Forster
Community Update
6 November 2015
Agenda

• Fit for the Future
• Long term financial position
• Special rate variation proposal
• General update
Fit for the Future
Tcorp Review

Graph 8 - FSRs of NSW LGAs

NSW Local Government Areas

*As at April 2013
Short term (3 year) FSR

NSW Local Government Areas

FSR Outlook
- Very Strong
- Strong
- Sound
- Moderate
- Weak
- Distressed

Legend:
- Brown: Very Strong
- Green: Strong
- Blue: Sound
- Yellow: Moderate
- Pink: Weak
- Blue: Distressed
Councils at risk

GLC Rating

FSR - Moderate

Outlook - Neutral
Fit for the Future

• Initiative of NSW State Government – A Blueprint for the future of Local Government

• The Blueprint ‘outlines what the State will do to cut red tape, invest in reform and help councils work smarter together’

• Recommendations are based on the work of the NSW Local Government Review Panel (LGRP)
Fit for the Future

- Local Government Review Panel recommendation for GLC – to stand alone or merge with Gloucester
- GLC & GSC engaged Morrison Low to undertake a merger business case
- Business case provided information on a merged council & on each council as a stand alone entity
- Business case found no financial benefit to councils in merging
Fit for the Future

• Council decided to submit a proposal to IPART to stand alone after considering results of business case (June 2015)

• Performance improvement plan developed

• Fit for the Future benchmarks met with a modest special rate variation (SRV)
### GLC is Fit for the Future

<table>
<thead>
<tr>
<th>Council</th>
<th>Fit?</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLC</td>
<td>✓</td>
<td>- Meets scale &amp; capacity criterion as well as financial criteria</td>
</tr>
<tr>
<td>Gloucester</td>
<td>✗</td>
<td>- Does not meet scale &amp; capacity criterion nor financial criteria</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- IPART concludes that a merged council would provide greater benefits</td>
</tr>
<tr>
<td>Taree</td>
<td>✗</td>
<td>- Does not meet sustainability nor infrastructure &amp; service management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Stand alone; analysis did not find sufficient evidence for a better</td>
</tr>
<tr>
<td></td>
<td></td>
<td>alternative</td>
</tr>
</tbody>
</table>

- Only 37% of NSW councils ‘fit for the future’
IPART findings

• Council’s proposal is consistent with the local government review panel’s (LGRP) option to stand alone

• IPART analysis suggests merger with Gloucester & GLC may generate benefits of $11m over 20 years (incl. gov’t grant)
Council’s position

• Council has discussed IPART report and State Government request for feedback

• Council’s position remains unchanged from its submission to IPART which is to *stand alone*

• This position is supported by the LGRP recommendation and IPART’s assessment

• Council is implementing the improvement plan submitted to IPART
Next steps

• Council feedback on IPART assessment & merger preference to State Government due 18 Nov

• State to finalise its position on local government reform by end of year
# Improvement plan

<table>
<thead>
<tr>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Special rate variation application</td>
</tr>
<tr>
<td>• Asset improvement plan plan</td>
</tr>
<tr>
<td>• Business improvement program</td>
</tr>
<tr>
<td>• ICT Strategy</td>
</tr>
<tr>
<td>• Procurement improvement plan</td>
</tr>
<tr>
<td>• PWC/Local Government Professionals benchmarking survey</td>
</tr>
</tbody>
</table>
Continuous improvement

‘We want Council to become more efficient & make improvements in how you do things’ (feedback from previous SRV engagement)

Service level review
- Savings of over $500,000 per year ongoing

Business improvement program
- Based on the Australian Business Excellence Framework, with an initial focus on Leadership, Culture and Processes. Productivity savings being captured.

ICT Strategy
- Upgrades to systems to enable efficiencies, meet modern business standards & community expectations

Doing the right things – doing them the right way – using our resources in the best way
Current structure & communication

- General Manager
- Director
  - Manager
  - Coordinator/team leader
- Director
  - Manager
  - Coordinator/team leader
- Director
  - Manager
  - Coordinator/team leader
- Manager
  - Coordinator/team leader

Officers/team members
‘I/me/my – we/us - all of us’ perspective

Organisation
‘I/me/my – we/us - all of us’ perspective
Council & community
Long term financial position
Current financial position

Pre SRV

Post SRV

Current

Years

Special rate variation
Asset priorities

- Info from community feedback, surveys & asset planning has told us that additional funding is needed for:
  - Rural sealed roads: $1 m per annum
  - Playgrounds: $100,000 per annum
  - Swimming pools: $100,000 per annum
  - Rec facilities & public amenities: $100,000 per annum
  - Roof on admin building: (loan repayments)
Community feedback

- 2014 community survey provided information on service levels acceptable to community

- Community satisfied with current level of service/funding for most assets

- Community agreed that more work needed to be done on rural sealed roads

- Community agreed that all of these roads should be in a 'fair' condition, at a minimum

- Currently 14% of these roads are either 'poor' or 'failed'

- Additional $1m per annum would eliminate this backlog

- 91% of the surveyed population agreed with this proposal
### SRV proposal

<table>
<thead>
<tr>
<th>Year</th>
<th>A Rate peg increase % (assumed)</th>
<th>B Proposed SRV increase %</th>
<th>C Total increase proposed %</th>
<th>Proposed SRV increase will raise...$</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/2017</td>
<td>3%</td>
<td>3.5%</td>
<td>6.5%</td>
<td>$1,121,000</td>
</tr>
<tr>
<td>2017/2018</td>
<td>3%</td>
<td>1.25%</td>
<td>4.25%</td>
<td>426,500</td>
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<tr>
<td>2018/2019</td>
<td>3%</td>
<td>1.25%</td>
<td>4.25%</td>
<td>444,500</td>
</tr>
<tr>
<td>2019/2020</td>
<td>3%</td>
<td>1.25%</td>
<td>4.25%</td>
<td>463,500</td>
</tr>
</tbody>
</table>

Over the four year period...

- Cumulative effect on rates if SRV approved = 20.66%
- If SRV is not approved and only rate peg applies, cumulative effect = 12.55%

* Includes maintaining waste management charge at current level for 2015/16 & 2016/17
## How will the SRV affect me

*Based on an ordinary rate of $1000*

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate peg only</th>
<th>With SRV proposal</th>
<th>Annual increase due to SRV proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015/16 rate</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1000</td>
<td>$1000</td>
<td></td>
</tr>
<tr>
<td><strong>2016/17</strong></td>
<td>$1000 3% $1030 3%</td>
<td>$1000 6.5% $1065 6.5%</td>
<td>$35 $14.36</td>
</tr>
<tr>
<td><strong>2017/18</strong></td>
<td>$1030 3% 1060.90 3%</td>
<td>$1065 4.25% 1110.26 4.25%</td>
<td>$14.36 $15.35</td>
</tr>
<tr>
<td><strong>2018/19</strong></td>
<td>$1060.90 3% 1092.73 3%</td>
<td>$1110.26 4.25% 1157.44 4.25%</td>
<td>$15.35 $16.41</td>
</tr>
<tr>
<td><strong>2019/20</strong></td>
<td>$1092.73 3% 1125.51 3%</td>
<td>$1157.44 4.25% 1206.63 4.25%</td>
<td>$16.41</td>
</tr>
</tbody>
</table>
## Have your say –
special rate variation proposal

*submissions close 20 November*

**online**

Scan the QR code on the newsletter with your smart device *or*
Go to [www.greatlakes.nsw.gov.au](http://www.greatlakes.nsw.gov.au) – SRV proposal under ‘have your say’
– complete online form

**email**

Email subject line: ‘SRV proposal’ and send comments to [council@greatlakes.nsw.gov.au](mailto:council@greatlakes.nsw.gov.au)

