current assets	1,722,961	1,606,664
Total assets	1,825,590	1,683,843
LIABILITIES		
Current liabilities		
Contract liabilities	10,585	109
Lease liabilities	103	–
Provisions	642	1,025
Payables	7,846	6,054
Borrowings	3,258	3,080
Employee benefit provisions	4,676	4,383
Total current liabilities	27,110	14,651
Non-current liabilities		
Contract liabilities	899	944
Lease liabilities	422	–
Provisions	725	826
Borrowings	31,541	34,799
Total non-current liabilities	33,587	36,569
Total liabilities	60,697	51,220
Net assets	1,764,893	1,632,623
EQUITY		
Accumulated surplus	1,516,066	1,492,792
IPPE revaluation reserves	248,827	139,831
Total equity	1,764,893	1,632,623

Central Coast Council

Statement of Financial Position – Drainage

as at 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
ASSETS		
Current assets		
Cash and cash equivalents	71	30
Investments	669	158
Receivables	2,981	2,947
Total current assets	3,721	3,135
Non-current assets		
Investments	95	95
Receivables	1	1
Infrastructure, property, plant and equipment	1,273,048	1,211,380
Intangible assets	–	–
Total non-current assets	1,273,144	1,211,476
Total assets	1,276,865	1,214,611
LIABILITIES		
Current liabilities		
Contract liabilities	131	227
Payables	743	1,626
Borrowings	26,243	26,423
Employee benefit provisions	103	98
Total current liabilities	27,220	28,374
Non-current liabilities		
Contract liabilities	1,375	1,304
Borrowings	6,857	7,398
Total non-current liabilities	8,232	8,702
Total liabilities	35,452	37,076
NET ASSETS	1,241,413	1,177,535
EQUITY		
Accumulated surplus	1,013,489	1,007,448
IPPE revaluation reserves	227,924	170,087
Total equity	1,241,413	1,177,535

Central Coast Council

Statement of Financial Position – Holiday Parks

as at 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
ASSETS		
Current assets		
Investments	13,688	14,721
Receivables	264	107
Total current assets	13,952	14,828
Non-current assets		
Right of use assets	1,210	–
Infrastructure, property, plant and equipment	33,289	23,221
Total non-current assets	34,499	23,221
Total assets	48,451	38,049
LIABILITIES		
Current liabilities		
Contract liabilities	1,748	1,992
Lease liabilities	22	–
Payables	946	1,279
Employee benefit provisions	71	58
Total current liabilities	2,787	3,329
Non-current liabilities		
Lease liabilities	1,219	–
Total non-current liabilities	1,219	–
Total liabilities	4,006	3,329
NET ASSETS	44,445	34,720
EQUITY		
Accumulated surplus	44,445	34,720
Total equity	44,445	34,720

Central Coast Council

Statement of Financial Position – Leisure Centres

as at 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
ASSETS		
Current assets		
Cash and cash equivalents	–	–
Receivables	–	–
Total current assets	–	–
Non-current assets		
Infrastructure, property, plant and equipment	58,681	47,772
Total non-current assets	58,681	47,772
Total assets	58,681	47,772
LIABILITIES		
Current liabilities		
Contract liabilities	316	29
Payables	264	113
Employee benefit provisions	1,071	990
Total current liabilities	1,651	1,132
Non-current liabilities		
Total non-current liabilities	–	–
Total liabilities	1,651	1,132
NET ASSETS	57,030	46,640
EQUITY		
Accumulated surplus	51,542	41,152
IPPE Revaluation reserves	5,488	5,488
Total equity	57,030	46,640

Central Coast Council

Statement of Financial Position – Child Care

as at 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
ASSETS		
Current assets		
Receivables	271	190
Total current assets	271	190
Non-current assets		
Right of use assets	401	415
Infrastructure, property, plant and equipment	10,549	8,044
Total non-current assets	10,950	8,459
Total assets	11,221	8,649
LIABILITIES		
Current liabilities		
Contract liabilities	160	60
Payables	77	96
Employee benefit provisions	1,329	1,123
Provisions	1	–
Total current liabilities	1,567	1,279
Non-current liabilities		
Lease liabilities	474	470
Total non-current liabilities	474	470
Total liabilities	2,041	1,749
NET ASSETS	9,180	6,900
EQUITY		
Accumulated surplus	9,180	6,900
Total equity	9,180	6,900

Central Coast Council

Statement of Financial Position – Commercial Waste

as at 30 June 2023

\$ '000	2023 Category 1	2022 Category 1
ASSETS		
Current assets		
Receivables	195	112
Total current assets	195	112
Non-current assets		
Receivables	–	–
Total non-current assets	–	–
Total assets	195	112
LIABILITIES		
Current liabilities		
Payables	483	137
Total current liabilities	483	137
Non-current liabilities		
Total non-current liabilities	–	–
Total liabilities	483	137
NET ASSETS	(288)	(25)
EQUITY		
Accumulated surplus / (deficit)	(288)	(25)
Total equity	(288)	(25)

Central Coast Council

Statement of Financial Position – Building Certification

as at 30 June 2023

\$ '000	2023 Category 2	2022 Category 2
ASSETS		
Current assets		
	-	-
Total current assets	-	-
Non-current assets		
	-	-
Total non-current assets	-	-
Total assets	-	-
LIABILITIES		
Current liabilities		
Employee benefit provisions	1,190	1,058
Total current liabilities	1,190	1,058
Non-current liabilities		
Total non-current liabilities	-	-
Total liabilities	1,190	1,058
NET ASSETS	(1,190)	(1,058)
EQUITY		
Accumulated deficit	(1,190)	(1,058)
Total equity	(1,190)	(1,058)

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows. These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the *Local Government Act 1993 (NSW)*, the *Local Government (General) Regulation 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Water supplies

Water catchment, treatment and supply.

b. Sewerage services

Sewerage collection, treatment and disposal.

c. Stormwater drainage services

Provide and maintain stormwater drainage services.

d. Commercial waste management

Collection and disposal of commercial waste.

e. Care and Education

Provision of child care services.

f. Holiday Parks

Provision of holiday parks.

g. Leisure Centres

Provision of leisure centres.

Category 2

(where gross operating turnover is less than \$2 million)

a. Building Certification

Provision of building certification services.

Note – Significant Accounting Policies (continued)

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – **25%** (21/22 26%)

Land tax – the first \$822,000 of combined land values attracts **0%**. For the combined land values in excess of \$822,000 up to \$5,026,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$5,026,000 a premium marginal rate of **2.0%** applies.

Payroll tax – **4.85%** on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with the Department of Planning and Environment guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the Best Practice Management of Water Supply and Sewer Guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to the DPIE – Water guidelines is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the relevant corporate income tax rate, currently 25% (21/22 26%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the 'Council' as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Note – Significant Accounting Policies (continued)

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

(iii) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses, or to any external entities.

A local government water supply and sewerage businesses is permitted to pay annual dividends from their water supply or sewerage business surpluses.

Each dividend must be calculated and approved in accordance with the DPIE - Water guidelines and must not exceed:

- 50% of the relevant surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2023 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Best Practice Management of Water Supply and Sewer Guidelines, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to Department of Planning and Environment.

End of Audited Special Purpose Financial Statements.



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statements
Central Coast Council

To the Administrator of Central Coast Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Central Coast Council's (the Council) Declared Business Activities, which comprise the Statement of Administrator and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2023, the Statement of Financial Position of each Declared Business Activity as at 30 June 2023 and Significant Accounting Policies note.

The Declared Business Activities of the Council are:

- Water Supply Business
- Sewerage Business
- Drainage
- Holiday Parks
- Leisure Centres
- Child Care
- Commercial Waste
- Building Certification

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2023, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code).

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).

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 the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe 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 Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Administrator is 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 and Special Schedules (the Schedules), and the general purpose financial statements of the Central Coast Council Water Supply Authority.

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, I have separately expressed an opinion on the:

- general purpose financial statements and Special Schedule 'Permissible income for general rates' of the Council as required by the *Local Government Act 1993*
- general purpose financial statements of the Central Coast Council Water Supply Authority as required by the *Government Sector Audit Act 1983*.

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 Administrators' Responsibilities for the Financial Statements

The Administrator is responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Administrator's responsibility also includes such internal control as the Administrator determines 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 Administrator is 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
- 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.



Caroline Karakatsanis
Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY



Special Schedules

Central Coast Council

1 July 2022 to 30 June 2023

Central Coast Council

Special Schedules

for the year ended 30 June 2023

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Central Coast Council

Permissible income for general rates

\$ '000	Notes	Calculation 2022/23	Calculation 2023/24
Notional general income calculation ¹			
Last year notional general income yield	a	202,333	204,266
Plus or minus adjustments ²	b	476	553
Notional general income	c = a + b	202,809	204,819
Permissible income calculation			
Rate peg percentage	e	1.00%	3.80%
plus rate peg amount	i = e x (c + g)	2,028	7,783
Sub-total	k = (c + g + h + i + j)	204,837	212,602
Plus (or minus) last year's carry forward total	l	1,394	588
Less valuation objections claimed in the previous year	m	(1,378)	(1)
Sub-total	n = (l + m)	16	587
Total permissible income	o = k + n	204,853	213,189
Less notional general income yield	p	204,266	212,705
Catch-up or (excess) result	q = o - p	587	484
Plus income lost due to valuation objections claimed ⁴	r	1	2
Carry forward to next year ⁶	t = q + r + s	588	486

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single 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 Act. 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.

