



INVESTING IN OUR FUTURE

Delivery Program 2013 - 2017

Adopted February 2016

Revised to include Special Rate Variation Scenarios



Acknowledgement of Country

Council acknowledges and respects that Indigenous Australians were the first people of this land. We acknowledge the shared responsibility of all Australians to respect and encourage the development of awareness and appreciation of each other's heritage and origin. We recognise and respect the heritage, culture, sacred sites and special places of Indigenous Australians.

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Mayors Foreword

It gives me great pleasure to present to you Council's revised Delivery Program 2013-17 (Adopted February 2016).

In 2012 we presented our first Delivery Program as a new Council which outlined our goals for the four year term ahead of us.

This program is one of Council's most important documents as it sets our agenda for the immediate future.

The revised document contained within these pages reflects the progress Council has undertaken since the Independent Pricing and Regulatory Tribunal (IPART) released its *Fit for the Future* findings recommending our Shire continue in its current form.

Submitting our *Fit for the Future* proposal was an exhaustive process and like many councils across the state, we spent a great deal of time and energy preparing our case addressing the State Government's Local Government reform criteria.

Part of our submission included exploring the option of a Special Rate Variation to better manage the Shire's extensive list of community assets and infrastructure. We included this option because like many regions across the State the cost of goods and services we deliver has increased by an amount greater than our income. This is as a result of a number of constraints such as rate pegging.

Following our *Fit for the Future* submission, Council began an extensive three phase program of community consultation which culminated with the presentation of a Council report in February 2016. This report recommended - and has since been adopted by Council - to apply to IPART for the *Improve* Special Rate Variation scenario.

However, over the coming months some hard yards will still have to be made to ensure we continue to guide our Shire's growth and deliver such quality services in-line with our community's expectations.

This Delivery Program details the specific projects that Council will commit to over the next ten years should additional funds be secured.

Until then we encourage residents to learn more about our 'Investing in our future' proposal and the specific transport, parks and stormwater projects that Council would address as priorities under a special rate variation.

Larry Whipper
MAYOR

General Managers

Foreword

Within the 2015-16 Operational Plan I spoke about the need of strengthening our operations, improving efficiencies and investing in asset renewals as core strategies for the year ahead.

I'm pleased to say this approach has kept us in good stead and we have since received word that the Independent Pricing and Regulatory Tribunal (IPART) has assessed the Wingecarribee Shire Local Government Area as 'Fit for the Future'.

Integral in our Fit for the Future submission was a proposal to submit an application to IPART for a four-year Special Rate Variation to tackle a backlog of additional asset renewals. Funding the ever widening gap between our income and the growing cost of maintaining and renewing our assets is an issue being grappled with across all levels of government and Council cannot afford to ignore the challenge of balancing community expectations with future sustainability.

In brief, we need to spend more money on existing infrastructure like our roads and footpaths or face a larger bill down the track as they deteriorate with age.

I'm pleased to report that at Council's first Ordinary Meeting of 2016, Councillors adopted a submission by Council staff recommending Council apply to IPART for the *Improve* Special Rate Variation scenario.

This decision brings to an end many months of extensive community consultation which began in early 2015 when Council first flagged the idea of a rate increase.

Council now awaits a final decision from IPART expected later this year.

Within these pages lie the additional projects that we will include in our works program should any extra funds be secured. Further projects taking us up to the 2025/26 financial year can be found in the Strategic Asset Management Plan and future financial modelling can be found in the Long Term Financial Plan. Together these documents provide the detail of the intended level of service Council will deliver our residents into the future.

Ann Prendergast
GENERAL MANAGER

Our Elected Council



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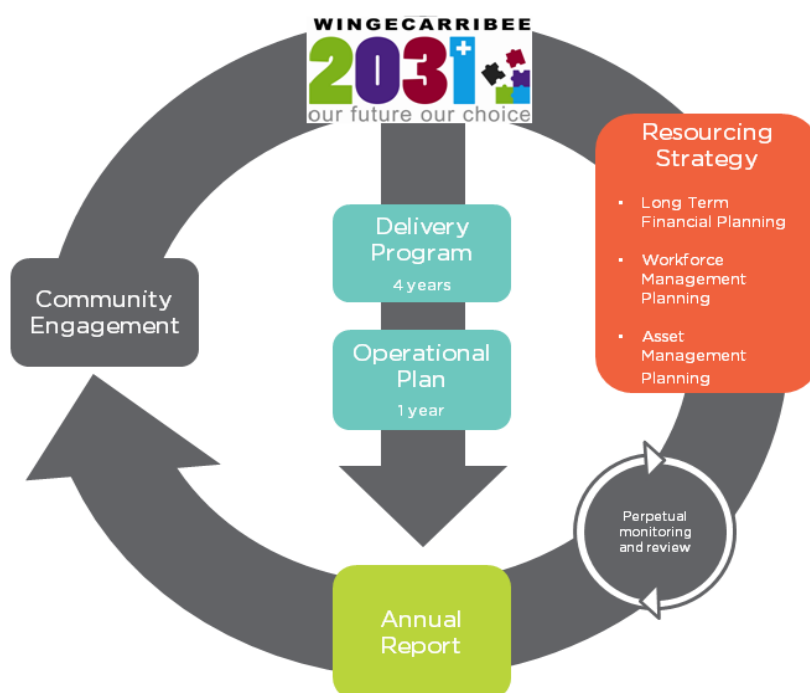
Larry Whipper

Mayor

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Integrated Planning and Reporting Framework

All councils in New South Wales work within the Integrated Planning and Reporting framework as shown below. It recognises that council plans and policies should not exist in isolation and are connected and linked to the community's aspirations.



Community Strategic Plan - Wingecarribee 2031+

Wingecarribee 2031+ (W2031+) our future, our choice is the blueprint for the future of the Southern Highlands. It represents the vision, aspirations, goals, priorities and challenges for our community. The purpose of W2031+ is to:

- Describe the vision and goals the community has for this Shire
- Outline the strategies to achieve the vision and goals
- Provide a long term focus for decision making and resource allocation
- Provide a basis for measuring our progress
- Provide an opportunity for community participation in decision making
- Address social, economic, environmental and civic leadership issues.

W2031+, as developed by the community, will be maintained and implemented by Council on behalf of the Wingecarribee Local Government Area (LGA). It is a plan for the future of the Shire and will be a guide for other levels of government,

private business and non-government agencies. This framework is underpinned by the principles and values of social justice and sustainability and is built around five (5) themes. Council recognises that they are inextricably linked and should not be viewed in isolation.

The W2031+ vision is

“A healthy and productive community, learning and living in harmony, proud of our heritage and nurturing our environment.”

W2031+, as developed by the community, will be maintained and implemented by Council on behalf of the Wingecarribee LGA. It is a plan for the future of the Shire and will be a guide for other levels of government, private business and non-government agencies.

This framework is underpinned by the principles and values of social justice and sustainability and is built around five (5) themes. Council recognises that they are inextricably linked and should not be viewed in isolation W2031+ themes:

- Leadership
- People
- Places
- Environment
- Economy

Resourcing Strategy

Council's role in delivering W2031+ is supported by the Resourcing Strategy. This Strategy outlines and assesses how Council will manage its finances, assets and people to work towards achieving the community's vision and goals. The key components of the Resourcing Strategy include Long Term Financial Plan, Strategic Asset Management Plan and Workforce Management Plan.

Delivery Program

The Delivery Program sets out the principal activities Council will undertake across the full range of Council's operations. These activities directly address the Goals and Strategies outlined in W2031+. These activities are those that Council have the responsibility and capacity to implement through links to Council's Resourcing Strategy. The Delivery Program will run for four (4) years covering a Council term.

Operational Plan

This Operational Plan supports implementation of the Delivery Program and outlines in more detail the individual actions and activities that Council will undertake each financial year.

This plan links directly to W2031+ our future our choice, Council's Delivery Program and Resourcing Strategy and should not be read in isolation. These plans can be viewed on Council's website at www.wsc.nsw.gov.au

Reporting

Council monitors its progress towards achieving the goals and strategies of W2031+ through the implementation objectives, programs and projects identified in its plans. The following reports will be provided:

- Quarterly budget review statements and a revision of budget estimates
- Six monthly progress reports on progress of implementation of the Delivery Program objectives
- Annual Report detailing implementation of the Delivery Program, audited financial statements and information as required by Clause 217 of the Local Government (General) Regulation 2005
- End of Term Report.

Investing in our Future

Our challenge

Like many other NSW councils our roads, footpaths, buildings, drainage and other community assets are getting old and need to be upgraded. In recent years there have been a number of assets which have failed and have been removed from service for a period of time. For example:

- Mittagong Swimming Pool has been closed since March 2015 undergoing major refurbishment due to cracks in the pool shell
- Wombeyan Caves Road was closed from January to November 2015 due to a failed retaining structure due to a surge of water during a storm
- A section of Alice Street Mittagong has been closed due to a tree that needs removal and missing stormwater infrastructure. This closure has been in place for more than a year.

These examples show that unless our assets are adequately maintained or renewed, they will continue to degrade unabated and possibly become unusable in the future. This will also increase the cost of bringing these assets back to a satisfactory standard in future years if nothing is done now. In short this problem will not go away.

In October 2013 the NSW Independent Local Government Review Panel released its Final Report. This report outlined that Council was likely to be sustainable in its current form for several decades. The report also drew on findings from the NSW Treasury Corporation (TCorp) 2013 analysis of the financial sustainability of each of the 152 councils in NSW. TCorp found Wingecarribee Shire Council's Financial Sustainability Ratio to be moderate and outlook to be neutral. However, TCorp noted that there were adverse trends in some of Council's asset maintenance/replacement ratios which needed to be addressed through the Asset Management Plan and Long Term Financial Plan.

This situation is not unique to the Wingecarribee LGA. Councils across NSW are facing similar challenges in how they find long term solutions to managing infrastructure. This has largely been driven through an improved understanding of the condition of existing assets and a greater focus on long term financial stability. The Australian Local Government Association's National State of the Assets 2015 report found that 11 percent of Australian Local Government infrastructure is in poor condition.

In September 2014 the NSW State Government initiated its *Fit for the Future* local government reform program that required all NSW councils to submit a proposal by 30 June 2015 demonstrating plans to achieve long term financial sustainability. This required meeting seven asset and financial benchmarks in the areas of sustainability, infrastructure and service management and efficiency.

As a part of the *Fit for the Future* process Council reviewed the condition of assets and undertook detailed long term financial modelling. This work demonstrated that Council currently meets only two of the seven benchmarks and forecasts indicated that three benchmarks would be met in 2016/17 (see tables 1 – 3 below). Condition assessments and sound asset modelling have indicated that while Council currently spends around \$24.3 million on the maintenance and renewal of community assets each year, there is a funding gap and a need to invest an additional \$8.5 million per year. This additional investment will ensure that the number of assets in poor condition does not continue to grow which has the potential to result in intergenerational asset and financial management issues.

Further details of this challenge are outlined in Council's Long Term Financial Plan 2016-2026 and Strategic Asset Management Plan 2016-2026.

