



MINUTES

The Minutes of the Extraordinary Council meeting held at the
Council Chambers, North Sydney
at 7pm on Monday 19 January 2026.



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1. Opening Meeting

At the commencement of business (7:00pm) those present were: The Mayor, and Councillors Antonini, Beregi, Carr, Holding, Hoy, Keen, Santer, and Welch.

The meeting was opened by the Mayor.

2. Acknowledgement of Country RECOGNITION OF THE CAMMERAYGAL PEOPLE

We respectfully acknowledge the Traditional Custodians of the land and waters of North Sydney local government area, the Cammeraygal people.

The Acknowledgement of Country was read by Councillor Beregi.

3. Apologies and applications for leaves of absence or attendance by audio-visual link by councillors

It was moved by Councillor Santer and seconded by Councillor Beregi:

1. THAT Council grant permission for Councillor Spenceley to attend remotely for the following reason: unforeseen caring responsibilities.

The Motion was put and **Carried**.

Voting was as follows:

For/Against 9 / 0

For: Councillor Antonini, Councillor Baker, Councillor Beregi, Councillor Carr, Councillor Holding, Councillor Hoy, Councillor Keen, Councillor Santer, and Councillor Welch

Against: Nil

Absent: Nil

1. RESOLVED:

1. THAT Council grant permission for Councillor Spenceley to attend remotely for the following reason: unforeseen caring responsibilities.

4. Disclosures of Interest

Nil

It was moved by the Mayor and seconded by Councillor Welch:

1. THAT the meeting be adjourned in order to continue the Public Forum.

The Motion was put and **Carried**.

Voting was as follows:

For/Against 10 / 0

For: Councillor Antonini, Councillor Baker, Councillor Beregi, Councillor Carr, Councillor Holding, Councillor Hoy, Councillor Keen, Councillor Santer, Spenceley, and Councillor Welch

Against: Nil

Absent: Nil

2. RESOLVED:

1. THAT the meeting be adjourned in order to continue the Public Forum.

The meeting was adjourned at 7:02pm and resumed at 7:27pm with all Councillors present.

5. Reports to Council

5.1. Proposed Special Variation to Rates and Minimum Rates

AUTHOR: Therese Cole, Chief Executive Officer

PURPOSE

The purpose of this report is to support Council's consideration of measures required to achieve long-term financial sustainability, including an application for a Special Rate Variation to permissible income and an increase to the minimum rate. In doing so, the report presents the Draft Long-Term Financial Plan (Attachment 1 to this report), the Addendum to the *Delivery Program 2025–29* (Attachment 3), and the outcomes of phases one and two of Council's community engagement plan (Attachments 6-9), to inform Council's decision-making.

EXECUTIVE SUMMARY

- On 28 July 2025, North Sydney Council endorsed a comprehensive two-phase community engagement plan titled *North Sydney – Towards a Sustainable Future*. The engagement was designed to inform decision-making on Council's long-term financial sustainability, service levels, and infrastructure investment, and to support transparency and community understanding of Council's financial challenges.
- Phase 1 of the engagement was undertaken in August 2025 and focused on understanding community expectations regarding service levels and infrastructure condition, as well as community sentiment towards potential financial strategies,

including borrowing and increased revenue. The outcomes of this phase informed the development of a new Draft Long-Term Financial Plan (LTFP).