**post**

Send your feedback in writing marked ‘SRV proposal’ to:
The General Manager, Great Lakes Council, PO Box 450, FORSTER 2428
General update
Forster Civic Precinct

Location Plan - Civic Precinct

Library site

Legend
- Study Area
- Council Owned Land
- Enclosed Water
- Crown Land
- Council Controlled Crown Land
- Road

Metres

Great Lakes Council
Forster Civic Precinct

• Maximising site potential & ensuring best outcomes for ratepayers – both economic & social

• Development Manager to investigate private sector partner – tenders called for & Council finalising appointment

• Explore opportunities for development with mix of private & public infrastructure (role of dev’t manager in conjunction with Council)

• Public infrastructure options - library, visitor centre, meeting rooms, local performance space & open space

• Outcome – vibrant precinct that meets community needs now & into future
<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 November</td>
<td>Council to finalise recommendation to appoint Development Manager</td>
</tr>
<tr>
<td>13-23 November</td>
<td>Preparation of Expression of Interest document &amp; strategy to go to the market in consultation with Council</td>
</tr>
<tr>
<td>24 December</td>
<td>Close of EOIs</td>
</tr>
<tr>
<td>February 2016</td>
<td>Council meeting – results of EOI presented for consideration to determine next stage</td>
</tr>
</tbody>
</table>
Community Update

Forster

21 May 2015
• Fit for the Future
• Current financial position
• Council’s draft plans for 2015-2016
• Special rate variation
• Local update
Fit for the Future
Fit for the Future

• Initiative of NSW State Government – A Blueprint for the future of Local Government

• The Blueprint ‘outlines what the State will do to cut red tape, invest in reform and help councils work smarter together’

• Recommendations are based on the work of the NSW Local Government Review Panel (LGRP)
Short term (3 year) FSR

NSW Local Government Areas

FSR Outlook
- Very Strong
- Strong
- Sound
- Moderate
- Weak
- Very Weak
- Distressed
Councils at risk

GLC Rating

FSR - Moderate

Outlook - Neutral
Fit for the Future

• Local Government Review Panel recommendation for GLC
  – Stand alone, or
  – Merge with Gloucester Shire Council (GSC)

• GLC and GSC engaged Morrison Low (with support from Office of Local Gov’t) to undertake a merger business case

• Business case to provide information to enable each council to understand merger implications

• Business case to be basis for informed community consultation & form basis of council submission
Figure 1  Map of Gloucester Shire and Great Lakes Councils
## Fit for the Future – Strategic Capacity

1. More robust revenue base & increased discretionary spending
2. Scope to undertake new functions & major projects
3. Ability to employ wider range of skilled staff
4. Knowledge, creativity & innovation
5. Advanced skills in strategic planning & policy development
6. Effective regional collaboration
7. Credibility for more effective advocacy
8. Capable partner for State & Federal agencies
9. Resources to cope with complex & unexpected change
10. High quality political & managerial leadership
## Fit for the Future benchmarks

- Overall comparison of options against FFTF benchmarks

<table>
<thead>
<tr>
<th>Council</th>
<th>Gloucester</th>
<th>Great Lakes</th>
<th>Merged Council</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base case</td>
<td>Base case</td>
<td>Day one</td>
</tr>
<tr>
<td>Operating performance</td>
<td>✗</td>
<td>From 2021</td>
<td>✗</td>
</tr>
<tr>
<td>Own source revenue</td>
<td>From 2018</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Debt service cover</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Asset maintenance</td>
<td>✗</td>
<td>✗ *</td>
<td>✗</td>
</tr>
<tr>
<td>Asset renewal</td>
<td>✗</td>
<td>From 2022</td>
<td>✗</td>
</tr>
<tr>
<td>Infrastructure backlog</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Real operating expenditure</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

* Asset maintenance gap for GLC is only $200,000 & for GSC is $1m
## Asset & operating performance

### Asset funding gap

<table>
<thead>
<tr>
<th>Council</th>
<th>Avg funding required per annum (5 years) ($000)</th>
<th>Avg funding required per annum (5 years+) ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gloucester</td>
<td>- 5,458</td>
<td>- 3,212</td>
</tr>
<tr>
<td>Great Lakes</td>
<td>- 1,020</td>
<td>- 607</td>
</tr>
<tr>
<td>Merged</td>
<td>- 8,200</td>
<td>- 4,880</td>
</tr>
</tbody>
</table>

### Operating performance gap

<table>
<thead>
<tr>
<th>Council</th>
<th>Average gap ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gloucester</td>
<td>-3,321</td>
</tr>
<tr>
<td>Great Lakes</td>
<td>-245</td>
</tr>
<tr>
<td>Merged</td>
<td>-10,379</td>
</tr>
</tbody>
</table>
Operating deficit
Infrastructure backlog

Infrastructure Backlog Ratio

- Great Lakes
- Gloucester - Base
- Gloucester - SRV
- Merged

Years: 2015 to 2023

Ratio: 0.0% to 25.0%
Council’s preferred position

• Based on merger business case and the incentives offered by the State government, Council’s preferred position is to stand alone
Current financial position
Current financial position

![Graph showing financial position over years: Pre SRV, Post SRV, and Current.](image-url)
Delivery Program
& Operational Plan
2015-2016 rate structure

• IPART determines permitted increase in Council revenue from general rates – the ‘rate peg’
• 2.4% increase = IPART rate peg
• $24 increase per year, per $1000 of ordinary rate
• NSW Valuer General has completed revaluations for the GLC area
• New valuations are used to calculate rates on individual properties
• Rates on some properties will increase by more than 2.4%, some by less that 2.4% and some will decrease
## 2015-2016 capital works*

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban roads</td>
<td>2,915,000</td>
</tr>
<tr>
<td>Rural road roads</td>
<td>3,956,000</td>
</tr>
<tr>
<td>Regional roads</td>
<td>2,428,000</td>
</tr>
<tr>
<td>Rural bridge construction</td>
<td>350,000</td>
</tr>
<tr>
<td>Footpath / cycleway construction</td>
<td>1,175,122</td>
</tr>
<tr>
<td>Traffic facilities management</td>
<td>70,000</td>
</tr>
<tr>
<td>Stormwater drainage construction</td>
<td>545,000</td>
</tr>
<tr>
<td>Boating facility improvement program</td>
<td>850,000</td>
</tr>
<tr>
<td>Minimbah landfill construction</td>
<td>2,100,000</td>
</tr>
<tr>
<td>Tuncurry resource recovery &amp; waste transfer station</td>
<td>4,250,000</td>
</tr>
<tr>
<td>Stroud landfill improvements</td>
<td>250,000</td>
</tr>
<tr>
<td>Library services</td>
<td>275,333</td>
</tr>
<tr>
<td>Cemeteries</td>
<td>94,000</td>
</tr>
<tr>
<td><strong>Forster Civic Precinct Stage 1 – Library</strong></td>
<td>6,000,000</td>
</tr>
<tr>
<td><strong>Total capital works in DPOP</strong></td>
<td>28,533,875</td>
</tr>
</tbody>
</table>

* Selected projects – for complete list of works see DPOP
Forster Civic Precinct

• Stage 1 – Library included in the DPOP
• Tenders to be invited for a Development Manager
• Stage 2 to include the expansion of the Civic Precinct to include flexible meeting room space and local performance space
• The development of the balance of the site will be assessed for commercial/residential purposes
• Detailed project brief to be reported back to Council
Asset funding

• 2014 community survey provided information on service levels acceptable to community

• Survey sought feedback on level of investment of funds and willingness to increase funding to address backlogs via a special rate variation

✓ Community satisfied with current level of service/funding for most assets
✓ Community agreed that more work needed to be done on rural sealed roads
✓ Community agreed that all of these roads should be in a 'fair' condition, at a minimum

• Currently 14% of these roads are either 'poor' or 'failed'