Table 1: Fit for the Future Sustainability Benchmarks

Measure/ benchmark	2013 / 2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	-7.52%	No	-7.80%	No
Own Source Revenue Ratio (Greater than 60% average over 3 years)	80.69%	Yes	80.60%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	42.03%	No	91.18%	No

Table 2: Fit for the Future Infrastructure and Service Management Benchmarks

Measure/ benchmark	2013 /2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Infrastructure Backlog Ratio (Less than 2%)	5.83%	No	1.28%	Yes
Asset Maintenance Ratio (Greater than 100% average over 3 years)	90.89%	No	77.90%	No
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	1.53%	Yes	3.31%	Yes

Table 3: Fit for the Future Efficiency Benchmark

Measure/ benchmark	2013 /2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Real Operating Expenditure per capita A decrease in Real Operating Expenditure per capita over time	Increase	No	Decrease	Yes

On 24 June 2015, Council endorsed its *Fit for the Future* Improvement Proposal demonstrating that it would meet the seven financial benchmarks by 2021/22.

This Proposal identified a number strategies including:

- An application to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation to fund the asset maintenance and renewal gap
- Work Health Safety Initiatives introduced to reduce workers compensation premiums
- Continue to refine asset management data
- Undertake a review of Council assets to determine utilisation rates
- Community levels of service engagement for all asset classes completed and used to review and prioritise backlog and works program
- A review of fees and charges for high priority items
- A Revised Workforce Management Plan including Organisational Development Strategy to ensure flexible workforce structure and practices

- Continue to participate in regional collaborative approaches and partnerships
- Implementation of business improvement strategies as part of Council's Internal Audit Program
- Revision and enhancement of procurement practices to ensure best value is achieved.

Please refer to the Long Term Financial Plan 2016-2026 for further information about achieving benchmarks under our Fit for the Future Proposal.

On 20 October 2015, IPART released its assessment of all councils Fit for the Future proposals. IPART assessed 139 proposals and found 52 councils (37%) were Fit for the future and 87 (63%) were assessed as not fit. IPART assessed Wingecarribee Shire Council as fit as it meets the scale and capacity criterion and will meet all financial criteria as a result of implementing its improvement proposal. This means that if the State Government adopts IPART's recommendation then Council can continue as a standalone council and will not be required to merge with surrounding councils provided its Improvement Proposal is adhered to.

There is a lot of work to be done to implement the strategies included in our Improvement Proposal to ensure all benchmarks are met. The State Government has made it clear it will monitor and hold councils accountable to their improvement proposals. Central to Council's Improvement Proposal and meeting the benchmarks set by the State Government (in particular the Operating Performance Ratio) is an application for a Special Rate Variation to fund asset maintenance and renewal.

As things currently stand, Council's revenue is regulated under "rate pegging". IPART sets a rate peg which limits the amount by which councils can increase their rate revenue from one year to the next. For many years, the rate peg limit has not kept pace with the financial needs of councils in NSW and residents' needs for appropriate services. A Special Rate Variation is a way for IPART to allow a council to increase its rates above rate peg for a set period.

Without a Special Rate Variation now Council will not be able to maintain essential assets or meet the Fit for the Future benchmarks. At this point in time, the implications of not implementing all actions from our Improvement Proposal and hence not achieving benchmarks are not known. All NSW councils are awaiting further announcements in relation to the Fit for the Future reform process from the State Government in December 2015.

In addition to the Fit for the Future reform, our community has consistently told us that assets such as roads, footpaths and drainage are important to them, but Council needs to improve their condition. Community satisfaction surveys have confirmed that Council is not meeting the community's expectations with the

condition of assets such as local roads, footpaths and drainage. This is largely due to a lack of sufficient funds. This means that while the community indicated that these assets were important to them they were less satisfied with the assets. The difference between importance and satisfaction creates a performance gap. A performance gap of more than one provides an indication that community expectations are not being met. Table 4 shows a significant performance gap of major asset classes – roads, drainage and footpaths in both the 2012 and 2015 community satisfaction surveys. It also shows a significant increase in the performance gap for condition of local roads.

Table 4: Performance Gap for Local Roads, Footpaths and Drainage for 2015 and 2012

Service/Facility	Performance Gap		Year on year difference
	2015	2012	
Condition of local roads	2.28	2.49	+0.21▲
Provision and quality of footpaths	1.50	1.58	+0.08
Providing adequate drainage	1.45	1.35	-0.10

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

▲▼ = significantly positive/negative shift in ranking (2015 compared to 2012)

In addition, when satisfaction is compared to other local government benchmarks, Wingecarribee Shire Council residents were significantly less satisfied with local roads, footpaths and drainage (see Table 5).

Table 5: Community Satisfaction with Assets compared to other Local Government Benchmarks

Service/Facility	Wingecarribee Shire Council Satisfaction Scores	Benchmark Variances
Provision and quality of footpaths	2.82	-0.22▼
Providing adequate drainage	2.88	-0.41▼
Condition of local roads	2.30	-0.49▼

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

▲▼ = positive/negative difference greater than 0.15 from LGA Benchmark

Note: Benchmark differences are based on assumed variants of +/- 0.15, with variants beyond +/- 0.15 more likely to be significant

In September 2015, Council undertook focused research to identify and inform long-term management and resourcing strategies for community assets. Specifically the research quantitatively explored:

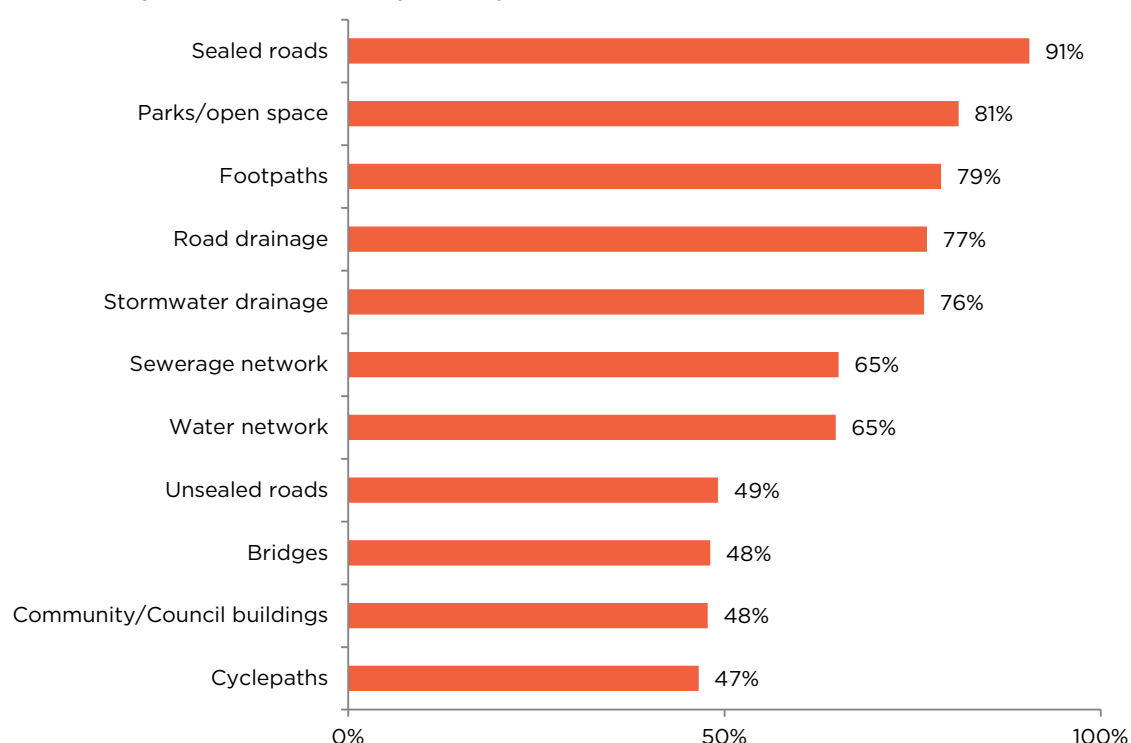
- Level of current investment, relative priority of and satisfaction with key community assets
- Understanding support for Council's funding position in regard to four key asset areas
- Identifying any community endorsed revenue options for Council to explore in order to address funding requirements.

A random representative sample of residents participated in research which consisted of a three stage methodology

- Stage 1: Initial recruitment of random representative sample of 602 Wingecarribee residents. Participants answered several questions relating to Council's assets via telephone survey
- Stage 2: Mail-out by Council of a brochure explaining the various asset management options
- Stage 3: Recontact telephone interviews with 401 of the initial 602, collection of numerous 'post' measures.

Residents were asked about which assets were a priority for them. Results are outlined in Table 6 below. These results indicate that sealed roads (91%), parks and open spaces (81%), footpaths (79%), road drainage (77%), stormwater drainage (76%) were a priority for the majority of respondents.

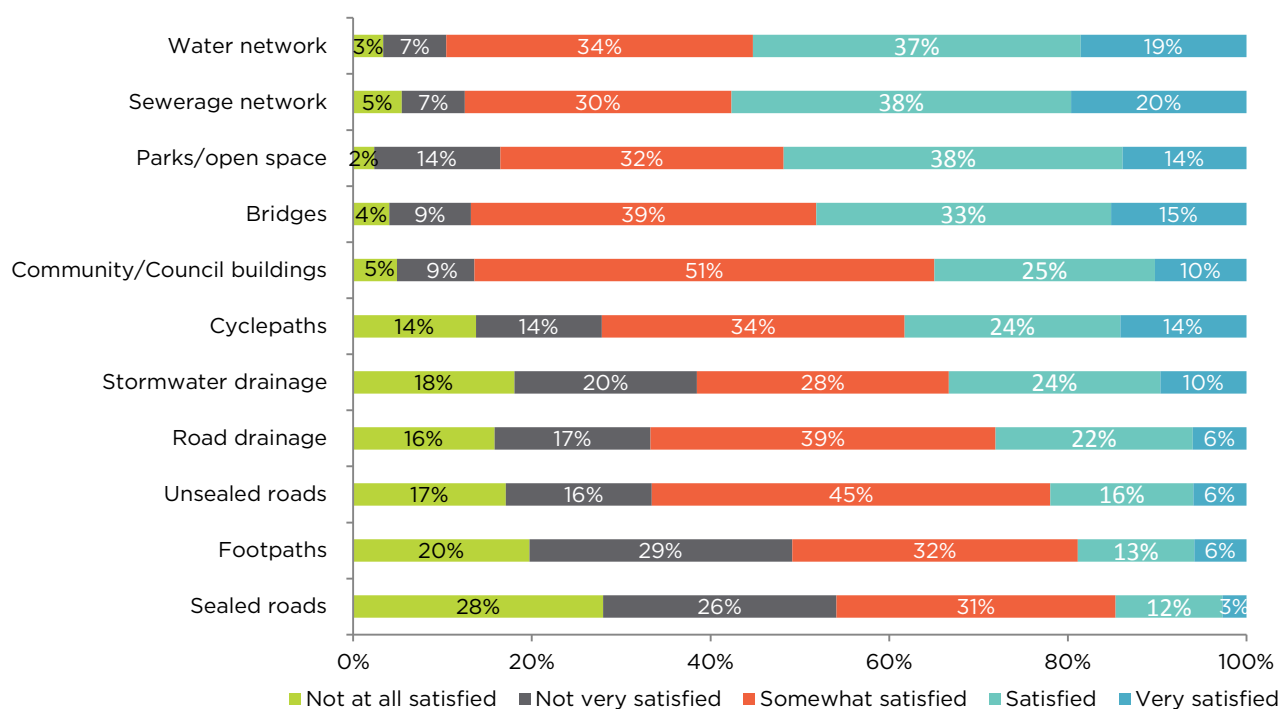
Table 6: Priority Assets – Hierarchy of response



While there is clearly a hierarchy of priorities, with scores ranging from 91% for sealed roads to 47% for cyclepaths, the challenge for Council is that even those assets with the lowest priority scores are still seen as a priority by almost half the community.