- On 27 October 2025, Council considered the Draft LTFP, which included three rating pathway options. At that meeting, Council resolved to undertake Phase 2 community engagement between 29 October and 3 December 2025 on the Draft LTFP, proposed Special Rate Variation (SRV) options, and an increase to minimum rates. Council was presented with the Draft LTFP, the Productivity and Improvement Plan, and the Phase One community engagement results.
- Phase Two engagement commenced with the launch of a dedicated 'Your Say' webpage outlining Council's financial position and the three rating options under consideration. The webpage provided accessible and easy-to-understand resources, including fact sheets, a rates calculator, explanatory videos, frequently asked questions, and key strategic documents. The 'Your Say' page attracted 8,814 page views, with 498 unique visitors downloading key documents, and 268 unique visitors viewing fact sheets.
- Phase 2 engagement was extensive and included six pop-up information sessions across the local government area (including local markets, Stanton Library, and community centres), five 'Ask the Executive' sessions, a letterbox drop to all 44,100 ratepayers, information distributed through 17 newsletters, the North Sydney News, and various media channels.
- More than 1,260 community responses were received through surveys and submissions. Key themes included strong support for maintaining services and infrastructure, interest in improved service and infrastructure outcomes, ongoing concerns regarding the North Sydney Olympic Pool project and financial management, and mixed views on rate increases. While some respondents recognised the need for a rate increase to address long-term sustainability, others expressed a preference for limiting increases to the rate peg.
- A survey conducted by the independent market research company Micromex Research found that support for an SRV at North Sydney Council is comparatively stronger than in other recent council consultations, with preferences approaching an even split rather than the 40/60 distribution observed elsewhere.
- A Capacity to Pay analysis was undertaken to assess the potential impact of the proposed SRV options. The analysis concluded that, having regard to the socio-economic profile of the local government area, the proposed increases would be reasonable, with existing hardship provisions available to support those experiencing financial difficulty.
- Council has continued to strengthen governance and accountability through the adoption of a Governance Strategy and key policies, including the *Restricted Reserves Policy* and the *Financial Hardship Policy*.
- Council has also maintained a strong focus on improving administration and service delivery through service reviews, process improvement, organisational realignment, and other initiatives aimed at reducing risk, improving productivity, containing costs, and

enhancing customer service. This improvement journey commenced in early 2023 and is documented in the Productivity and Improvement Plan (Attachment 2 to this report).

- While productivity and improvement initiatives have reduced the scale of potential rate increases by an estimated 14.9 per cent, they are not sufficient on their own to address Council's structural funding gap or ensure long-term financial sustainability.
- Minor amendments have been made to the Draft Long-Term Financial Plan 2026–2036 to reflect updated information available since public exhibition, and to support the formation of a recommended SRV option.
- Having considered Council's legislative responsibilities, financial position, community expectations and engagement outcomes, capacity to pay, alternative funding strategies, and demonstrated productivity and improvement efforts, Option 3 is recommended as the preferred pathway for a Special Rate Variation and associated minimum rate increase.

RECOMMENDATION:

1. THAT Council receive and note the contents of the Special Rate Variation Community Engagement Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV) and increase of minimum rates.

2. THAT Council approve the Addendum to the 2026-2029 Delivery Program as attached.

3. THAT Council adopt the revised Draft 2026-36 Long-Term Financial Plan (LTFP) as attached and proceed with Option 3 as a strategy to improve Council's financial strength and sustainability.

4. THAT Council make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent Special Rate Variation (SRV), under Section 508A of the Local Government Act 1993 commencing on 1 July 2026. The SRV would permanently increase total ordinary rates over three years and remain in perpetuity, as follows:

- a) a 23 per cent increase for the 2026-27 financial year (inclusive of the 4 per cent rate peg determined by IPART for the year);
- b) a 14.58 per cent increase for the 2027-28 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year); and
- c) a 8.32 per cent increase for the 2028-29 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year);

5. THAT Council make an application to the Independent Pricing and Regulatory Tribunal to set its minimum residential and business rates in accordance with Section 548(3) of the Local Government Act 1993, as follows:

- a) \$970.72 for the 2026-27 financial year;
- b) \$1,116.32 for the 2027-28 financial year; and
- c) \$1,216.79 for the 2028-29 financial year.

The minimum rate will change by the rate peg from 2029-30.

