



LEETON SHIRE COUNCIL

Preserving the Past, Enhancing the Future



Leeton Shire Council

Fit for the Future Improvement Proposal

June 2015

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1 EXECUTIVE SUMMARY

Fit for the Future is the term used by the NSW Government when referring to Local Government structural reform. The NSW Government has requested that each Council in NSW prepare a submission by 30 June 2015 to outline how it will become Fit for the Future.

Using the Fit for the Future criteria, Councils need to demonstrate how they will become sustainable, provide effective and efficient services and have the scale and capacity needed to meet the needs of communities and partner with the NSW Government.

Leeton Shire Council has undertaken two separate business cases as part of its Fit for the Future requirements. These are:

- 1) to determine if a merger with Narrandera Shire Council is beneficial to both Councils
- 2) a separate business study on remaining as an individual Council (stand alone) whilst implementing some significant process improvements.

As per the Council report presented to Council at the Ordinary meeting of the 22 April 2014 a business case was prepared by Morrison and Low consultants into the feasibility of a merger between Leeton Shire and Narrandera Shire Councils. The shared modelling business case identified that:

- There is little difference between the existing scale and capacity of each council and the merged council.
- Currently both councils meet three of the seven Fit for the Future Benchmarks. A merged Council would only meet two.

On Monday 13 April 2015 a joint meeting of Leeton and Narrandera Councils was held to consider the final report from Morrison Low consultants on a merger case for the two Councils as recommended by the Independent Local Government Review Panel Report. The outcome of this meeting provided strong agreement that a merger of the two Councils did not provide any operational, financial or governance advantages.

Leeton Shire Council has now undertaken a substantial review of its operations in order to determine if it can make a submission in as a “stand alone” council with a number of process improvements identified. Council has engaged Morrison and Low to carry out this review.

The recently completed “Stand Alone” business case (Improvement process document attached) indicated that Leeton Shire Council was in a position to meet 6 of the 7 benchmark criteria set by the NSW State Government by 2020. As this is a vast improvement on the 2 benchmarks met by a joint Leeton/Narrandera Council, a formal submission will be made to IPART for Leeton Shire Council to remain as a standalone Council, whilst implementing a process improvement plan.

Two public meetings were held on the 3 June 2014 to outline to the community the options available to Council in relation to the Fit for the Future process. Both meetings were unanimous in the desire by the community for Leeton Shire Council to stand alone as an individual Council whilst undertaking process improvements to improve its long term sustainability.

2 FIT FOR THE FUTURE

Three years ago, local councils from throughout NSW gathered for a summit, Destination 2036 in Dubbo, to plan how local government could meet the challenges of the future. As a result, councils agreed that change was needed and that they wanted to be strong and sustainable and to make a positive difference in their respective communities. However, there were various views as to how this could be achieved and in April 2012 the State Government appointed an independent expert panel to carry out a review of the sector. That Independent Local Government Review Panel (ILGRP) consulted widely in developing its final recommendations which were presented to the Government in late 2013.

The panel concluded that for councils to become strong and sustainable, both the NSW Government and the local government sector would have to play a part. The State indicated its preparedness to change the way it works with councils and to support them through meaningful reform. Local councils must also be prepared to consider new ways of working and new structural arrangements. The Fit for the Future program was developed and brings these changes together to lay the foundations for a stronger system of local government and stronger local communities.

The Fit for the Future program requires councils to actively assess their scale and capacity in achieving long term sustainability and for councils to submit proposals to the Government indicating how they will achieve these objectives.

IPART's proposed assessment methodology, released for consultation in April 2015, requires councils to demonstrate that they first consider making a proposal on the basis of the ILGRP's preferred option. They also must demonstrate their performance against a set of criteria for their sustainability, infrastructure and service management, and efficiency, and what improvements they will make to reach the benchmarks by 2019/20.

Councils are required to submit a proposal as to how they will be Fit for the Future to IPART by 30 June 2015.

3 SCALE AND CAPACITY

The Local Government Review Panel report describes councils that are “fit for the future” as those with sufficient “scale and capacity” to deliver modern, efficient and sustainable services to local communities.

The starting point for scale and capacity according to the NSW Office of Local Government, and more recently confirmed by the IPART Assessment Methodology, is to be the Local Government Review Panel recommendation for each council. Whilst no thresholds were provided by the Panel, beyond this the demonstration of a Council’s “scale and capacity” is open to interpretation and therefore must be undertaken by each council proposing an alternative to the recommendation.

3.1 Introduction

Leeton is located in the Riverina region of New South Wales and is situated approximately 550km west of Sydney and 450km north of Melbourne in the productive Murrumbidgee Irrigation Area. The population of Leeton Shire is 11,595 with the main urban area of Leeton having a population of 6,733. Other villages within Leeton Shire include Yanco, Whitton, Murrambi and Wamoon.

Leeton Shire is situated in one of the most productive farming regions in the state, with citrus, rice, grapes, cotton and wheat farms as well as sheep and cattle grazing found throughout. The region plays an important role in feeding Australians and the world, with each MIA farmer estimated to feed 600 people (450 through exports) and collectively contributing to 38% of NSW’s vegetable production. Leeton is renowned as the Heart of SunRice Country and is home to the SunRice headquarters. Other large industry includes Berri Juices, Swift Beef Cattle Feedlot, Freedom Foods, Walnuts Australia, Southern Cotton, Murrumbidgee Irrigation, Climate Technologies, Wumbulgal Rural Industry Park and Rail freight Terminal, major boarding schools (St Francis College and Yanco Agricultural High School) and the Yanco Research Institute.

Leeton Shire contains the first town built as part of the Murrumbidgee Irrigation Area (MIA) with Leeton being designed with the assistance of noted American architect Walter Burley Griffin. The MIA was developed through the foresight of the Water Conservation and Irrigation Conference, which was chaired by Charles Lee in 1905 and initiated the construction of Burrinjuck Dam. Sir Samuel McCaughey demonstrated the viability of irrigation in the region and on his 'North Yanko' farm, 16,187 hectares were irrigated using around 320km of channels drawing water from the Murrumbidgee River with steam driven pumps. McCaughey’s Mansion is now part of the Yanco Agricultural High School, one of the many schools that contribute to the Shire’s role as the second largest educational centre in the Riverina.

The town is a showcase of contemporary rural Australia with many examples of Art Deco architecture, diverse agriculture and renowned country hospitality. Water is also central to Leeton Shire being within the river environs of the Murrumbidgee River. The Ramsar-listed Fivebough and Tuckerbil swamps also play an important part in the ecology by hosting migratory birds, some from the northern hemisphere, during the warmer months with 174 bird species having been identified.

3.2 Strategic Capacity

3.2.1 More robust revenue base and increased discretionary spending

Leeton Shire Council meets the own source revenue ratio outlined in the Fit for the Future guidelines.

Council also receives significant annual financial assistance grants from the Federal Government, which creates a strong and stable revenue base for Council to carry out a range of activities to improve the facilities and services available to the community.

Council is set to introduce a Section 94A Contribution Plan which will raise an additional \$100,000 of income on an annual basis. The Section 94A Plan will provide further funding for Council to carry out additional capital works programs throughout the Shire.

Council has the ability to evaluate the need to make an application for a special rate variation if the community requires additional service delivery by Council. Council will continue to hold these discussions with the local community to determine appropriate levels of service and associated need to raise any additional revenue.

3.2.2 Scope to undertake new functions and major projects

New Functions

Leeton Shire Council continues to review and monitor its service delivery to the local community to ensure that best practice benchmarks are met. Council is fully aware of the diverse demand that is placed upon regional councils and the need to balance the provision of new services with the move away from other services which are able to be provided by other agencies or the private sector.