When asked about satisfaction with assets, residents were most satisfied with the water and sewerage networks while least satisfied with a number of transport assets including sealed roads, footpaths, unsealed roads, and road drainage (see Table 7 below).

Table 7: Satisfaction with Current Assets



When asset priority and satisfaction are compared it shows that respondents were often least satisfied with the assets that were the highest priority (Table 8 below). Indicating that these are areas Council needs to focus on and improve in order to meet the expectations of the community.

Table 8: Asset Priority and Satisfaction

Asset Type	Priority	Satisfaction*
Road drainage	77%	2.86
Sealed roads	91%	2.36
Unsealed roads	49%	2.77
Footpaths	79%	2.56
Stormwater drainage	76%	2.86
Parks/open space	81%	3.47
Sewerage network	65%	3.59
Water network	65%	3.60
Bridges	48%	3.46
Community/Council buildings	48%	3.27
Cycle paths	47%	3.11

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

Residents were asked how supportive they were of proposals to invest more money into various asset types. Proposed funding increases are outlined in Image 1 below. The increased level of investment proposals for the asset types were a result of the asset and financial modelling undertaken as a part of Fit for the Future.

Image 1: Excerpt from Asset Survey and Proposed Increase Level of Investment

WHICH COMMUNITY ASSETS IS COUNCIL PROPOSING TO INCREASE ITS LEVEL OF INVESTMENT?

Council is proposing to increase funding for the following assets.

- Transport (sealed roads, unsealed roads, footpaths, cycleways, bridges and road drainage)
- Stormwater Drainage
- Parks and Open Spaces
- Buildings

Increasing the level of funding for these assets will allow council to renew those which are currently in a poor condition. It will also ensure that the number of assets in poor condition does not continue to grow. It is essential that our community assets are safe, in working order and meet community expectations.

WHAT IS THE PROPOSED FUNDING INCREASE?

The table below shows the current amount of funding allocated each year, towards renewal and maintenance work across our main asset types, as well as recommendations for increases to improve their condition.

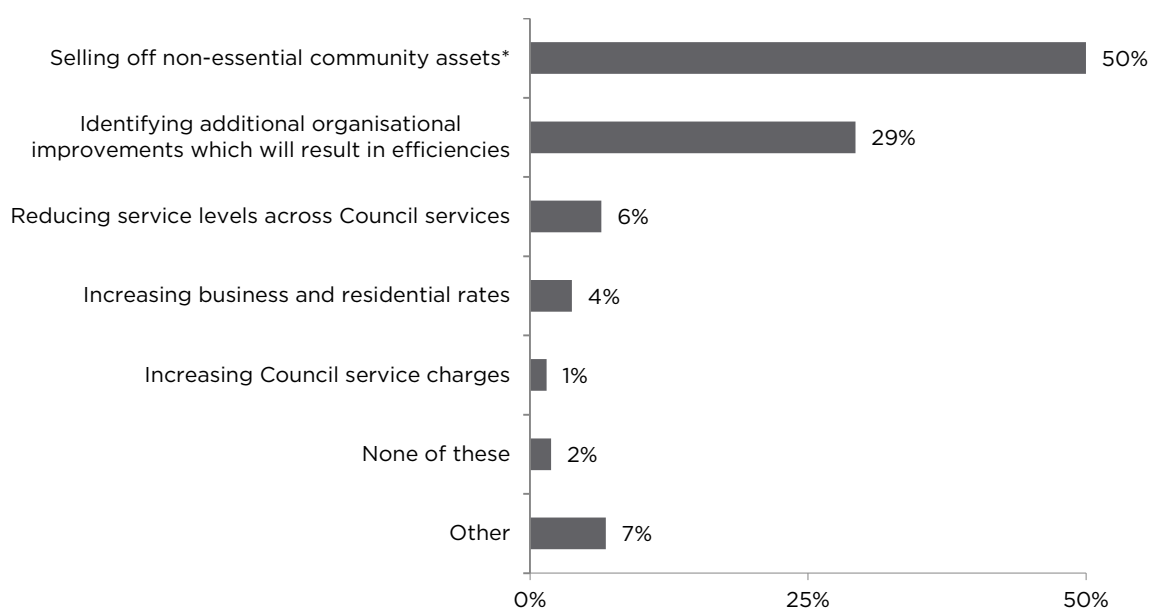
ASSET TYPE	CURRENT MAINTENANCE & RENEWAL BUDGET (PER ANNUM)	PROPOSED INCREASE IN INVESTMENT (PER ANNUM)	PROPOSED TOTAL INVESTMENT (PER ANNUM)	PROPOSED (%) INCREASE IN INVESTMENT
Transport	\$10,930,000	\$5,034,000	\$15,964,000	46%
Stormwater Drainage	\$1,190,000	\$1,165,000	\$2,355,000	98%
Parks and Open Space	\$760,000	\$412,000	\$1,172,000	54%
Buildings	\$1,400,000	\$2,037,000	\$3,437,000	145%

Results showed:

- 81% of respondents supported increased investment in transport assets (roads, footpaths, cycleways, bridges and road drainage)
- 73% of respondents supported increased investment in stormwater drainage
- 68% of respondents supported increased investment in parks and open spaces
- 46% of respondents supported increased investment in buildings

In addition, 85% of research participants agreed it was important or very important for Council to implement plans and strategies that will maintain and enhance our infrastructure and facilities for the Shire. Following this, participants were asked about the support for revenue options to support the additional funding requirements. Half of the residents supported Council selling non-essential community assets to address funding requirements and 29% supported organisational improvements which would result in efficiencies. Only 4% supported increased investment being funded via rate increases (see Table 9).

Table 9: Support for Revenue Options



The research clearly demonstrates that the community want increased investment and better quality community assets. However at the time of the survey (August 2015) a majority wanted this funded via selling off non-essential community assets and identifying additional organisational improvements which will result in efficiencies.

In response to this feedback, the following section outlines our current approach to disposal of surplus assets and organisational improvements and efficiencies.

Disposal of Surplus Assets

The majority of Council's current property portfolio is used in the delivery of essential services to the community. These properties deliver services such as car-parks, community facilities and open-space.

Over the last 10 years Council has undertaken a number of reviews of all vacant community land. The most recent review was completed in 2014/15 with sales of surplus properties achieving \$1.55 million to date. A further \$1 million is expected to be achieved in the 2015/16 financial year with funds allocated to reduce the loan for the Moss Vale War Memorial Aquatic Centre.

Our Fit for the Future Improvement Proposal also included a strategy to undertake a review of our assets to gain an understanding of utilisation rates. With community and council support this has the potential to inform further disposal of non-essential and underutilised assets in the future.

- In principle, Council will only consider the sale of surplus land/property under the following circumstances:

- The asset is no longer required, or is not used in the provision of a core service
- The asset has reached the end of its useful life
- When market conditions indicate that the asset could provide a substantial return which could be used to fund other capital investments.

The disposal of assets are a one-off source of revenue and as such, will not contribute to a long term funding solution for the maintenance and renewal of infrastructure.

Organisational Improvements and Efficiency Gains

The community has told us we need to be an organisation which operates efficiently and is highly productive. Our Fit for the Future Improvement Proposal included a number of strategies which are focused on organisational efficiency and productivity improvements. In particular we have committed to a comprehensive service review program to ensure Council is delivering the services the community values and examines ways to improve the processes in which to deliver these services. While a formal program of review will commence in early 2016, Council has continually reviewed the way services are conducted and implemented a range of initiatives to ensure resources are used wisely. Despite the improvements to date Council still does not have sufficient funds to continue to provide the current standard of assets and services. The section below outlines recent organisational improvements and efficiency gains to date in the areas of sustainability, process, asset management, procurement and technology improvement as well as grants and other funding sources.

Sustainability Improvements

Revolving Energy Fund (REFund) and Energy Efficiency Projects managed through the REFund

In 2012, Council received funding from the NSW Environment Protection Authority through the Waste and Sustainability Improvement Program (WASIP). A small amount of this funding was allocated to an energy efficiency project. This money provided the seed funding to develop and pilot the Revolving Energy Fund (REFund) concept which created a centralised energy efficiency investment fund.

A sustainable system was developed to continually fund future energy efficiency projects by developing a mechanism to capture verified financial savings from energy efficiency projects and reinvesting these back into the REFund.

Solar Panels

Over the last few years we have undertaken solar power projects to reduce energy costs and better utilise renewable energy generation, this has included:

- Southern Highlands Welcome Centre 9.75kw solar project (formerly Visitors Information Centre)
- Bowral Library 29.75 kW solar project
- Rural Fire Service Mittagong 20kW solar project
- Resource Recovery Centre 25kW Solar power system.

Energy generated at each location is used on site and has resulted in decreased energy costs. For examples the installation of the panels at the Resource Recovery Centre has resulted in a reduction of approximately \$12,000 per annum. While this strategy did require some initial investment by Council the anticipated payback period is approximately 4-6 years.

Lighting Upgrade

Council has commenced a lighting upgrade project at the Civic Centre which involves the replacement of approximately 630 inefficient fluorescent lights with energy efficient LED lights. It is estimated this project will save approximately \$20,000 per year in electricity charges alone. The project has other benefits as the LEDs will not require any maintenance for at least a 5 year period. The project is being undertaken in conjunction with the Office of Environment and Heritage (OEH) "Energy Saver Program".

In 2012 Council also undertook lighting upgrades at Mittagong and Bowral Library which involved the replacement of old inefficient fluorescent lighting. This has resulted in \$1,900 per year saving at Bowral Library and \$350 per year at Mittagong Library.

Sustainable Water Management

Previously Council has had relatively high levels of water losses and excessive water pressures for households and businesses in some supply areas. To address these issues, an innovative Sustainable Water Management Project was implemented. The project comprised three main innovative elements that meet the objectives of the Australian Government's *National Water Security Plan for Cities and Towns* and create a sustainable water management future for the Shire. The three key elements were:

- Establishment of a hydraulic water model for the Shire to enable engineers to optimise network performance, reduce water losses and extend asset life
- Establishment of District Metered Areas with constant remote monitoring for water losses
- Implementation of pressure control systems to minimise water losses, save money on infrastructure renewals and enhance customer service.

The successful implementation of this project has resulted in water savings of 248ML per year and has achieved a financial benefit of \$328,455 per year. In addition, the increase in pipe asset life will lead ultimately to savings in raw

materials and imbedded energy through improving the life cycle performance of these assets.

Process Improvements

Work Health and Safety Management Systems

Council has recently undertaken a comprehensive review of Workers Compensation and Return to Work functions and implemented a Workers Compensation Management Strategy to improve workplace systems and process. This has resulted in a significant reduction in lost time injuries for 2014/15 and a substantial reduction in our Workers Compensation insurance premium. As a result Council has received a refund of \$734,592.37 from its insurer for the 2014/2015 policy year. It should be noted that the methodology for calculating premiums was changed by SafeWork NSW impacting the 2015/2016 policy year and beyond. The new formula places a significant weighting on claims costs and takes into account three years of claims history. The premium will not be adjusted on claims experience at the end of the policy year, meaning there is no ability to receive a refund as Council did for the 2015/2016 policy year. While Council has vastly improved its Work Health and Safety practices in the 2014/2015 policy year and continuing to date, the quantum of savings due to better practices is not likely to be sustained into the future.