Central Coast Council

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost		2022/23 Required maintenance ^a	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000					
Buildings	Buildings	1,676	1,676	20,581	5,191	574,661	980,046	8.5%	19.3%	71.5%	0.5%	0.2%
	Sub-total	1,676	1,676	20,581	5,191	574,646	980,046	8.5%	19.3%	71.5%	0.5%	0.2%
Other structures	Other structures	164	164	185	50	8,876	12,333	32.5%	49.5%	10.4%	7.6%	0.0%
	Sub-total	164	164	185	50	8,876	12,333	32.5%	49.5%	10.4%	7.6%	0.0%
Roads	Sealed roads	57,023	57,023	11,923	9,973	1,150,550	1,589,671	53.6%	22.8%	14.4%	4.3%	4.9%
	Unsealed roads	83	83	164	206	23,290	32,828	47.9%	41.8%	9.9%	0.0%	0.4%
	Bridges	1,257	1,257	1,682	528	52,488	84,123	16.2%	42.2%	34.3%	6.7%	0.6%
	Footpaths	1,575	1,575	5,592	1,754	166,792	279,607	15.7%	30.4%	50.8%	2.9%	0.2%
	Other road assets	17,247	17,247	7,869	4,936	471,002	786,898	24.5%	40.9%	25.2%	8.0%	1.4%
	Bulk earthworks	–	–	–	–	380,799	380,799	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	77,185	77,185	27,230	17,397	2,229,342	3,153,926	47.5%	26.0%	19.1%	4.6%	2.8%
Water supply network	Water supply network	43,698	43,698	32,337	17,109	1,372,017	2,549,503	17.1%	37.0%	37.3%	8.1%	0.5%
	Sub-total	43,698	43,698	32,337	17,109	1,372,018	2,549,503	17.1%	37.0%	37.3%	8.1%	0.5%
Sewerage network	Sewerage network	35,745	35,745	15,980	23,679	1,526,558	2,657,728	11.1%	68.2%	13.8%	6.6%	0.3%
	Sub-total	35,745	35,745	15,980	23,679	1,526,560	2,657,728	11.1%	68.2%	13.8%	6.6%	0.3%
Stormwater drainage	Stormwater drainage	4,970	4,970	9,171	6,477	1,250,978	1,834,280	59.6%	27.0%	12.6%	0.4%	0.4%
	Sub-total	4,970	4,970	9,171	6,477	1,234,973	1,834,280	59.6%	27.0%	12.6%	0.4%	0.4%
Open space / recreational assets	Swimming pools	37	37	299	5	7,320	9,982	0.0%	97.9%	0.0%	2.1%	0.0%
	Open Space/Recreational Assets	4,656	4,656	3,423	1,255	162,352	228,182	21.1%	56.6%	13.9%	7.0%	1.4%
	Sub-total	4,693	4,693	3,722	1,260	169,672	238,164	20.2%	58.3%	13.3%	6.8%	1.4%
Other infrastructure assets	Other	375	375	704	175	36,659	46,908	13.7%	70.8%	13.0%	1.7%	0.8%
	Sub-total	375	375	704	175	36,659	46,908	13.7%	70.8%	13.0%	1.7%	0.8%
Total – all assets		168,506	168,506	109,910	71,338	7,152,746	11,472,888	30.2%	38.7%	25.2%	4.9%	1.0%

(a) Required maintenance is the amount identified in Council's asset management plans.

Central Coast Council

Report on infrastructure assets as at 30 June 2023 (continued)

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
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

Central Coast Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2023	Indicator 2023	Indicator 2022 ³	Benchmark
Buildings and infrastructure renewals ratio				
Asset renewals ¹	154,806	99.40%	57.17%	> 100.00%
Depreciation, amortisation and impairment	155,733			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	168,506	2.29%	2.62%	< 2.00%
Net carrying amount of infrastructure assets	7,364,994			
Asset maintenance ratio				
Actual asset maintenance	71,338	64.91%	55.38%	> 100.00%
Required asset maintenance	109,910			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	168,506	1.47%	1.66%	
Gross replacement cost	11,472,888			

(*) All asset performance indicators are calculated using classes identified in the previous table.

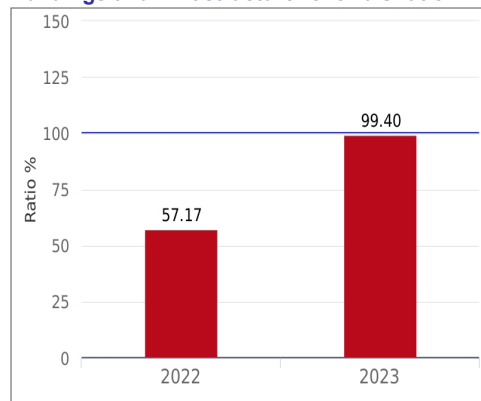
(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

(3) Restated 2021/22

Central Coast Council

Report on infrastructure assets as at 30 June 2023

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result

22/23 ratio 99.40%

Council is maintaining its buildings and infrastructure renewals program. A ratio greater than 1:1 indicates that the amount spent on asset renewals exceeds the amount of depreciation. Council's 2022/23 capital works program focussed on improving this ratio.

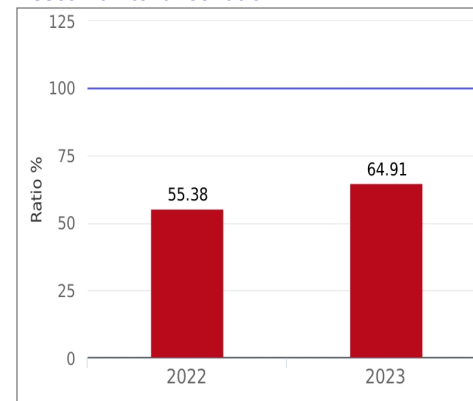
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result

22/23 ratio 64.91%

Council remains committed to maintaining its infrastructure assets at appropriate levels.

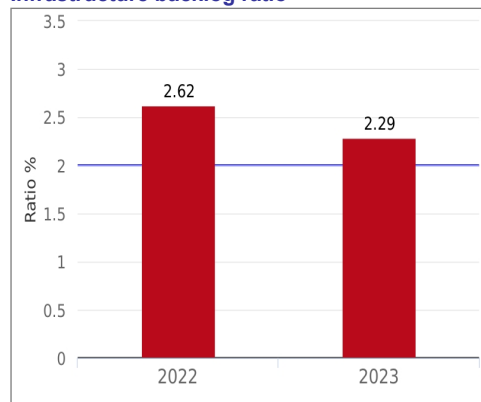
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result

22/23 ratio 2.29%

The cost to bring to satisfactory decreased as a result of continued focus on renewal works during 2022-23. Council will continue to prioritise delivery and maintenance of assets at affordable and satisfactory standards.

Benchmark: — < 2.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result

22/23 ratio 1.47%

This is the estimated cost to return those assets currently rated as less than excellent condition to an excellent condition. As Council has yet not completed community consultation to determine the agreed service levels, this estimate is equal to the cost to bring to satisfactory.

Central Coast Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2023	2022	2023	2022	2023	2022	
Buildings and infrastructure renewals ratio							
Asset renewals ¹							
Depreciation, amortisation and impairment	119.03%	50.34%	43.92%	38.67%	106.54%	56.21%	> 100.00%
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	1.99%	2.97%	3.18%	2.27%	2.34%	1.98%	< 2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	49.60%	49.78%	52.91%	38.75%	148.18%	106.63%	> 100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	1.42%	2.05%	1.71%	1.25%	1.34%	1.15%	

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Central Coast Council

To the Administrator of Central Coast Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Central Coast Council (the Council) for the year ending 30 June 2024.

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 2022–23 (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).

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 have fulfilled my other ethical responsibilities in accordance with APES 110.

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 2023 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Administrator is 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 purpose financial statements,

Special Schedule 'Report on infrastructure assets as at 30 June 2023', and the general purpose financial statements of the Central Coast Council Water Supply Authority.

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, I have separately expressed an opinion on the:

- general purpose financial statements and special purpose financial statements of the Council as required by the *Local Government Act 1993*
- general purpose financial statements of the Central Coast Council Water Supply Authority as required by the *Government Sector Audit Act 1983*.

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 Administrator' Responsibilities for the Schedule

The Administrator is responsible for the preparation of the Schedule in accordance with the LG Code. The Administrators' responsibility also includes such internal control as the Administrator determines 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 Administrator is 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.

A handwritten signature in black ink, appearing to read 'C. Karakatsanis', written in a cursive style.

