

## Template 3

# Rural Council Proposal



# Getting Started

Before you commence this template, please check the following:



You have chosen the correct template – only councils in Group C in the final report of the Independent Panel or that meet the Rural Council characteristics (and do not wish to complete template 1 or 2) should complete Template 3.



You have read a copy of the guidance material for Template 3 and instructions for completing each question.



You have completed the self-assessment of your performance, using the tool provided.



You have completed any supporting material and prepared attachments for your Proposal as PDF documents. Please limit the number of attachments and ensure they are directly relevant to your proposal. Specific references to the relevant page and/or paragraph in the attachments should also be included.



Your Proposal has been endorsed by a resolution of your council.

# Section 1: About your council's proposal

## Council details

**Council name:**

**Carrathool Shire Council**

**Date of Council resolution  
endorsing this submission:**

**23 June 2015**

## 1.1 Executive summary

*Provide a summary (up to 500 words) of the key points of your Proposal including current performance, the issues facing your council and how adopting the Rural Council and other options in your Proposal will improve your council's performance against the Fit for the Future measures.*

Carrathool Shire is a large rural Shire having an area of 19,000 square kilometres and five urban centres including the town of Hillston and the villages of Goolgowi (Council headquarters), Merriwagga, Carrathool and Rankins Springs. It is traversed by the Murrumbidgee and Lachlan Rivers as well as the Mid Western Highway and the Kidman Way. Willandra, Cocoparra and Nombinnie National Parks are also a feature of the area.

All villages except Merriwagga are serviced by public schools with Hillston providing a Private Catholic School and a Central School to year 12. The Shire is serviced by a new multi purpose service (hospital) and medical services in Hillston. Hillston also boasts a well stocked library.

The town and villages feature excellent recreation facilities which have been established with a great deal of community effort and pride. Hillston and Goolgowi have 25 metre swimming pools (solar heated) which operate for 22 weeks of the year. Modern playground equipment is provided for each township and village.

Council has continued to support the community to ensure the long term economic viability of the Shire. Some examples include the retention of the Commonwealth Bank in Hillston and the Post Office in Goolgowi. The Shire took over the running of the Commonwealth Bank in Hillston when it had been decided to close the branch. The Shire kept the bank open and returned it to sufficient profitability for the Commonwealth Bank to take it over again. The facility is still open and running five days a week. The village of Goolgowi was in danger of losing its Licensed Post Office two years ago but Council stepped in and continued to run the Post Office with the assistance of community volunteers. The service was then taken over after 12 months, as an ongoing concern with the General Store and the facility continues today. Council also provides the Medical Centre for the Shire's only Doctor in Hillston. Providing his accommodation, vehicle and other support to ensure the retention of this important community service.

Whilst still predominantly an agricultural based shire, we have diversified greatly from small dryland cereal growing and large grazing pursuits to irrigation crops such as cotton, walnuts, olives, rice, corn, cherries, vegetables, potatoes and citrus. A number of chicken farm developments have also been established, with interest in further agricultural development with capital investment in the range of \$500 to \$600 million.

Council considered a possible merger with Griffith City Council, but after community consultation it was found that 98% of respondents requested Carrathool remain a stand alone Council. Griffith City Council also indicated at a meeting in Darlington Point on 1 April 2015 that it would prefer not to merge.

Council currently meets four of the seven Fit for the Future criteria results. The three bench marks that Council does not currently achieve are: own source revenue, ratio the building and infrastructure asset renewal ratio and the infrastructure backlog ratio.

Since the T-Corp report Council has focussed on its asset management and depreciation levels and has returned its Operating Performance into the black for the past two financial years.

The building and infrastructure asset renewal ratio average was affected by the 2012 floods where many of Council's roads were impaired and required restoration. Council received \$13 million disaster recovery funding over a two year period and these roads have now been restored. This ratio is due to meet the bench mark in the 2014/15 financial year.

The own source revenue has also been affected by the level of grant funding received for disaster recovery and with the addition of FAGS the ratio has increased to 65.3% for 2013/14, an average of 57.1% over the last three years. This adjusted ratio will be achieved in the 2015/16 financial year.

During this current financial year Council is completing a revaluation and assessment of all road infrastructure and completing a number of projects over the current and next two financial years which should reduce the backlog, returning the ratio to approximately 1.7%.