New functions that Council has become involved in or implemented include:

- Management and operation of Leeton Golf Course (2012)
- Management and operation of the Leeton Early Learning Centre (2009)
- In partnership with NSW Department of Education the maintenance of the main Leeton High School ovals, which are also utilised by the public
- Adoption of the new Leeton Local Environmental Plan (2014)
- Implementation of an electronic document management system (TRIM)
- Increased recycling facilities
- Greater level of on line services at the Leeton Library
- Companion animal services such as subsidised micro chipping

Council has balanced the addition of new services with the ability to exit other functions, primarily viewed as being able to be undertaken by other agencies or the private sector. This includes:

- Sale of Leeton Caravan Park (2015)
- Current review of Home and Community Care Services
- Contracting out of Council's annual re-seal works program to a private contractor
- Contracting out of waste collection services to JR Richard's and Son Pty Ltd

Major Projects

Council has proven its ability to take on new functions and complete major projects over the last three years as follows:

- Multipurpose Community Centre (\$1.25m)



- Infrastructure Upgrade (roads, footpath and drainage) Petersham Road Precinct (\$1.0m LIRS Funded and additional funding of \$500,000)



- New amenities complex at No. 1 Oval, Leeton (\$1.0m)



Council	Electorate	Project	Project Description	Community Benefit	Total Project Cost
Leeton Shire Council	Murrumbidgee	Dressing Room Upgrade Leeton Ovals Complex	The project involves the refurbishment and extensions to the dressing rooms at the Leeton Ovals Complex. The facility will include male and female dressing rooms, referee dressing rooms as well as male and female public toilets.	The new dressing rooms will be available for use across a wide range of sports including Rugby League, Netball, Soccer, Touch Football, League Tag, Cricket and Rugby Union. The Leeton Ovals Complex is the premier multi use sporting facility in the Leeton Shire Council area. Council has been developing the site over a number of years with the goal of making it a premier multi use sports facility for the region. The upgrade will allow various sporting groups to seek representative level events to be held at the venue.	1,000,000
Leeton Shire Council	Murrumbidgee	Community Multipurpose Centre	Redevelopment of infrastructure at 3 & 5 Wade Ave to form a multi-purpose community/cultural precinct.	The project will provide a multi-purpose community/cultural centre for the Leeton community.	1,300,000
Leeton Shire Council	Murrumbidgee	Petersham Road Precinct upgrades	The project is designed to improve pedestrian safety and road upgrade, including traffic calming devices.	The project will improve pedestrian, cyclist and motorist safety. This project will also provide a linkage to the existing pedestrian network.	1,000,000

Note: The Multipurpose Community Centre had an original projected cost of \$1.3M but was delivered under budget at \$ 1.25M. It has 8 office spaces integrated into the design to achieve commercial viability for the Community spaces. All offices are fully occupied and the community spaces have recorded 339 individual bookings during the past 3 months.

Through Council's successful ability to attract three individual Local Infrastructure Renewal Scheme subsidies in relation to the above projects, the Leeton community has been provided with vastly improved community assets.

The ability of Leeton Shire Council to successfully obtain loan subsidies via LIRS has proven Leeton's capacity to meet community demand in partnership with the NSW State Government.

Over the last three year period Council has continued a successful Capital Works program (General Fund) with the following amount expended:

2012 - \$3,373,000

2013 - \$4,686,000

2014 - \$6,397,000

As part of the above Capital Works Program major works have been completed as follows:

- \$2.6M Flood recovery works (state funded) – 2012-2014
- \$1.4M Main Road 539 rehabilitation (Whitton to Darlington Point - state funded) – 2013/14
- Construction of sporting oval / educational precinct carparks – 2013/14 - \$600,000
- Installation of raw water irrigation to sporting ovals and parks – 2012-2014 -\$500,000

Council has had an assessment of its financial position undertaken by NSW Treasury Corporation (TCorp) in 2012 with the report outlining that Council is in a favourable financial position.

3.2.3 Ability to employ wider range of skilled staff

Leeton Shire Council has 135 full time equivalent staff (FTE) engaged in many and varied functions.

Council has a highly skilled workforce. Council's senior management team are all tertiary qualified. The disciplines in question are diverse and allows the team to cover many contingencies and issues without the need for external assistance. These qualifications include; commerce, accounting, law, planning and engineering with the experience and qualifications of the senior management team outlined by below:

- Director Corporate Services – 16 years local government experience, 3 years as the Director at Leeton Shire Council. Qualifications: Bachelor of Business (major in accountancy)
- Director Engineering and Technical Services – 16 years local government experience, 3 years as the Director at Leeton Shire Council. Qualifications: Bachelor of Engineering - Civil
- Director Environment and Community Services – 33 years local government experience, 4 years as the Director at Leeton Shire Council. Qualifications: Master Business Administration, Master Environmental & Local Government Law, Bachelor App Sc – Environmental Planning, Certificate Building Surveying with A1 Accreditation & Certificate Environment Health.

Council's professional staff have also been engaged by other neighbouring councils in the following areas:

- Planning staff (processing of development applications for Narrandera Shire Council)
- Building staff (undertaking Construction Certification for Murrumbidgee Shire Council)
- Payroll staff (have previously undertaken payroll function for Carrathool Shire Council in a relief capacity)
- Rates staff (provided technical support for Murrumbidgee Shire Council)
- Road Safety Officer (shared position with Narrandera Shire Council)
- Internal Audit (services provided to Griffith City Council and Narrandera Shire Council)

Educational qualifications held by various staff members are:

Position	Qualification
General Manager	Bachelor Business (Major in Local Government) Graduate Diploma in Management (Human Resources) Cert IV Training and Development

Position	Qualification
Director of Corporate Services	Bachelor Business (Major in accountancy)
Director of Engineering and Technical Services	Bachelor of Engineering - Civil
Director of Environmental and Community Services	Degree Environmental Planning Masters Business Administration Masters Environmental & Local Government Law
Internal Auditor & Governance Officer	Bachelor of Laws Graduate Diploma in Legal Practice Advanced Certificate in Management
GIS Assets Coordinator	Diploma in Environmental Health & Building Surveying Graduate Diploma in Local Government Management Graduate Certificate in Applied Finance Masters in Applied Science (undertaking)
Manager Planning and Environment	Bachelor of Applied Science (Environmental Planning) Graduate Certificate Engineering Graduate Certificate River Restoration & Management Associate Diploma Town & Country Planning Advanced Diploma Land Management (undertaking) Bachelor Management in Natural Resources (undertaking)
Planning Officer	Advanced Diploma in Architectural technology Bachelor of Urban & Regional Planning (undertaking)
Manager Engineering Services	Diploma in Technology (Civil Engineering) Certification of Qualification as Engineering (LG Act 1919)
Road Safety Officer	Advanced Diploma of Marketing (Event Management)
Project & Traffic Officer	Bachelor of Arts (Journalism & Media Studies) Graduate Diploma Project Management (undertaking) Graduate Cert Local Government Leadership (undertaking)
Engineer Water & Waste Water	Bachelor of Environmental Engineering Master of Environmental Engineering Master of Environmental Management
Design & Survey Engineer	Bachelor of Surveying Graduate Diploma in GIS
Design & Asset Engineer	Diploma in Civil Construction Design Cert 4 in Civil Engineering Design GIS Essentials
Engineering Assistant X 2	Diploma in Civil Construction Design
Tourist Information Coordinator	Bachelor of Business (Tourism Management) Diploma of Event Management Diploma of Communications & Media Diploma of Management Diploma in Government
Property & Assets Coordinator	Diploma Town Planning Cert IV Local Government Administration Cert IV in Assessment and Workplace Training

Position	Qualification
Events Coordinator	Bachelor of Business (Tourism Management/Marketing)
Manager Community Services	Diploma of Business Diploma of Community Services
Library Assistant	Bachelor of Science in Agriculture Graduate Diploma in Library & Information Science
Library Assistant	Bachelor of Science (Chemistry)
Library Assistant	Bachelor of Education Graduate Diploma of Science (information services)
ICT Manager	Master of Business Administration (computing)
Finance Manager	Bachelor of Commerce (Accounting)
Senior Ranger	Cert IV Government Investigations Cert IV Investigations of Alleged Breaches of Legislation Cert IV Local Government Cert IV OHS Policies & Procedures
Assistant Ranger	Bachelor Arts (Society & Politics Major) Diploma of Policing Practice
Administration/Revenue Officer	Bachelor of Business Studies Advanced Diploma of Business Management Cert IV Personal Injury Management Cert IV Human Resources Management Cert III Business Administration
Finance Officer	Bachelor of Accountancy
Library Manager	Bachelor of Arts Library Information Services Diploma Library Technician
WHS Risk Management Coordinator	Cert IV Work Health & Safety

In addition to the professionally qualified staff, Council employs a number of trade qualified staff in various Council departments such as:

- Qualified gardeners in the Parks and Recreation Services Team
- Qualified mechanics
- Qualified plumbers in the Water and Sewer Teams
- Qualified carpenter

Council's adopted Workforce Management Plan also has an adopted goal of employing trainees and apprentices within the Council. At present Council has the following trainees and apprentices in place:

- Trainee Tourism Officer
- Trainee Property and Rates Officer
- Apprentice Gardeners/Greenkeepers
- Trainee Building Surveyor

Leeton Shire Council has been extremely successful in all recruitment activities undertaken with staff being sourced from both within Leeton Shire and surrounding areas, such as Griffith, Narrandera and Wagga.

3.2.4 Knowledge, creativity and innovation

Council has identified opportunities for the Leeton area including the following:

- Installation of solar panel systems at main administration building, library, Gogeldrie Weir
- Installation of solar water heating – Leeton Pool. The success of this project was recognised in the 2014 NSW Tidy Town Awards, winning the Energy Efficiency Awards - Population Category D Winner
- Cities for Climate Protection program
- Bidgee Binge (alcohol awareness program). The Bidgee Binge Program was a sequence of 31 alcohol free events, activities, workshops, forums and educational sessions which were staged over a two year period and targeted 12-24 year olds in the Leeton Shire and across the Western Riverina Arts precinct. The aim was to increase awareness of binge drinking and associated issues such as anti-social behaviour and risk-taking by offering alternative alcohol-free entertainment and a variety of options to engage youth.