Caroline Karakatsanis
Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY



Financial Reports Water Supply Authority Central Coast Council

1 July 2022 to 30 June 2023

Central Coast Council - Water Supply Authority

General Purpose Financial Statements

for the year ended 30 June 2023

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Overview

Central Coast Council Water Supply Authority has its principal place of business at :

2 Hely Sreet, Wyong NSW 2259

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

Central Coast Council - Water Supply Authority

General Purpose Financial Statements

for the year ended 30 June 2023

Statement by the Administrator and Chief Executive Officer

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

- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board

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

- present fairly the CCCWSA's operating result and financial position for the year
- accord with CCCWSA'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 31 October 2023.



Rik Hart
Administrator
31 October 2023



David Farmer
Chief Executive Officer
31 October 2023



Emma Galea
Responsible Accounting Officer
31 October 2023

Central Coast Council - Water Supply Authority

Income Statement

for the year ended 30 June 2023

\$ '000	Notes	Actual 2023	Restated Actual 2022
Income from continuing operations			
Annual charges	B1-1	106,386	85,670
User charges and fees	B1-2	87,644	78,136
Other revenues	B1-3	18	112
Grants and contributions provided for operating purposes	B1-4	432	117
Grants and contributions provided for capital purposes	B1-4	34,571	18,777
Interest and investment income	B1-5	5,830	1,959
Other income	B1-6	1,121	–
Net gain from the disposal of assets	B3-1	–	9
Total income from continuing operations		236,002	184,780
Expenses from continuing operations			
Employee benefits and on-costs	B2-1	30,309	27,242
Materials and services	B2-2	73,942	56,794
Borrowing costs	B2-3	9,435	10,489
Depreciation, amortisation and impairment of non-financial assets	B2-4	85,562	78,520
Other expenses	B2-5	755	3,102
Net loss from the disposal of assets	B3-1	2,507	–
Total expenses from continuing operations		202,510	176,147
Net operating result for the year attributable to Central Coast Council Water Supply Authority		33,492	8,633
Net operating result for the year before grants and contributions provided for capital purposes		(1,079)	(10,144)

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

Central Coast Council - Water Supply Authority

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	Restated 2022
Net operating result for the year – from Income Statement		33,492	8,633
Other comprehensive income:			
Amounts that will not be reclassified subsequent to operating result			
Gain / (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	<u>257,995</u>	<u>264,965</u>
Total other comprehensive income for the year		<u>257,995</u>	<u>264,965</u>
Total comprehensive income for the year attributable to Central Coast Council Water Supply Authority		<u>291,487</u>	<u>273,598</u>

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

Central Coast Council - Water Supply Authority

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	Restated 2022	Restated 1 July 2021
ASSETS				
Current assets				
Cash and cash equivalents	C1-1	10,153	11,236	9,377
Investments	C1-2	96,084	59,696	52,352
Receivables	C1-4	43,174	37,900	31,435
Current assets classified as held for sale	C1-7	480	-	-
Other	C1-7	503	138	222
Total current assets		150,394	108,970	93,386
Non-current assets				
Investments	C1-2	79,376	79,376	79,376
Receivables	C1-4	2,549	3,065	3,067
Infrastructure, property, plant and equipment (IPPE)	C1-5	4,376,819	4,127,672	3,891,512
Intangible assets	C1-6	-	-	1,703
Right of use assets	C2-1	928	-	-
Total non-current assets		4,459,672	4,210,113	3,975,658
Total assets		4,610,066	4,319,083	4,069,044
LIABILITIES				
Current liabilities				
Payables	C3-1	19,017	15,365	13,658
Contract liabilities	C3-2	10,747	398	2,480
Lease liabilities	C2-1	206	-	-
Borrowings	C3-3	42,584	41,928	56,250
Employee benefit provisions	C3-4	9,846	8,842	8,713
Provisions	C3-5	1,390	1,756	1,759
Total current liabilities		83,790	68,289	82,860
Non-current liabilities				
Contract liabilities	C3-2	4,528	4,502	2,266
Lease liabilities	C2-1	844	-	-
Borrowings	C3-3	148,287	165,173	175,725
Provisions	C3-5	1,939	1,928	2,593
Total non-current liabilities		155,598	171,603	180,584
Total liabilities		239,388	239,892	263,444
Net assets		4,370,678	4,079,191	3,805,600
EQUITY				
Accumulated surplus		3,486,192	3,452,700	3,444,074
IPPE revaluation reserve	C4-1	884,486	626,491	361,526
Equity interest		4,370,678	4,079,191	3,805,600
Total equity		4,370,678	4,079,191	3,805,600

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

Central Coast Council - Water Supply Authority

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	2023			2022		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus Restated	IPPE revaluation reserve Restated	Total equity Restated
Opening balance at 1 July		3,452,700	626,491	4,079,191	3,443,004	361,526	3,804,530
Correction of prior period errors	F4-1	–	–	–	1,063	–	1,063
Restated opening balance		3,452,700	626,491	4,079,191	3,444,067	361,526	3,805,593
Net operating result for the year		33,492	–	33,492	5,754	–	5,754
Correction of prior period errors	F4-1	–	–	–	2,879	–	2,879
Restated net operating result for the period		33,492	–	33,492	8,633	–	8,633
Other comprehensive income							
Gain / (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	–	257,995	257,995	–	264,965	264,965
Total comprehensive income		33,492	257,995	291,487	8,633	264,965	273,598
Restated closing balance at 30 June		3,486,192	884,486	4,370,678	3,452,700	626,491	4,079,191

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

Central Coast Council - Water Supply Authority

Statement of Cash Flows

for the year ended 30 June 2023

\$ '000	Notes	Actual 2023	Actual 2022
Cash flows from operating activities			
Receipts:			
Rates and annual charges		105,789	85,412
User charges and fees		87,705	75,592
Interest received		5,267	1,671
Grants and contributions		39,302	15,031
Bonds, deposits and retentions received		20	–
Other		(4,487)	(3,021)
Payments:			
Payments to employees		(28,853)	(27,512)
Payments for materials and services		(70,627)	(54,452)
Borrowing costs		(9,435)	(10,489)
Bonds, deposits and retentions refunded		–	(195)
Other		(260)	(373)
Net cash flows from operating activities	G1-1	124,421	81,664
Cash flows from investing activities			
Receipts:			
Sale of investments		131,272	11,812
Proceeds from sale of IPPE		–	56
Payments:			
Purchase of investments		(167,128)	(22,260)
Acquisition of term deposits		–	2
Payments for IPPE		(73,331)	(44,541)
Net cash flows from investing activities		(109,187)	(54,931)
Cash flows from financing activities			
Receipts:			
Proceeds from borrowings		–	31,432
Payments:			
Repayment of borrowings		(16,230)	(56,306)
Principal component of lease payments		(87)	–
Net cash flows from financing activities		(16,317)	(24,874)
Net change in cash and cash equivalents		(1,083)	1,859
Plus: cash and cash equivalents – beginning of period		11,236	9,377
Cash and cash equivalents at end of year	C1-1	10,153	11,236
plus: Investments on hand at end of year	C1-2	175,460	139,072
Total cash, cash equivalents and investments		185,613	150,308

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

Central Coast Council - Water Supply Authority

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Central Coast Council Water Supply Authority (CCCWSA) on 31 October 2023.

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.

Central Coast Council, within its overall statutory responsibilities, is a statutory authority for water supply and related purposes, under the *Water Management Act 2000*. CCCWSA controls resources to carry out water supply, sewerage, stormwater drainage and ancillary activities within Central Coast Council local government area and these functions have been consolidated in these financial statements.

CCCWSA is a not for profit entity.

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

Historical cost convention

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

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying CCCWSA'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 CCCWSA and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

CCCWSA 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) fair values of infrastructure, property, plant and equipment – refer Note D2
- (ii) employee benefit provisions – refer Note C2-4

Significant judgements in applying the Central Coast Council Water Supply Authority's accounting policies

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B1-2 – B1-4.

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.

CCCWSA's Statement of Cash Flows is not grossed up for GST.

A1-1 Basis of preparation (continued)

Monies and other assets received by Central Coast Council Water Supply Authority

The Consolidated Fund

These Financial Statements represent the consolidation of Water, Sewerage and Drainage funds.

The notional cash and investment assets of CCCWSA are represented in practice by an equity interest in the general cash and investment assets of Central Coast Council as a whole and all investment assets and bank accounts are held in the name of Central Coast Council.

New accounting standards and interpretations issued but not yet effective

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

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

New and amended standards adopted by Central Coast Council Water Supply Authority

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

- *AASB 2022-3 Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*
- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 – 2020 and Other Amendments*

None of these Standards had a significant impact on CCCWSA's reported position or performance.

B Financial Performance

B1 Sources of income

B1-1 Annual charges

\$ '000	2023	2022
Annual charges (pursuant to s496, 496A, 496B, 501 & 611) (pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Water supply services	23,341	13,056
Sewerage services	65,687	58,385
Drainage	18,891	15,609
Liquid trade waste	585	307
Less: pensioner rebates (State Government funded)	(2,214)	(2,174)
Less: pensioner rebates (CCCWSA funded)	(1,813)	(1,858)
Annual charges levied	104,477	83,325
Pensioner annual charges subsidies received:		
– Water	1,028	1,167
– Sewerage	881	1,178
Total annual charges	106,386	85,670

Accounting policy

Annual charges are recognised as revenue at the beginning of the period to which they relate.