In summary this submission will show that Council, over the next two to three years, will meet all the Fit for the Future benchmarks, improve Council's asset management and consequently properly integrate all of Council's IP&R documentation. Council will also undertake a service review of key services in conjunction with the community to identify possible areas of reduced costs to further improve Council's funds for discretionary expenditure.



*help completing this section. See Guidance material page 10 for help*

## 1.2 Scale and capacity

Did the Independent Local Government Review Panel identify the option that your council become a Rural Council?

*(i.e. your council was identified in Group C or B of the Panel's final report)*

**Yes**

If the Panel identified an alternative preferred option for your council, have you explored this option?

*(Group C Councils should answer 'NA')*

**NA**



See Guidance material page 10-12 for help completing this section.

## 1.2 Scale and capacity

Please demonstrate how your council meets the following characteristics of a Rural Council (optional if a Group C council).

Rural Council Characteristic	Your council's response
1. Small and static or declining population spread over a large area	
2. Local economies that are based on agricultural or resource industries.	
3. High operating costs associated with a dispersed population and limited opportunities for return on investment.	
4. High importance of retaining local identity, social capital and capacity for service delivery.	

5. Low rate base and high grant reliance.	
6. Difficulty in attracting and retaining skilled and experienced staff.	
7. Challenges in financial sustainability and provision of adequate services and infrastructure.	
8. Long distance to a major or sub-regional centre.	
9. Limited options for mergers.	

# Section 2: Your council's current position

## 2.1 Key challenges and opportunities

Explain the key challenges and opportunities facing your council through a SWOT analysis.

*(You should reference your Community Strategic Plan and any relevant demographic data for this section)*

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>Strong community identity</li> <li>Low external borrowings</li> <li>Vast fertile/productive agricultural land</li> <li>Temperate climate</li> <li>Proximity to the regional centre of Griffith (labour &amp; services)</li> <li>Diverse agricultural production</li> <li>Significant capital investment in modern and efficient private irrigation infrastructure and agricultural diversification</li> <li>Natural resources including Lachlan and Murrumbidgee rivers</li> <li>Fully funded modern and extensive plant and fleet</li> <li>Skilled and experienced staff</li> <li>Council cash reserves</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>Reliance on grant funding</li> <li>Static population</li> <li>Ageing population</li> <li>Asset Management</li> <li>Cost shifting from State and Federal Governments</li> <li>Rate pegging</li> <li>Remote location</li> <li>Access to technology</li> <li>Low population density</li> <li>Affordable accommodation for itinerant workers</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Agricultural investment opportunities</li> <li>Joint Organisations (JO) (regional collaboration)</li> <li>Improve Council's asset management</li> <li>Service review of Council's key services</li> <li>Water availability</li> <li>Streamlined governance, i.e. remove wards, reduce Councillor numbers and reduce numbers of meetings held</li> <li>Changes to FAGS distribution</li> <li>Attraction of renewable energy generation (solar farms)</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>Declining State and Federal Government community services</li> <li>Population decline</li> <li>Climate change</li> <li>Electricity availability</li> <li>Water availability</li> <li>No changes to FAGS distribution</li> <li>Failure of Councils to co-operate in a Joint Organisation</li> </ul>



See Guidance material page 13 for



## 2.2 Performance against the Fit for the Future benchmarks

Sustainability				
Measure/Benchmark	2010/2011 performance	2011/2012 performance	2012/2013 performance	2013/2014 performance
<b>Operating Performance Ratio</b> (Greater than or equal to break-even average over 3 years)	-0.236	-0.106	0.146	0.038
<b>Own Source Revenue Ratio</b> (Greater than 60% average over 3 years)	No FAGS	No FAGS	No FAGS	No FAGS
	34.6%	31.0%	36.1%	38.2%
	With FAGS	With FAGS	With FAGS	With FAGS
	57.30%	51.00%	55.00%	53.45%
<b>Building and Infrastructure Asset Renewal Ratio</b> (Greater than 100% average over 3 years)	29.7%	33.2%	145.0%	108.5%



See Guidance material page 14-15 for help completing this section.