• Additional $1m per annum would eliminate this backlog

• Only 9% of the surveyed population disagreed with this proposal
Special rate variation (SRV)

- Application for special variation to commence in 2016/2017
- Long lead time under IPART requirements
- Doing planning & community engagement now
- Discussions identified $1.5 million to be raised from SRV
- Road assets require $1 million p.a. for rural roads per Asset Management Plans
## SRV details

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Sealed Roads Allocation *</td>
<td>500,000</td>
<td>400,000</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>Loan Repayments - Road Allocation 2014/2015 *</td>
<td>125,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Repayments - Road Allocation 2015/2016 *</td>
<td>125,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Engineer</td>
<td>80,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICT Strategy Implementation</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Playground Equipment Replacement Program</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Repayments - HQ Roof Replacement</td>
<td></td>
<td></td>
<td>260,000</td>
<td></td>
</tr>
<tr>
<td>Environmental &amp; Dredging Levy Component</td>
<td>59,000</td>
<td>22,000</td>
<td>23,000</td>
<td>24,500</td>
</tr>
<tr>
<td>New Library Building Operating Expenses</td>
<td>32,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restoration / maintenance of service levels impacted by loss of revenue</td>
<td>4,500</td>
<td>61,500</td>
<td>439,000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,121,000</td>
<td>426,500</td>
<td>444,500</td>
<td>463,500</td>
</tr>
</tbody>
</table>

* Currently funded from Woolworths investment
### SRV proposal

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage increase</th>
<th>Rate peg</th>
<th>Percentage rate increase above rate peg</th>
<th>Additional amount above rate peg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/2017</td>
<td>6.50%</td>
<td>3.00%</td>
<td>3.50%</td>
<td>$1,121,000</td>
</tr>
<tr>
<td>2017/2018</td>
<td>4.25%</td>
<td>3.00%</td>
<td>1.25%</td>
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<td>1.25%</td>
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<tr>
<td>2019/2020</td>
<td>4.25%</td>
<td>3.00%</td>
<td>1.25%</td>
<td>$463,500</td>
</tr>
</tbody>
</table>

* Includes maintaining waste levy at current level
Local update
<table>
<thead>
<tr>
<th>What</th>
<th>Where</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban road rehab/construction</strong></td>
<td>Cliff Rd car park (One Mile), Forster Taree St – Mount View to end, Tuncurry Cowper St – Hoskins to end, Nabiac Hoskins St – Clarkson to Farnell, Nabiac</td>
</tr>
<tr>
<td><strong>Rural road rehab</strong></td>
<td>Bullocky Way, Failford</td>
</tr>
<tr>
<td><strong>Urban &amp; rural road reseals</strong></td>
<td>Various</td>
</tr>
<tr>
<td><strong>Regional road rehab</strong></td>
<td>The Lakes Way, Bungwahl</td>
</tr>
<tr>
<td><strong>Stormwater drainage</strong></td>
<td>Patsys Flat Rd, Smiths Lake Toby St, Forster Hoskins St, Nabiac</td>
</tr>
<tr>
<td><strong>Footpath/cycleway</strong></td>
<td>Cross St, Forster Kularoo Dr, Forster Little St/Memorial Dr, Forster Flora Pde, Tuncurry Wallis St, Tuncurry Bicycle parking facilities, Forster &amp; Tuncurry</td>
</tr>
<tr>
<td><strong>Waste management</strong></td>
<td>Minimbah landfill construction Tuncurry resource recovery &amp; waste transfer station</td>
</tr>
<tr>
<td>What</td>
<td>Where</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| **Boating facility improvement**<br>$850k over 2 years | Forster Boat Harbour  
  • new pontoon adjacent to boatramp  
  • car park improvements  
  Point Rd Tuncurry  
  • car park improvements  
  • small dinghy access  
  • public jetty – major repairs  
  Coomba  
  • expand existing boatramp  
  • car park improvements  
  Pacific Palms Rec Club  
  • public jetty improvements  
  • car park improvements  
  Smiths Lake  
  • John Debert boat ramp widening  
  • Dinghy launching at Patsys Flat & Eagle Nest |
Questions, comments
GLC long term financial position

Years

Pre SRV

Post SRV

Current
# Overall satisfaction with Council

<table>
<thead>
<tr>
<th>Overall satisfaction with Council’s performance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Very satisfied</strong></td>
<td>10%</td>
</tr>
<tr>
<td><strong>Satisfied</strong></td>
<td>47%</td>
</tr>
<tr>
<td><strong>Somewhat satisfied</strong></td>
<td>29%</td>
</tr>
<tr>
<td><strong>Not very satisfied</strong></td>
<td>10%</td>
</tr>
<tr>
<td><strong>Not at all satisfied</strong></td>
<td>4%</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>3.50*</td>
</tr>
<tr>
<td><strong>2012 Average</strong></td>
<td>3.30*</td>
</tr>
</tbody>
</table>

*Scale: 1= not at all satisfied, 5 = very satisfied*
<table>
<thead>
<tr>
<th>Area</th>
<th>Forster</th>
<th>Tuncurry</th>
<th>HN/TG</th>
<th>NAC</th>
<th>Pindimar</th>
<th>Pacific Palms</th>
<th>Coomba Park</th>
<th>Nabiac</th>
<th>Failford</th>
<th>Bulahdelah</th>
<th>Central Rural</th>
<th>Stroud Rural West</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Very satisfied</strong></td>
<td>19%</td>
<td>4%</td>
<td>7%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7%</td>
<td>2%</td>
<td>4%</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Satisfied</strong></td>
<td>53</td>
<td>37</td>
<td>44</td>
<td>47</td>
<td>43</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>73</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Somewhat satisfied</strong></td>
<td>23</td>
<td>26</td>
<td>43</td>
<td>34</td>
<td>26</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Not very satisfied</strong></td>
<td>4</td>
<td>21</td>
<td>6</td>
<td>8</td>
<td>22</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Not at all satisfied</strong></td>
<td>1</td>
<td>12</td>
<td>0</td>
<td>5</td>
<td>8</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>0</td>
<td>0</td>
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</tr>
<tr>
<td><strong>2014 Average</strong></td>
<td><strong>3.86▲</strong></td>
<td><strong>3.01▼</strong></td>
<td><strong>3.51</strong></td>
<td><strong>3.42</strong></td>
<td><strong>3.10▼</strong></td>
<td><strong>3.27</strong></td>
<td><strong>3.65</strong></td>
<td><strong>2.86▼</strong></td>
<td><strong>3.28</strong></td>
<td><strong>3.48▲</strong></td>
<td><strong>3.23</strong></td>
<td><strong>3.16</strong></td>
<td><strong>3.18</strong></td>
</tr>
</tbody>
</table>

▲ ▼ Significantly higher/lower than the annual benchmark

Scale: 1 = not at all satisfied, 5 = very satisfied
Regional roads have been rated as extremely important by the community, with a moderate satisfaction level. Over 50% of the community feel Council should be investing more in this asset.
**Satisfaction with Asset Class by Area Lived In**