Voluntary Planning Agreements

A review was undertaken of Developer Contributions Plans and Development Servicing Plans under Section 94 and 94A of the Environmental Planning and Assessment Act and Section 64 of the Local Government Act. This enabled Council to explore opportunities for the increased use of Voluntary Planning Agreements (VPAs) under Section 94F of the Environmental Planning and Assessment Act and Division 1A of the Environmental Planning and Assessment Regulation. VPAs enable Council to negotiate developer contributions which are generally above and beyond what could be achieved under section 94 and 94A Developer Contributions Plans and section 64 Development Servicing Plans. VPAs are more flexible, enabling Council to secure additional community facilities and infrastructure specific to the needs of particular locations or community groups.

Internal Audit

Council's Internal Audit program provides a targeted approach to business improvement. Recently individual audits have identified process improvements, and hence improved efficiency, in the following areas:

- Information Technology investment
- Asset Management
- Risk Management

- Work Health and Safety

Council continues to review its systems and business process as part of its commitment to continuous improvement.

Customer Service

In 2014 a review of customer service delivery across Council was undertaken with the purpose of improving service quality and productivity through integration of and centralisation of customer service functions. While the review is still being implemented, a change in the way front counter and contact centre services are provided is already paying dividends with reduced customer wait times and more timely processing of customer requests. There are greater efficiency and productivity improvements to be achieved through the implementation of a customer relationship management software system in 2016/2017.

Asset Management Improvements

Structural Testing Evaluation of Pavements

Recently Council has commenced using Structural Testing Evaluation of Pavements (STEP) which is used to identify the most appropriate treatments for the renewal of road segments. STEP is a process which tests the strength of the road structure in order to more accurately determine which sections require full renewal and those which need resurfacing. Over the next five years roads scheduled for rehabilitation will be tested in order to reduce costs and time spent on reconstruction. It is anticipated that renewal construction cost may be significantly reduced.

CCTV Sewer Main Assessments

Since 2009 Council has utilised CCTV technology as part of a planned program of assessment and condition of sewer mains and manholes to help plan or program replacement, relining or rehabilitation works to extend the life of the asset. This also results in less environmental issues, ongoing call out costs, reduced clean-up costs, reduced and better planning of capital expenditure on identifying mains for renewal based on condition rather than age.

Ice Pigging

Ice Pigging is an efficient, cost-effective and environmentally friendly way to clean Council's network of underground water pipes. This technique is more effective at scouring and cleaning the walls of pipes of varying diameters, and it uses approximately half the volume of water of traditional pipe cleaning methods. Council commenced Ice Pigging in 2014 and was the first place in the world to ice pig entire towns. Ice Pigging is a best practise testing procedure for water main flushing.

Another significant benefit is less impact on the customer because the water supply is only off for minutes rather than hours when compared to other methods. It easily connects to existing infrastructure and the entire process takes about 30 minutes from start to finish, which significantly reduces staff time/per km spent of flushing underground water network.

Procurement Improvements

Joint Waste Contract

In 2009 Council entered into a regional waste disposal contract with Campbelltown, Camden and Wollondilly councils. This has provided Council with market competitive disposal of Council's Red and Yellow Bin waste streams. This contract provides diversion from landfill of these waste streams of over 70%.

The new 10 year collection and transport contract entered into in 2014, when compared to previous contracts saves council \$556,000 per year for 10 years or \$5.5M over the ten years.

Avoiding Peak Demand Charges

During a review of electricity billing for large sites it was noticed a large proportion of some bills were made up of peak demand charges. Further investigation identified an opportunity to save money at our two main water treatment plants by implementing no cost actions. It was determined that the time we treat our water at the Water Filtration Plants can be flexible as the water treatment process is largely automated. By shifting the times that water treatment is conducted at the two plants and one associated pump station we have dramatically reduced the peak demand charges. Financial savings from this initiative has been significant. Peak demand charges at Wingecarribee Water Filtration Plant have gone from over \$10,000 per month in early 2013 to less than \$300 per month in early 2015. The cost of electricity per kL of water treated at Wingecarribee Water filtration plant has gone from an average of \$0.09/kL in January to March 2013 to \$.04/kL for the same period in 2015. Average monthly bills have reduced, with average monthly bills for January to March 2013 of \$30,000 compared \$12,000 for the same period in 2015.

Wholesale Energy Tariffs

After analysing the pattern of use at both of Robertson Sewerage Treatment Plant and Moss Vale War Memorial Aquatic Centre it was determined that Council would pay less for electricity at these sites if they were both put on a N19 wholesale electricity tariff which has cheaper time of use charges but has a peak demand charge. This has resulted in significant savings at both facilities, approximately \$12,000 per year for Robertson Sewerage Treatment Plant and \$36,000 per year from Moss Vale Aquatic Centre.

Review of Small Electricity Sites

Recently Council reviewed our electricity accounts for small sites such as pools, community halls and small water and sewer pump stations and found that there were approximately 25 small energy using sites that were not on Council's small sites contract. Contact was made with our energy broker who arranged these sites to be transferred with a Variations of Agreement signed off by General Manager October 2014. It is estimated this initiative has saved Council about \$12,000 per year resulting from cheaper electricity rates.

Vehicle Registration

Following a review of Council's fleet vehicle registration it was determined that heavy plant could be reclassified from Business to Roadwork for Heavy Plant. This has resulted in a \$40,000 per annum reduction in registration costs.

Technology Improvements

Development Application (DA) Tracker

In 2011 Council introduced an online DA Tracker. The system allows customers to track the progress of applications from lodgement through to determination. The implementation of this system has resulted in fewer calls and face to face enquires related to DA progress.

Section 149 Certificates

In 2015 the generation of Section 149 certificates was automated, allowing Council to move away from a manual and labour intensive process. This has reduced administrative costs and reduced time to generate the certificates and improved accuracy.

Online Tools

Council has been using online tools to communicate with the community. This includes social media such as Facebook and Twitter and an online engagement platform (yoursaywingecarribee.com.au). This provides a quick and efficient way to keep the community up to date with events, projects and issues, as well as an effective tool for the community to provide feedback to Council. Systems have also been put in place to email newsletters, complete surveys, book events and apply for grants. The use of these systems reduce administrative costs as well as costs associated with printing and postage.

Grants and Other Funding Sources

Grant Funding

Council actively pursues external funding for key infrastructure projects and has recently been successful in securing the following funding:

- Bowral Distributor Road under the State Government's Restart NSW Illawarra Infrastructure Fund
- Southern Regional Livestock Exchange roofing project through Regional and Local Community Infrastructure Program
- Moss Vale Enterprise Zone Corridor Road Works via Department of Infrastructure and Regional Development's National Stronger Regions Funds
- Country Passenger Transport Infrastructure Grants Scheme for public transport improvement projects such as improved lighting, construction of Disability Discrimination Act compliant bus shelters for CountryLink Passengers
- Replacement of two bridges as a part of the Australian Government Bridges Renewal Program
- Successful partnership with community sporting groups to deliver significant upgrades in sporting infrastructure
- Flood study grant funding for five local projects as a part of the NSW State Governments 2014-15 Floodplain Management Program.

Subsidised Loans

Council has achieved savings of approximately \$1.2 Million in interest repayments through applying for low interest loan subsidies (Local Infrastructure Renewal Scheme) to undertake significant capital works projects such as the refurbishment of Mittagong Pool (\$2.5 Million) and Road Resealing Program (\$4.0 Million).

Investing in Our Future: Options

Addressing Our Challenge

Council has had a number of Special Rate Variations in the past including the Infrastructure Renewal Strategy (2008) and the Environment Levy (2000) to help maintain valuable community and environmental assets. However it has become clear through the Fit for the Future reforms and community feedback that Council needs to invest more into the maintenance and renewal of its assets. With an annual funding gap of \$8.5 million, the problem cannot be ignored. Council needs to invest more money in its existing assets to meet the needs and expectations of the community as well as achieve the benchmarks set by the State Government. Focusing only on disposal of surplus assets and organisational improvements and efficiency gains will not provide enough funds to meet these benchmarks or the asset challenges that are faced.

Council's Fit for the Future improvement proposal, clearly articulated the need for Council to apply for a Special Rate Variation, of approximately 9% percent per annum for a period of 4 years (cumulative increase of 41%). The proposed Special Rate Variation is an important step to help maintain and manage our current assets to ensure that we deliver services in line with community expectations and remain financially sustainable into the future.

Since submitting our Fit for the Future Improvement Proposal, work has been undertaken to further refine our asset and financial modelling and three options were developed for the community to consider. These options are outlined in Table 10 below. Two of the three options also include the renewal of the current Environment Levy. An Environment Levy has been in place since 2001 to ensure that environmental assets are maintained. While this Levy is not due to expire until 2018/19 it is important that it is considered as a part of this proposed Special Rate Variation.

Through this Levy Council has delivered a range of successful environmental programs. Working with the community, the Environment Levy helps to look after the unique environment of our Shire and the quality of life enjoyed by residents. Key activities and programs funded by the Levy include:

- restoration works on nearly 1,000 hectares of bushland a year including weed control and revegetation;
- restoration of public waterways managed by Council including weed removal, tree plantings, bank stabilisation and water monitoring;
- projects to protect threatened species like our koalas and endangered habitats like Mt Gibraltar forest;
- supporting the work of over 140 local community volunteers who contribute over 3,400 work hours each year;

- working with farmers and rural landholders to support environmental land management activities;
- environmental education programs including Schools Environment Day;
- sustainability initiatives such as the installation of solar electricity on infrastructure, efficiency programs, and small grants that support community initiatives like community gardens and local schools.

With over 3,000 hectares of bushland reserves, approximately 130 kilometres of public waterways, and over 100 species of endangered plants and animals requiring ongoing management, it is essential to make every dollar count. This is achieved by:

- using Levy funds to attract significant amounts of grant funding and other contributions. Since 2012, we have secured nearly \$600,000 in extra funding from other government agencies and organisations to invest in our local environment. Council also actively assists community groups to obtain additional money for special projects
- working in partnership with the community and other land management agencies, to share resources and get the best results for our local environment
- using scientific research and best practice land management expertise to prioritise and pinpoint the optimum use of Levy funds to tackle local environmental challenges.

The community has indicated that environmental assets are also important to them. Council's 2015 Community Satisfaction Survey showed that 76% of residents think community environmental initiatives are important or very important and 75% of residents think restoration of the natural bushland is important or very important.

More information on your Environment Levy can be found at www.yoursaywingecarribee.com.au

The section below provides an overview of each of the Investing in our Future Options, including impact on funding, maintenance and renew, new assets, environment protection and rates. Budget estimates and detailed rate impact based on land value ranges for all scenarios can be found in Appendix 1.

Option 1: Deteriorate (Rate Peg)

Under this option, community assets would continue to decline and more assets would fall into the poor condition category. The focus would be on managing risk, including the possible closure and removal of unsafe assets. Council's ability to look after the environment would diminish as options 2 and 3 contemplate continuation of the Environment Levy in 2019/20.

This option would provide no additional funding other than the rate peg increase of an estimated 2.5% which does not reflect the increasing cost of Council operations to serve our community. Broader service reductions may be required to fund emergency works.

Option Impacts

Asset Renewal Maintenance

Assets would deteriorate further. There would be a decline in the condition of our assets such as roads, town centres, buildings, public toilets, footpaths, stormwater drainage, parks and open spaces including playgrounds.