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

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

B1-2 User charges and fees

\$ '000	2023	2022
User charges		
Water supply services	62,892	55,925
Sewerage services	18,783	16,607
Liquid trade waste	3,036	2,766
Total user charges	84,711	75,298

B1-2 User charges and fees (continued)

\$ '000	2023	2022
Fees		
Building services – other	305	299
Inspection services	258	119
Regulatory/ statutory fees	242	294
Registration fees	6	4
Water connection fees	989	1,079
Sewer connection fees	501	472
Sewer diagrams	347	389
Special water meter reading fees	37	42
Water carters licence fees	156	70
Other	92	70
Total fees	2,122	2,122
Total other user charges and fees	2,933	2,838
Total user charges and fees	87,644	78,136
Timing of revenue recognition for user charges and fees		
User charges and fees recognised at a point in time	87,644	78,136
Total user charges and fees	87,644	78,136

Accounting policy

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

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service. There is no material obligation for CCCWSA in relation to refunds or returns.

Where an upfront fee is charged such as joining fees, the fee is recognised on a straight-line basis over the expected life to which the fee relates.

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

B1-3 Other revenues

\$ '000	2023	2022
Sales – general	2	–
Other supply/ services	15	111
Other	1	1
Total other revenue	18	112
Timing of revenue recognition for other revenue		
Other revenue recognised at a point in time	18	112
Total other revenue	18	112

Accounting policy for other revenue

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

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

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

B1-4 Grants and contributions

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Special purpose grants and non-developer contributions (tied)				
Cash contributions				
Drainage / environment	–	–	1,136	1,246
Environmental programs	60	42	–	–
LIRS subsidy	4	20	–	–
Water / sewer infrastructure	–	–	18,419	5,665
Other specific grants	275	10	–	–
Sewerage (excl. section 64 contributions)	–	–	–	138
Water supplies (excl. section 64 contributions)	–	–	–	45
Other contributions	93	45	2	9
Total special purpose grants and non-developer contributions – cash	432	117	19,557	7,103
Non-cash contributions				
Donated assets ¹	–	–	4,426	2,898
Total other contributions – non-cash	–	–	4,426	2,898
Total special purpose grants and non-developer contributions (tied)	432	117	23,983	10,001
Total grants and non-developer contributions	432	117	23,983	10,001
Comprising:				
– Commonwealth funding	–	–	145	351
– State funding	338	72	19,412	6,605
– Other funding	94	45	4,426	3,045
	432	117	23,983	10,001
 (1) Restated 2021/22				
 Developer contributions				
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):				
G5				
Cash contributions				
S 64 – water supply contributions	–	–	3,325	4,705
S 64 – sewerage service contributions	–	–	2,851	2,293
S 7.11 – drainage assets	–	–	2,677	1,151
Total developer contributions – cash	–	–	8,853	8,149
Non-cash contributions				
S 64 – water supply contributions	–	–	1,015	293
S 64 – sewerage service contributions	–	–	720	334
Total developer contributions non-cash	–	–	1,735	627
Total developer contributions	–	–	10,588	8,776
Total contributions	–	–	10,588	8,776
Total grants and contributions	432	117	34,571	18,777
Timing of revenue recognition for grants and contributions				
Grants and contributions recognised over time	377	107	10,590	15,879
Grants and contributions recognised at a point in time	55	10	23,981	2,898
Total grants and contributions	432	117	34,571	18,777

B1-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by CCCWSA on condition that they be spent in a specified manner:

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Unspent grants and contributions				
Unspent funds at 1 July	77	9	2,375	2,255
Add: Funds received and not recognised as revenue in the current year	83	77	10,477	120
Less: Funds received in prior year but revenue recognised and funds spent in current year	(77)	(9)	(120)	–
Unspent funds at 30 June	83	77	12,732	2,375

Capital grant unspent and held as a restriction at year end \$2,255k relates to the Climate Change Fund.

Contributions

Unspent funds at 1 July	–	–	63,745	58,893
Add: contributions received and not recognised as revenue in the current year	30	–	7,168	9,392
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	(5,957)	(4,540)
Unspent contributions at 30 June	30	–	64,956	63,745

Various developer contributions unspent and held as a restriction at year end.

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement but may include specific trigger events. 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.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of services through the year).

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.

Capital grants

Capital grants received by CCCWSA under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under CCCWSA's control on completion 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.

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

B1-4 Grants and contributions (continued)

Developer contributions

CCCWSA 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* (EP&A Act).

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

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

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. CCCWSA 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.

B1-5 Interest and investment income

\$ '000	2023	2022
Interest on financial assets measured at amortised cost		
– Overdue annual charges	715	593
– Cash and investments	5,115	1,365
Other	–	1
Total interest and investment income	5,830	1,959

Accounting policy

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

B1-6 Other income

\$ '000	2023	2022
Fair value increment on investments		
Fair value increment on investments through profit and loss	1,121	–
Total Fair value increment on investments	1,121	–
Total other income	1,121	–

B2 Costs of providing services

B2-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	23,935	25,047
Employee termination costs	143	–
Employee leave entitlements	3,966	2,359
Superannuation	4,613	1,611
Payroll tax	1,768	1,990
Workers Compensation	(91)	56
Total employee costs	34,334	31,063
Less: capitalised costs	(4,025)	(3,821)
Total employee costs expensed	30,309	27,242

Accounting policy

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

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

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.

CCCWSA participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore CCCWSA accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note D3-1 for more information.

B2-2 Materials and services

\$ '000	2023	2022
Raw materials and consumables	12,575	9,212
Contractor costs	12,466	6,687
Audit Fees	10	–
Agency Hire	360	352
Previously other expenses:		
Administration support	22,575	20,152
Advertising	8	24
Computer software charges	636	473
Electricity and heating	11,645	8,993
Gas charges	15	179
Insurance	83	174
Licences	482	447
Plant hire	5,786	4,849
Printing and stationery	58	23
Subscriptions and publications	15	–
Telephone and communications	35	9
Tipping fees	6,277	4,363
Training costs (other than salaries and wages)	121	30
Water purchases	567	480
Other expenses	227	347
Total materials and services	73,942	56,794

Accounting policy

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

B2-3 Borrowing costs

\$ '000	2023	2022
Interest on leases	54	–
Interest on loans	9,283	10,428
Other debts	98	61
Total borrowing costs expensed	9,435	10,489

Accounting policy

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

B2-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2023	2022
Depreciation and amortisation			
Plant and equipment		38	14
Office equipment		29	29
Furniture and fittings		13	13
Land improvements (depreciable)		23	32
Infrastructure:	C1-5		
– Buildings – specialised		859	712
– Other structures		10	853
– Stormwater drainage ¹		13,381	11,943
– Water supply network		34,641	29,591
– Sewerage network		36,355	33,396
Right of use assets	C2-1	209	–
Other assets:			
– Other		4	8
Total gross depreciation and amortisation costs		85,562	76,591
Impairment / revaluation decrement/(increment) of IPPE			
Land improvements (depreciable)		–	167
Infrastructure:	C1-5		
– Other structures		–	59
Intangible assets	C1-6	–	1,703
Total impairment costs charged to Income Statement (IPPE)		–	1,929
Total depreciation, amortisation and impairment for non-financial assets		85,562	78,520

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

Impairment of non-financial assets

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

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

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

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

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement. When a net revaluation increment reverses a net revaluation decrement previously recognised as an expense in the trading result in respect of the same class of non-current asset, it must be recognised immediately as revenue in the trading account.

(1) Restated 2021/22

B2-5 Other expenses

\$ '000	Notes	2023	2022
Impairment of receivables			
Other		166	–
Total impairment of receivables	C1-4	166	–
Fair value decrement on investments			
Fair value decrement on investments through profit and loss		589	3,102
Total Fair value decrement on investments	C1-2	589	3,102
Total other expenses		755	3,102

Accounting policy

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

Impairment expenses are recognised when identified.

B3 Gains or losses

B3-1 Gain or loss from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2023	2022
Gain (or loss) on disposal of property (excl. investment property)			
Proceeds from disposal – property		–	56
Less: carrying amount of property assets sold/written off		(14)	(10)
Gain (or loss) on disposal		(14)	46
Gain (or loss) on disposal of infrastructure			
Proceeds from disposal – infrastructure	C1-5	–	–
Less: carrying amount of infrastructure assets sold/written off		(2,493)	(37)
Gain (or loss) on disposal		(2,493)	(37)
Gain (or loss) on disposal of investments			
Proceeds from disposal/redemptions/maturities – investments	C1-2	131,272	11,812
Less: carrying amount of investments sold/redeemed/matured		(131,272)	(11,812)
Gain (or loss) on disposal		–	–
Net gain (or loss) from disposal of assets		(2,507)	9

Accounting policy

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

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2023	2022
Cash equivalent assets		
– Deposits at call	10,153	11,236
Total cash and cash equivalents	10,153	11,236

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. CCCWSA does not have a bank overdraft facility.