**Regional Roads**

Q. *How satisfied are you with these assets?*

<table>
<thead>
<tr>
<th>Area lived in</th>
<th>Overall</th>
<th>Forster/ Tuncurry area includes Green Point</th>
<th>Hawks Nest/ Tea Gardens/ North Arm Cove/ Pindimar</th>
<th>Pacific Palms/ Blueys Beach/ Coomba Park</th>
<th>Nabiac/ Failford/ Darawank/ Rural North</th>
<th>Bulahdelah/ Central Rural</th>
<th>Stroud/ Rural West</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very satisfied</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
<td>11%</td>
<td>13%</td>
<td>4%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Satisfied</td>
<td>29%</td>
<td>37%</td>
<td>27%</td>
<td>23%</td>
<td>24%</td>
<td>24%</td>
<td>19%</td>
<td>15%</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>40%</td>
<td>43%</td>
<td>46%</td>
<td>29%</td>
<td>40%</td>
<td>43%</td>
<td>29%</td>
<td>26%</td>
</tr>
<tr>
<td>Not very satisfied</td>
<td>17%</td>
<td>9%</td>
<td>14%</td>
<td>35%</td>
<td>16%</td>
<td>21%</td>
<td>27%</td>
<td>50%</td>
</tr>
<tr>
<td>Not at all satisfied</td>
<td>7%</td>
<td>4%</td>
<td>5%</td>
<td>2%</td>
<td>7%</td>
<td>8%</td>
<td>26%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Mean rating</strong></td>
<td><strong>3.12</strong></td>
<td><strong>3.36 ▲</strong></td>
<td><strong>3.19</strong></td>
<td><strong>3.06</strong></td>
<td><strong>3.20</strong></td>
<td><strong>2.94</strong></td>
<td><strong>2.40▼</strong></td>
<td><strong>2.49</strong></td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td>401</td>
<td>165</td>
<td>63</td>
<td>39</td>
<td>38</td>
<td>43</td>
<td>43</td>
<td>12</td>
</tr>
</tbody>
</table>

Scale: 1 = not at all satisfied, 5 = very satisfied
▲▼Significantly higher/lower compared to ‘overall’
Community Opinion of Asset Class & Proposed Investment

**Rural Sealed Roads**

Q. How *important* are these assets to the broader Great Lakes community and how satisfied are you with these assets?

- **Importance**
  - Very important: 51%
  - Important: 26%
  - Somewhat important: 20%

- **Satisfaction**
  - Very satisfied: 7%
  - Satisfied: 22%
  - Somewhat satisfied: 43%

Q. What is your level of agreement with Council’s proposed *investment plan* regarding these assets?

- Council should invest much more: 11%
- Council should invest a little more: 16%
- Council’s position is just right: 63%
- Council should invest a little less: 8%
- Council should invest much less: 1%

Base: n = 401

Scale: Importance/Satisfaction: 1 = not at all important/satisfied, 5 = very important/satisfied
Scale: -2 = Council should be investing much less into this asset, +2 = Council should be investing much more into this asset

Rural sealed roads have been rated as very important by the community, with a moderate satisfaction level. 63% of the community feel Council’s suggested increased investment suggestion is appropriate. 27% feel that the investment should be greater.
### Satisfaction with Asset Class by Area Lived In

#### Rural Sealed Roads

**Q.** How **satisfied** are you with these assets?

<table>
<thead>
<tr>
<th>Area lived in</th>
<th>Overall</th>
<th>Forster/Tuncurry area includes Green Point</th>
<th>Hawks Nest/Tea Gardens/North Arm Cove/Pindimar</th>
<th>Pacific Palms/Blueys Beach/Coomba Park</th>
<th>Nambucca/Failford/Darawank/Rural North</th>
<th>Bulahdelah/Central Rural</th>
<th>Stroud/Rural West</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Very satisfied</strong></td>
<td>7%</td>
<td>8%</td>
<td>10%</td>
<td>10%</td>
<td>7%</td>
<td>4%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Satisfied</strong></td>
<td>22%</td>
<td>26%</td>
<td>35%</td>
<td>13%</td>
<td>13%</td>
<td>15%</td>
<td>15%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Somewhat satisfied</strong></td>
<td>43%</td>
<td>51%</td>
<td>34%</td>
<td>41%</td>
<td>42%</td>
<td>44%</td>
<td>30%</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Not very satisfied</strong></td>
<td>19%</td>
<td>12%</td>
<td>16%</td>
<td>31%</td>
<td>9%</td>
<td>28%</td>
<td>27%</td>
<td>64%</td>
</tr>
<tr>
<td><strong>Not at all satisfied</strong></td>
<td>8%</td>
<td>2%</td>
<td>5%</td>
<td>4%</td>
<td>29%</td>
<td>8%</td>
<td>24%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Mean rating</strong></td>
<td>3.01</td>
<td><strong>3.26 ▲</strong></td>
<td>3.27</td>
<td>2.94</td>
<td>2.60</td>
<td>2.79</td>
<td><strong>2.48 ▼</strong></td>
<td>2.28▼</td>
</tr>
</tbody>
</table>

| Base | 401 | 165 | 63 | 39 | 38 | 43 | 43 | 12 |

Scale: 1 = not at all satisfied, 5 = very satisfied

▲▼Significantly higher/lower compared to ‘overall’

Base: Overall n = 401
Community Opinion of Asset Class & Proposed Investment

**Rural Unsealed Roads**

Q. How *important* are these assets to the broader Great Lakes community and how satisfied are you with these assets?

- **Importance**:
  - Very important: 39%
  - Important: 29%
  - Somewhat important: 25%

- **Satisfaction**:
  - Very satisfied: 6%
  - Satisfied: 17%
  - Somewhat satisfied: 50%

**Mean ratings**:
- Importance: 3.96
- Satisfaction: 2.94

Q. What is your level of agreement with Council’s proposed investment plan regarding these assets?

- Council should invest much more: 16%
- Council should invest a little more: 27%
- Council’s position is just right: 56%
- Council should invest a little less: 1%
- Council should invest much less: 0%

Scale: Importance/Satisfaction: 1 = not at all important/satisfied, 5 = very important/satisfied

Scale: -2 = Council should be investing much less into this asset, +2 = Council should be investing much more into this asset

Base: n = 401

Rural unsealed roads have been rated as important by the community, with a moderately low satisfaction level. 56% of the community feel Council is investing the right amount.
### Satisfaction with Asset Class by Area Lived In

#### Rural Unsealed Roads

**Q. How satisfied are you with these assets?**

<table>
<thead>
<tr>
<th>Area lived in</th>
<th>Overall</th>
<th>Forster/Tuncurry area includes Green Point</th>
<th>Hawks Nest/Tea Gardens/North Arm Cove/Pindimar</th>
<th>Pacific Palms/Blueys Beach/Coomba Park</th>
<th>Nabiac/Failford/Darawank/Rural North</th>
<th>Bulahdelah/Central Rural</th>
<th>Stroud/Rural West</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very satisfied</td>
<td>6%</td>
<td>8%</td>
<td>3%</td>
<td>8%</td>
<td>0%</td>
<td>4%</td>
<td>4%</td>
<td>8%</td>
</tr>
<tr>
<td>Satisfied</td>
<td>17%</td>
<td>16%</td>
<td>23%</td>
<td>13%</td>
<td>19%</td>
<td>11%</td>
<td>25%</td>
<td>0%</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>50%</td>
<td>59%</td>
<td>57%</td>
<td>52%</td>
<td>35%</td>
<td>34%</td>
<td>31%</td>
<td>65%</td>
</tr>
<tr>
<td>Not very satisfied</td>
<td>20%</td>
<td>14%</td>
<td>13%</td>
<td>22%</td>
<td>25%</td>
<td>43%</td>
<td>25%</td>
<td>6%</td>
</tr>
<tr>
<td>Not at all satisfied</td>
<td>7%</td>
<td>3%</td>
<td>4%</td>
<td>5%</td>
<td>20%</td>
<td>7%</td>
<td>16%</td>
<td>22%</td>
</tr>
<tr>
<td>Mean rating</td>
<td>2.94</td>
<td><strong>3.13 ▲</strong></td>
<td>3.07</td>
<td><strong>2.98</strong></td>
<td>2.53</td>
<td>2.61</td>
<td>2.75</td>
<td>2.67</td>
</tr>
<tr>
<td>Base</td>
<td>401</td>
<td>165</td>
<td>63</td>
<td>39</td>
<td>38</td>
<td>43</td>
<td>43</td>
<td>12</td>
</tr>
</tbody>
</table>