Leeton Shire Council was successful in receiving funding of \$440,462 under the National Binge Drinking Strategy Community Level Initiative Program through the Federal Government.

The success of this project was recognised in the 2014 NSW Tidy Town Awards, winning the Young Legends Award - Population Category D Winner

- Implementation of Electronic Development Application tracking
- Implementation of NSW Planning's Electronic Housing Code.
- Extensive use of volunteers in the following Council service areas:
 - Tidy Towns
 - Meals on Wheels
 - Hall Committees
 - Leeton Golf Course
 - Leeton Visitor's Information Centre
 - Leeton Library
 - Leeton/Narrandera Community Transport
- Re-homing of companion animals from Leeton Pound to suitable new owners
- The Leeton Visitor Information Centre has incorporated a number of services to increase visitor satisfaction in Leeton. These include the daily Tastes of Leeton product tastings and demonstration initiative into their daily operations.
- The Leeton Visitor Information Centre's volunteer program which has been running for the past 6 years and the Red Carpet Day initiative (all about increasing local participation and awareness of Centre activities and local product) have also been well received by the community. The Visitor's Centre has been recognised as a Centre of Excellence as follows:
 - In 2013, Leeton VIC were the Silver Award winners in the Best Visitor Information Centre category for the NSW Inland Tourism Awards and the same year we were one of 8 state finalists out of 178 accredited visitor information centre's in the NSW State Tourism Awards.
 - In 2014, we were again Silver Award winners in the Excellence in Food Tourism category for the NSW Inland Tourism Awards.

- Roads Renewal - Utilisation of a Polymer based additive, being mixed in with councils tractor driven road stabilising machine to rejuvenate unsealed roads and reduce overall long term maintenance costs.
- Installation of an Irrigation Central Control System - Council has installed a computerised central control system to operate its extensive irrigation network to enable substantial water efficiencies. The central control system allows for greater efficiencies in programming, fault finding, failure alarms and automatic shut offs as well as the ability to monitor water usage.
- The commencement of safer by design principles into Pine Avenue (main street) to reduce anti-social behaviour at night.
- Successful implementation of the The Red Guide Posts as a simple system to assist in reducing the spread of high risk invasive vegetation species (weeds) along roadsides. Leeton Shire Council received a Weed Management Award- NSW Local Government Excellence in the Environment Award 2013/2014 for its implementation of the system.
- Leeton Shire Council's Road Safety Officer won the National Local Government Award for Alcohol Management for the R U Over It Program, 2011 Local Government Excellence in Road Safety Award Highly recommended, Health Services Excellence Award for Alcohol Injury Prevention. The Program was aimed at raising the awareness to drivers that they can be at risk of being over the limit many hours after drinking alcohol.
- The recent development of a "one stop shop" for the full range of community services, pulling together a range of council services and government services in to one building to provide a single entry point for community services. Council was also able to arrange management of the facility by partnering with the Riverina Regional College who provide front of counter service in return for access to suitable facilities within the building.
- The Leeton Landfill provides onsite recycling services for concrete and bricks, greenwaste, metals, e-waste, oils, batteries, chemicals, paper, glass, tyres and a recycling shop for unwanted household items to reduce as much as possible waste going to landfill.
- Council runs a bi-annual local business awareness event known as the Leeton Red Carpet Day, where local businesses and industries can showcase their products and services.
- Council runs subsidised micro-chip days for dogs and cats to promote the responsible ownership of companion animals.
- Council has maintained an effective and innovative approach to its Information Services Network with recent improvements including:
 - State of the art Wide Area Computer Network linking six Council locations (locations – Chambers, Roxy Theatre , Landfill, Tourist Centre, Depot, Meals on Wheels)
 - Integrated Voice over IP (VoIP) Telephone network system (Chambers , Roxy Theatre, Landfill, Tourist Centre, Depot, Meals on Wheels) utilising Internet data traffic for telecommunications.
 - High Tech Day/Night Closed Circuit Television Cameras (CCTV) in and around Central Business District
 - Multi-site Business Continuity Plan with Enterprise data backup over two locations (chambers & library)
 - Fibre Optic Inter-site connectivity (Council Chambers and Library)
 - Integrated Mobile Device Management software (AirWatch) installed to all Council asset mobile devices providing centralised statistics, application roll out and location monitoring from devices.

- Integrated Email Archiving Solution implemented allowing management/storage and data retrieval of all incoming/outgoing emails via Council's email system.
- Dual Firewall protection installed (Telstra & Untangle) to prevent Network intrusion.
- Offsite Email Server installed to triage emails for Spam, Viruses, Bot and other potentially dangerous data.
- All Major Assets Alarmed and monitored 24*7 (locations – Chambers, Roxy, Swimming Pool, Indoor Stadium, Tourist Centre)

3.2.5 Advanced skills in strategic planning and policy development

- Ability to attract significant external funding and being able to complete funded works along with Council's recurrent works program.
- Development of a suite of Land Use Planning strategies and documents (including floodplain management) of the Leeton Shire area.
- Eventide Homes Management - Council is proposing to partner with a not for profit community housing provider to maintain the management of a long term existing low cost aged housing development which has been community run since the late 1970's.
- Leeton Flood Study - Leeton Shire Council has been awarded funding by the NSW Government Office of Environment and Heritage, in order to undertake a flood study. The flood study assessed and quantified flood behaviour within the Shire and specifically the towns of Leeton, Yanco, Murrumbidgee and Whitton. Due to catchment characteristics, flat topography and the lack of previous flood studies within the Shire, there is currently limited understanding of the catchment response to higher than average rainfall intensities. This was evident during the March 2012 floods where flood risk could have been better managed if a flood study had been undertaken after previous events and associated study outputs were available to better inform Council and SES of the potential risks to the community and infrastructure. The findings from the flood study will be used by Leeton Shire Council to build community resilience through awareness of and preparedness for natural hazard flood events as well as influencing future town planning and ensuring new development areas have sufficient flood immunity and emergency evacuation routes. The flood study will be used to assess the stormwater drainage capacity of existing infrastructure within the towns and provide a basis upon which drainage augmentation works will be undertaken.
- Adoption of Council's Leeton Local Environmental Plan 2014 – the new LEP to replace the previous LEP No. 4 & LEP No. 35 in accordance with the Standard Instrument LEP program.
- In 2012 Council's Senior Ranger was invited to attend Parliament House and present a submission to a Parliamentary Task Force into Dangerous Dog legislation. Two of the items submitted by the Leeton Shire Council Ranger were adopted by the Task Force and are now legislation under the Companion Animals Act. These were:
 1. Power of seizure of restricted breed dogs for the purpose of identification and breed evaluation.
 2. The Menacing Dog Declaration.
- Implementation of Liquid Trade Waste Policy
- Leeton Shire Council was heavily involved in the development of the Murray Darling Basin Plan with Council's Mayor, Cr Paul Maytom, being an active member of the Murray Darling Basin Association which provided input and feedback to the Murray Darling Basin Authority.
- Creation and adoption of the Leeton Shire Ageing Well Strategy in Jan 2014 (new initiatives)

- Council has an active approach to economic development within the Leeton Shire with the following companies having a successful presence within the Shire:

Name of Organisation	Background
St Francis High School (boarding school)	<p>St Francis de Sales Regional College is a Catholic Boarding School with a strong regional profile and catchment. The school offers day student placements and full boarding options with 741 students enrolled at the school. There are over 54 staff employed and the school has embarked on an expansion program in recent years to accommodate their future growth.</p>
Yanco Agricultural High School (boarding school)	<p>Yanco Agricultural High School is a co-educational fully residential selective High School set in a historic rural setting on 280ha of land at Yanco bordered by the Murrumbidgee River.</p> <p>The school has operated for over 94 years and is a fully dedicated boarding school with an enrolment of 373 students and an employment of 185 staff (37 teachers). The school contributes enormously to the Leeton economy with many students coming from all over the state and Australia to attend the specialised government agricultural school.</p> <p>Sporting events, special balls and functions have a large economic flow on effect within the local economy with accommodation and eateries enjoying the benefits of visiting family and friends.</p>
Yanco Agricultural Institute	<p>Yanco Agricultural Institute, NSW DPI's Centre of Excellence for Sustainable Rice and Horticulture, is located between Leeton and Narrandera in the Murrumbidgee Irrigation Area. The National Vegetable Industry Centre and the Murrumbidgee Rural Studies Centre are both located at the Institute.</p> <p>The Institute covers an area of 813 hectares of mixed irrigation and dryland farming country, and is primarily used for research on the efficient and sustainable production of rice, wheat, lucerne, citrus, vegetables, and various organic crops. Research is concentrated on crops grown under irrigation. Rice physiology and entomology trials are conducted at the Institute, however the rice breeding program is concentrated at Leeton Field Station, a separate 242 hectare irrigation property located 7 km west of the Institute.</p> <p>Ninety-five people are employed at the Institute, covering a range of functions including research, extension, education, regulation, forest management, farm operations and administration.</p>
Pacific Fresh	<p>Pacific Fresh was founded in 1993 by 8 individual citrus growers looking for more autonomy in the market. Pacific Fresh grows an exciting new mandarin variety – Sumo Mandarins for export to Japan. The packing shed was one of the first to employ state-of-the-art pre-scanning lines to</p>

	improve consistency in their packing shed which handles all citrus from grapefruits, mandarins, lemons and oranges.
Sun Rice	<p>SunRice was built by the Australian rice industry over many decades, and today is one of Australia's leading branded food exporters.</p> <p>With revenues in excess of \$1 billion and operations and markets spanning the globe, Sunrice supply close to 60 countries with diverse and nutritious food products. Innovation is the key to our success and our brands represent superior quality around the world.</p> <p>With a proud history dating back to the establishment of a single rice mill in the Riverina region of New South Wales in 1950. The operations have expanded to include state-of-the-art processing, packing and value adding food plants, employing more than 2,100 people across Australia, the Pacific, America, the Middle East and Papua New Guinea.</p> <p>Sunrice boasts 30 brands and a broad portfolio of subsidiary businesses including CopRice, Riviana Foods, Trukai Industries, Solrice and SunFoods</p>
Cop Rice	<p>CopRice is the animal food division of Ricegrowers Ltd trading as SunRice. SunRice is one of the largest rice food companies in the world and one of Australia's leading branded food exporters</p> <p>CopRice has been manufacturing high quality extruded and pelleted feeds for animals for over 30 years through feed mills located in Leeton (NSW), Tongala and Cobden (VIC).</p>
Berri	<p>The Daily Drinks Co., in Leeton is home to some of Australia's best loved brands such as Daily Juice, Berri Australian Grown and Just Juice. The company has been proudly working with Aussie growers for over 70 years to deliver high quality drinks to Australians everyday. With over 6 million oranges handpicked each week, it's safe to say that we know our juice.</p>
Freedom Foods	<p>Founded in 1990, Freedom Foods has been manufacturing tasty healthy foods that are free from gluten and dairy allergens. The company specialises in nutritious and special dietary foods for the allergen-conscious and health-alert consumers. Freedom Foods offers an assortment of food products that include biscuits, cereal, snacks, and condiments, wraps and various healthy and nutritious beverages. They are the umbrella company for a range of brands; Crunchola, Norganic, Australia's Own Organic, So Natural and A2 milk.</p> <p>With a state-of-the-art factory and more than 30 products, the plant at Stanbridge employs roughly 30 staff.</p>

Walnuts Australia	Walnuts Australia has a massive footprint in the MIA with over 700,000 trees under production over 1,615 ha. Walnuts are a High-value commodity and is worth \$11.93m annually to the region. The company intends to make Leeton its new head office and will employ up to 55 staff in the region. When at full production the orchards will produce over 11,000 tonnes of in-shell walnuts. Most of this tonnage will be sold as in-shell walnuts as opposed to kernel both domestically and for the export market.
Yara fertilizers	Yara fertilizers is a global company originating from Norway, delivering solutions for sustainable agriculture and the environment. Yara is a world leader in the production and distribution of mineral fertilizer. The company employs 5 staff locally but has a global footprint.
Commins stainless manufacturing	For the past 17 years CSM has built a strong business , specialising in build-to-order stainless steel wine tanks, olive oil vessels and irrigation fittings and pipe work. The company employs 24 staff
Southern cotton gin	One of Australia's newest cotton Gin's, established in Whitton featuring state-of-the-art-technology. This season (fourth season since the Gin commenced operation) the gin expects to process close to 200,000 bales of cotton – Cotton production has doubled in the region since 2011. The gin employs 60 staff during peak seasons from May through to September and relies heavily on the backpacker and grey-nomad markets to fill the skill void.
JB Swift Riverina Beef abattoir and feedlot	JBS Australia is the largest meat processing company in Australia and is a Brazilian owned company. The company purchased the plant in 2010 and the feedlot added a 600 per day processing capacity that is fed purely by the adjoining feedlot that has a carrying capacity of 53,333 head. The Company is one of Leeton's largest employers and contributes significantly to the regional economy.
Climate Technology	Founded by Anne and Ted Celi in 1972, Climate Technologies has grown to be Australia's largest manufacturer of heating and cooling appliances. The group remains a family owned and operated business with head office based in Leeton and a factory in Adelaide. The company employs over 500 people and continues to diversify and expand.

Export cotton processing plant	A new industry and market for the region to support the exponential and rapid growth in cotton production across the region. The business is in construction phase and will employ 10 people initially and up to 15 in full production. Based out at Wumbulgal or the Western Riverina Intermodal Freight Terminal.
Export fodder processing plant	A Chinese investment and joint venture, also based at Wumbulgal or the Western Riverina Intermodal Freight Terminal. Chinese Fodder aims to export high-value oaten-hay in containers to China. The company will employ up to 24 staff.
Grain link	Australian Grain Link is a privately owned agribusiness based in Griffith and Leeton. The company is a fully integrated enterprise with assets and commercial interests in every stage of the supply chain. The company employs up to 80 staff in peak grain season and focuses on specialty grain exports.
Patricks	A company with a long history in freight and logistics with a global footprint. Patricks is a division of Asciano and manages a fleet of trucks and an intermodal freight facility in Griffith's CBD. The company has made plans to move to Wumbulgal or the Western Riverina Intermodal Freight Terminal in the next few years. Patricks Griffith employs up to 45 staff.

3.2.6 Effective regional collaboration

- Leeton Shire Council is an active and committed member of Riverina and Murray Region of Councils (RAMROC)
- Active member of the RAMROC Procurement Group
- Active member of the RAMROC Engineer's Group
- Active member of the RAMROC Planners Group
- Active member of the RAMROC Waste Management Group
- Active member of the RAMROC Integrated Planners Group
- Leeton/Narrandera airport - is a small regional airport in the local government area of Narrandera in the Riverina region of New South Wales, Australia. The airport is located approximately 20km from Leeton along Irrigation Way. The airport is jointly funded by both Leeton and Narrandera Shire Councils and services the Leeton and Narrandera regional areas
- Leeton/Narrandera Community Transport
- Leeton Shire Council manages the Narrandera Out of School Hours Care services on behalf of Narrandera Shire Council

- Leeton Shire Council has made financial contributions towards the Griffith Community Private Hospital as recognition of its regional significance. These contributions amounted to \$30,000
- Participant in joint tenders with neighbouring councils in areas such as waste services and provision of emulsion materials
- Active member of Western Riverina Arts along with Griffith City Council and Narrandera Shire Council.
- Active member of Riverina Regional Tourism, comprising of 17 Riverina councils.

3.2.7 Credibility for more effective advocacy

Council has been able to achieve meetings with Members of Parliament when important issues arise. In the past twelve months Leeton Shire Council has met with various State and Federal Ministers, including:

- Minister for Education, The Hon. Adrian Piccoli MP, in relation to education services at Murrumbidgee College, Yanco
- Minister for Primary Industries, and Minister for Lands and Water, The Hon. Niall Blair MLC, in relation to increased usage of the Yanco Agricultural Institute
- Minister for Roads, Maritime and Freight, the Hon. Duncan Gay MLC, in relation to major road network issues
- Regular and productive meetings with local Federal Member for Riverina, the Hon. Michael McCormack MP, and State Member for Murray, the Hon Adrian Piccoli MP.