## 2.2 Performance against the Fit for the Future benchmarks

Sustainability			
Measure/Benchmark	Achieves FFTF benchmark?	Forecast 2016/2017 performance	Achieves FFTF benchmark?
<b>Operating Performance Ratio</b> (Greater than or equal to break-even average over 3 years)	Yes  0.026 average over three years	<i>Estimate performance</i>  0.050 average over three years	Yes
<b>Own Source Revenue Ratio</b> (Greater than 60% average over 3 years)	No  34.90% average over 3 years  53.20% average over three years with FAGS	74.69% average over three years with FAGS	Yes
<b>Building and Infrastructure Asset Renewal Ratio</b> (Greater than 100% average over 3 years)	No  51.50% average over three years	110.96% average over three years	Yes

If Fit for the Future benchmarks are not being achieved, please indicate why.

Council is still heavily reliant on grants but with the inclusion of the FAGS within the ratio Council will now achieve this benchmark.

Council received Disaster Relief funding for roads affected by flooding in 2011/12 and this funding and impairment impacted on the building and infrastructure asset renewal ratio. The ratio will consistently make the benchmark until the three year average in 2018/19 and 2019/20 when it will reduce to 87.68% and 94.16% respectively (refer to Attachment B Ratio Projections page 39.) The ratio will then return to achieving the required benchmark. This is due to the timing of asset renewals in Council's Asset Management Plans.

## 2.2 Performance against the Fit for the Future benchmarks

Infrastructure and service management				
Measure/Benchmark	2010/2011 performance	2011/2012 performance	2012/2013 performance	2013/2014 performance
<b>Infrastructure Backlog Ratio</b> (Less than 2%)	6.10%	6.00%	4.30%	3.44%
<b>Asset Maintenance Ratio</b> (Greater than 100% average over 3 years)	115.7%	255.1%	96.0%	110.4%
<b>Debt Service Ratio</b> (Greater than 0% and less than or equal to 20% average over 3 years)	2.65%	2.71%	2.67%	3.15%



See Guidance material page 13-15 for help completing this section.

## 2.2 Performance against the Fit for the Future benchmarks

Infrastructure and service management			
Measure/Benchmark	Achieves FFTF benchmark?	Forecast 2016/2017 performance	Achieves FFTF benchmark?
<b>Infrastructure Backlog Ratio</b> (Less than 2%)	No  Ratio is currently 3.44%	<i>Estimate performance</i>  The estimate for the ratio in 2016/17 is 1.69%	Yes
<b>Asset Maintenance Ratio</b> (Greater than 100% average over 3 years)	Yes  Ratio is currently 157.8%	It is anticipated that the ratio averaged over three years in 2016/17 will be 101.94%	Yes
<b>Debt Service Ratio</b> (Greater than 0% and less than or equal to 20% average over 3 years)	Yes  Ratio is currently 2.83%	Based on future borrowings the ratio averaged over three years in 2016/17 will be 3.05%	Yes

If Fit for the Future benchmarks are not being achieved, please indicate why.

Infrastructure backlog ratio is estimated to improve due to the following factors:

2014/15: Roads are in the process of being revalued and improvement of a minimum of \$950K is anticipated in the backlog due to the \$13 million in disaster recovery money spent on the roads.  
 Council Offices: Goolgowi Shire Office was completely refurbished with \$400K spent removing the \$100K from the backlog.

2015/16: Council Depots: \$69K is budgeted to be spent to reduce the \$85K backlog in this area with further spending in 2016/17. (Attachment D Page 51).  
 Hillston Pool: Backlog \$1.08M. Council have budgeted \$400K to replace the toddler pool (Attachment D Page 51).

2016/17: Hillston Pool: The remaining backlog will be reduced to zero as Council have budgeted \$600K to replace the existing 30 metre pool.

(Please refer to Attachment C Schedule 7 2013/14 Financial Report highlighted items and Attachment D Draft Operational Plan 2015/16 General Fund Capital Items)

## 2.2 Performance against the Fit for the Future benchmarks

Efficiency				
Measure/Benchmark	2010/2011 performance	2011/2012 performance	2012/2013 performance	2013/2014 performance
<b>Real Operating Expenditure per capita</b> (A decrease in Real Operating Expenditure per capita over time)	5.42	4.94	3.70	3.31



See Guidance material page 13-15 for help completing this section.

## 2.2 Performance against the Fit for the Future benchmarks

Efficiency				
Measure/Benchmark	2013/2014 performance	Achieves FFTF benchmark?	Forecast 2016/2017 performance	Achieves FFTF benchmark?
<b>Real Operating Expenditure per capita</b> (A decrease in Real Operating Expenditure per capita over time)	<i>Calculate using Self - Assessment Tool</i>  A decrease in expenses are evident	Yes	<i>Estimate performance</i>  An increase in expenditure per capita is evident in 2016/17 compared to 2013/14 but the expense continues to trend down until another change of population in 2021/22.	Yes and No.