**Scale:** 1 = not at all satisfied, 5 = very satisfied

▲▼Significantly higher/lower compared to ‘overall’

Base: Overall n = 401
Community Opinion of Asset Class & Proposed Investment

Urban Roads

Q. **How important** are these assets to the broader Great Lakes community and how satisfied are you with these assets?

<table>
<thead>
<tr>
<th>Importance</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>53%</td>
<td>10%</td>
</tr>
<tr>
<td>31%</td>
<td>38%</td>
</tr>
<tr>
<td>14%</td>
<td>53%</td>
</tr>
</tbody>
</table>

Mean ratings:
- **Importance:** 4.33
- **Satisfaction:** 3.37

Q. **What is your level of agreement with Council’s proposed investment plan** regarding these assets?

- Council should invest much more: 15%
- Council should invest a little more: 26%
- Council’s position is just right: 57%
- Council should invest a little less: 2%
- Council should invest much less: 0%

Scale: Importance/Satisfaction: 1 = not at all important/satisfied, 5 = very important/satisfied
Scale: -2 = Council should be investing much less into this asset, +2 = Council should be investing much more into this asset

Urban roads have been rated as very important by the community and provides a moderate satisfaction level. 57% of the community feel Council is investing the right amount.
Satisfaction with Asset Class by Area Lived In

Urban Roads

Q. **How satisfied** are you with these assets?

<table>
<thead>
<tr>
<th>Area lived in</th>
<th>Overall</th>
<th>Forster/Tuncurry area includes Green Point</th>
<th>Hawks Nest/Tea Gardens/North Arm Cove/Pindimar</th>
<th>Pacific Palms/Blueys Beach/Coomba Park</th>
<th>Nabiac/Failford/Darawank/Rural North</th>
<th>Bulahdelah/Central Rural</th>
<th>Stroud/Rural West</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very satisfied</td>
<td>10%</td>
<td>14%</td>
<td>7%</td>
<td>23%</td>
<td>4%</td>
<td>2%</td>
<td>8%</td>
<td>0%</td>
</tr>
<tr>
<td>Satisfied</td>
<td>38%</td>
<td>46%</td>
<td>43%</td>
<td>22%</td>
<td>32%</td>
<td>39%</td>
<td>24%</td>
<td>27%</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>34%</td>
<td>33%</td>
<td>32%</td>
<td>33%</td>
<td>38%</td>
<td>35%</td>
<td>36%</td>
<td>44%</td>
</tr>
<tr>
<td>Not very satisfied</td>
<td>13%</td>
<td>6%</td>
<td>12%</td>
<td>21%</td>
<td>17%</td>
<td>20%</td>
<td><strong>17%</strong></td>
<td>21%</td>
</tr>
<tr>
<td>Not at all satisfied</td>
<td>5%</td>
<td>1%</td>
<td>7%</td>
<td>2%</td>
<td>9%</td>
<td>4%</td>
<td><strong>14%</strong></td>
<td>8%</td>
</tr>
<tr>
<td>Mean rating</td>
<td><strong>3.37</strong></td>
<td><strong>3.66 ▲</strong></td>
<td>3.31</td>
<td><strong>3.44</strong></td>
<td>3.06</td>
<td>3.15</td>
<td>2.94</td>
<td>2.90</td>
</tr>
<tr>
<td>Base</td>
<td>401</td>
<td>165</td>
<td>63</td>
<td>39</td>
<td>38</td>
<td>43</td>
<td>43</td>
<td>12</td>
</tr>
</tbody>
</table>

**Scale:** 1 = not at all satisfied, 5 = very satisfied
**▲▼**Significantly higher/lower compared to ‘overall’
Community Opinion of Asset Class & Proposed Investment

**Bridges**

Q. How important are these assets to the broader Great Lakes community and how satisfied are you with these assets?

**Mean ratings**

<table>
<thead>
<tr>
<th>Importance</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>72%</td>
<td>20%</td>
</tr>
<tr>
<td>21%</td>
<td>40%</td>
</tr>
<tr>
<td>6%</td>
<td>30%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Importance</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very important</td>
<td>Important</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>Satisfied</td>
</tr>
</tbody>
</table>

Mean ratings: 4.62

Q. What is your level of agreement with Council’s proposed investment plan regarding these assets?

<table>
<thead>
<tr>
<th>Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council should invest much more</td>
</tr>
<tr>
<td>Council should invest a little more</td>
</tr>
<tr>
<td>Council's position is just right</td>
</tr>
<tr>
<td>Council should invest a little less</td>
</tr>
<tr>
<td>Council should invest much less</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council should invest much more</td>
</tr>
<tr>
<td>Council should invest a little more</td>
</tr>
<tr>
<td>Council's position is just right</td>
</tr>
<tr>
<td>Council should invest a little less</td>
</tr>
<tr>
<td>Council should invest much less</td>
</tr>
</tbody>
</table>

Base: n = 401

Scale: Importance/Satisfaction: 1 = not at all important/satisfied, 5 = very important/satisfied
Scale: -2 = Council should be investing much less into this asset, +2 = Council should be investing much more into this asset

Bridges have been rated as extremely important by the community, with a moderately high satisfaction level. 70% of the community feel Council’s position is just right.
### Satisfaction with Asset Class by Area Lived In

#### Bridges

<table>
<thead>
<tr>
<th>Area lived in</th>
<th>Overall</th>
<th>Forster/Tuncurry area includes Green Point</th>
<th>Hawks Nest/Tea Gardens/ North Arm Cove/Pindimar</th>
<th>Pacific Palms/Blueys Beach/Coomba Park</th>
<th>Nabiac/Failford/Darawank/Rural North</th>
<th>Bulahdelah/Central Rural</th>
<th>Stroud/Rural West</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very satisfied</td>
<td>20%</td>
<td>18%</td>
<td>30%</td>
<td>11%</td>
<td>13%</td>
<td>31%</td>
<td>17%</td>
<td>6%</td>
</tr>
<tr>
<td>Satisfied</td>
<td>40%</td>
<td>42%</td>
<td>36%</td>
<td>39%</td>
<td>29%</td>
<td>44%</td>
<td>47%</td>
<td>43%</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>30%</td>
<td>29%</td>
<td>30%</td>
<td>44%</td>
<td>32%</td>
<td>19%</td>
<td>26%</td>
<td>44%</td>
</tr>
<tr>
<td>Not very satisfied</td>
<td>7%</td>
<td>8%</td>
<td>4%</td>
<td>6%</td>
<td>17%</td>
<td>6%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Not at all satisfied</td>
<td>3%</td>
<td>4%</td>
<td>0%</td>
<td>0%</td>
<td>9%</td>
<td>0%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Mean rating</strong></td>
<td><strong>3.66</strong></td>
<td><strong>3.61</strong></td>
<td><strong>3.93▲</strong></td>
<td><strong>3.54</strong></td>
<td><strong>3.20▼</strong></td>
<td><strong>4.01▲</strong></td>
<td><strong>3.67</strong></td>
<td><strong>3.46</strong></td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td>401</td>
<td>165</td>
<td>63</td>
<td>39</td>
<td>38</td>
<td>43</td>
<td>43</td>
<td>12</td>
</tr>
</tbody>
</table>

Scale: 1 = not at all satisfied, 5 = very satisfied
▲▼Significantly higher/lower compared to ‘overall’

Base: Overall n = 401
The largest performance gaps were recorded for 'regional roads' and 'rural sealed roads'.