C1-2 Financial investments

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Financial assets at fair value through the profit and loss				
Government and semi-government bonds	–	14,727	–	13,688
NCD's, FRN's	14,916	60,060	6,927	55,608
Total	14,916	74,787	6,927	69,296
Debt securities at amortised cost				
Long term deposits	81,168	4,589	52,769	10,080
Total	81,168	4,589	52,769	10,080
Total financial investments	96,084	79,376	59,696	79,376
Total cash assets, cash equivalents and investments	106,237	79,376	70,932	79,376

Accounting policy

Financial instruments are recognised initially on the date that CCCWSA 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, CCCWSA classifies its financial assets into the following categories – those measured at:

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

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

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

C1-2 Financial investments (continued)

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 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.

CCCWSA's financial assets measured at fair value through profit or loss comprise investments in FRN's and NCD's in the Statement of Financial Position.

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

\$ '000	2023	2022
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	185,613	150,308
Less: Externally restricted cash, cash equivalents and investments	<u>(80,357)</u>	<u>(69,218)</u>
Cash, cash equivalents and investments not subject to external restrictions	105,256	81,090

External restrictions

External restrictions – included in liabilities

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

External restrictions

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

Developer contributions – water fund	10,288	6,209
Developer contributions – sewer fund	18,086	18,442
Developer contributions – drainage	33,493	36,061
Developer contributions – VPA – water	1,079	1,059
Developer contributions – VPA – sewer	507	497
Developer contributions - VPA - drainage	1,403	1,377
Specific purpose unexpended grants (recognised as revenue) – water fund	2,286	2,311
Specific purpose unexpended grants (recognised as revenue) – sewer fund	10,498	14
Specific purpose unexpended grants (recognised as revenue) – drainage fund	31	127
Sewer fund	–	29
Specific purpose unexpended contributions (recognised as revenue) – drainage fund	130	100
Self insurance – sewer	1,078	1,633
Self insurance – water	1,478	1,359
External restrictions	80,357	69,218
Total external restrictions	80,357	69,218

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

\$ '000	2023	2022
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(b) Internal allocations

Internal allocations

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

Employee leave entitlement – water	974	908
Employees leave entitlement – sewer	935	877
Employee leave entitlement – drainage	21	20
Multi-year projects	48	–
Total internal allocations	1,978	1,805

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

\$ '000	2023	2022
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(c) Unrestricted and unallocated

Unrestricted and unallocated cash, cash equivalents and investments	103,278	79,285
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C1-4 Receivables

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Rates and annual charges	2	–	–	–
Interest and extra charges	691	–	736	–
User charges and fees	11,075	2,310	10,704	2,827
Accrued revenues				
– Interest on investments	996	–	388	–
– User charges and fees	13,480	–	10,702	–
– Government grants and subsidies	5,296	–	3,618	–
Drainage annual charges	1,914	–	1,635	–
Net GST receivable	1,129	–	777	–
Sewerage annual charges	6,425	–	8,130	–
Water annual charges	2,049	–	1,265	–
Other debtors	172	239	–	238
Total	43,229	2,549	37,955	3,065
Less: provision for impairment				
Other debtors	(55)	–	(55)	–
Total provision for impairment – receivables	(55)	–	(55)	–
Total net receivables	43,174	2,549	37,900	3,065

Accounting policy

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

Impairment

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

When estimating ECL, CCCWSA 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 CCCWSA's historical experience and informed credit assessment, and including forward-looking information.

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

When considering the ECL for annual charges debtors, CCCWSA takes into account that unpaid annual charges represent a charge against the rateable property that will be recovered when the property is next sold.

Credit losses are measured at 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.

CCCWSA writes off a 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 beyond the applicable statute of limitations period, whichever occurs first.

Where CCCWSA 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.

C1-5 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period						At 30 June 2023		
	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments / (decrements) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000												
Capital work in progress	71,418	–	71,418	75,100	–	–	(41,688)	–	–	104,830	–	104,830
Plant and equipment	1,320	(1,167)	153	–	–	(38)	249	73	–	1,655	(1,219)	436
Office equipment	173	(116)	57	–	–	(29)	–	–	–	173	(144)	29
Furniture and fittings	183	(92)	91	–	–	(13)	–	–	–	183	(105)	78
Land:												
– Operational land	93,307	–	93,307	–	–	–	–	(360)	(13,716)	79,231	–	79,231
– Crown and Community land	16,991	–	16,991	–	–	–	–	50	(46)	16,995	–	16,995
Land improvements – depreciable	542	(108)	434	–	–	(23)	–	–	27	578	(140)	438
Infrastructure:												
– Buildings – specialised	61,730	(24,989)	36,741	584	(14)	(859)	492	(296)	4,395	66,479	(25,438)	41,041
– Other structures	204	(42)	162	–	–	(10)	–	5	–	212	(55)	157
– Stormwater drainage	1,708,881	(532,926)	1,175,955	3,842	(329)	(13,381)	9,032	–	59,852	1,808,984	(574,018)	1,234,966
– Water supply network	2,362,053	(1,060,602)	1,301,451	2	(1,374)	(34,641)	8,366	–	98,210	2,549,500	(1,177,486)	1,372,014
– Sewerage network	2,447,518	(1,016,658)	1,430,860	21	(791)	(36,355)	23,549	–	109,273	2,657,725	(1,131,169)	1,526,556
Other assets:												
– Other	58	(6)	52	–	–	(4)	–	–	–	58	(10)	48
Total infrastructure, property, plant and equipment	6,764,378	(2,636,706)	4,127,672	79,549	(2,508)	(85,353)	–	(528)	257,995	7,286,603	(2,909,784)	4,376,819

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

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period								At 30 June 2022		
	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss / revaluation decrements (recognised in P/L)	WIP transfers	Adjustments and transfers	Revaluation increments / (decrements) to equity (ARR)	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated
\$ '000														
Capital work in progress	74,056	–	74,056	45,140	–	–	–	–	(47,778)	–	–	71,418	–	71,418
Plant and equipment	1,320	(1,153)	167	–	–	–	(14)	–	–	–	–	1,320	(1,167)	153
Office equipment	173	(87)	86	–	–	–	(29)	–	–	–	–	173	(116)	57
Furniture and fittings	183	(79)	104	–	–	–	(13)	–	–	–	–	183	(92)	91
Land:														
– Operational land	82,644	–	82,644	–	–	(10)	–	–	–	–	10,673	93,307	–	93,307
– Crown and Community land	12,410	–	12,410	–	–	–	–	–	–	–	4,581	16,991	–	16,991
Land improvements – depreciable	662	(28)	634	–	–	–	(32)	(167)	–	(1)	–	542	(108)	434
Infrastructure:														
– Buildings – specialised	51,909	(20,329)	31,580	–	–	–	(712)	–	508	152	5,213	61,730	(24,989)	36,741
– Other structures	1,716	(513)	1,203	–	–	(37)	(853)	(59)	–	(122)	30	204	(42)	162
– Stormwater drainage	1,562,748	(474,395)	1,088,353	–	2,898	–	(11,943)	–	254	4	96,391	1,708,881	(532,926)	1,175,955
– Water supply network	2,186,967	(973,500)	1,213,467	–	–	–	(29,591)	–	47,077	(32)	70,532	2,362,053	(1,060,602)	1,301,451
– Sewerage network	2,314,878	(928,198)	1,386,680	–	–	–	(33,396)	–	–	34	77,545	2,447,518	(1,016,658)	1,430,860
Other assets:														
– Other	133	(5)	128	–	–	–	(8)	–	–	(68)	–	58	(6)	52
Total infrastructure, property, plant and equipment	6,289,799	(2,398,287)	3,891,512	45,140	2,898	(47)	(76,591)	(226)	61	(33)	264,965	6,764,378	(2,636,706)	4,127,672

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

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

Accounting policy

Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

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

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 CCCWSA 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.

Useful lives of IPPE

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Buildings	Years
Office furniture	3 to 50	Buildings	10 to 80
Other plant and equipment	2 to 37		
Water and sewer assets		Stormwater assets	
Dams and reservoirs	15 to 200	Drains	120
Bores	20 to 30	Culverts	120
Reticulation pipes	15 to 200	Flood control structures	20 to 100
Transportation assets		Land improvements - depreciable	6 to 100
Bridges	80 to 100	Other assets	5 to 500

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

Revaluation model

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

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Planning and Environment.

Increases in the carrying amounts arising on revaluation are credited to the IPPE 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 IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

C1-6 Intangible assets

Intangible assets are as follows:

\$ '000	2023	2022
Drainage Easements		
Opening values at 1 July		
Gross book value	4,172	4,172
Accumulated amortisation and impairment	(4,172)	(2,469)
Net book value – opening balance	–	1,703
Movements for the year		
Impairment charges	–	(1,703)
Closing values at 30 June		
Gross book value	–	4,172
Accumulated amortisation and impairment	–	(4,172)
Total drainage easements – net book value	–	–

Accounting policy

Drainage easements

Easements (the right of access over land) are no longer recognised as intangible assets.

C1-7 Other

Other assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Prepayments	503	–	138	–
Total other assets	503	–	138	–

C2 Leasing activities

C2-1 Council as a lessee

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

Terms and conditions of leases

Buildings

Council leases land and buildings to support some of its operational activities. The leases are generally between 3 and 50 years with one containing a renewal option to allow Council to renew the non-cancellable lease term at their discretion. A number of leases contain an annual pricing mechanism based on either fixed increases or CPI movements at each anniversary of the lease inception.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items. The leases are for between 1 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable

C2-1 Council as a lessee (continued)

payments based on usage.