If Fit for the Future benchmarks are not being achieved, please indicate why.

Council's past historical figures show a decreasing trend in Real Operating Expenditure per capita over time. Council forward projections also show a decreasing trend but are affected by the NSW Planning figures where our population figures are trending down.

Council has a small population spread over a large area, with 5 townships and villages and numerous small localities, requiring Council to spend greater money servicing this dispersed population.

On a positive note, Council currently have \$576 million developments that are currently in the planning approval stage to be undertaken within the Carrathool Shire Local area (refer to confidential Attachment E). This includes 52 dwellings and estimated employment of 346 FTE not including seasonal worker requirements. These developments should have a positive impact on Council's population projections from NSW Planning and have been discussed with their demographer.

## 2.3 Water utility performance

*NB: This section should only be completed by councils who have direct responsibility for water supply and sewerage management.*

Does your council currently achieve the requirements of the NSW Government Best Practice Management of Water Supply and Sewerage Framework?

**No**

*If no, please explain the factors that influence your performance against the Framework.*

Council has met 70% of the criteria for the NSW Government Best Practice Management of Water Supply and Sewerage Framework. Council have commenced Drinking Water Management System plans this year and will have these in place by the end of 2015/16 financial year. Council have also joined with eight other RAMROC Councils in a joint project to develop a Integrated Water Cycle Management Plan and it is anticipated that this project will be completed during 2016/17.

How much is your council's current (2013/14) water and sewerage infrastructure backlog?

**\$873,000**



*See Guidance material page 16 for help completing this section.*

## 2.3 Water utility performance

Identify any significant capital works (>\$1m) proposed for your council's water and sewer operations during the 2016-17 to 2019-20 period and any known grants or external funding to support these works.

Capital works			
Proposed works	Timeframe	Cost	Grants or external funding
Rankins Springs Potable Water Project	2 years	\$1,200,000	\$1,200,000



## 2.3 Water utility performance

Does your council currently manage its water and sewerage operations on at least a break-even basis?

**Yes**

*If no, please explain the factors that influence your performance.*

Council has a large rural water supply network as well as water networks in Council's towns and villages. This extensive water network includes 8 bores, 494 km of mains and pipeline, 22 pump stations with multiple pumps, 33 reservoir sites with multiple tanks and 7 treatment facilities. Council have recently obtained a \$1.2 million grant to supply potable water to the township of Rankins Springs.

Council have increased the fees for its rural supply network to ensure its long term viability and reworked its asset management plans in this area. Fees will be increased over a ten year period to ensure surplus funds are accumulated to meet future asset renewal requirements.

## 2.3 Water utility performance

Identify some of your council's strategies to improve the performance of its water and sewer operations in the 2016-17 to 2019-20 period.

These may take account of the Rural Council Options in Section 3.

Improvement strategies		
Strategy	Timeframe	Anticipated outcome
1. SCADA (Telemetry) online monitoring system	In place	Remote monitoring has saved Council cost in relation to physical monitoring of water infrastructure
2. Switchboards replaced with VSD drives and soft starters	In place	Reduction in maintenance and power costs
3. Solar power to 4 major pump stations	2016	Reduction in power costs
4. Replacement of mains on an ongoing basis in areas of high maintenance	2016 – 2019	Reduction in maintenance and loss of water

## Section 3: Towards Fit for the Future

### 3.1 How will your council become/remain Fit for the Future?

Outline your council's key strategies to improve performance against the benchmarks in the 2016-20 periods, considering the six options available to Rural Councils and any additional options.

Option 1: Resource sharing				
Proposal	Implementation	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
Sharing Planning and Environment Services	Arrangement already in place with Hay Shire Council  Meetings to be held with our neighbouring Councils	Meetings to be held with all neighbouring Shires by 31/03/16  MOU's in place by 30/06/16	Minimal. DPE employed by Carrathool Shire	Lack of Staff co-operation Change of staff Influence of JO New staff to region No co-operation between Councils.
Road Construction Services	Meetings to be held with neighbouring Councils	Meetings to be held with all neighbouring Shires by 31/03/16  MOU's in place by 30/06/16	Council have an extensive and modern fleet of plant including 6 graders. Costs would be minimal as a pay for service arrangement would be in place	Influence of JO No co-operation between Councils.