3.2.8 Capable partner for State and Federal agencies

- Maintenance contract with NSW Roads and Maritime Services for Main Road 80 (Leeton, Narrandera to Griffith Road) and Main Road 539 (Whitton to Darlington Point Road)

2012/2013 RMCC Contract	\$314,647.83
12/13 ordered works:	
– Roxy Roundabout Heavy Patching	\$ 37,516.60
– Irrigation Way Heavy Patching	\$201,138.40
– Intersection Sign Installation	\$ 8,397.69
– Traffic Control, Yanco Stabbing	\$ 6,610.54
– Total ordered works	\$253,663.23
2013/2014 RMCC Contract	\$269,090.54
13/14 ordered works:	
– Traffic control works, truck rollover	\$ 1,412.00
– Heavy patch final seals	\$ 17,152.95
– Intersection signage installation	\$ 13,713.00
– Tree removal	\$ 26,680.00
– Culvert inspections	\$ 3,860.50
– Seg 34 resealing works	\$ 16,373.00
○ Total ordered works	\$ 79,682.30
2014/2015 RMCC Contract	\$306,867.89

14/15 ordered works:

- Survey services for McQuillan Road	\$ 2,058.58
- Prelim works to Woolworths roundabout	\$ 46,827.14
- Seg 33 truck rollover incident	\$ 4,253.12
- Heavy Patching	\$225,250.41
- Final seals on flood recovery patches	\$ 23,030.13
o Total ordered works	\$302,378.02

- Local Infrastructure Renewal Scheme (LIRS) – 3 completed projects
- Office of Environment and Heritage – Local Environmental Plan and Flood study
- Minister of Policy and Emergency Services – response to natural disaster event (flood 2012)
- NSW Trade and Investment Crown Lands Division – Council has received grant funding from the Public Reserve Management Fund program administered by NSW Trade and Investment for weed control at the Leeton Golf Course, replacement of a retaining wall at the Leeton & District Bowling Club, provision of disabled toilet facilities at the Leeton Jockey Club.
- In conjunction with NSW Fisheries the Bidgee Classic (fishing competition) event contributes yearly to the restocking of the Murrumbidgee River to help ensure future the sustainability of the river system. In 2013/2014, 12,000 Murray Cod and 30,000 Yellow Belly fingerlings were released.

The Bidgee Classic Committee have been restocking the Murrumbidgee River in the Leeton area since at least 2008.

- In conjunction with the Department of Corrective Services, the use of community service volunteers to carry out work within Council's Parks and Recreational Services Department.
- Outstanding relationship developed with the Murrumbidgee Local Health District and local Health Services
- Delivered the PaCE project (\$150,000 Federal funded) targeted towards Aboriginal parents and children in supporting educational outcomes
- NSW Sport and Recreational Services – grant for \$13,410 for the upgrade to the pumping station at the Leeton Golf course.
- Provision of Home and Community Care services, in conjunction with Department of Social Services (Federal). Services provided include:
 - home maintenance – minor general repair and care of your house or yard, for example, changing light bulbs and replacing tap washers or lawn mowing
 - home modification – installing safety aids such as alarms, ramps and support rails in your home
 - social support – gives people a hand by taking them shopping, banking or to appointments, or just providing company for a chat.
 - Meals on Wheels

The implementation of many recreational improvements for the community over the last five year period as illustrated below:

- Whitton Skate Park \$30,500 – Regional & Local Community Infrastructure Program (RLCIP) administered by the Federal Department of Infrastructure and Regional Development)

- Ovals Outdoor Netball/Basketball Courts - \$20,000 – Building Community Partnership Program administered by the NSW Government
- Leeton Ovals Lighting - \$25,000 NSW Sport & Recreation
- Shade Facilities Mark Taylor Cricket Oval - \$30,000 - RLCIP
- Mountford Park Paths - \$25,000 – RLCIP
- Graham Park Picnic Facilities - \$20,000 RLCIP
- Shade Shelter Leeton Pool – NSW Sport & Recreation
- BBQ Leeton Pool - \$10,000 - RLCIP
- Portable Grandstands Leeton Pool - \$19500 - RLCIP

3.2.9 Resources to cope with complex and unexpected change

- Flood Event 2012 – Emergency Response Control Centre established and coordinated at Leeton Shire Council
- Management and control of Leeton Golf Course following the placing of the Leeton Soldier's Club into administration in 2012
- Complex change in relation to water allocations created a great deal of uncertainty in irrigation communities during the introduction of the Murray Darling Basin Plan. Leeton Shire Council promoted a mature response to the Plan and its relationships with key government agencies.

3.2.10 High quality political and managerial leadership

- One Councillor has undertaken the Executive Certificate for Elected Members.
- Annual attendance at the National General Assembly of Local Government by the Mayor and Deputy Mayor.
- Annual attendance of the Local Government NSW Conference by the Mayor, Deputy Mayor, Councillors and General Manager
- Mayor, Cr Paul Maytom, is the Chair of the Murray Darling Association Murrumbidgee Region 9 (which automatically places him on the Board of the Murray Darling Association)
- Active member of the Country Mayors Association
- Senior staff involvement in the Local Government Professionals
- Well-functioning elected body and senior management team with no Code of Conduct complaints during the current term of Council.
- Council has strong links with the community through Committees that assist Council in managing a range of public facilities, such as the Whitton Infrastructure Committee and the Yanco and Murrumbidgee Hall Committees.

4 COUNCIL'S CURRENT POSITION

4.1 About your Local Government Area

Current and Future Population

Leeton Shire's current population is 11,595 and is expected to grow by 7.25% to 12,337 by 2031 (Informed Decisions – Population Experts August 2014).

Community Demographics

Leeton Shire Council's community demographics include:

- Indigenous 5.9%
- Speaks another language 5.9%
- Median age 36
- University qualifications 8.4%
- Median household income \$966.00
- Average household size 2.53
- Percentage of households leased 26%

Local Economy and Employment

Leeton's economy is largely based on the production and value adding of irrigated agriculture as well as a strong education sector.

The following significant investment and employment generating development has occurred in Leeton over the past 20 years.

- St Francis High School (major boarding school)
- Yanco Agricultural High School (boarding school)
- Yanco Agricultural Institute
- Pacific Fresh
- Sun Rice
- Cop Rice
- Berri
- Freedom Foods
- Walnuts Australia
- Yara fertilizers
- Commins stainless manufacturing
- Southern cotton gin
- Bio-Char (soil enhancement)
- JB Swift Riverina Beef abattoir and feedlot

- Climate Technology
- Export cotton processing plant
- Export fodder processing plant
- Grain link
- Patricks

The ongoing growth of Leeton Shire has been highlighted by the recent completion of a new 100 lot residential subdivision.

Our Community Vision, Aspirations and Priorities

- Council Community Strategic Plan “Leeton Living Towards 2024 highlights the following 5 key priority areas:

- **CARING FOR OUR HEALTH AND WELLBEING**

- Ensure that access to quality health services is maintained and that stronger health support networks are progressed to cater to the needs of the community
- Seek local access to education that encompasses the whole of the community and pursue increases in training and workplace learning opportunities to encourage our youth to remain as local residents
- Support and promote the community’s unique culture and artistic capacity and encourage participation and communication across all group
- Provision of premier standard facilities and areas for the community to access and enjoy an interesting variation of activities including physical, scholarly and passive recreation
- Build our community capacity to ensure strong and healthy involvement in community life with social networking opportunities that are accessible to all
- Keeping our community safe through clever planning, effective law and order initiatives and education

- **ENHANCING & PRESERVING OUR NATURAL ASSETS**

- Striving for sustainable use of our water resources that is balanced between social, economic and environmental needs relative to us
- Encourage maintenance of a healthy environment through effective waste management, pollution reduction measures and energy efficiencies
- Enhance and promote the various natural assets in our community for appreciation by future generations
- Carry out activities that support the protection of the environment through areas that are complimentary to the interests and wellbeing to the community

- **BUILDING OUR BUSINESS & LOCAL JOBS**

- Encourage economic and industrial development with diversity that builds upon our vitality to create a dynamic presence that is attractive to outside interest
- Increase and develop opportunities for tourism to encourage growth in visitation and enhanced economic strength

- Have sufficient support measures in place to enhance the economic value and breadth of the community including skill development and transport options

DEVELOPING OUR BUILT ENVIRONMENT

- Plan effectively for new infrastructure needs to remove duplication as well as ensure appropriate and efficient maintenance and management practices of our public infrastructure to ensure use to effective full potential
- Road maintenance and development that is undertaken effectively across the entire Shire with due consideration to current and future traffic flows and needs
- Provide and maintain infrastructure options that encourage physical activity and support and enhance community life in a variety of ways that are well maintained and applicable to our needs
- Effective building and planning strategies, and management practices that reflect an awareness of current environmental considerations in line with sound building practises and future development potential

STRENGTHENING OUR LEADERSHIP DIRECTION

- Strong leadership and direction from a Council that is diverse which reflects the broader communities thoughts with projection of a balanced profile that is open and transparent
- Effective management and administration of Council's resources to ensure that the community's interests are met and sustainable into the future