Extension options

Council includes options in the building leases to provide flexibility and certainty to Council operations; the extension options are at Council's discretion. At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

(a) Right of use assets

\$ '000	Plant & Equipment	Ready to use	Total
2023			
Reclassified to Water and Sewer	–	1,137	1,137
Depreciation charge	–	(209)	(209)
Balance at 30 June	–	928	928

(b) Lease liabilities

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

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2023					
Cash flows	206	844	–	1,050	1,050

(c) Income Statement

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

\$ '000	2023	2022
Interest on lease liabilities	54	–
Depreciation of right of use assets	209	–
	263	–

(d) Statement of Cash Flows

Total cash outflow for leases	248	–
	248	–

Accounting policy

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

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

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

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-

C2-1 Council as a lessee (continued)

of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then 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.

C3 Liabilities of Council

C3-1 Payables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Payables				
Prepaid annual charges	4,044	-	4,639	-
Goods and services – operating expenditure	9,512	-	6,197	-
Accrued expenses:				
– Interest on borrowings	554	-	632	-
– Salaries and wages	452	-	-	-
– Other expenditure accruals	4,345	-	3,807	-
Security bonds, deposits and retentions	110	-	90	-
Total payables	19,017	-	15,365	-
Total payables	19,017	-	15,365	-

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

\$ '000	2023	2022
Payables – overpayments, security bonds, deposits and retentions	4,687	4,812
Total payables	4,687	4,812

Accounting policy

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

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

C3-2 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Unexpended Capital Grants and Contributions (to construct CCCWSA controlled assets)	(i)	10,577	2,255	220	2,255
Unexpended Operating Grants and Contributions (received prior to performance obligation being satisfied – AASB 15)	(ii)	113	1,923	107	1,826
User fees and charges received in advance:					
Deposits and payments received in advance of services provided		57	350	71	421
Total contract liabilities		10,747	4,528	398	4,502

Notes

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

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

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

\$ '000	2023	2022
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	120	–
Operating grants (received prior to performance obligation being satisfied)	76	–
Capital contributions (to construct Council controlled assets)	–	54
Total revenue recognised that was included in the contract liability balance at the beginning of the period	196	54

Significant changes in contract liabilities

There was no significant change to contract liabilities aside from the current year recognised revenue noted above.

Accounting policy

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

C3-3 Borrowings

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Loans – secured	15,462	129,626	14,891	145,088
Loans – unsecured	27,122	18,661	27,037	20,085
Total borrowings	42,584	148,287	41,928	165,173

C3-3 Borrowings (continued)

(a) Changes in liabilities arising from financing activities

	2022		Non-cash movements				2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	159,979	(14,891)	–	–	–	–	145,088
Loan – unsecured	47,122	(1,339)	–	–	–	–	45,783
Lease liability (Note C2-1b)	–	1,050	–	–	–	–	1,050
Total liabilities from financing activities	207,101	(15,180)	–	–	–	–	191,921

	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
\$ '000							
Loans – secured	181,179	(21,200)	–	–	–	–	159,979
Loan – unsecured	50,796	(3,674)	–	–	–	–	47,122
Total liabilities from financing activities	231,975	(24,874)	–	–	–	–	207,101

(b) Financing arrangements

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 over future cash flows of CCCWSA.

Accounting policy

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

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

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

C3-4 Employee benefit provisions

\$ '000	2023		2022	
	Current	Non-current	Current	Non-current
Annual leave	3,588	–	3,294	–
Vested sick leave	919	–	946	–
Long service leave	4,974	–	4,281	–
Other leave	365	–	321	–
Total employee benefit provisions	9,846	–	8,842	–

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

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	4,844	4,599
	4,844	4,599

Accounting policy

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

Short-term obligations

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

Other long-term employee benefit obligations

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

C3-5 Provisions

\$ '000	2023	2023	2022	2022
	Current	Non-Current	Current	Non-Current
Self insurance – workers compensation	617	1,939	1,065	1,928
Self insurance – public liability	349	–	267	–
Payroll tax	424	–	424	–
Sub-total – other provisions	1,390	1,939	1,756	1,928
Total provisions	1,390	1,939	1,756	1,928

Movements in provisions

\$ '000	Other provisions		
	Self insurance	Other (Payroll Tax)	Total
2023			
At beginning of year	3,260	424	3,684
Additional provisions	(27)	1,768	1,741
Amounts used (payments)	(328)	(1,768)	(2,096)
Total other provisions at end of year	2,905	424	3,329
2022			
At beginning of year	3,357	617	3,974
Additional provisions	209	1,952	2,161
Amounts used (payments)	(307)	(2,145)	(2,452)
Other	1	–	1
Total other provisions at end of year	3,260	424	3,684

Nature and purpose of provisions

Self-insurance

To recognise liabilities for outstanding claims (uninsured losses) arising from CCCWSA's decision to undertake self-insurance for certain risks faced.

Payroll tax and other

To recognise liabilities for miscellaneous employee provisions not relating to leave entitlements and outstanding payroll tax arising from CCWSA's water and sewer activities.

Accounting policy

Provisions are recognised when CCCWSA 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 a borrowing cost.

Self-insurance

CCCWSA has decided to self-insure for various risks, including public liability, workers compensation and professional indemnity. A provision for self-insurance has been made to recognise outstanding claims. CCCWSA also maintains cash and investments to meet expected future claims; refer to Note C1-3.

Self Insurance Provisions represent both (i) claims incurred but not reported and (ii) claims reported and estimated as a result of Council being a self insurer for Workers Compensation Claims.

Public Liability and Professional Indemnity claims are expensed as they meet the recognition criteria as set out in AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Specific uncertainties relating to the final costs and the assumptions made in determining Provisions for Self Insurance include:

C3-5 Provisions (continued)

- A wage inflation index was used for future claims escalation. A bond yield of between 0.850% and 3.845% per annum over a 50 year period.

- All monetary amounts for past Workers Compensation claims were indexed to bring them to 'standardised' values at 30 June 2023.

- Workers Compensation claim payments projected into the future by the adopted actuarial model are in 'standardised' values as at 30 June 2023.

The last actuarial assessment of Workers Compensation Claims was undertaken in July 2023 for the financial position as at 30 June 2023 and was performed by David A Zaman Pty Ltd. Director David Zaman, BSc, FIA, FIAA, MBA.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

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

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

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

Council's objective on behalf of CCCWSA is to maximise its return on cash and investments while maintaining an adequate level of liquidity and preserving capital. The finance team manage the cash and investments portfolio with the assistance of independent advisors. Council has an investment policy which complies with s625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up and performance of the portfolio as required by local government regulations.

CCCWSA 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 the finance team under policies approved by Council.

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

The risks associated with the financial instruments held are:

- interest rate risk – the risk that movements in interest rates could affect returns
- liquidity risk – the risk that CCCWSA will not be able to pay its debts as and when they fall due.
- credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to CCCWSA.

CCCWSA manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. CCCWSA also seeks advice from independent advisers before placing any cash and investments.

(a) Market risk – interest rate and price risk

\$ '000	2023	2022
The impact on the result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	1,856	1,503
Impact of a 10% movement in price of investments		
– Equity / Income Statement	18,561	15,031

(b) Credit risk

CCCWSA's major receivables comprise annual charges, user charges and fees.

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

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

There are no significant concentrations of credit risk other than CCCWSA has significant credit risk exposures in its local area given the nature of CCCWSA's activities.

The level of outstanding receivables is reported to CCCWSA monthly and benchmarks are set and monitored for acceptable collection performance. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

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

D1-1 Risks relating to financial instruments held (continued)

Credit risk profile

Receivables – Annual Charges

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

\$ '000	Not yet due	Overdue rates and charges		Total
		< 5 years	> 5 years	
2023				
Gross carrying amount	6,050	4,051	287	10,388
2022				
Gross carrying amount	4,160	6,565	305	11,030

Receivables - Non-rates and Annual Charges

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

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

\$ '000	Not yet due	Overdue debts				Total
		< 30 days	31 - 60 days	61 - 90 days	> 90 days	
2023						
Gross carrying amount	3,495	–	–	–	31,722	35,217
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.17%	0.15%
ECL provision	–	–	–	–	54	54
2022						
Gross carrying amount	3,896	–	–	–	26,094	29,990
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.21%	0.18%
ECL provision	–	–	–	–	55	55

D1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk; that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. CCCWSA manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended in extenuating circumstances.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs. CCCWSA 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 rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
2023							
Payables	0.00%	–	14,863	4,154	–	19,017	19,017
Borrowings	6.13%	–	25,542	95,836	108,594	229,972	190,871
Total financial liabilities		–	40,405	99,990	108,594	248,989	209,888
2022							
Payables	0.00%	–	10,636	4,729	–	15,365	15,365
Borrowings	5.56%	–	25,689	105,731	124,339	255,759	207,101
Total financial liabilities		–	36,325	110,460	124,339	271,124	222,466