New Infrastructure

There would be virtually no capacity for new capital works apart from those funded by developer contributions and grants. This means Council would have difficulty funding new assets such as footpaths, shared pathways and drainage.

Environment Protection

From 2019/20 Council's ability to undertake restoration works of bushland, natural habitats and waterways would be severely limited. There would be no programs to protect threatened species like our koalas. There would be less weed control and less sustainability initiatives.

Rates

There would be no need for Council to apply for a Special Rate Variation. Rates would increase by the annual rate peg amount of an estimated 2.5% per year. Over the four year period this is a cumulative increase of 10.38%. See Table 11 below.

Table 11: Option 1 Deteriorate (Rate Peg)

Impact on Average Residential Rates		Current	2016/17	2017/18	2018/19	2019/20
Option 1: Deteriorate	Rate Increase %	-	2.50%	2.50%	2.50%	2.50%
	Cumulative Increase	-	2.50%	5.06%	7.69%	10.38%
	Average Annual Rate (\$)	\$1,278.63	\$1,310.59	\$1,343.36	\$1,376.94	\$1,363.99
	Average Annual Increase (\$)	-	\$31.96	\$32.77	\$33.58	-\$12.95

Option 2: Maintain

Council would stabilise the deterioration of community assets and would be able to fund most of the required asset renewal and maintenance and continue to look after the environment.

This option would generate \$74.7 million over 10 years and would allow an additional spend of:

- \$45.5 million on roads, road drainage, footpaths and shared pathways;
- \$9.3 million on stormwater drainage;
- \$15.8 million on buildings;
- \$4.1 million on parks and open spaces.

Option Impacts

Asset Renewal Maintenance

The condition of assets would stabilise. Council would be able to fund the essential maintenance and renewal of assets. This means the current condition of our roads, footpaths, buildings, stormwater drainage and parks and open spaces, including playgrounds, would gradually improve over time. Council would also be able to undertake preventative maintenance to reduce future costs to the community.

New Infrastructure

Council would have virtually no capacity for new capital works apart from those funded by developer contributions and grants. This means Council would have difficulty funding new assets such as footpaths, shared pathways and drainage.

Environment Protection

Council would be able to protect the environment through the continuation of our Environment Levy from 2019/20. \$1.2 million would be spent annually on restoration of bushland, natural habitats and waterways. Council would have the ability to protect threatened species like our koalas, continue weed control, support Bushcare and Landcare initiatives and continue sustainability initiatives.

Rates

This option would include a Special Rate Variation of 7.75% each year for three years and 10.65% in the fourth year to allow the continuation of the Environment Levy. This includes the estimated 2.5% rate peg. Over the four year period this is a cumulative increase of 38.42% (or 28.04% over the estimated rate peg). This option also includes the continuation of the Environment Levy in year four (2019/20) which residents are currently paying and will continue to pay in the first three years as part of an existing variation. At the end of the four year period the

Special Rate Variation increases would be built into the rate base. See Table 12 below:

Table 12: Option 2 Maintain

Impact on Average Residential Rates		Current	2016/17	2017/18	2018/19	2019/20
Option 2: Maintain	Rate Increase %	-	7.75%	7.75%	7.75%	10.65%
	Cumulative Increase	-	7.75%	16.10%	25.10%	38.42%
	Average Annual Rate (\$)	\$1,278.63	\$1,377.72	\$1,484.49	\$1,599.54	\$1,712.81
	Average Annual Increase (\$)	-	\$99.09	\$106.77	\$115.05	\$113.27

Option 3: Improve

Council would improve the quality of our community assets by being able to fund the required asset renewal and maintenance. It would continue to look after our environment and be able to undertake some new work to fill essential asset gaps.

This option would generate \$98.4 million over 10 years and would allow an additional spend of:

- \$51.6 million on roads, road drainage, footpaths and shared pathways;
- \$26.9 million on stormwater drainage;
- \$15.8 million on buildings;
- \$4.1 million on parks and open spaces.

Option Impacts

Asset Renewal Maintenance

The condition of assets would stabilise. Council would be able to fund the essential maintenance and renewal of assets. This means the current condition of our roads, footpaths, buildings, stormwater drainage and parks and open spaces, including playgrounds, would gradually improve over time. Council would also be able to undertake preventative maintenance to reduce future costs to the community.

New Assets

We would be able to fund new essential infrastructure gaps, particularly stormwater assets, footpaths, shared pathways and roads.

Environment Protection

Council would be able to protect the environment through the continuation of our Environment Levy from 2019/20. \$1.2 million would be spent annually on restoration of bushland, natural habitats and waterways. Council would have the ability to protect threatened species like our koalas, continue weed control, support Bushcare and Landcare initiatives and continue sustainability initiatives.

Rates

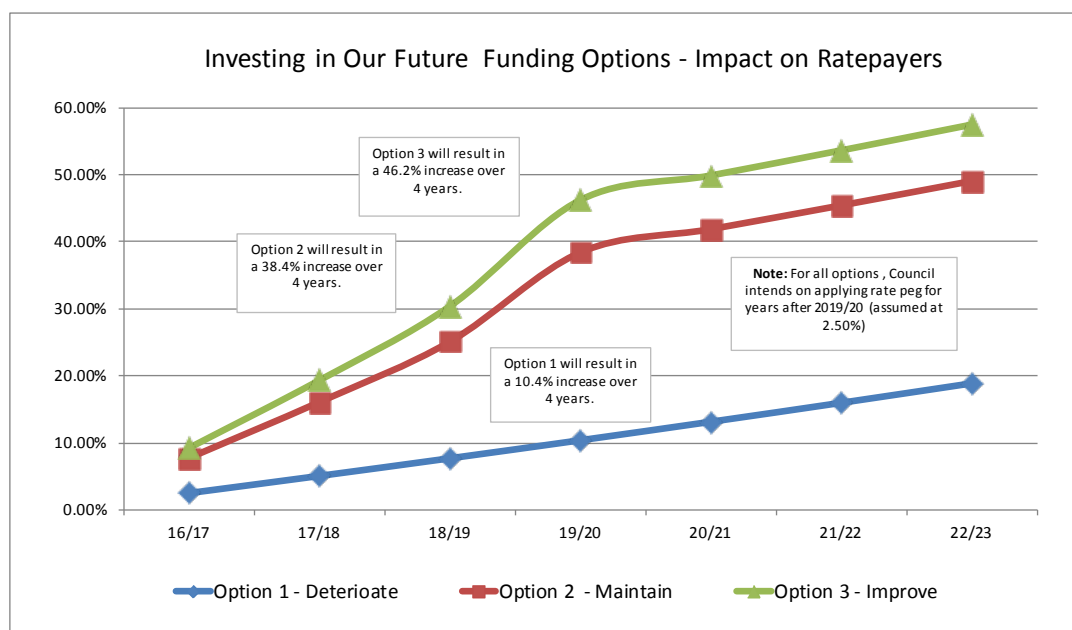
This option would include a Special Rate Variation of 9.25% each year for three years and 12.15% in the fourth year to allow the continuation of the Environment Levy. This includes the annual estimated 2.5% rate peg. Over the four year period this is a cumulative increase of 46.24% (or 35.86% over the estimated rate peg). This option also includes the continuation of the Environment Levy in year four (2019/20) which residents are currently paying and will continue to pay in the first 3 years as part of an existing variation. At the end of the four year period the Special Rate Variation increases would be built into the rate base.

Table 13: Option 3 Improve

Impact on Average Residential Rates		Current	2016/17	2017/18	2018/19	2019/20
Option 3: Improve	Rate Increase %	-	9.25%	9.25%	9.25%	12.15%
	Cumulative Increase	-	9.25%	19.36%	30.40%	46.24%
	Average Annual Rate (\$)	\$1,278.63	\$1,396.90	\$1,526.11	\$1,667.28	\$1,809.41
	Average Annual Increase (\$)	-	\$118.27	\$129.21	\$141.17	\$142.13

A comparison of the impact of the three options on rates is reflected in the Graph 1 below.

Graph 1: Investing in our Future Funding Options – Impact on Rates



Community Feedback on the Options

In October 2015 Council launched consultation on the three options. This included distributing an Investing in our Future brochure to all households and businesses in the Shire as well as all non-resident ratepayers. A variety of communication techniques were utilised to raise awareness about the proposed Special Rate Variation.

Communication Technique	Reach
Brochure	30,000 printed & distributed by Australia Post or direct mail
Radio interviews	Mayor, General Manager, Deputy General Manager and Communications Coordinator
Media releases	Three issued focusing on various topics, resulting in radio news items and newspaper articles
Social media	Four SRV Posts reached 792 people Community Facebook pages shared or posted SRV information
Advertising	Six columns features and four weeks of newspaper advertising Radio commercials and live reads
Displays	Set up at Civic Centre & Saleyards. 1000 business cards were distributed
YourSayWingecarribee site	Email alerts to over 1500 registered members (three times)
Email notifications via direct message or e-newsletter	<ul style="list-style-type: none"> • 922 e-news subscribers (three times) • Committee members and volunteers • 190 town & village contacts

In addition Council held 14 information kiosks across the Shire to provide residents with additional opportunities to receive information about the proposal. Over 225 people visited a kiosk. Residents were able to provide feedback by completing a postal survey which was included in the Investing in our Future information booklet or by completing an on-line survey. In addition, an independent research company, Micromex Research, were engaged to undertake a random representative telephone survey. Submissions were also encouraged with 21 received during this time. For full details please refer to the Investing in our Future Community Engagement Report, December 2015 at www.yoursaywingecarribee.com.au

Table 14 below outlines the results for the surveys to determine the community's preferred Investing in our Future Option. The results demonstrate that residents accept that to at least maintain services they will need to pay higher rates.

Table 14: Preferred Investing in our Future Option

Preferred Investing in Our Future Option			
Survey Type	Telephone Survey*	Online Survey**	Postal Survey**
Number of Participants	403 Residents	326 Responses	661 Responses
Option 1: Deteriorate	29%	35%	30%
Option 2: Maintain	37%	32%	34%
Option 3: Improve	34%	33%	34%
No Preference	N/A	N/A	2%
Total percentage of respondents preferring some level of rate increase above rate peg	71%	65%	68%

* Micromex Research telephone survey was based on a random and representative sample of residents

** Non representative sample of self-selected survey participants.

Based on community support for some level of rate increase above rate peg, Council has revised its Delivery Program 2013-17 and its Long Term Financial Plan and Strategic Asset Management Plan to include the options considered by the community, these options will now be known as scenarios.

IP&R Document Public Exhibition and Outcomes

Phase three of the *Investing in our Future* project involved the public exhibition of Council's Delivery Program, Long Term Financial Plan and Strategic Asset Management Plan to include the three scenarios. Feedback on the documents was sought in the form of submissions, via an online form, email or written submission. The public exhibition was promoted via media releases, newspaper and radio advertisements, email newsletters, Council's website, and a display at Council's Civic Centre. In addition Information Kiosks were held on 20 and 27 January which provided an opportunity for residents to ask questions and find out more about the draft documents and the proposed Special Rate Variation.

In total 56 submissions were received which each raised numerous issues. Of these submissions 16 stated an opposition to the proposed Special Rate Variation and four supported the proposed increase to fund additional infrastructure maintenance and renewal works across the Shire. The main themes emerging from submissions and number of comments by theme and subtheme outlined in Table 15 below.