Refer to Attachment F for further information on the Key Strategies

## How will your proposal allow your council to become/remain Fit for the Future against the criteria?

Efficiency	Infrastructure and Service Management	Sustainability
Improve efficiencies with road maintenance on fringes of the Shire	Maintenance cost reduction	<p>Improve own revenue sources and operating profit.</p> <p>Currently receiving approx \$10K to \$15K for sharing DPE it is anticipated that this may increase to \$20K to \$30K per annum.</p>



*help completing this section. See Guidance material page 17-20 for*

### 3.1 How will your council become/remain Fit for the Future?

#### Option 2: Shared administration

Proposal	Implementation	Proposed milestones	Costs	Risks
<p>Proposed objectives and strategies</p> <p>Awaiting implementation of the JO before further consideration of this area</p>	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.

#### How will your proposal allow your council to become/remain Fit for the Future against the criteria?

Efficiency	Infrastructure and Service Management	Sustainability

### 3.1 How will your council become/remain Fit for the Future?

Option 3: Speciality services				
Proposal	Implementation	Proposed milestones	Costs	Risks
<p>Proposed objectives and strategies</p> <p>Council are currently exploring its ability to become pre-qualified for RMS constructions contracts to provide services to the RMS on their State Highways.</p>	<p>How will your council implement the option?</p> <p>Council are investigating the requirements</p> <p>Tumut Shire Council has already a business arm of Council already pre-qualified. Preliminary discussions have been started with Tumut.</p>	<p>Milestones for implementation</p> <p>Investigations completed by 31/03/16</p> <p>Costing, capabilities and risks reviewed by 30/6/16</p> <p>Qualifications completed by 31/12/16</p>	<p>Costs of implementation. Potential to consider Innovation Fund</p> <p>Consider Innovation Fund for the costs of implementation</p>	<p>Known risks of implementing your proposal.</p> <p>Council not having the capability</p> <p>RMS not agreeing to provide contract</p>

How will your proposal allow your council to become/remain Fit for the Future against the criteria?		
Efficiency	Infrastructure and Service Management	Sustainability
		<p>Increasing own source revenue.</p> <p>Increased profits generated</p> <p>Quantitative data is not available</p>

### 3.1 How will your council become/remain Fit for the Future?

#### Option 4: Streamlined governance

Proposal	Implementation	Proposed milestones	Costs	Risks
<p>Proposed objectives and strategies</p> <p>Council proposes to reduce Councillor numbers and remove wards and reduce Council meetings 12 per year but adjusted on a needs basis</p> <p>Councillors have decided to only receive two thirds of their maximum fees. Mayor is not provided with a vehicle.</p>	<p>How will your council implement the option?</p> <p>Council is in the process of reducing the number of wards from 5 to 2.</p> <p>Council have already moved a resolution to reduce Councillor numbers. A referendum will take place at the next election in 2016 if no legislation changes are approved</p>	<p>Milestones for implementation</p> <p>September 2016 election referendum</p> <p>Reduction in Councillor numbers at the September 2020 elections</p>	<p>Costs of implementation. Potential to consider Innovation Fund</p> <p>Minimal costs involved</p>	<p>Known risks of implementing your proposal.</p> <p>Referendum is defeated</p>

#### How will your proposal allow your council to become/remain Fit for the Future against the criteria?

Efficiency	Infrastructure and Service Management	Sustainability
<p>Reduction in operating expenses.</p> <p>Reduction of Councillors from 10 to 7. Savings p.a. \$32,406.</p>	<p>Council would still like to ensure Shire wide representation is maintained</p>	<p>Reduction in Operating costs will increase profit</p>

### 3.1 How will your council become/remain Fit for the Future?

#### Option 5: Streamlined planning, regulation and reporting

Proposal	Implementation	Proposed milestones	Costs	Risks
<p>Proposed objectives and strategies</p> <p>Further consideration of this area will be considered once LG Act review is complete and JOs are in place.</p>	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.