D2-1 Fair value measurement

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

– Infrastructure, property, plant and equipment

Fair value hierarchy

All assets and liabilities measured at fair value are 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: Unobservable inputs for the asset or liability

The table below shows the assigned level for each asset and liability held at fair value by CCCWSA:

\$ '000	Notes	Fair value measurement hierarchy						Total	
		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		2023	2022 ¹
		2023	2022	2023	2022	2023	2022 ¹		
Recurring fair value measurements									
Financial assets									
Financial investments	C1-2								
At fair value through profit or loss		89,703	76,223	–	–	–	–	89,703	76,223
Total financial assets		89,703	76,223	–	–	–	–	89,703	76,223
Infrastructure, property, plant and equipment									
Plant and equipment		–	–	–	–	436	153	436	153
Office equipment		–	–	–	–	29	57	29	57
Furniture and fittings		–	–	–	–	78	91	78	91
Crown and Community land		–	–	–	–	16,995	16,991	16,995	16,991
Operational land		–	–	–	–	79,231	93,307	79,231	93,307
Land improvements - depreciable		–	–	–	–	438	434	438	434
Buildings – specialised		–	–	–	–	41,041	36,741	41,041	36,741
Other structures		–	–	–	–	157	162	157	162
Roads		–	–	–	–	–	–	–	–
Bulk earthworks (non depreciable)		–	–	–	–	–	–	–	–
Stormwater drainage		–	–	–	–	1,234,966	1,175,955	1,234,966	1,175,955
Water supply network		–	–	–	–	1,372,014	1,301,453	1,372,014	1,301,453
Sewerage network		–	–	–	–	1,526,556	1,430,863	1,526,556	1,430,863
Other assets		–	–	–	–	48	52	48	52
Total infrastructure, property, plant and equipment	C1-5	–	–	–	–	4,271,989	4,056,259	4,271,989	4,056,259

(1) Restated 2021/22

D2-1 Fair value measurement (continued)

Valuation techniques

Where CCCWSA is unable to derive fair valuations using quoted market prices of identical assets (ie. Level 1 inputs), or observable inputs (Level 2 inputs), it utilises unobservable inputs (Level 3 inputs).

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

Infrastructure, property, plant and equipment (IPPE)

Plant and equipment, office equipment and furniture and fittings

Plant and equipment, office equipment and furniture and fittings assets are recognised and valued at cost. CCCWSA assumes that the carrying amount reflects the fair value of the assets due to the nature of the items. Therefore these assets are disclosed at fair value in the notes.

These asset categories include:

- plant and equipment
 - o Major plant items – tractors, excavators, street sweepers, tippers, rollers, forklifts, backhoes, beach cleaners
 - o Minor plant items – generators, mowers, weed harvester, trailers, chainsaws, wood chippers, power hand tools
 - o Fleet vehicles – trucks, commercial vehicles and passenger vehicles
- office equipment – computer hardware, communications equipment, digital cameras, photocopiers
- furniture and fittings – work stations, storage cabinets, CCTV, air conditioning units.

The unobservable level 3 inputs used include:

- pattern of consumption
- useful life
- residual value.

CCCWSA reviews the value of these assets based on the gross replacement cost of similar assets.

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

Operational land

This asset class is comprised of all CCCWSA's land classified as operational land under the *Local Government Act 1993*. CCCWSA's accounting policy is to value the freehold land on a market value basis.

CCCWSA engaged Scott Fullarton Valuation Pty Ltd to value operational land in 2023. The land was valued using level 3 inputs that would be taken into account by buyers and sellers in setting the price, including but not limited to dimensions, land use and zoning, exposure to traffic and topography.

Crown and Community land

Community Land assets are comprised of CCCWSA owned land classified as Community Land under the Local Government Act 1993. Crown land is under the care and management of CCCWSA on behalf of the Crown.

CCCWSA accounting policy is to value Crown and Community land based on the unimproved land values provided by the Valuer General or an average unit rate based on the land values for similar properties (land use, land size, shape and location).

These are considered level 3 observable inputs.

Crown and Community land have been valued at 30 June 2023 using the VG valuations for 2022-2023.

Buildings – specialised

It is CCCWSA's accounting policy to value buildings for which a market exists using the best estimate of the price reasonably obtainable in the market at the date of valuation. Where there is no depth in market the buildings will be determined on the depreciated current replacement cost basis.

The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and firefighting equipment, and general lighting). The buildings and site improvements were physically inspected and measured. The building valuations incorporate a gross current value, and net current value.

D2-1 Fair value measurement (continued)

This asset class is categorised as Level 3 as some of the inputs used in the valuation of these assets require significant professional judgement and are unobservable.

CCCWSA engaged Scott Fullarton Valuation Pty Ltd to value all buildings in 2023. The approach estimated the replacement cost of each building and componentising of significant parts of specific buildings with different useful lives and taking into account CCCWSA's asset management practices.

Where the unit rates could be supported by market evidence, Level 2 inputs were utilised. Other outputs (such as estimates of residual value, useful life, asset condition and componentisation including the split between short and long life components) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, this asset class has been valued utilising Level 3 inputs.

Other structures

This asset class is comprised of water tanks, fencing and structures which do not meet the definition of a building and are recognised and valued at cost. CCCWSA assumes that the carrying amount reflects the fair value of the assets due to the nature of the items.

The replacement cost approach will be utilised to value other structures. Unobservable Level 3 inputs used include useful life, asset condition and pattern of consumption.

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

Stormwater drainage

The Stormwater drainage asset class consists of CCCWSA's pits, pipes, detention basins, open drains, culverts, floodgates, wetlands, headwalls and gross pollutant traps.

CCCWSA engaged Morrison Low to value all stormwater drainage assets as at 30 June 2022. The gross replacement cost for each asset was calculated using the current replacement cost approach.

Significant inputs considered in the valuation of these assets are asset condition, remaining useful life and pattern of consumption. This asset class is categorised a Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

This asset class was assessed for fair value at 30 June 2023 using the movement in the NSW Other Heavy and Civil Engineering Construction index since the last comprehensive valuation. The movement was considered material and the carrying value of this class was adjusted accordingly.

Water supply network

This asset class is comprised of water treatment plants, water pump stations, reservoirs, water mains, tunnels, dams, weirs and water meters.

Council engaged the external consulting company GHD, to undertake the valuation of all water supply infrastructure assets at 30 June 2021. The gross replacement cost for each asset was calculated using the current replacement cost approach. Significant inputs considered in the valuation of these assets are remaining useful life, asset condition, unit rates and pattern of consumption.

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

This asset class was indexed at 30 June 2023 using the applicable rate as published in the NSW Reference Rates manual and the carrying value of the assets were adjusted accordingly.

Sewerage network

This asset class is comprised of sewer treatment plants, sewer pump stations, sewer vacuum systems and sewer mains.

Council engaged the external consulting company GHD, to undertake the valuation of all sewerage network assets at 30 June 2021. The gross replacement cost for each asset was calculated using the current replacement cost approach. Significant inputs considered in the valuation of these assets are remaining useful life, asset condition, unit rates and pattern of consumption.

This asset class was indexed at 30 June 2023 using the applicable rate as published in the NSW Reference Rates manual and the carrying value of the assets were adjusted accordingly.

D2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

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

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

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Plant and equipment	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Office equipment	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Furniture and fittings	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Crown and Community land	Land values obtained from the NSW Valuer-General	Land value, land area, level of restriction
Land improvements - depreciable	Cost approach	Pattern of consumption, useful life and residual value
Buildings specialised	Market value	Pattern of consumption, useful life, residual value, asset condition and componentisation
Other structures	Cost approach	Useful life, pattern of consumption and asset condition
Stormwater drainage	Cost approach	Current replacement cost of modern equivalent asset, asset condition and remaining lives
Water supply network	Cost approach	Current replacement cost of modern equivalent asset, asset condition and remaining lives
Sewerage network	Cost approach	Current replacement cost of modern equivalent asset, asset condition and remaining lives
Other assets	Cost approach	Current replacement cost of modern equivalent asset, asset condition and remaining lives

D2-1 Fair value measurement (continued)

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

\$ '000	Plant and equipment		Office equipment		Furniture and fittings		Crown and Community land	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	153	167	57	86	91	104	16,991	12,410
Transfers from/(to) another asset class	73	–	–	–	–	–	50	–
Purchases (GBV)	248	–	–	–	–	–	–	–
Depreciation and impairment	(38)	(14)	(28)	(29)	(13)	(13)	–	–
Revaluation increments / (decrements) to equity (ARR)	–	–	–	–	–	–	(46)	4,581
Closing balance	436	153	29	57	78	91	16,995	16,991

\$ '000	Buildings specialised		Other structures		Stormwater drainage		Water supply network	
	2023	2022	2023	2022	2023	2022 ¹	2023	2022
Opening balance	36,741	31,580	162	1,203	1,175,955	1,088,353	1,301,453	1,213,466
Transfers from/(to) another asset class	(296)	660	5	(122)	9,031	259	–	47,046
Purchases (GBV)	1,075	–	–	–	3,840	2,898	8,367	–
Disposals (WDV)	(14)	–	–	(37)	(329)	–	(1,374)	–
Depreciation and impairment	(859)	(712)	(10)	(853)	(13,381)	(11,943)	(34,641)	(29,591)
Recognised in profit or loss – realised (refer to Note B2-4)	–	–	–	(59)	–	–	–	–
Revaluation increments / (decrements) to equity (ARR)	4,394	5,213	–	30	59,850	96,388	98,209	70,532
Closing balance	41,041	36,741	157	162	1,234,966	1,175,955	1,372,014	1,301,453