Table 15: Phase 3 Submissions Key Themes and Staff Response

Key Themes (total number of comments) Subthemes (number of comments)	Staff Response
<p>Investing in our Future Project (48)</p> <ul style="list-style-type: none"> • Critical of terminology used (11) • Critical of survey methodology or company conducting the research (10) • Concerns that Council will disregard feedback opposed to SRV (9) • Challenge to interpretation of survey results (6) • Concerns that extensive detail in SRV Information Kit made it difficult to comprehend (3) • Concerns that Draft Delivery Program 2013-17 is not detailed enough(3) • Concerns about transparency (2) • Request for more information online (1) • Advertising was inadequate (1) • Query about community consultation methods(1) • Community consultation did not resolve concerns(1) 	<p>A variety of communication and engagement methods were utilised to ensure as many members of the community were aware of and had an opportunity to have input into the Investing in our Future project. Communication techniques included distribution of a brochure to all households, media releases, radio interviews, newspaper and radio advertisements, email newsletters and social media.</p> <p>To ensure all community members had an opportunity to have their say feedback was sought via a number of mechanisms including telephone, postal and online surveys, and formal submissions and at information kiosks. A random telephone survey was undertaken to ensure that feedback from canvassed from a representative and statistically significant cross section of the community. The results of the telephone survey were similar to that the online and postal surveys conducted during phase 2. Further details communication and engagement strategy and outcomes are outlined in Attachment 1.</p> <p>Following the publication of communication materials during Phase 2, Council received feedback that highlighted some members of the community were concerned about the option terminology, in particularly ‘deteriorate’. As a result, this terminology was removed from the telephone survey and instead participants were read ‘Option 1 – Rate Peg Only’. ‘Rate peg only’ was subsequently included to the scenario labels during phase 3.</p> <p>Feedback from all phases of the project have been presented to Council in briefing sessions and detailed in Attachment 1 for their determination.</p>
<p>Efficiency of Council's operations (31)</p> <ul style="list-style-type: none"> • Concerns about transparency, accountability and/or financial management (14) • Request that Council more closely analyse its expenditure with reference to desirable environmental and economic characteristics of the Shire(5) • Request that Council review its services for potential efficiencies(3) • Internal expenditure too high (2) • Reduce staff /committee numbers (2) • Critical of Council's management (2) • Perceptions of staff productivity (2) • Query regarding how Council evaluates the success of its initiatives (1) 	<p>Council's Fit for the Future Improvement Proposal included a number of strategies which aim to improve the efficiency its operations. In particular, Council committed to “undertake a comprehensive service review program to ensure that Council is delivering services in the most efficient and effective manner”. A report of the project approach is being considered at the Council meeting on 10 February 2016.</p> <p>The comprehensive organisational service review will commence in 2016. This will include an examination of service levels and service delivery models with consideration also given to service consolidation and partnerships with other councils or service providers.</p>

Key Themes (total number of comments) & Subthemes (number of comments)	Staff Response
Infrastructure / Services (24) <ul style="list-style-type: none"> • More services/improvements should be offered (7) • Particular roads/areas neglected either historically or in the SRV proposal (5) • Works not carried out efficiently (5) • Query as to whether Council's forward planning is adequately considering technological change, job creation and environmentally-friendly transport options (4) • Resources wasted on infrastructure of limited use (1) • RMS should take on more responsibility (1) • Query about future increases in water and sewerage charges (1) 	<p>As outlined above Council is committed to commencing a comprehensive organisational service review, this will include critical analysis of how services are currently delivered and consideration of the most efficient and effectively delivery models for future service delivery.</p> <p>Council's revised Delivery Program outlines a range of organisational improvements, including those related to the management of assets, such as structural testing evaluation of pavements, CCTV sewer main assessments and ice pigging.</p> <p>The <i>Investing in our Future</i> project relates to Council's General Fund only, as such water and sewerage charges are not part of the Special rate Variation.</p>
SRV rate rise (23) <ul style="list-style-type: none"> • Oppose rate rise (16) • Support higher rate rise to improve services (4) • Recommend SRV proposal should be a Council election issue (2) ▪ Propose additional SRV rate rise options (1) 	<p>A Special Rate Variation was considered after extensive asset and financial modelling as a part of the NSW Governments <i>Fit for the Future</i> local government reform program. Council's three phased <i>Investing in our Future</i> project commenced in August 2015 to genuinely explore:</p> <ul style="list-style-type: none"> ▪ Community sentiment towards the need to increase funding to asset renewal and maintenance ▪ Preferred funding scenarios ▪ Community capacity to pay increased rates.
Concerns about affordability (19) <ul style="list-style-type: none"> • Increase in cost of living (5) • Low Income earner (4) • Self-funded retiree / Pensioner (3) • Rate increase higher than inflation (3) • Impact on local businesses(2) • Impact from previous rate variation (1) • High rates compared with other NSW councils (1) 	<p>Council has carefully considered the impact of the proposed rate increased on the community, in particular the community's desire and capacity pay increased rates. This was explored throughout the 3 phases of the <i>Investing in our Future</i> project. While statistical data (e.g. Australian Bureau of Statistics) and findings from this project suggest there are some financially disadvantaged members of the community, analysis indicates a desire and ability to pay for the majority of the community.</p> <p>Council acknowledges that any rate increase may adversely impact some community members and has mechanisms in place to assist ratepayers should they incur difficulty in keeping up with their rates payments, including a Financial Hardship Policy and the mandatory \$250 pensioner rebate (set by the NSW State Government) which certain classes of pensioners are eligible.</p>

Key Themes (total number of comments) & Subthemes (number of comments)	Staff Response
Alternative funding and/or saving strategies suggested (19) <ul style="list-style-type: none"> • Organisational savings (10) • Productivity improvements (3) • Land value increase (3) • Benefits of amalgamation (1) • Support growth of industry (1) • Enable savings by better utilising community groups (1) 	<p>Council's <i>Fit for the Future</i> Improvement Proposal identified a number of strategies to improve efficiency and productivity, this includes;</p> <ul style="list-style-type: none"> • Undertaking a comprehensive service review program • Implementing Work Health Safety initiatives to reduce workers compensation premiums to at or below industry average • Developing and implementing a flexible Resource Strategy, including workforce structure and work practices to deliver works program • Participating in Joint Organisations and other regional collaborative approaches • Implementing business improvement strategies as part of Council's Internal Risk and Audit Program • Revise and enhance procurement practices to ensure best value is achieved. <p>Council will continue to explore organisational savings through its service review program.</p>
General criticisms relating to Local Government / FFTF / WSC being deemed 'fit' (9)	<p>The NSW Government deemed Wingecarribee Shire Council to be fit on the basis of it implementing its Fit for the Future Improvement Proposal. This proposal included a number of strategies in order for Council to meet the benchmarks set by the NSW Government within the specified timeframes. Central to Council's proposal is a Special Rate Variation.</p>

IPART Rate Capping Announcement & Proposed Amendments to Long Term Financial Plan

Following the finalisation of Council's Long Term Financial Plan for public exhibition, on 4 December 2015 IPART announced the rate pegging amount for 2015/16 to be set at 1.8%. Council's LTFP had assumed a rate peg of 2.5% (as per IPART's guidance) and as such it is proposed that the LTFP will be amended to reflect IPART's announcement. The difference of 0.7% effectively means that Council would see a reduction in rate income in 2016/17 of \$234,000.

Council had announced via a media release titled "*IPART announces 2016/17 rate pegging amount*" on 13 January 2016 that it had intended to retain the 0.7% rate increase in its proposed Special Rate Variation. This decision was made on the basis that this additional revenue was required to ensure that Council did not go into a budget deficit. Following consideration of community feedback received during phases 2 and 3 of the *Investing in our Future* project, related to the affordability of the proposed increases and requests for Council to find additional organisational efficiencies the 0.7% has been removed from the scenarios.

Council will implement an internal efficiency/saving program to ensure that over the course of the LTFP the budget will remain balanced, this represents a minimum annual savings program of \$234,000 per annum or \$2.689 million over ten years (includes indexation). Based on this, it is proposed that the scenarios are amended as follows:

Scenario 1: Rate Peg Only

Annual Rate Increase	2016/17	2017/18	2018/19	2019/20	
Rate Peg	1.80%	2.50%	2.50%	2.50%	
Environment Levy (not continued)	-	-	-	-	
Additional Rate Increase	-	-	-	-	
Total Annual Increase	1.80%	2.50%	2.50%	2.50%	
Cumulative Increase					9.63%

Scenario 2: Maintain

Annual Rate Increase	2016/17	2017/18	2018/19	2019/20	
Rate Peg	1.80%	2.50%	2.50%	2.50%	
Environment Levy (continued)	-	-	-	2.90%	
Additional Rate Increase	5.25%	5.25%	5.25%	5.25%	
Total Annual Increase	7.05%	7.75%	7.75%	10.65%	
Cumulative Increase					37.52%

Scenario 3: Improve

Annual Rate Increase	2016/17	2017/18	2018/19	2019/20	
Rate Peg	1.80%	2.50%	2.50%	2.50%	
Environment Levy (continued)	-	-	-	2.90%	
Additional Rate Increase	6.75%	6.75%	6.75%	6.75%	
Total Annual Increase	8.55%	9.25%	9.25%	12.15%	
Cumulative Increase					45.30%

Community Capacity to Pay for a Special Rate Variation

In determining the percentage increases under scenarios 2 and 3, the ratepayer's capacity to pay was assessed and taken into consideration. Council was committed to testing community willingness and capacity to pay through its extensive *Investing in our Future* community engagement process. As outlined above, results of the engagement process indicate the community's willingness and capacity to pay rates higher than the rate pegging amount. Noting that in response to community feedback around affordability and organisational efficiency it is proposed that scenarios are reduced by 0.7% in 2016/17.

In addition, Council has reviewed a range of socio-economic and financial data to assess the community's capacity to pay additional rates. Statistics indicate that while there are some financially challenged residents, a majority of residents within the Shire have capacity to pay additional rates. The assessment of capacity to pay has included consideration of a range of information and measures including:

- Wingecarribee Shire's median weekly household incomes (\$1094) are above regional NSW (\$961)
- The Shires unemployment rate (4.3%) is lower than regional NSW (6.2%) and the NSW average (5.9%)
- The Shire scores 1024 on the SEIFA (Socio-Economic Indexes for Areas) scale of disadvantage and is ranked as being 125 in the State with a decile score of 9 (with 1 being the most disadvantaged out of a score of 10). This indicates that overall the Shire has less levels of disadvantage within the community in comparison with the rest of Australia and is just below the top 10 per cent of least disadvantaged areas in NSW
- A higher proportion of homes are owned outright (42%) compared to regional NSW (37%) and NSW (32%)
- Rental stress has been assessed as being lower (8.8%) than the NSW average (11.6%)
- Mortgage stress is similar (11.0%) to the NSW average (10.5%)
- The Social Health Atlas of Australia (2015) identifies 6,665 people living in the Wingecarribee as receiving an aged pension. This represents 60.7% of people aged 65 years and older (10,980) and 14% of the Shire's current estimated residential population (47,584 people). This rate is lower than that of the NSW average for persons aged 65 years and over (69.4%) and lower than neighbouring local government areas of Wollondilly (70.6%), Shellharbour (84.9%), Goulburn Mulwaree (72.7%), Wollongong (78.9%), Kiama (67.8%) and Shoalhaven (77.6%)
- Council offers assistance to ratepayers struggling to pay rates who can evidence genuine hardship, in 2014/15 Council approved 9 of the 11 hardship claims received.
- Council's rates and annual charges outstanding percentage as at 30 June 2015 was 2.08% which is well below the NSW industry benchmark of 10%.