Q. How important are these assets to you and how satisfied are you with them?

Base: n = 401  
Scale: 1 = not at all important/satisfied, 5 = very important/satisfied

<table>
<thead>
<tr>
<th>Asset</th>
<th>Importance</th>
<th>Satisfaction</th>
<th>Performance Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional roads</td>
<td>4.57</td>
<td>3.12</td>
<td>1.46</td>
</tr>
<tr>
<td>Rural sealed roads</td>
<td>4.25</td>
<td>3.01</td>
<td>1.24</td>
</tr>
<tr>
<td>Footpaths &amp; cycleways</td>
<td>4.30</td>
<td>3.25</td>
<td>1.05</td>
</tr>
<tr>
<td>Rural unsealed roads</td>
<td>3.96</td>
<td>2.94</td>
<td>1.01</td>
</tr>
<tr>
<td>Bridges</td>
<td>4.62</td>
<td>3.66</td>
<td>0.97</td>
</tr>
<tr>
<td>Urban roads</td>
<td>4.33</td>
<td>3.37</td>
<td>0.96</td>
</tr>
</tbody>
</table>
Performance Gaps of Council’s Recreation Assets

<table>
<thead>
<tr>
<th>Asset</th>
<th>Importance</th>
<th>Satisfaction</th>
<th>Performance Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community buildings &amp; public toilets</td>
<td>4.57</td>
<td>3.49</td>
<td>1.08</td>
</tr>
<tr>
<td>Playgrounds</td>
<td>4.41</td>
<td>3.67</td>
<td>0.74</td>
</tr>
<tr>
<td>Parks</td>
<td>4.52</td>
<td>3.81</td>
<td>0.71</td>
</tr>
<tr>
<td>Sports fields</td>
<td>4.58</td>
<td>4.03</td>
<td>0.56</td>
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<tr>
<td>Chlorinated outdoor swimming pools</td>
<td>3.95</td>
<td>3.46</td>
<td>0.49</td>
</tr>
<tr>
<td>Natural bushland in parks &amp; reserves</td>
<td>4.41</td>
<td>3.74</td>
<td>0.67</td>
</tr>
<tr>
<td>Passive recreation areas</td>
<td>4.54</td>
<td>3.83</td>
<td>0.71</td>
</tr>
</tbody>
</table>

Whilst there is room for improvement with all of these assets, the community expressed reasonably high satisfaction with them.

Q. How important are these recreational assets to you and how satisfied are you with them?

Base: n = 401

Scale: 1 = not at all important/satisfied, 5 = very important/satisfied
Agreement with Council’s Proposed Investment

The majority of residents rated Council’s investment in 6 of the 7 assets as ‘just right’. The exception was for ‘regional roads’.

Q What is your level of agreement with Council’s proposed investment plan regarding these assets?

Base: n = 401

Scale: Council should be investing much less into this asset, +2 = Council should be investing much more into this asset

- Bridges: 70%
- Community Buildings & Public Toilets: 64%
- Rural Sealed Roads: 63%
- Urban Roads: 57%
- Footpaths & Cycleways: 56%
- Rural Unsealed Roads: 56%
- Regional Roads: 47%
Where to from here – Assets

• Community service levels being incorporated into Asset Management Plans as part of asset management improvement program

• Community consultation

<table>
<thead>
<tr>
<th>Date</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday 17 Nov</td>
<td>Tea Gardens</td>
</tr>
<tr>
<td>Wednesday 19 Nov</td>
<td>Stroud</td>
</tr>
<tr>
<td>Thursday 20 Nov</td>
<td>Forster</td>
</tr>
<tr>
<td>Wednesday 26 Nov</td>
<td>Bulahdelah</td>
</tr>
</tbody>
</table>

• Asset Management Strategy & Plans to Council for adoption in December
Special Rate Variation (SRV)

- Office of Local Government & IPART guidelines released October 2014
- Guidelines require SRV scenarios to have been included in *current* Delivery Program (DPOP) & Long Term Financial Plan (LTFP)
- Development of 2015/16 DPOP & LTFP to include consultation on SRV scenario
- IPART application can then be lodged in Feb 2016 for 2016/17 financial year
Fit for the Future

• Initiative of NSW State Government – A Blueprint for the future of Local Government

• The Blueprint ‘outlines what the State will do to cut red tape, invest in reform and help councils work smarter together’

• Recommendations are based on the work of the NSW Local Government Review Panel (LGRP)
Create strategic and Fit for the Future councils – Councils that are financially sustainable; efficient; with the capacity to effectively manage infrastructure and deliver services; the scale, resources and ‘strategic capacity’ to govern effectively and partner with the State; and has the capacity to reduce red tape and bureaucracy for business and of a scale and structure that is broadly in line with the Panel’s recommendations.

Source: Office of the Local Government
Tcorp Review

Graph 8 - FSRs of NSW LGAs

NSW Local Government Areas

*As at April 2013
Short term (3 year) FSR
Councils at risk

GLC Rating
FSR - Moderate
Outlook - Neutral

- SMALLER RURAL COUNCILS AT RISK (BASED ON A COMBINATION OF FACTORS)
- LARGER COUNCILS AT RISK (‘WEAK’ TCORP SUSTAINABILITY RATING)
# Tcorp Financial Sustainability Comparison

<table>
<thead>
<tr>
<th>Hunter Councils (current)</th>
<th>FSR</th>
<th>Rating</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Lakes</td>
<td>moderate</td>
<td>Neutral</td>
<td>moderate</td>
</tr>
<tr>
<td>Newcastle City</td>
<td>moderate</td>
<td>Negative</td>
<td>weak</td>
</tr>
<tr>
<td>Lake Macquarie City</td>
<td>moderate</td>
<td>Neutral</td>
<td>moderate</td>
</tr>
<tr>
<td>Maitland City</td>
<td>moderate</td>
<td>Neutral</td>
<td>moderate</td>
</tr>
<tr>
<td>Dungog</td>
<td>weak</td>
<td>Negative</td>
<td>very weak</td>
</tr>
<tr>
<td>Gloucester</td>
<td>very weak</td>
<td>Neutral</td>
<td>very weak</td>
</tr>
<tr>
<td>Cessnock City</td>
<td>moderate</td>
<td>Negative</td>
<td>weak</td>
</tr>
<tr>
<td>Port Stephens</td>
<td>moderate</td>
<td>Neutral</td>
<td>moderate</td>
</tr>
<tr>
<td>Singleton Shire</td>
<td>moderate</td>
<td>Neutral</td>
<td>moderate</td>
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<tr>
<td>Upper Hunter Shire</td>
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</tr>
<tr>
<td>Muswellbrook Shire</td>
<td>moderate</td>
<td>Neutral</td>
<td>moderate</td>
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</table>

<table>
<thead>
<tr>
<th>Mid-North Coast JO Councils</th>
<th>FSR</th>
<th>Rating</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Lakes</td>
<td>moderate</td>
<td>Neutral</td>
<td>moderate</td>
</tr>
<tr>
<td>Gloucester</td>
<td>very weak</td>
<td>Neutral</td>
<td>very weak</td>
</tr>
<tr>
<td>Greater Taree City</td>
<td>very weak</td>
<td>Negative</td>
<td>distressed</td>
</tr>
<tr>
<td>Kempsey Shire</td>
<td>weak</td>
<td>Negative</td>
<td>very weak</td>
</tr>
<tr>
<td>Port Macquarie-Hastings</td>
<td>weak</td>
<td>Negative</td>
<td>very weak</td>
</tr>
</tbody>
</table>
Local update (1 of 2)

Completed

• Seal Rocks Rd construction & sealing
• Lakes Way north of Tiona rehabilitation
• Southern Parkway ‘missing link’
• Cape Hawke Surf Club extension
• Forster Boat Harbour boat ramp replacement
• Warramutty St Coomba - construction & sealing
• Farnell St Nabiac - construction & sealing

In progress

• Macwood Rd reconstruction
• Boomerang Dr footpath missing link
• Public place recycling stations - Forster, Tuncurry, Pacific Palms
• GL Landfill (Minimbah) - ready for operation end 2015
Upcoming