(1) Restated 2021/22

\$ '000	Sewerage network		Other assets		Land improvement - depreciable		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	1,430,863	1,386,680	52	128	434	634	3,962,952	3,734,811
Transfers from/(to) another asset class	–	34	–	–	–	(1)	8,863	47,876
Purchases (GBV)	23,568	–	–	(68)	–	–	37,098	2,830
Disposals (WDV)	(791)	–	–	–	–	–	(2,508)	(37)
Depreciation and impairment	(36,355)	(33,396)	(4)	(8)	(23)	(32)	(85,352)	(76,591)
Recognised in profit or loss – realised (refer to Note B2-4)	–	–	–	–	–	(167)	–	(226)
Revaluation increments / (decrements) to equity (ARR)	109,271	77,545	–	–	27	–	271,705	254,289
Closing balance	1,526,556	1,430,863	48	52	438	434	4,192,758	3,962,952

D2-1 Fair value measurement (continued)

Highest and best use

The following non-financial assets of CCCWSA are being utilised at other than their highest and best use:

Community based assets

CCCWSA undertakes a number of services with a strong focus of providing community benefits to its constituents. These services are based meeting essential community needs and are not of a nature that would be provided in a commercially competitive environment.

Crown land under CCCWSA's care and control as well as CCCWSA - owned land that has been classified as community land under the provisions of the Local Government Act 1993.

Furthermore, CCCWSA has a number of buildings that are applied in delivering community services. The restrictions on the land and the community use of the buildings in delivering community based services is considered to be the 'highest and best use' of those assets to CCCWSA.

D3-1 Contingencies

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

LIABILITIES NOT RECOGNISED

Defined benefit superannuation contribution plans

Council, on behalf of CCCWSA is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a “multi-employer fund” for purposes of AASB119 *Employee Benefits*. Sufficient information is not available to account for the Scheme as a defined benefit plan in accordance with AASB119 because the assets to the Scheme are pooled together for all Councils.

Employer contributions paid to the defined benefit section of the Scheme during 2022-23 were recognised as an expense. The last valuation of the Scheme was performed by Fund Actuary, Richard Boyfield FIAA as at 30 June 2022.

The position is monitored annually and the actuary has estimated that, as at 30 June 2023, a deficit still exists. Effective from 1 July 2009, employers are required to make additional contributions to assist in extinguishing this deficit.

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

E People and relationships

E1 Related party disclosures

E1-1 Key management personnel (KMP)

Key management personnel (KMP) of CCWSA are those persons having the authority and responsibility for planning, directing and controlling the activities of CCWSA, directly or indirectly.

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

\$ '000	2023	2022
Compensation:		
Short-term benefits	525	655
Other long-term benefits	74	53
Termination benefits	-	3
Total	599	711

Other transactions with KMP and their related parties

CCCWSA has determined that there were no transactions between KMP and CCCWSA.

F Other matters

F1-1 Statement of Cash Flows information

Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
Net operating result from Income Statement	33,492	8,633
Add / (less) non-cash items:		
Depreciation and amortisation	85,562	76,572
(Gain) / loss on disposal of assets	2,507	(9)
Non-cash capital grants and contributions	(6,161)	(627)
– Investments classified as ‘at fair value’ or ‘held for trading’	(532)	3,102
Revaluation decrements / impairments of IPP&E direct to P&L	–	1,929
Changes in assets and liabilities		
(Increase) / decrease of receivables	(4,758)	(6,464)
Increase / (decrease) in provision for impairment of receivables	–	1
(Increase) / decrease of other current assets	(365)	84
Increase / (decrease) in payables	3,315	2,342
Increase / (decrease) in other accrued expenses payable	990	121
Increase / (decrease) in other liabilities	(653)	(756)
Increase / (decrease) in contract liabilities	10,375	154
Increase / (decrease) in employee benefit provision	1,004	(250)
Increase / (decrease) in other provisions	(355)	(289)
Net cash flows from operating activities	124,421	84,543

F2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2023	2022
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Other – Stormwater Management	913	3,007
Sewerage and Water Infrastructure	41,196	35,323
Total commitments	42,109	38,330
These expenditures are payable as follows:		
Within the next year	42,109	38,330
Total payable	42,109	38,330

Details of capital commitments

Major projects to continue next year include:

- * Sewer Infrastructure Reinforcements - Gosford CBD
- * Sewer Main Rehabilitation Program - Region Wide
- * Water Main Renewal Program - Region Wide
- * Sewage Treatment Plant Major Augmentation Works - Charmhaven
- * Water Treatment Plant Major Upgrade - Mardi
- * Sewerage System Low Pressure Installation - South Tacoma
- * Sewage Treatment Plant Process Improvements - Bateau Bay
- * Water Treatment Plant Trunk Mains to Clear Water Tank upgrades - Mardi
- * Sewer Pump Station Renewal - Crystal St Forresters Beach
- * Sewer System Upgrades - Gosford CBD Racecourse precinct

F3-1 Events occurring after the reporting date

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

F4 Changes from prior year statements

F4-1 Correction of errors

Nature of prior period error

During 2022-2023, CCCWSA recognised drainage assets that had not previously been recognised. These assets were several years old at the time of first recognition and were constructed by others and handed over to Council prior to 2022-2023. The financial statements have been adjusted to reflect that these assets relate to periods earlier than the current reporting period. These errors have been corrected by restating the balances at the beginning of the earliest period presented (1 July 2021) and taking the adjustments through to accumulated surplus at that date. Comparatives for (2021/22) have also been restated, where applicable, to reflect the correction of errors. The impact on each line item of the financial statements is shown in the tables below:

F4-1 Correction of errors (continued)

Changes to the opening Statement of Financial Position at 1 July 2021

Statement of Financial Position

\$ '000	Original Balance 1 July, 2021	Impact Increase/ (decrease)	Restated Balance 1 July, 2021
Total current assets	93,386	–	93,386
Infrastructure, property, plant and equipment	3,890,442	1,070	3,891,512
Total non-current assets	3,974,588	1,070	3,975,658
Total assets	4,067,974	1,070	4,069,044
Net assets	3,804,530	1,070	3,805,600
Accumulated surplus	3,443,004	1,070	3,444,074
Total equity	3,804,530	1,070	3,805,600

F4-1 Correction of errors (continued)

Adjustments to the comparative figures for the year ended 30 June 2022

Statement of Financial Position

\$ '000	Original Balance 30 June, 2022	Impact Increase/ (decrease)	Restated Balance 30 June, 2022
Total current assets	108,970	–	108,970
Infrastructure, property, plant and equipment	4,123,730	3,942	4,127,672
Total non-current assets	4,206,171	3,942	4,210,113
Total assets	4,315,141	3,942	4,319,083
Net assets	4,075,249	3,942	4,079,191
Accumulated surplus	3,448,758	3,942	3,452,700
Total equity	4,075,249	3,942	4,079,191

Income Statement

\$ '000	Original Balance 30 June, 2022	Impact Increase/ (decrease)	Restated Balance 30 June, 2022
Grants and contributions provided for capital purposes	15,879	2,898	18,777
Total income from continuing operations	181,882	2,898	184,780
Depreciation and amortisation	78,501	19	78,520
Total expenses from continuing operations	176,128	19	176,147
Net operating result for the year	5,754	2,879	8,633

Statement of Comprehensive Income

\$ '000	Original Balance 30 June, 2022	Impact Increase/ (decrease)	Restated Balance 30 June, 2022
Net operating result for the year	5,754	2,879	8,633
Total comprehensive income for the year	270,719	2,879	273,598

End of the audited financial statements



INDEPENDENT AUDITOR'S REPORT

Central Coast Council Water Supply Authority

To the Treasurer, Minister for Lands and Water, and the Administrator for Central Coast Council Water Supply Authority

Opinion

I have audited the accompanying financial statements of Central Coast Council Water Supply Authority (the Authority), which comprise the Statement by the Administrator and Chief Executive Officer, the Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards
- presents fairly the Authority's financial position, financial performance and cash flows.

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 Authority 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).

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 public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Authority's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Administrator of the Authority is 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 purpose financial statements and the Special Schedules (the Schedules) of Central Coast Council.

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.

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 Administrator's Responsibilities for the Financial Statements

The Administrator is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and for such internal control as the Administrator determines 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 Administrator is responsible for assessing the Authority'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 Authority carried out its activities effectively, efficiently and economically
- 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.



Caroline Karakatsanis
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

31 October 2023
SYDNEY

A white circle containing the text 'Central Coast Council' in a dark blue, sans-serif font. The background of the page is split: the left side is a solid dark blue, and the right side is a photograph of a sandy dune landscape with a wooden utility pole in the foreground and a clear blue sky. A large, solid teal circle is partially visible on the right side of the page.

Central
Coast
Council

Annual Report

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