#### How will your proposal allow your council to become/remain Fit for the Future against the criteria?

Efficiency	Infrastructure and Service Management	Sustainability



## 3.1 How will your council become/remain Fit for the Future?

Option 6: Service review				
Proposal	Implementation	Proposed milestones	Costs	Risks
<p>Proposed objectives and strategies</p> <p>Council will implement a organisation wide review of services prior to the September 2016 elections</p>	<p>How will your council implement the option?</p> <p>Council will utilise an independent consultant to review Council services to identify efficiencies and possible savings in conjunction with community and staff consultation</p>	<p>Milestones for implementation</p> <p>Identify possible consultants and obtain quotes 31/10/15</p> <p>Engage consultants and complete review by 31/03/16</p> <p>Complete new budgets by 30/04/16</p> <p>Complete required documentation by 31/12/16.</p>	<p>Costs of implementation. Potential to consider Innovation Fund</p> <p>Yet to be determined</p> <p>Costs to be covered by Council surplus in 2015/16.</p>	<p>Known risks of implementing your proposal.</p> <p>Community expectations on service</p> <p>Staffing issues</p> <p>Costs of change</p>

How will your proposal allow your council to become/remain Fit for the Future against the criteria?		
Efficiency	Infrastructure and Service management	Sustainability
<p>A decrease in operating expenses is anticipated</p>	<p>Revision of back log dependent on community expectations</p> <p>Revision of maintenance required dependent on community expectations of service levels</p>	<p>Decrease in operating expenditure with more discretionary funding available</p>

### 3.1 How will your council become/remain Fit for the Future?

#### Option 7: Additional options identified by the council

Proposal	How will it be achieved /Implemented	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
Development within the Carrathool Shire	Development is currently in the planning stages	Development will occur over a three to four year period	Normal staff wages	Economic downturn Staff changes

#### How will your proposal allow your council to become/remain Fit for the Future against the criteria?

Efficiency	Infrastructure and Service management	Sustainability
Population growth is anticipated with 52 more dwellings and estimated employment growth of 346 FTE	Section 94 (A) contributions of \$770K is anticipated over the three to four year period	Town Planning & Development Fees and building permits and fees will increase a total of \$268K over this three to four year period.

## 3.2 Rural Council Action Plan

Giving consideration to the Rural Council options, summarise the key actions that will be achieved in the first year of your plan.

Action plan	
Actions	Milestones
1. Resource Sharing Planning Services	Meetings by 31/03/16
2. Road Construction Services	MOU's in place 30/06/16
3. RMS Pre-qualified Construction	Investigations completed by 31/3/16 Costings, capabilities and risks reviewed by 30/6/16 Qualifications completed by 31/12/16
4. Streamlined Governance	September 2016 election referendum to remove wards and reduce Councillors numbers from 10 to 7. Reduction in Councillor numbers at the September 2020 elections
5. Service Review	Identify possible consultants and obtain quotes 31/10/15 Engage Consultants and complete review 31/03/16 Complete new budgets by 30/04/16 Complete required documentation by 31/12/16

Refer to Attachment G for detailed action plan

*\*Please attach detailed action plan and supporting financial modelling.*

Outline the process that underpinned the development of your action plan.

Council consulted with their community, staff, Councillors and other Councils in this process. Council senior staff also attended a number of meetings with the Office of Local Government, LG NSW and other groups to better inform and review Council's submission. A number of Council's have also shared ideas and met to determine a way forward for the future.

Council's plan has been reviewed by Councillors and senior staff and approved at a Council meeting on 23 June 2015. The document was then displayed on Council's website for public comment.



*See Guidance material page 21 for help completing this section.*

### 3.3 Community involvement

Outline how you have consulted with your community on the challenges facing your council, performance against the benchmarks and the proposed solutions.

Council as part of the Fit for the Future process has undertaken community consultation in a number of different formats, with community meetings, an online survey, and mail out of a reply paid survey and information flyer. Council have also placed information on Council's website and on Council's Facebook page.

Council received a 25% response rate to its survey with 98.1% of respondents wanting the Council to "Stand Alone" with 0.6% in favour of a merger with Griffith.

Details of Council's performance were identified against the Fit for the Future benchmarks and some possible solutions were discussed.

### 3.4 Other strategies considered

In preparing your Action Plan, you may have considered other strategies or actions but decided not to adopt them. Please identify what these strategies/actions were and explain why you chose not to pursue them.

*Eg. Council sought to pursue a merger but could not reach agreement.*

After the community consultation it was evident that the community wished to retain its identity and not to merge with Griffith.

At a meeting with consultants and seven other neighbouring Councils in Darlington Point, Griffith City Council indicated that no merger with Carrathool Shire would be considered.



See Guidance material page 21-22 for help completing this section.