The following people spoke to this item as part of the Public Forum:

- Stephen Grenville (local resident)
- Elizabeth Sheedy (local resident)
- Julie Townsend (local resident)
- Jen Patel (local resident)
- John Lorimer (local resident)
- Helen Chuawiwat (local resident)
- Gary Molloy (local resident)
- Peter Noble (local resident)
- Chris Bowdler (local resident)
- Joan Street (local resident)
- Robert Lynch (local resident)
- Ian Mutton (local resident)
- Danielle Vieira (local resident)
- Robert Stitt KC (Chair, Lavender Bay Precinct)
- Jason Dong (local resident)
- Michael Parker (local resident)
- Davie Macdonald (local resident)
- Leo Nelson (local resident)
- Meredith Trevallyn-Jones (local resident)

A Motion was moved by Councillor Keen and seconded by Councillor Carr:

- 1. THAT** Council receive and note the contents of the Special Rate Variation Community Engagement Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV) and increase of minimum rates.
- 2. THAT** Council adopt Option 1 as per the consultation.

An Amendment was moved by Councillor Beregi and seconded by Councillor Welch:

- 1. THAT** Council receive and note the contents of the Special Rate Variation Community Engagement Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV) and increase of minimum rates.
- 2. THAT** Council approve the Addendum to the 2026-2029 Delivery Program as attached.
- 3. THAT** Council adopt the revised Draft 2026-36 Long-Term Financial Plan (LTFP) as attached and proceed with Option 3 as a strategy to improve Council's financial strength and sustainability.
- 4. THAT** Council make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent Special Rate Variation (SRV), under Section 508A of the Local Government Act 1993 commencing on 1 July 2026. The SRV would permanently increase total ordinary rates over three years and remain in perpetuity, as follows:
 - a) a 23 per cent increase for the 2026-27 financial year (inclusive of the 4 per cent rate peg determined by IPART for the year);
 - b) a 14.58 per cent increase for the 2027-28 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year); and

- c) a 8.32 per cent increase for the 2028-29 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year);

5. THAT Council make an application to the Independent Pricing and Regulatory Tribunal to set its minimum residential and business rates in accordance with Section 548(3) of the Local Government Act 1993, as follows:

- a) \$970.72 for the 2026-27 financial year;
- b) \$1,116.32 for the 2027-28 financial year; and
- c) \$1,216.79 for the 2028-29 financial year.

The minimum rate will change by the rate peg from 2029-30.

A Motion was moved by Councillor Welch:

1. THAT the item be put.

The Motion lapsed for want of a Seconder.

The Amendment was put and **Carried**.

Voting was as follows:

For/Against 7 / 3

For: Councillor Antonini, Councillor Baker, Councillor Beregi, Councillor Holding, Councillor Hoy, Councillor Santer, and Councillor Welch

Against: Councillor Carr, Councillor Keen, and Councillor Spenceley

Absent: Nil

The Amendment became the Motion.

An Amendment was moved by Councillor Spenceley and seconded by Councillor Keen:

1. THAT Council receive and note the contents of the Special Rate Variation Community Engagement Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV) and increase of minimum rates.

2. THAT Council approve the Addendum to the 2026-2029 Delivery Program as attached.

3. THAT Council adopt the revised Draft 2026-36 Long-Term Financial Plan (LTFP) as attached and proceed with Option 3 as a strategy to improve Council's financial strength and sustainability.

4. THAT Council make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent Special Rate Variation (SRV), under Section 508A of the Local Government Act 1993 commencing on 1 July 2026. The SRV would permanently increase total ordinary rates over three years and remain in perpetuity, as follows:

- a) a 23 per cent increase for the 2026-27 financial year (inclusive of the 4 per cent rate peg determined by IPART for the year);
- b) a 14.58 per cent increase for the 2027-28 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year); and
- c) a 8.32 per cent increase for the 2028-29 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year);

5. THAT Council make an application to the Independent Pricing and Regulatory Tribunal to set its minimum residential and business rates in accordance with Section 548(3) of the Local Government Act 1993, as follows:

- a) \$970.72 for the 2026-27 financial year;
- b) \$1,116.32 for the 2027-28 financial year; and
- c) \$1,216.79 for the 2028-29 financial year.