Council Decision to Apply for a Special Rate Variation

At its meeting on 10 February 2016 Council considered the following information to determine its preferred scenario:

- Outcomes from the three phases of Council's *Investing in our Future* project
- The assessed community willingness and capacity to pay for a rate increase
- Requirements of the NSW Government for Council to ensure its long term financial sustainability through the implementation of its *Fit for the Future* Improvement Proposal.

Based on this information Council resolved to apply to IPART for a Special Rate Variation under the *Improve* scenario.

How would the additional funds be used?

Additional funds gained through a Special Rate Variation will be used to fund essential asset renewal and maintenance works. Through the continuation of the Environment Levy Council will protect the environment and support environmental programs. Under scenario 3 – Improve, Council would also be able to fund new essential infrastructure gaps, particularly stormwater assets, footpaths and roads.

Full details of how the additional funding will be distributed across asset types is outlined in a 10 year detailed Capital Works Program in the Strategic Asset Management Plan 2016-26. In addition, the Environment Levy budget is outlined in Appendix 2 and an Environment Levy Fact Sheet outlining Levy achievements to date is available on www.yoursaywingecarribee.com.au

Below are some examples of how the additional funds will be used over the next ten years, this includes:

- Accelerated maintenance works across all asset classes, such as pot hole patching, grading of unsealed roads, clearing of stormwater pipes, repainting of buildings and maintenance of park furniture
- Renewal of footpaths, kerb and gutter, stormwater drainage and culverts across the Shire
- Rehabilitation of roads such as Old South Road, Range Road and Kirkham Road and Wombeyan Caves Road
- Renewal works at community centres such as at Bowral Memorial Hall and Penrose Hall
- Playground renewals at Seymore Park Moss Vale, Loseby Park Bowral, Glebe Park, Bowral
- Undertaking works to amenities at sports and recreational facilities such as Stephens Park, Bowral, Ironmines Oval, Mittagong, Burrawang Park, Burrawang, Church Road Oval, Moss Vale, and Boronia Park, Hill Top
- Lighting renewal to comply with Australian Standards at Sports fields
- Renewal works to cattery and cat quarantine building at the Animal Shelter.

In addition, under Scenario Three - Improve, additional funds will be used to:

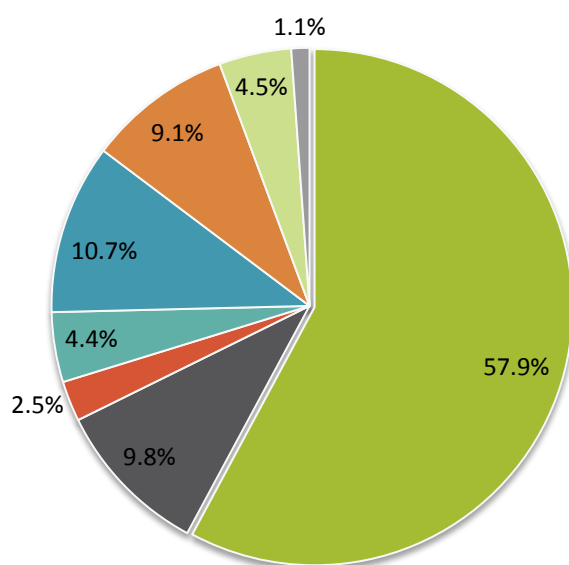
- Construct new footpaths on Mittagong Road, Bowral, Arglye Street, Moss Vale, Railway Avenue, Colo Vale and Old Hume Highway, Yerrinbool
- Install stormwater drainage in Rush Lane, Braemar, Dalton Street, Mittagong, Belmore-Mary-Southwood Place, Mittagong.
- Seal some rural roads such as Australia Road, New Berrima, Standley Street, Hill Top, Berrima Street, Welby, Hoddle Street, Burrawang and Garrett Street, Wingello
- Construct rural roads at Yuille Avenue, Mittagong and Belango Road, Sutton Forrest.

What is Council's Current General Budget*

*General Fund operations only, excludes water and sewer funds

Projected Sources of Revenue

The chart and table below provide a snapshot of the projected revenue sources revenue for 2015-16.

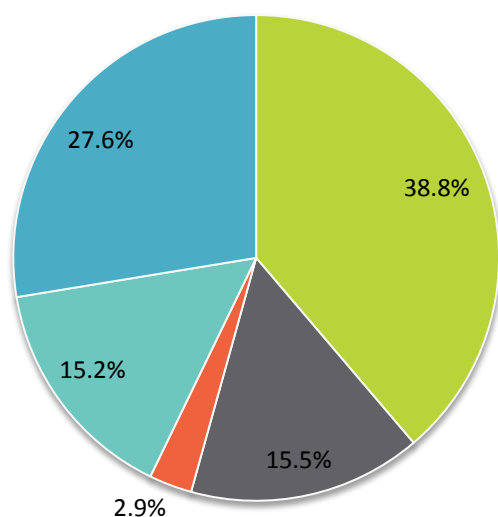


Revenue Type

Rates and Annual Charges	\$40,718,000	57.9%
User Charges and Fees	\$6,931,000	9.8%
Interest on Investments	\$1,778,000	2.5%
Other Revenue	\$3,082,000	4.4%
Grants and Contributions (Operating)	\$7,500,000	10.7%
Grants and Contributions (Capital)	\$6,379,000	9.1%
Internal Reserves (Net)	\$3,186,000	4.5%
Sale of Plant and Equipment	\$799,000	1.1%
TOTAL:	\$70,373,000	100%

Projected Expenses

The chart and table below provide a snapshot of the projected expenses for 2015-16.



Expense Type

Employee Costs	\$27,287,000	38.8%
Material and Contracts	\$10,940,000	15.5%
Borrowing Expenses (Including Principal)	\$2,010,000	2.9%
Other Expenses	\$10,724,000	15.2%
Capital Expenditure	\$19,412,000	27.6%
TOTAL:	\$70,373,000	100%

What Do Your Rates Pay For?

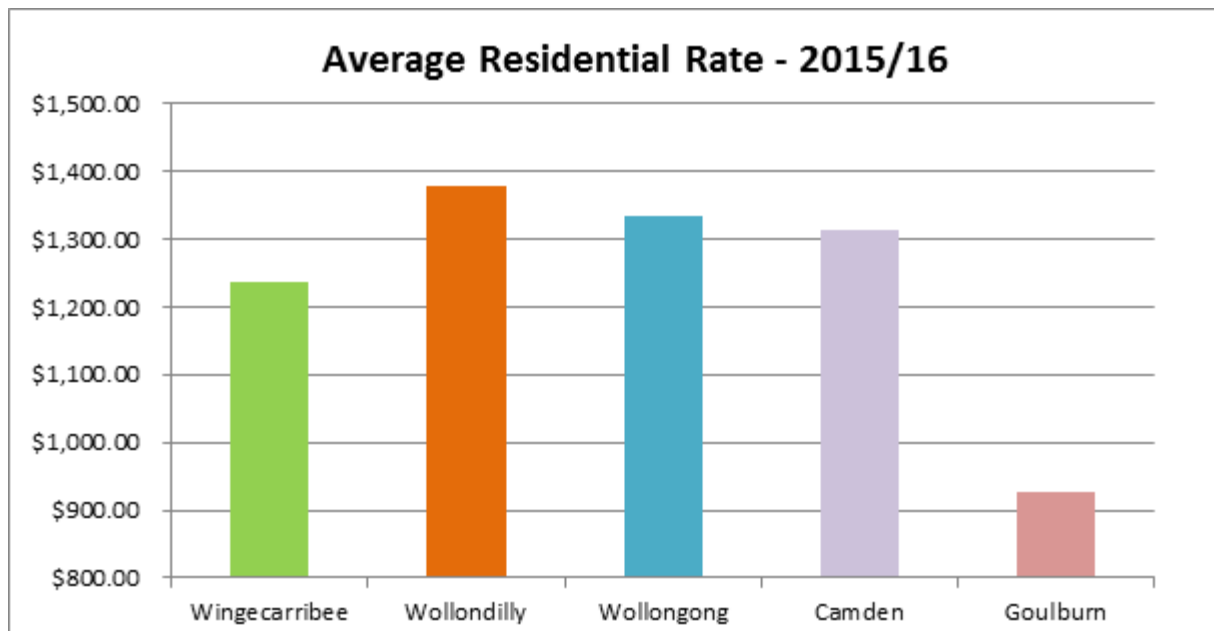
The role of local councils has come a long way since the days of roads, rates and rubbish. Today, Council now funds many more services to meet our community's needs and expectations. Some of these include:

- parks, sports grounds, playgrounds and community halls
- libraries, arts and culture
- community development services for youth, older people, people living with a disability and Aboriginal and Torres Strait Islander People
- children's services
- public and environmental health
- environmental sustainability projects and invasive species management
- transport services including roads, footpaths, car parks, road safety and traffic facilities
- business development, events and tourism
- development services, such as development applications and certification
- land use and natural environmental planning
- stormwater and flood management
- emergency management
- community and council strategic planning
- executive, communication and support service.

The cost of providing all of these services comes from existing rate income. The restrictions placed on Council to increase its rate income above rate pegging simply do not allow Council to allocate additional funding to infrastructure maintenance and renewal. Council for many years has prudently delivered a balanced budget to ensure that it does not spend beyond its means.

Rates Comparison

Many residents have asked how Wingecarribee rates compare to other councils in terms of the average residential rate bill. While this is not always a good measure of "value" as the range and quality of services in each local government area varies, the current average residential rate bill for Wingecarribee residents is the second lowest when compared to a number of our adjoining councils.



The current average annual rate for Wingecarribee residents is \$1,278, which is \$98 less than Wollondilly, \$54 less than Wollongong and \$36 less than Camden.

About the Delivery Program 2013-17

The Delivery Program is the point where Council outlines the role it will play in delivering on W2031+. At the beginning of its Council term, our Councillors made a commitment to support the organisation and the community to make the Wingecarribee Shire a better place. To remain focused on this goal, Councillors agreed to 22 position statements. These position statements are outlined in the following section of this document.

In addition to this, Councillors continued their commitment by endorsing the Delivery Program 2013-17 which was adopted in June 2013. The Program details Council's priorities for the Shire.

The Delivery Program is broken into 5 sections based on W2031+ themes, which are:

- Leadership
- People
- Places
- Environment
- Economy

Each theme outlines:

- Council's principal activities (also known as services)
- Delivery Program 2013-17 objectives linked to the relevant W2031+ goals and strategies
- Performance measures.

Since Council adopted its Delivery Program in 2013 there has been a need to focus on Council's long term financial sustainability and asset related challenges. This includes responding to the State Governments Fit for the Future reform. For this reason Council needs to review and amend its Delivery Program to include the three Investing in our Future scenarios and demonstrate how the additional funds will be spent.

Note: To reinforce Council's commitment to Investing in our Future additional text has been added to Council's Finance and Infrastructure Position Statements and one Delivery Program objective has been amended (DP03). Additional text is red.

The Delivery Program 2013-17 (Revised December 2015)

Council's Position Statements

Finance

Council is committed to providing services and facilities to the community in a fiscally responsible manner and will continue to improve financial transparency and accountability. It will focus on long term financial sustainability and achieving Fit for the Future benchmarks set by the NSW State Government.

Environment

Our local environment is unique, with rich biodiversity, complex ecosystem, intricate waterways, variety of landforms, soils and generous living conditions, which form the cornerstone of our habitation, heritage, and economic strength. It is a valuable resource for current and future generations. Council is committed to protection of our environment, the prevention of pollution and degradation and improving the sustainability of our operations and services.