- Urban road rehabilitation - Pipers Bay Dr, Elizabeth Pde, Gleeson Ave
- Rural road rehabilitation – Seal Rocks Rd, Boomerang Dr
- Memorial Dr rehabilitation - road & footpath
- Little St foreshore - additional footpath works
- Lakes Way cycleway Tuncurry - construction between Grandis & Chapmans
- Palm St carpark Tuncurry - reconstruct
- Wyuna Canal Forster Keys - dredging
- Wallaroo St Coomba - rehabilitation
- Lakes Way south of Bungwahl - rehabilitation
- Lyn Crescent Smiths Lake - construction & sealing
- Darawank - bank protection & promotion of mangrove growth along river
Questions

1. Long Term Financial Position
2. Community Satisfaction Survey
3. Future Special Rate Variation
4. Fit for the Future
5. Local Update
Agenda

1. Tcorp Review
2. Long Term Financial Plan
3. Asset Management
4. Key Focus Areas
5. Way Forward & Local Update
Tcorp Review

Graph 8 - FSRs of NSW LGAs

NSW Local Government Areas

*As at April 2013
Short term (3 year) FSR

NSW Local Government Areas

FSR Outlook
- Very Strong
- Strong
- Sound
- Moderate
- Weak
- Very Weak
- Distressed
Councils at risk

GLC Rating

FSR - Moderate
Outlook - Neutral
Long Term Financial Plan

Key Focus Areas

Way Forward
GLC long term financial position
Comparison July 2013 V's Current LTFP

Figures shown do not include the utilisation of the quarantine reserve
Long Term Financial Plan – Projected Budget Results (Balanced)

Comparison July 2013 V's Current LTFP

Figures shown include the utilisation of the quarantine reserve & unused LIRS reserve

Original LTFP 2013

Current LTFP April 2014
Long Term Financial Plan – Loans (Principal + Interest Payments)

Current LTFP Loan Repayments By Fund

- Figures shown are in millions of dollars

Graph shows the trend of loan repayments from 2014/15 to 2023/24 for General Fund, Waste, and Total Repayments.
Road condition indicators

1 – very good
2 – good
3 – fair
4 – poor
5 – very poor
Road segment condition map - Tuncurry

- Very good
- Good
- Fair
- Poor
- Very poor
Regional roads

- The Lakes Way, The Bucketts Way, Myall Way and Stroud Hill Road (total length 136 km)
- Current value **$51.1m** (pavement & seal)
- Current budget adequate to eliminate all poor (4) & very poor (5) over 20 years

![Regional Roads Condition Distribution](image)
Urban roads

- Total length 245 km
- Current replacement value $115.7m (pavement & seal)
- Current budget adequate to eliminate all very poor (5) roads over 20 years
- Additional $1.3m per year needed to eliminate all poor (4) and very poor (5) roads over 10 years

Urban roads condition distribution

- Very Good (1): 20%
- Good (2): 53%
- Fair (3): 20%
- Poor (4): 4%
- Very Poor (5): 2%

Backlog at condition 4 approx $12.2m
Backlog at condition 5 approx $4.4m
Rural roads – sealed

- Total length 261 km
- Current value **$70.2m** (pavement & seal)
- Additional $1.2m per year needed to eliminate all very poor (5) roads over 10 years
- Additional $3m per year needed to eliminate all poor (4) roads over 10 years

Rural sealed roads condition distribution

Backlog at condition 4 approx $29.0m
Backlog at condition 5 approx $12.3m
Regional Roads

* No change in current funding
Urban Roads

* No change in current funding

1 – very good

2 – good

3 – fair

4 – poor

5 – very poor
Urban Roads

* Extra $1.3m per year over ten years

1 - very good
2 - good
3 - fair
4 - poor
5 - very poor
Rural Roads

* No change in current funding

1 – very good

2 – good

3 – fair

4 – poor

5 – very poor
Rural Roads

* Extra $1.2m per year over ten years
Roads summary

Regional Roads
- No change to funding allocations
- All roads in fair (3) or better within 20 years

Urban Roads & Rural Roads
- Allocate an additional $1m per year
- All roads in poor (4) or better within 15 years
Key focus areas – Delivery Program & Operational Plan

- Detailed review – updated and more reader friendly
- Includes activities to be undertaken in 4 year term & in 2014/2015
- Improved performance measures

Rate structure

- No change in valuations; new valuations for 2015/2016 rating period
- 2.3% increase = IPART rate peg
- $23 increase per $1000 of ordinary rate
- Total rate income for 2014/2015 = $31.2m
- Includes 6% Enviro & Dredging levy

Capital works program 2014/2015

- Total value - $18.5m
- Roads, bridges, footpaths, drainage - $11.5m
- Waste management - $2.8m
Key focus areas – Delivery Program & Operational Plan

Public Halls review

- Usage of all halls reviewed as part of service level review
- No closures proposed
- New management strategy proposed
- Hand management of 6 halls back to State Government
- Asset rationalisation, will allow for significant upgrade to some facilities
- Engaging with Council and hall committees

Submissions – close 6 June
Key focus areas

• Asset backlog
  - Refinement of asset management plans
  - Additional $1m per year to address backlog over 20 yr period

• Organisational productivity
  - Service Level Review
  - Improvement through technology

• ICT Strategy
  - Fit for purpose

• Major projects & programs
  - Civic Centre Precincts (Forster & Tea Gardens)
  - Ageing Centre of Excellence
Library funding campaign

- Funding at crisis point
- NSW lowest per-capita funding for public libraries across all states
- % State Gov expenditure on libraries decreased 23% (1980) to 7% (2013) as proportion of total library expenditure
- Current library grants likely to be the last
- Library Council recommends - recurrent funding adjusted from current $26.5m to $30m per annum

What can you do?
Way forward

• Greater assistance from the State Government

• Potential special rate variation (modest)
  - 0.5% per year x 10 yrs to address infrastructure backlog OR 1 x 3%
  - 2-3% one off to address productivity improvements
  - x% for Civic Centre Precinct (Forster)
  - x% for Civic Centre Precinct (Tea Gardens)

• 2014-2015 funded from reserves from entrepreneurial activities (not sustainable)
Recent achievements

- Lakes Way rehab (north of Green Point turn off)
- Southern Parkway ‘missing link’ to Lakes Estate
- Seal Rocks Rd sealing (in progress)
- Forster Marina boatramp replacement (in progress)
- Cape Hawke surf club extension
- Boronia Park netball court resurfacing
- Green Point Drive drainage works
- Pacific Palms library extension
# Upcoming works

## 2014/15 road rehab & construction

### Urban roads
- Memorial Dr (Blows Ln to Little St)
- Elizabeth Pde (King George Pde to Guy St)
- Pipers Bay Dr (Carribean to Tahiti)
- Gleeson Ave (Colliton to Surfriders)
- Palm St Tuncurry (car park)
- Warramutty St Coomba
- Wallaroo St Coomba (Coomba Rd to Burranjurra)
- Lyn Crescent (Third Ridge Rd to end)

### Rural roads
- Macwood Rd (Paradise Dr to Matthew Rd)
- Seal Rocks Rd (final stage)
- Boomerang Dr (Lakes Way to caravan park)

### Footpath/cycleway
- Little St/Memorial Dr
- Boomerang Dr (missing link Carramatta – Redgum)

### Regional roads
- Lakes Way rehab (north of Tiona – commencing soon)
- The Lakes Way (south Bungwahl cemetery)

### Other projects
- Tuncurry swimming pool rehab
- Tuncurry sports complex cricket net upgrade
- Beach viewing platforms (Tuncurry & Blueys)
- Nabiac Swimming Pool
Questions?