The minimum rate will change by the rate peg from 2029-30.

6. THAT the raw data from the Micromex survey, anonymised if required, be included in the IPART submission.

The amendment (part 6, above) was accepted as part of the Motion.

An Amendment was moved by Councillor Spenceley and seconded by Councillor Keen:

1. THAT Council receive and note the contents of the Special Rate Variation Community Engagement Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV) and increase of minimum rates.

2. THAT Council approve the Addendum to the 2026-2029 Delivery Program as attached.

3. THAT Council adopt the revised Draft 2026-36 Long-Term Financial Plan (LTFP) as attached and proceed with Option 3 as a strategy to improve Council's financial strength and sustainability.

4. THAT Council make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent Special Rate Variation (SRV), under Section 508A of the Local Government Act 1993 commencing on 1 July 2026. The SRV would permanently increase total ordinary rates over three years and remain in perpetuity, as follows:

- a) a 23 per cent increase for the 2026-27 financial year (inclusive of the 4 per cent rate peg determined by IPART for the year);
- b) a 14.58 per cent increase for the 2027-28 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year); and
- c) a 8.32 per cent increase for the 2028-29 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year);

5. THAT Council make an application to the Independent Pricing and Regulatory Tribunal to set its minimum residential and business rates in accordance with Section 548(3) of the Local Government Act 1993, as follows:

- a) \$970.72 for the 2026-27 financial year;
- b) \$1,116.32 for the 2027-28 financial year; and
- c) \$1,216.79 for the 2028-29 financial year.

The minimum rate will change by the rate peg from 2029-30.

6. THAT the raw data from the Micromex survey, anonymised if required, be included in the IPART submission.

7. THAT, given the impact to rate payers, Councillors change their salary from the maximum to the minimum.

8. THAT IPART be provided with a list of assets which Council considered selling, with the reasons against selling to be included.

The Mayor ruled part 7 of the above Amendment as Out of Order as individual Councillors could have requested at any time that the minimum salary be paid instead of the maximum.

The Mayor ruled part 8 of the above Amendment as Out of Order as Council previously resolved to review the property portfolio within the next six to twelve months.

The Motion was put and **Carried**.

Voting was as follows:

For/Against 7 / 3

For: Councillor Antonini, Councillor Baker, Councillor Beregi, Councillor Holding, Councillor Hoy, Councillor Santer, and Councillor Welch

Against: Councillor Carr, Councillor Keen, and Councillor Spenceley

Absent: Nil

3. RESOLVED:

1. THAT Council receive and note the contents of the Special Rate Variation Community Engagement Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV) and increase of minimum rates.

2. THAT Council approve the Addendum to the 2026-2029 Delivery Program as attached.

3. THAT Council adopt the revised Draft 2026-36 Long-Term Financial Plan (LTFP) as attached and proceed with Option 3 as a strategy to improve Council's financial strength and sustainability.

4. THAT Council make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent Special Rate Variation (SRV), under Section 508A of the Local Government Act 1993 commencing on 1 July 2026. The SRV would permanently increase total ordinary rates over three years and remain in perpetuity, as follows:

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- c) a 8.32 per cent increase for the 2028-29 financial year (inclusive of the forecast rate peg of 3.0 per cent for that year);

5. THAT Council make an application to the Independent Pricing and Regulatory Tribunal to set its minimum residential and business rates in accordance with Section 548(3) of the Local Government Act 1993, as follows:

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- b) \$1,116.32 for the 2027-28 financial year; and
- c) \$1,216.79 for the 2028-29 financial year.

The minimum rate will change by the rate peg from 2029-30.

6. THAT the raw data from the Micromex survey, anonymised if required, be included in the IPART submission.

A Recission Motion was later lodged in respect to this item.

6. Matters of Urgency

Nil

7. Closure

The Meeting concluded at 8:33pm.