4.2 Key Challenges and Opportunities

Strengths

- Good financial sustainability position - TCorp rating “Moderate”
- As per the final report by the Independent Local Government Review Panel (Page 29 – Councils at Risk) Leeton Shire Council is noted as not being at risk.
- Extremely high Own Source Revenue ratio. Tracking at around 69% over next four year period. If Council includes the annual Financial Assistance Grant (which is an annual reoccurring grant) received each year then this rises to nearly 90% Own Source Revenue.
- Responsible financial management highlighted by 6 of the 7 benchmarks being met with the highlighted d process improvements to be undertaken
- Stable population - forecasts for positive population increments into the future
- Commercial and residential land available to comfortably cover any projected population increases and any proposed commercial expansions.
- Solid financial reserves
- Highly qualified staff
- Increasing investment in agricultural industry in the area
- Fixed wireless broadband internet access in place
- Leeton Shire has easy access to its main administration area from any village or farm area within its borders. Drive time from any of its villages is approximately fifteen (15) minutes at the maximum

Weaknesses

- Locality i.e. the LGA is not located on a major rail corridor which may be detrimental to the most efficient movement of freight
- Regional road networks and heavy vehicle routes need to be constructed or upgraded to enable access by road trains and B-Doubles
- Rail network needs upgrading
- Specialist medical services generally located outside of Leeton

Opportunities <ul style="list-style-type: none"> • Creation of regional transport infrastructure such as an intermodal hub creating further industry and employment opportunities • Attract additional value adding industries resulting in an enhancement of existing activities • Further resource sharing with neighbouring Council's • Further enhancement of Leeton as a regional educational hub 	Threats <ul style="list-style-type: none"> • Changes to irrigated water allocations and entitlements • Any reduction in the level of Financial Assistance Grant funding by Federal Government • Environmental threats i.e. prolonged drought/floods/agricultural disease outbreaks • Additional Cost shifting from State and Federal Government that places more pressure on local government
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4.3 Performance against the Fit for the Future Benchmarks

Based on Leeton Shire Council's 2013/14 Financial Statements and draft 2015/16 Long Term Financial Plan, Council's current and forecast position against the Fit for the Future benchmarks is as follows:

Fit for the Future Criteria	Meets Now	Meets in 2019/20	Trend (if not met)
Operating Performance Ratio	No	No	Declining
Own Source Revenue Ratio	Yes	Yes	
Buildings and Infrastructure Asset Renewals Ratio	No	No	Declining
Infrastructure Backlog Ratio	No	No	Declining
Asset Maintenance Ratio	Yes	Yes	
Debt Service Ratio	Yes	Yes	
Real Operating Expenditure Over Time	No	Yes	

Leeton Shire Council does not meet four of the benchmarks in 2013/14, being Operating Performance Ratio, Buildings and Infrastructure Asset Renewal Ratio and the Infrastructure Backlog Ratio. Three of these benchmarks are still not met in 2019/2020 and none of the three ratios show an improving trend.

4.3.1 Sustainability

Operating Performance Ratio – Benchmark Greater Than Breakeven, Meet By 2019/20

	2013/2014 Result	2016/2017 Forecast	2017/2018 Forecast	2018/2019 Forecast	2019/2020 Forecast
Operating Performance Ratio	-9%	-6.0%	-6.6%	-6.8%	-7.2%
Meets Benchmark?	No	No	No	No	No

Own Source Revenue Ratio – Benchmark Greater Than 60%, Meet By 2019/20

	2013/2014 Result	2016/2017 Forecast	2017/2018 Forecast	2018/2019 Forecast	2019/2020 Forecast
Own Source Revenue Ratio	74%	68.6%	68.8%	69.1%	69.3%
Meets Benchmark?	Yes	Yes	Yes	Yes	Yes

Buildings and Infrastructure Asset Renewal Ratio – Benchmark 100%, Meet or Improve in By 2019/20

	2013/2014 Result	2016/2017 Forecast	2017/2018 Forecast	2018/2019 Forecast	2019/2020 Forecast
Buildings and Infrastructure Asset Renewal Ratio	77%	60.2%	58%	57.5%	57.3%
Meets Benchmark?	No	No	No	No	No

4.3.2 Infrastructure and Service Management

Infrastructure Backlog Ratio – Benchmark Less Than 2%, Meet or Improve in by 2019/20

	2013/2014 Result	2016/2017 Forecast	2017/2018 Forecast	2018/2019 Forecast	2019/2020 Forecast
Infrastructure Backlog Ratio	10.6%	14%	15.6%	17.3%	19.2%
Meets Benchmark?	No	No	No	No	No

Asset Maintenance Ratio – Benchmark 100%, Meet or Improve in by 2019/20

	2013/2014 Result	2016/2017 Forecast	2017/2018 Forecast	2018/2019 Forecast	2019/2020 Forecast
Asset Maintenance Ratio	101%	101%	100%	100%	100%

Meets Benchmark?	Yes	Yes	Yes	Yes	Yes
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Debt Service – Benchmark Greater Than 0% and Less Than 20%, Meet by 2019/20

	2013/2014 Result	2016/2017 Forecast	2017/2018 Forecast	2018/2019 Forecast	2019/2020 Forecast
Debt Service Ratio	1%	3%	3%	3%	2.0%
Meets Benchmark?	Yes	Yes	Yes	Yes	Yes

4.3.3 Efficiency

Real Operating Expenditure Per Capita

	2013/2014 Result	2016/2017 Forecast	2017/2018 Forecast	2018/2019 Forecast	2019/2020 Forecast
Real Operating Expenditure Over Time	\$1,398	\$1,464	\$1,460	\$1,455	\$1,461
Meets Benchmark?	No	No	No	No	Yes

4.3.4 Fit For The Future Benchmarks – Current Position

FIT FOR THE FUTURE BENCHMARKS - BASE CASE

SUSTAINABILITY	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Operating Performance Ratio (Benchmark = greater or equal to zero over 3 years)							
Operating Revenue(excl Capital Grants and Contributions) less Operating Expenses	-\$ 1,449	-\$ 899	-\$ 1,131	-\$ 1,268	-\$ 1,328	-\$ 1,342	-\$ 1,571
Operating Revenue (excl Capital Grants and Contributions etc)	\$ 15,735	\$ 17,663	\$ 18,190	\$ 18,675	\$ 19,200	\$ 19,761	\$ 20,304
Single Year Performance	-9%	-5%	-6%	-7%	-7%	-7%	-8%
Three year Average		-8.3%	-6.7%	-6.0%	-6.6%	-6.8%	-7.2%
Own Source Operating Revenue Ratio (Benchmark = greater or equal to zero over 3 years)							
Revenue less grants & Subsidies	\$ 12,416	\$ 12,244	\$ 12,625	\$ 12,984	\$ 13,372	\$ 13,792	\$ 14,190
Total Operating Revenue (incl Capital Grants and Contributions)	\$ 16,828	\$ 17,886	\$ 18,414	\$ 18,901	\$ 19,336	\$ 19,900	\$ 20,444
Single Year Performance	74%	68%	69%	69%	69%	69%	69%
Three year Average		66.5%	70.2%	68.6%	68.8%	69.1%	69.3%
Building & Infrastructure Renewals Ratio (Benchmark = greater or equal to zero over 3 years)							
Asset Renewals (Building & Infrastructure)	\$ 2,913	\$ 2,440	\$ 2,293	\$ 2,297	\$ 2,352	\$ 2,409	\$ 2,468
Depreciation of Building and Infrastructure Assets	\$ 3,794	\$ 3,803	\$ 3,883	\$ 3,987	\$ 4,093	\$ 4,202	\$ 4,314
Single Year Performance	77%	64%	59%	58%	57%	57%	57%
Three year Average		58.0%	63.2%	60.2%	58.0%	57.5%	57.3%
INFRASTRUCTURE AND SERVICE MANAGEMENT	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Backlog Ratio (Benchmark = Less than 2%)							
Cost to Satisfactory	\$ 12,995	\$ 13,876	\$ 15,239	\$ 16,829	\$ 18,519	\$ 20,260	\$ 22,054
Written Down Value	\$ 122,950	\$ 121,450	\$ 121,264	\$ 119,958	\$ 118,543	\$ 116,835	\$ 114,851
Backlog	10.6%	11.4%	12.6%	14.0%	15.6%	17.3%	19.2%
Maintenance Ratio (Benchmark = greater or equal to zero over 3 years)							
Required maintenance	\$ 2,365	\$ 2,357	\$ 2,372	\$ 2,376	\$ 2,379	\$ 2,380	\$ 2,377
Actual maintenance	\$ 2,381	\$ 2,381	\$ 2,381	\$ 2,381	\$ 2,381	\$ 2,381	\$ 2,381
Single Year Performance	101%	101%	100%	100%	100%	100%	100%
Three year average		103%	101%	101%	100%	100%	100%
Debt services Ratio (Benchmark = greater than 0% or less than 20% over 3 years)							
Debt Service Costs	146	450	487	488	488	490	491
Operating Revenue (excl Capital Grants and Contributions etc)	15735	17663	18190	18675	19200	19761	20304
Single Year Performance	1%	3%	3%	3%	3%	2%	2%
Three year average	1%	1%	2%	3%	3%	3%	2%

EFFICIENCY	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Real Operating Expenditure per Capita (Benchmark = Declining trend)							
Population	11117.02493	11197.63008	11278.81967	11360.59794	11442.96915	11525.9376	11609.50762
Real Expenditure (uninflated)	15545	16388	16581	16635	16712	16768	16964
Real Operating Expenditure per Capita	1,398	1,464	1,470	1,464	1,460	1,455	1,461

Fit for the Future Benchmarks	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Operating Performance Ratio		×	×	×	×	×	×
Own Source Revenue		✓	✓	✓	✓	✓	✓
Buildings & Infrastructure Ratio		×	×	×	×	×	×
Backlog Ratio	×	×	×	×	×	×	×
Maintenance Ratio		✓	✓	✓	✓	✓	✓
Debt Services Ratio	✓	✓	✓	✓	✓	✓	✓
Real Operating Expenditure (Less than 2014)		×	×	×	×	×	×

5 HOW WILL COUNCIL BECOME FIT FOR THE FUTURE?

Improvement Plan Methodology

Council undertook a process of identifying, investigating and testing a range of improvement opportunities.