## Section 4: Expected outcomes

### 4.1 Expected improvement in performance

Measure/ benchmark	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total improvement over period?
<b>Operating Performance Ratio</b> (Greater than or equal to break-even average over 3 years)	2% Av. 4%	10% Av. 6%	3% Av. 5%	1% Av. 5%	0% Av. 1%	1% Av. 1%	Also complete years 2020/21 – 2024/25 on following page
<b>Own Source Revenue</b> Ratio (Greater than 60% average over 3 years)	76.94% Av. 61.8%	71.69% Av. 67.4%	75.44% Av. 74.7%	74.21% Av. 73.8%	73.69% Av. 74.4%	73.66% Av. 73.8%	Also complete years 2020/21 – 2024/25 on following page
<b>Building and Infrastructure Asset Renewal</b> Ratio (Greater than 100% average over 3 years)	100.88% Av. 118%	125.83% Av. 112%	106.17% Av. 111%	77.46% Av. 103%	79.41% Av. 88%	125.60% Av. 94%	% Change + 24.5%  Av. -20%
<b>Infrastructure Backlog Ratio</b> (Less than 2%)	2.59%	2.25%	1.69%	1.75%	1.87%	1.79%	% Change - 30.89%
<b>Asset Maintenance Ratio</b> (Greater than 100% average over 3 years)	101.42% Av. 102%	101.94% Av. 105%	102.46% Av. 102%	102.95% Av. 103%	103.97% Av. 103%	102.44% Av. 103%	% Change + 1.01% Av. 1%
<b>Debt Service Ratio</b> (Greater than 0% and less than or equal to 20% average over 3 years)	2.94% Av. 2.96%	2.65% Av. 2.95%	3.57% Av. 3.05%	2.98% Av. 3.07%	2.50% Av. 3.01%	1.83% Av. 2.43%	% Change -37.75% Av. -18%
<b>Real Operating Expenditure per capita</b> A decrease in Real Operating Expenditure per capita over time	4,283.25	4,638.55	4,604.88	4,580.02	4,568.85	4,514.45	% Change +5.40%

## 4.1 Expected improvement in performance\*

Measure/ benchmark	2020/21	2021/22	2022/23	2023/24	2024/25	Total improvement over period
<b>Operating Performance Ratio</b> (Greater than or equal to break-even average over 3 years)	0% Av. 0%	1% Av. 0%	1% Av. 1%	1% Av. 1%	1% Av. 1%	% Change -50% Av. -75%
<b>Own Source Revenue</b> Ratio (Greater than 60% average over 3 years)	73.65% Av. 73.7%	73.63% Av. 73.6%	73.61% Av. 73.6%	73.58% Av. 73.6%	73.58% Av. 73.6%	% Change -4.37% Av. 19%

\* See section 3.3 of IPARTs [Methodology for Assessment of Council Fit for the Future Proposals](#)



See Guidance material page 23 for  
help completing this section.

## 4.2 Factors influencing performance

Outline the factors that you consider are influencing your council's performance against the Fit for the Future benchmarks, including any constraints that may be preventing improvement.

Council have adjusted the benchmarks in line with the revised estimates from the 2015/16 Draft Operational Plan and Delivery Program, to produce a revised Long Term Financial Plan for the General Fund covering the years 2014/15 to 2023/24 (Refer to Attachment A). A copy of Council's financial statements for the year ending 30 June 2014 have also been included to support Council's revised estimates. Please refer to page 63 note 21 which indicates the General Fund Operating Result.

The only adjustments included in our revised estimates from the actions at 3.1 are Option 7 the town planning, development and building fees. Any other adjustments which are uncertain or cannot be quantified have been left out. Council has not increased the FAGS projections until the 2019/20 financial year.

The financial figures provided are conservative and achieves all benchmarks within a few years, except Real Operating Expenditure per capita is affected by the population projections.



*See Guidance material page 23 for*



# Section 5: Implementation

## 5.1 Putting your plan into action

How will your council implement your Rural Council proposal?

*For example, who is responsible, how the council will monitor and report progress against achieving the key strategies listed under Section 3.*

The action plan will be monitored by Council's senior staff, with progress reported through a fortnightly Manex and then reported to Council every meeting.

All Directors, Managers and Supervisors will be involved in the process and have copies of the Action plan for implementation as directed.

Funding to ensure implementation of the Action plan will be provided within Council's Operational Plan and revised Delivery Program



See Guidance material page 24 for help completing this section.