1. Tcorp Review
2. Long Term Financial Plan
3. Asset Management
4. Key Focus Areas
5. Way Forward & Local Update
Outline of presentation

Introduction
1 Independent Review Panel & Treasury Corp
2 GLC long term financial position
3 Local Gov’t Infrastructure Audit
4 GLC & asset management
5 Improving our assets
6 Service Level Review
7 Local update
8 Constitutional recognition of LG
9 Handout - references
Independent Review Panel & TCorp

- *Future Directions for NSW Local Government* report covered variety of challenges for LG including:
  - Financial sustainability
  - Revenue options
  - Asset management
  - Integrated planning
  - Roles of mayors & councillors

- Report provided proposals for establishment of ‘county councils’ and mergers

- Final report due to Minister in September 2013

- TCorp reviewed the financial sustainability of all NSW Councils
IRP county council proposals

Map 2: Proposed County Councils and Regional Centres

- PROPOSED COUNTY COUNCILS
- MAJOR REGIONAL CENTRE
- SUBSIDIARY CENTRE
- AMALGAMATIONS TO STRENGTHEN REGIONAL CENTRES
- BOUNDARIES TO BE REVIEWED
IRP Mid Coast proposal

Greater Taree

Gloucester

Great Lakes
TCorp – Current FSR

Graph 8 - FSRs of NSW LGAs

NSW Local Government Areas

FSR
Strong
Sound
Moderate
Weak
Very Weak
Short term (3 year) FSR

NSW Local Government Areas

FSR Outlook
- Very Strong
- Strong
- Sound
- Moderate
- Weak
- Very Weak
- Distressed
Councils at risk

GLC Rating

FSR - Moderate
Outlook - Neutral
DLG LG Infrastructure Audit

• Reviewed the infrastructure management practices & processes of all councils

• Results indicate that better data, practices & processes are in place for roads & related assets

• Defined ‘backlog’
  - the work required to ensure an asset is able to continue to provide the same level of service, has not been carried out at a particular reporting date (usually the end of the financial year)

• GLC 1 of 35 councils selected for onsite audit
“Strong and sustainable communities that optimise the use of public resources is what residents and ratepayers of NSW are looking for. As a result, the management of assets and in particular infrastructure assets, is an extremely important component of a council’s function.”
Audit results by LGA
Audit results Mid North coast

Great Lakes
BTS per capita by LGA
GLC & asset management

• All councils must have AM planning that is integrated with LTFP & the strategic direction of Council (GLC Asset Management Strategy)

• Asset Management Improvement Plan underway to:
  - further develop AM systems, information & integration with LTFP

• Defining our approach to depreciation & backlog

• Considering future funding options
### Improving our assets

**Additional funds from 8% SRV**

<table>
<thead>
<tr>
<th>Year</th>
<th>Roads &amp; Bridges</th>
<th>Roads</th>
<th>Bridges</th>
<th>Community Buildings</th>
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<tr>
<td>2012/13</td>
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<tr>
<td>2013/14</td>
<td>200,000</td>
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<tr>
<td></td>
<td>100,000</td>
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</tr>
</tbody>
</table>

*Plus*...retain existing service levels, reinstate community grants, contributions to surf clubs & build up working funds.
LIRS funding

Urban renewal – Boomerang Drive

Greenhams Bridge - Mill Creek
LIRS funded projects

Urban renewal
- Stroud St Bulahdelah
- Breese Pde Forster
- Kularoo Dr Forster
- Tuloa Ave Hawks Nest
- Charlotte Bay St Pacific Palms
- Rockpool carpark Tuncurry
- Myall St Tea Gardens

Rural renewal
- Booral Rd
- Willina Rd
- Markwell Rd
- Mill Creek Rd

Bridge renewal
- Reidsdale Bridge over Karuah River
- Pongs Bridge on Booral Rd
- Booral Creek
Service Level Review

Objectives:
• improve delivery of services
• improve financial sustainability
• ensure appropriate structure exists to support delivery of Delivery Program

- Review & categorisation by Council of all services as:
  - Legislated
  - Core
  - Other

- How we deliver services, what improvements can be made?
- 1000 suggestions received from staff
<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
<th>Cost</th>
<th>In AMP</th>
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<tr>
<td>Nabiac</td>
<td>Play Equipment</td>
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<tr>
<td>Winda Woppa</td>
<td>Play Equipment</td>
<td>50,000</td>
<td>Yes</td>
</tr>
<tr>
<td>Coolongolook</td>
<td>Play Equipment</td>
<td>40,000</td>
<td>Yes</td>
</tr>
<tr>
<td>The Tanks - Forster</td>
<td>Outdoor fitness</td>
<td>60,000</td>
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<tr>
<td>North Tuncurry No2</td>
<td>Floodlighting</td>
<td>160,000</td>
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<tr>
<td>Stroud</td>
<td>Skate Park</td>
<td>100,000</td>
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<tr>
<td>Myall Park HN</td>
<td>Irrigation</td>
<td>60,000</td>
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<tr>
<td>Lake Street Forster</td>
<td>Irrigation</td>
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<tr>
<td>Boronia Park Forster</td>
<td>Irrigation</td>
<td>80,000</td>
<td>No</td>
</tr>
<tr>
<td>Boronia Park Forster</td>
<td>Drainage</td>
<td>20,000</td>
<td>No</td>
</tr>
</tbody>
</table>
Local update
Forster/Tuncurry & surrounds

- Renewal of Enviro & Dredging Levy – very strong support from community
- Boomerang Dr - cycleway ‘missing link’ south of school
- Seal Rocks Rd – sealing 1.3km leaving 1.3km unsealed
- The Lakes Way reconstruction –
  - ✔ between 7 Mile & Green Point bend
  - ✔ north of Tiona stage 2
  - ✔ Smiths Lake to Tarbuck Bay
- Boat ramp upgrades – Forster, Palms Rec Club
- War memorial upgrade – Tuncurry
- Tuncurry sea wall repairs
- Tuncurry CBD landscaping
- Little St footpath stage 2
- Nabiac pool construction
Constitutional recognition

The facts say yes

• A YES vote in the upcoming referendum is a vote for our community

The status quo
If you want to make sure our council keeps getting the funding we already get, vote YES

Bi-partisan support
95% of Federal MPs and Senators voted in favour of this referendum, because it makes a necessary change to our Constitution

The only way forward
Important local projects need Federal funding and voting YES is the only way to secure this. There is no other source to replace this funding

Keep it local
Direct Federal funding has already delivered safer roads and improved local libraries, parks, community halls and more
References

Independent Local Government Review Panel

TCorp (NSW Treasury) report
   &mi=46&ml=1

Dept Local Government Infrastructure Audit
   &mi=46&ml=1

Great Lakes 2030, Delivery Program, Operational Plan & IP&R documents

Constitutional recognition
Council holds community update meetings

Great Lakes Council will hold community update meetings across the Great Lakes from Monday 2 - Monday 9 November to keep ratepayers informed about how it is meeting community priorities for the region.

"We invite anyone who is interested in hearing about our progress in addressing the concerns raised by the community in the 2014 community survey and also how we can ensure we meet the priorities that our ratepayers have asked us to achieve" said Council's General Manager, Mr Glenn Handford.

"We will be talking about the options to ensure we can continue to provide adequate maintenance on our existing assets - including roads, parks, playgrounds, footpaths, buildings and public swimming pools."

"We will also discuss the implications of the NSW Government's recent assessment of Great Lakes as a 'fit for the future' Council" said Mr Handford.

The meetings will take place as follows:
**Stroud** School of Arts Hall, Monday 2 November at 6pm
**Forster** Council Chambers Friday 6 November at 10am
**Tea Gardens** Baptist Church, Thursday 5 November at 6pm
**Bulahdelah** School of Arts Hall Monday 9 November 6pm.

We look forward to your participation in these important meetings.

END

Photos: The maintenance of existing assets such as roads, playgrounds and parks were identified by the community as priorities.
| FOR THE INFORMATION OF MEDIA (not for publication) | For further information in relation to the above item please contact Glenn Handford on [redacted] |