The process was as follows:

1. Senior staff completed Improvement Opportunities templates as a 'mini business case' to investigate opportunities in terms of ease of implementation, net financial benefit (or cost), impacts, legacy issues, risk, stakeholder consultation and implementation steps.
2. The ideas that staff considered had merit were then collated into a list of proposals for consideration by elected Councillors for inclusion as part of Council's Improvement Proposal.
3. The identified financial benefits were modelled into the Long Term Financial Plan to enable the impact on the Fit for Future ratios to be modelled as Council's improved position.

In addition to the opportunities that are able to be modelled into the Long Term Financial Plan, staff have identified several other potential opportunities which require further work to ascertain possibility of implementation and estimated financial benefits. Once these are costed they will be built into future revisions of the Long Term Financial Plan.

5.1 Sustainability

Leeton Shire Council has identified a number of improvement opportunities that will help reduce the operating costs of the Council and overtime assist in Council being able to meet the operating performance ratio benchmark of greater than breakeven. Each of the opportunities has a direct cost saving benefit to the organisation (or increase in revenue), thereby improving the Council's operating position. Some key actions include

- Implementing previous recommendations relating to the size of Council's Executive team
- Applying a natural attrition policy to various roles across the Council that are due to become vacant in the short term through retirements.
- Reviewing the services, service levels and service delivery models for the following areas
 - Community Services
 - Sport and recreation facilities
 - Library

5.2 Infrastructure and Service Management

Leeton Shire Council has taken the approach that any operating surplus generated as a result of the improvement opportunities identified will be applied to renewals. This will positively impact Council's Building and Infrastructure Renewal Ratio and the Infrastructure Backlog Ratio.

In addition to these the following actions and strategies will directly impact infrastructure and service management:

- Greater emphasis on asset renewal works in accordance with adopted Asset Management Plans resulting in a lowering of maintenance expenditure
- Review of depreciation rates for Council's assets

- Reduction in frequency of street sweeping
- Contracting out collection of litter bins
- Changing the approach to roundabout plantings
- Disposal of non-core assets
- Review of engineering services

5.3 Efficiency

Virtually every opportunity identified by Council will go towards making the Council a more efficient organisation.

5.4 Improvement Action Plan

Opportunity	Action	Timeframe				Total Saving Target Over 4 Years	Difficulty	Impact	Increases Strategic Capacity?	Impacts which measures?
		2015/16	2016/17	2017/18	2018/19					
GM Unit	Review functions in General Managers Unit		\$70,000	\$70,000	\$70,000	\$210,000	Moderate	Staff No impact on services or service levels	Yes	Sustainability Efficiency
Two director Model	Adopt organisational structure with two directors (implementing recommendations of earlier organisational review)		\$125,000	\$125,000	\$125,000	\$375,000	Moderate	Staff No impact on services or service levels	Yes	Sustainability Efficiency
Change approach to provision of phones	Implement a Bring Your Own Device approach to phones		\$2,000	\$2,000	\$2,000	\$6,000	Easy	Staff	No	Sustainability Efficiency
Natural Attrition	Don't replace / review roles in Corporate Services that become vacant		\$60,000	\$60,000	\$60,000	\$180,000	Easy	Nil	No	Sustainability Efficiency
Review Engineering Services	Undertake a review of structure within engineering services		\$130,000	\$130,000	\$130,000	\$390,000	Moderate	Staff	Yes	Sustainability Efficiency Infrastructure & Service Management
Review Community Services functions	Undertake a review of all the community services provided by Council		\$140,000	\$140,000	\$140,000	\$420,000	Moderate	Users of services Staff	Yes	Sustainability Efficiency
Review Fleet	Purchase more fuel efficient vehicles		\$23,000	\$23,000	\$23,000	\$69,000	Easy	No impact on services or service levels	Yes	Sustainability Efficiency
Street sweeping	Reduce the frequency of Street Sweeping		\$100,000	\$100,000	\$100,000	\$300,000	Moderate	Community Staff Plant	No	Sustainability Efficiency Infrastructure & Service Management

Opportunity	Action	Timeframe				Total Saving Target Over 4 Years	Difficulty	Impact	Increases Strategic Capacity?	Impacts which measures?
		2015/16	2016/17	2017/18	2018/19					
Roundabout Plantings	Change approach to longer lasting plants such as perennials		\$10,500	\$10,500	\$10,500	\$31,500	Moderate	Community Staff Plant	No	Sustainability Efficiency Infrastructure & Service Management
Library Hours	Review the hours of operation of the library		\$43,000	\$43,000	\$43,000	\$129,000	Moderate	Users Staff	No	Sustainability Efficiency
Library Operations	Review roles in the library that become vacant through retirement		\$30,000	\$30,000	\$30,000	\$90,000	Easy	Users Staff	No	Sustainability Efficiency
Maintenance to Renewals	Following review of required maintenance expenditure, re-prioritise and re-allocate current maintenance expenditure to renewals	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000	Easy	Nil	Yes	Sustainability Infrastructure & Service Management
Recreation Facilities	Review the facilities, services, fees & charges and the delivery models for councils recreation facilities		\$128,000	\$128,000	\$128,000	\$384,000	Hard	Users User groups Staff Community	No	Sustainability Efficiency Infrastructure & Service Management
Litter Bins	Contract out the collection of litter bins		\$25,000	\$25,000	\$25,000	\$75,000	Moderate	Staff	No	Sustainability Efficiency Infrastructure & Service Management
Tourism, Economic Development and Events	Review of Tourism & Economic Development roles and make better use of Roxy Theatre facility		\$45,000	\$45,000	\$45,000	\$135,000	Moderate	Staff Users Community	Yes	Sustainability Efficiency
Golf Course	Assist the golf course sub-committee in growing capacity until they can take on management of golf course, potentially incorporate themselves and reduce council subsidy		\$100,000	\$100,000	\$100,000	\$300,000	Hard	Users Staff	Yes	Sustainability Efficiency Infrastructure & Service Management
Building Application Fees	Cost recover key inspection fees		\$25,000	\$25,000	\$25,000	\$75,000	Moderate	Applicants Staff	No	Sustainability Efficiency

Opportunity	Action	Timeframe				Total Saving Target Over 4 Years	Difficulty	Impact	Increases Strategic Capacity?	Impacts which measures?
		2015/16	2016/17	2017/18	2018/19					
Section 94A Levies	Reviews the levies for section 94A applicants		\$100,000	\$100,000	\$100,000	\$300,000	Moderate	Applicants Staff	No	Sustainability Efficiency
Property Strategy	Review ongoing ownership of non-core assets		N/A	N/A	N/A					
Depreciation	Review the approach to depreciation on Councils assets (currently underway with a conservative estimate of a reduction of \$250,000 pa allowed for)	\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000	Moderate	Nil	Yes	Sustainability Efficiency Infrastructure & Service Management

5.5 Other Actions Considered – Merger with Narrandera Shire Council

The Independent Local Government Review Panel in its final report recommended that Leeton Shire Council and Narrandera Shire Council should investigate a possible merger between the two Councils.

As such both Leeton Shire, Narrandera Shire and the State Government jointly funded a consultant to undertake a business case to outline the merits or otherwise of a merged Council entity. A business case was prepared by Morrison and Low consultants into the feasibility of a merger between the two Councils. The shared modelling business case identified that:

- There is little difference between the existing scale and capacity of each council and the merged council.
- Leeton Shire Council currently meets three of the seven Fit for the Future Benchmarks whilst Narrandera Shire Council currently meets only two (with a third being met in 2017) The merged Council would only meet two.

