NORTH SYDNEY COUNCIL

Message from Mayor Zoë Baker

Dear North Sydney Community,

Over the past year, North Sydney Council has made it a priority to restore financial stability and strengthen governance as a commitment to rebuilding community confidence.

Independent community consultation in August 2025 disclosed continuing community concern around past mismanagement, governance and transparency. That is, that the North Sydney Olympic Pool project, especially, has created mistrust in Council and scepticism that any rate rise will be used or managed effectively.

Those concerns echo the single most common question I am asked by residents: "are the people responsible for the Pool project and this financial situation still at Council?"

The short answer to that question is: no.

There have been two local government elections over the past four years, resulting in a significant change to the elected body.

Since I was elected Mayor in 2022, Council has taken decisive action to improve open and transparent governance, financial oversight and accountability. We now have a new Chief Executive Officer, a dedicated Chief Financial Officer, an Organisational Improvement function and a new Executive Leadership Team focused on transparency, strong governance and long-term financial sustainability. A governance strategy has been adopted that addresses risk management and independent oversight in business operations and decision-making. Council also established a new Audit, Risk and Improvement Committee to augment oversight and, over the next four years, will focus on improving internal systems to bring North Sydney to best practice in local government.

We have also introduced stronger financial controls, including the Draft Restricted Reserves Policy, which sets out how Council manages restricted and unrestricted funds with clear accountability. This policy is open for community feedback until 27 November 2025, and I encourage you all to have your say: yoursay.northsydney.nsw.gov.au

In February 2025, Council applied to the Independent Pricing and Regulatory Tribunal (IPART) for a special rate variation to strengthen Council's weak financial position, address infrastructure concerns and support long-term strategic plans to meet the needs of the increasing population density we face. While IPART acknowledged Council's poor financial position, the application was not approved.

Despite this setback, this Council remains committed to restoring financial security and protecting the services and facilities the North Sydney community values whilst addressing the legacy of previous Council decisions.

Over the past three years, Council has strengthened financial management and improved efficiency, identifying $66 million in savings and productivity gains over the next decade. But these initiatives alone cannot address the $157 million infrastructure renewal backlog that has built up over many years.

Deteriorating infrastructure and low levels of reserve cannot be our legacy to future generations. We must ensure community buildings do not continue to crumble, sea walls will not collapse and stormwater systems do not fail under pressure. Protecting the services and spaces our community relies on – and loves – is at the heart of this work.

Feedback has been clear: residents want to maintain and, where possible, improve services and local facilities. Very few support cutting services or further deterioration of community assets. Meeting these expectations will require difficult but responsible decisions.

Without decisive action now, Council will be unable to sustain the quality of services and infrastructure the community expects and deserves.

Three rate options have been provided as part of the Draft Long-Term Financial Plan 2026–2036. Two involve a special rate variation (SRV) to fund infrastructure renewal and maintain existing service levels. These options differ to the previous IPART application as they seek to stabilise and strengthen finances over a four-year period rather than the 10 years of the previous application.

Both SRV options would assist in stabilising Council's finances and restoring funding for infrastructure renewal in the medium term.

You can read the full details of how this money would be spent as well as find support options for those experiencing financial hardship at yoursay.northsydney.nsw.gov.au/lets-talk-rates

I recognise that this comes at a time when cost-of-living pressures are affecting everyone. That's why it is vital that we make these decisions together, openly, transparently and based on facts.

I encourage all residents and businesses to share their views via the independent survey at yoursay.northsydney.nsw.gov.au/lets-talk-rates or by attending one of our community forums. Your feedback will directly inform Council's decision on the most responsible and sustainable way forward.

This Council is committed to addressing the financial and asset backlog legacy we inherited. We remain diligently committed to financial responsibility, transparent and accountable decision-making and delivering long-term benefits for the community. Of course, every year budgets are exhibited so that you can participate in setting spending priorities through the annual budget process.

Together, we can build a stronger North Sydney now and for the future.

Yours faithfully,

Zoë Baker

Zoë Baker

let's talk...

RATES - Funding better local infrastructure

What are the proposed rate changes?

Council is seeking community feedback on three rate options. Two involve a permanent increase in rates above the NSW Government rate peg (known as special rate variations) to fund improved infrastructure outcomes.

Average residential rate

	Option 1	Option 2	Option 3
FY 25-26	$1,076	$1,076	$1,076
Annual increase	*$43*	*$219*	*$251*
FY 26-27	$1,119	$1,295	$1,327
Annual increase	*$34*	*$127*	*$193*
FY 27-28	$1,153	$1,422	$1,520
Annual increase	*$34*	*$84*	*$134*
FY 28-29	$1,187	$1,506	$1,654
Total increase	*$111*	*$430*	*$578*
Total 3 year cumulative increase above rate peg	*$0*	*$319*	*$467*

Minimum residential rate

	Option 1	Option 2	Option 3
FY 25-26	$743.85	$743.85	$743.85
Annual increase	$29.75	$226.87	$226.87
FY 26-27	$773.60	$970.72	$970.72
Annual increase	$23.21	$124.26	$145.60
FY 27-28	$796.81	$1,094.98	$1,116.32
Annual increase	$23.90	$76.65	$100.47
FY 28-29	$820.71	$1,171.63	$1,216.79
Total increase	*$76.86*	*$427.78*	*$472.94*
Total 3 year cumulative increase above rate peg	*$0*	*$350.92*	*$396.08*

Average business rate

	Option 1	Option 2	Option 3
FY 25-26	$7,193	$7,193	$7,193
Annual increase	*$288*	*$1,390*	*$1,617*
FY 26-27	$7,481	$8,583	$8,810
Annual increase	*$244*	*$893*	*$1,380*
FY 27-28	$7,705	$9,476	$10,190
Annual increase	*$231*	*$583*	*$947*
FY 28-29	$7,936	$10,059	$11,137
Total increase	*$763*	*$2,866*	*$3,944*
Total 3 year cumulative increase above rate peg	*$0*	*$2,103*	*$3,181*

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FY 25-26	$743.85	$743.85	$743.85
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FY 26-27	$773.60	$970.72	$970.72
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Making Rates Fairer for Everyone

Council rates are based on the unimproved land value, not the market value of your built property. Every Council sets a minimum rate which is the lowest amount a household can be charged.

This minimum rate mostly applies to apartments, because many units share the same block of land. Houses and townhouses usually pay much more.

In North Sydney, 77% of North Sydney residents currently pay the minimum rate of $743 – the third lowest minimum rate in metro Sydney.

Increasing the minimum is important to ensure everyone contributes fairly to the cost of local services and infrastructure. It also ensures that as more high-density developments are built, there is enough funding to support the extra demand on services and facilities.

Help with financial hardship

Council recognises cost-of-living pressures. There are a wide range of financial hardship support options available for the community. These include pensioner rebates, flexible payment plans, deferral and other options. Find out more: **northsydney.nsw.gov.au/FinancialHardship**

Have your say – WE WANT TO HEAR FROM YOU

Consultation closes on Wednesday 3 December 2025: yoursay.northsydney.nsw.gov.au/lets-talk-rates