Comparison of Options v Benchmarks set for Fit for the Future

Council	Leeton Council	Narrandera Council	Merged Council	
			Day one	Modelling period
Operating Performance	No	From 2017	No	No
Own Source Revenue	Yes	No	No	No
Debt Service Cover	Yes	Yes	Yes	Yes
Asset Maintenance	Yes	Yes	Yes	Yes
Asset Renewal	No	No	No	No
Infrastructure Backlog	No	No	No	No
Real Operating Expenditure	No	No	No	No

A merged council would meet two of the indicators from day one; Debt Service Cover and Asset Maintenance Ratios.

Of the other indicators:

- The Operating Performance ratio improves steadily from a low of -8.4% at the time of the merger until 2020 when it gets to 2.7% before starting to decline again.
- The Own Source Revenue almost achieves the benchmark requirement of 60%, averaging 59.6% for the years from 2019 onwards
- The Asset Renewals ratio peaks at around 67.5% in 2016 before falling back to an average of 60.6% from 2018 onwards, well below the required benchmark of 100%
- The Infrastructure Backlog rises consistently from 6.8% towards 16.9% by the end of the modelling period, remaining well above the 2% benchmark
- The Real Operating Expenditure shows a steady increase across all the years modelled

The merged business case also highlighted a number of significant potential financial and non-financial risks arising from any merger that would need to be considered. These included:

- Transitional costs may be more significant than set out in the business case
- The efficiencies projected in the business case may not be delivered

- The implementation costs maybe higher and the anticipated savings may not be achieved
- Decisions subsequent to the merger about the rationalisation of facilities and services may not reduce the cost base of the merged organisation as originally planned
- The cultural integration of the two council organisations may not go well resulting in low morale, increased staff turnover rate etc, reducing business performance and prolonging the time it takes for the predicted efficiencies to be achieved
- Where two unequal sized councils merge there is a danger it is seen not as a merger but as a takeover by, in this case Leeton, the larger, more urban based council
- Service levels rise across the merged council, standardising on the highest level of those services that are being integrated
- New services are introduced that are not currently delivered in one or more of the former council areas
- The financial performance of the merged council's is less than that modelled, resulting in the need to either reduce services, find further efficiency gains and/or increase rates to address the operating deficit

On Monday 13 April 2015 a joint meeting of Leeton and Narrandera Councils was held to consider the final report from Morrison Low consultants on a merger case for the two Councils as recommended by the Independent Local Government Review Panel Report. The outcome of this meeting provided strong agreement that a merger of the two Councils did not provide any operational, financial or governance advantages.

6 HOW WILL THE PLAN IMPROVE PERFORMANCE?

6.1 Expected improvement in performance

Measure / benchmark	2016/17	2017/18	2018/19	2019/20	Achieves FFTF benchmark?
Operating Performance (Greater than or equal to break-even average over 3 years)	-1.7%	0.2%	0.7%	0.4%	Yes
Own Source Revenue Ratio (Greater than 60% average over 3 years)	68.5	68.6	68.8	68%	Yes
Own Source Revenue Ratio (with FAGS)	89.4%	89.2%	89.1%	89.2%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	89%	100%	103%	103%	Yes
Infrastructure Backlog Ratio (Less than 2%)	6.0%	5.8%	5.7%	5.6%	No (Trend Improving)
Asset Maintenance Ratio (Greater than 100% average over 3 years)	100%	100%	100%	100%	Yes
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	2.6%	2.6%	2.5%	2.5%	Yes
Real Operating Expenditure per capita (A decrease in Real Operating Expenditure per capita over time)	\$1,351	\$1,348	\$1,342	\$1,349	Yes

6.2 Fit For The Future Benchmarks Improvement Process

FIT FOR THE FUTURE BENCHMARKS - IMPROVEMENT

SUSTAINABILITY	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Operating Performance Ratio (Benchmark – greater or equal to zero over 3 years)							
Operating Revenue (excl Capital Grants and Contributions) less Operating Expenses	\$ 1,449	\$ 899	\$ 175	\$ 143	\$ 124	\$ 159	\$ 25
Operating Revenue (excl Capital Grants and Contributions etc)	\$ 17,663	\$ 18,190	\$ 18,744	\$ 19,271	\$ 19,834	\$ 20,379	\$ 20,953
Single Year Performance	- 0.09	- 0.05	- 0.01	0.01	0.01	0.01	0.00
Three year Average		-8.3%	-4.9%	-1.7%	0.2%	0.7%	0.4%
Own Source Operating Revenue Ratio (Benchmark – greater or equal to zero over 3 years)							
Revenue less grants & Subsidies	\$ 16,279	\$ 16,074	\$ 16,455	\$ 16,959	\$ 17,428	\$ 17,929	\$ 18,411
Total Operating Revenue (incl Capital Grants and Contributions)	\$ 17,886	\$ 18,414	\$ 19,079	\$ 19,519	\$ 20,089	\$ 20,639	\$ 21,218
Single Year Performance	97%	90%	89%	89%	89%	89%	89%
Three year Average		84%	92%	89%	89%	89%	89%
Building & Infrastructure Renewals Ratio (Benchmark – greater or equal to zero over 3 years)							
Asset Renewals (Building & Infrastructure)	\$ 2,913	\$ 2,663	\$ 3,458	\$ 3,914	\$ 4,006	\$ 4,112	\$ 4,218
Depreciation of Building and Infrastructure Assets	\$ 3,794	\$ 3,803	\$ 3,677	\$ 3,776	\$ 3,876	\$ 3,975	\$ 4,080
Single Year Performance	77%	70%	94%	104%	103%	103%	103%
Three year Average		60%	77%	89%	100%	103%	103%
INFRASTRUCTURE AND SERVICE MANAGEMENT	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Backlog Ratio (Benchmark – Less than 2%)							
Cost to Satisfactory	\$ 12,995	\$ 5,888	\$ 7,027	\$ 7,246	\$ 7,109	\$ 6,979	\$ 6,841
Written Down Value	\$ 122,950	\$ 121,450	\$ 121,488	\$ 121,553	\$ 121,965	\$ 122,128	\$ 122,076
Backlog	10.6%	4.8%	5.8%	6.0%	5.8%	5.7%	5.6%
Maintenance Ratio (Benchmark – greater or equal to zero over 3 years)							
Required maintenance	\$ 2,165	\$ 2,158	\$ 2,172	\$ 2,175	\$ 2,178	\$ 2,178	\$ 2,176
Actual maintenance	\$ 2,381	\$ 2,158	\$ 2,172	\$ 2,175	\$ 2,178	\$ 2,178	\$ 2,176
Single Year Performance	110%	100%	100%	100%	100%	100%	100%
Three year average		105.4%	103.3%	100.0%	100.0%	100.0%	100.0%
Debt services Ratio (Benchmark – greater than 0% or less than 20% over 3 years)							
Debt Service Costs	\$ 146	\$ 450	\$ 487	\$ 488	\$ 488	\$ 490	\$ 491
Operating Revenue (excl Capital Grants and Contributions etc)	\$ 15,735	\$ 17,663	\$ 18,190	\$ 18,744	\$ 19,271	\$ 19,834	\$ 20,379
Single Year Performance	3%	3%	3%	3%	3%	2%	2%
Three year average		1.4%	2.1%	2.6%	2.6%	2.5%	2.5%
EFFICIENCY	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Real Operating Expenditure per Capita (Benchmark – Declining trend)							
Population	11,117	11,198	11,279	11,361	11,443	11,526	11,610
Real Expenditure (uninflated)	\$ 15,545	\$ 16,191	\$ 15,581	\$ 15,344	\$ 15,423	\$ 15,473	\$ 15,665
Real Operating Expenditure per Capita	\$ 1,398	\$ 1,446	\$ 1,381	\$ 1,351	\$ 1,348	\$ 1,342	\$ 1,349
Fit for the Future Benchmarks	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Operating Performance Ratio		✗	✗	✗	✓	✓	✓
Own Source Revenue		✓	✓	✓	✓	✓	✓
Buildings & Infrastructure Ratio		✓	✗	✗	✓	✓	✓
Backlog Ratio	✗	✗	✗	✗	✗	✗	✗
Maintenance Ratio		✓	✓	✓	✓	✓	✓
Debt Services Ratio		✓	✓	✓	✓	✓	✓
Real Operating Expenditure (Less than 2014)	✓	✗	✓	✓	✓	✓	✓
Fit for the Future Benchmarks	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Operating Performance Ratio		✗	✗	✗	✓	✓	✓
Own Source Revenue		✓	✓	✓	✓	✓	✓
Buildings & Infrastructure Ratio		✗	✗	✗	✓	✓	✓
Backlog Ratio	✗	✗	✗	✗	✗	✗	✗
Maintenance Ratio		✓	✓	✓	✓	✓	✓
Debt Services Ratio		✓	✓	✓	✓	✓	✓
Real Operating Expenditure (Less than 2014)		✗	✓	✓	✓	✓	✓