Infrastructure

Council has a role in establishing and maintaining infrastructure to provide services to the community and will endeavour to balance strategic, community accessibility, asset life cycle, regulatory requirements, risk and environmental outcomes in its decisions. Asset standards and asset maintenance or service level may require adjustment to address gaps between expectation and affordability. Consistent with the State Government's Fit for the Future reform Council will focus on asset renewal and maintenance to ensure the long term viability of our assets. Council will advocate to other levels of government for infrastructure that matches the evolving needs of the Shire's population.

Housing

It is expected that as the population increases and ages the number of multi unit residential and aged care developments that will be required will also increase. Council will promote choice in housing stock in terms of size and location to influence affordability to increasingly reflect household structure and occupancy rates and reduce dependency on energy and water. This will create a more diverse and connected community.

Health

Council will work positively through its local members to bring about the improvement to health services within the Shire through the financial support of the state and federal governments and the initiative of local and private practitioners.

Transport

Council supports transport systems that meet the needs of our community. Connectivity between and within towns and villages is essential for ensuring people with mobility restrictions are able to get to their place of destination with minimal obstacles. Transport networks need to be flexible, convenient and comfortable.

Employment and Workforce

With our proximity to Sydney, Canberra and Wollongong the Shire has a strong base for economic development. The main contributors to employment include retail, manufacturing, health care and social assistance, accommodation and food services, education and training.

Ageing

In addition to planning for a larger population in coming years, the ageing population presents issues including mix of housing stock, aged care health and accommodation, transportability into and through towns, accessibility along paths and into community facilities and community safety generally. Ideally, older people should be supported to remain living at home in the community and to age in place, with the assistance of government and community.

Youth

A trend of concern to the community is that 50% of 12-17 youth cohort that move to the 18-24 cohort relocate out of the Shire for study, employment and wider opportunities. The youth cohort is declining as a proportion of the resident population of Wingecarribee Shire. For those that remain in the shire, Council will advocate to government, business and community to improve the mix of education and employment opportunities to provide youth with the choice to stay.

Tourism

Council acknowledges and will continue to support tourism as a key driver of the local economy, providing jobs and investment. Council has made significant investment in the visitor information centre and associated activities to establish the Southern Highlands as a destination of choice.

Disability (services)

With an ageing population there will be an increase in the number of residents experiencing some form of disability particularly in the areas of hearing, visual, mental and physical ability to walk. Council designs footpaths and ramps to accommodate the increased usage of scooters and ensure access to public transport is fully accessible. Where plans are made to install new bus shelters,

paths leading to the facility as well as the ability to board buses etc. will be constructed to enable people with disabilities to be able to access public transport. Council will undertake an audit of its facilities to ensure plans are in place to convert existing buildings over time so that they are fully accessible.

Growth

Council is committed to ensuring that growth of towns and villages does not compromise separation distance and that green belts are retained. Council also supports in-fill development where it is possible within regulatory requirements. This position must be balanced with the need for greenfield development to accommodate an anticipated population increase to 52,000 by 2031 (NSW Department of Planning), from 47,000 in 2014. Future development issues have significant implications for the character and identity of towns, villages and the Wingecarribee Shire as a whole, particularly if not adequately managed.

Water Catchment Management

Water is the source of life. Council recognises it is a limited and precious resource and the sustainable management of the water catchment for environment and public health is essential. The protection of our water supply takes the highest precedence, ahead of any other development or gain.

Education

Council is committed to promoting the Southern Highlands as “The Smart Shire”. Projects that deliver benefits to the broader community, whilst meeting their diverse learning needs will be encouraged and supported. 53.5% of the Shire’s current population in the workforce has a tertiary qualification.

Volunteers

Council acknowledges and supports volunteering within the Shire and also utilises the skills and expertise of volunteers to assist in the delivery of services. Participation in our local community contributes to building community spirit as well as personal satisfaction and wellbeing.

Heritage

The Southern Highlands has a rich history which began with the traditional owners of the land, the Gundungurra and D’harawal people, and later European settlers who first explored the area in 1798. The region is today recognised for its impressive 18th and 19th century buildings and streetscapes as well as for its natural and farming landscapes. European settlement commenced in the area in the 1820s. Preservation of our heritage is key to retaining the character of our Shire. Council supports the preservation of heritage through the inclusion of development controls within the Planning Instruments as well as running

programs which promote heritage such as the Heritage Festival, Heritage Assistance Scheme and free Heritage advice from a qualified Heritage Adviser.

Rural Industries

The Shire has a mix of traditional agriculture such as beef cattle and dairy and more recent boutique agriculture such as vignerons, berry farming, mushroom farming and truffles. Agribusiness has strong foundations for tourism to the area by introducing farmgate opportunities to customers as well as encouraging local producers to participate in farmers markets in the larger towns. Council acknowledges the issue of future food security needs of the population. With expected climate change, increased population growth in the Sydney basin and across the world, the ability for the world to produce enough food to feed the planet is becoming an ever increasing concern for governments and aid organisations. Wingecarribee Shire has good soils for agriculture, good rainfall patterns and a cool – temperate climate conducive to a range of food producing forms of agriculture. Therefore it is prudent to maintain and protect potential food productive areas through land use planning and zoning controls.

Community and Technology

With the advancement of technology and the general population's ability to access internet, social media etc, there are more opportunities to engage the community in Council business than the traditional methods of letters and newspapers advertisements. These new more recent forms of communication are also more cost effective. Council will continue to develop its website and open up other ways for the community to participate in the monitoring and evaluation of Council projects etc. Council runs numerous events throughout the year. Events are a way of involving the community in a friendly and fun way where the community can interact and celebrate their community and its achievements.

Animal Welfare

Council would like to ensure that all animals of our Shire are cared for responsibly. This will occur through enforcement of development requirements for buildings that house animals and informing the community of legal and human obligations required of all companion animal owners, as well as those who are thinking about acquiring a pet.

Coal Mining

The mining of coal and other related activities such as Coal Seam Gas Extraction, have the potential to impact the viability of the Shire's rural industries and negatively impact upon the Shire's unique scenic qualities. The Shire's location within the sensitive water catchment for Sydney's drinking water is a critical consideration in determining the suitability of Wingecarribee for these activities. As a result of genuine concern about these issues, Council has passed two

detailed resolutions MN501/10 from 24 November 2010 meeting and MN251/11 from 13 July 2011 meeting objecting to the carrying out of such industries within the Shire. At its meeting on the 13 November 2012, Council declared the area a Longwall and Coal Seam Gas Free Shire.

Climate Change

Council recognises the scientific and government position on climate change. It is understood that climate change may manifest as variable and intense weather patterns causing environmental, economic and social harm through drought, flood, bushfire, storm and sea level rises. Council is committed to developing adaptation plans to ensure we are well placed to lead, facilitate and advocate for our community and also make sound business decisions.

Groundwater

Our groundwater is a valuable resource and although it is hidden, it cannot be taken for granted. Much of our groundwater is connected to surface water with consequent impacts on stream flows, aquifer recharge, groundwater dependent ecosystems, and water quality. It is neither fully understood nor managed as well as it needs to be if this valuable resource is to be sustained into the future. Our groundwater reserves are coming under increasing pressure from extraction demand, and uncontrolled discharges and the cross-contamination of aquifers. Council recognises groundwater quality and quantity requires careful management.

Leadership

Our Vision

“We aim to be an innovative and effective organisation with strong leadership”

Principal Activities

Corporate Governance and Support

Support Council and the community by administering Council's activities and services in accordance with ethical, statutory and best industry practice standards. Provide support services to meet council's needs. Undertake risk management and workplace health and safety support services.

Corporate Strategy and Improvement

Implementation and progression of Council's Integrated Planning and Reporting Framework to enable the achievement of Council's strategic and operational objectives. Facilitate continuous organisational improvement, including implementation of Council's Fit for the Future proposal. Facilitate implementation of an Integrated Management System.

Financial Services

Manage funding sources to enable the attainment of Council's service objectives. Ensure timely fulfilment of corporate/legislative obligations. Manage Council's funds to industry best practice standards.

Human Resources

Provide human resources, training and staff development support services. Achieve excellence in the recruitment, retention and training of employees.

Information Services

Provide the necessary equipment and resources to support the current and future information and technology requirements of the organisation.

Community engagement, communication and Customer service

Actively engage and communicate with the community to enable participation and transparency in decision making and provision of information. Provide an effective and professional communication and information service between the Community and Council. Provide a friendly and helpful point of first contact for the Shire.

Measuring Progress

Council measures its performance through its Community Satisfaction Survey. A random representative sample of the community will be asked to rate the importance of and satisfaction with the following performance measures:

- Opportunities to participate in decision making
- Council provision of information to residents.

Delivery Program #	Objective	Responsible Branch	Link to Relevant W2031+ strategy	
			Direct	Indirect
DP01	Continue a focus on community engagement by ensuring participation in decision making	Corporate & Community	1.4.1	1.1.2, 1.3.4, 1.4.2, 1.4.3
DP02	Ensure timely, accurate and open communications	Media & Communications	1.1.2	1.4.2
DP03	Undertake responsible financial management focussing on long term sustainability and achievement of Fit for the Future benchmarks	Finance	1.2.3	1.5.3
DP04	Our leadership is based on open, transparent and ethical governance	Corporate & Community	1.1.1	1.1.3
DP05	Develop a strategic position to industry change	Corporate & Community	1.1.3	1.3.2
DP06	Develop and maintain an engaged and safe workforce to meet the objectives of Council	Corporate & Community	1.5.3	
DP07	Information and communication technology that provides contemporary business solutions	Information Services	1.4.2	
DP08	Undertake a program of continuous improvement to deliver public value	Corporate & Community	1.5.3	

People

Our Vision

“A vibrant and diverse community living harmoniously, supported by innovative services and effective communication with Council”

Principal Activities

Community Planning and Development

Investigation, planning, coordination and provision of Community Services including Aboriginal Torres Strait Islander, arts, cultural, youth, senior, disability and recreational services.

Library Services

Develop and manage library services to meet the needs of the Shire’s residents and ratepayers. Provide the community with easily accessible information and technology services.

Children’s Services

Provide a Family Day Care Scheme and Out of School Hours services for the Shire. Support a range of affordable and accessible childcare services for the Shire.

Community Facilities

Provide fun, safe, healthy and accessible facilities to meet the needs of residents and visitors (including sport, recreation and aquatics). Management of public cemeteries in the Shire.

Parks and Open Space Maintenance and Improvement

Routine and preventative maintenance of open space systems. Provide clean, safe and vibrant parks and reserves where residents and visitors can enjoy the outdoors. Manage and develop facilities to improve the function, safety and utilisation of parks and reserves for the benefit of residents and visitors.

Community Events and Festivals

Support and deliver community events and festivals that promote a sense of community, celebrate our people and community assets and demonstrate pride in our Shire.

Measuring Progress

Council measures its performance through its Community Satisfaction Survey. A random representative sample of the community will be asked to rate the importance of and satisfaction with the following performance measures:

- Festivals and events
- Community safety and crime prevention
- Support for aged persons
- Support for people with a disability
- Support for youth
- Support for the aboriginal community
- Provision and operation of libraries
- Provision and maintenance of swimming pools
- Provision and maintenance of playgrounds
- Provision and maintenance of sporting facilities
- Provision and maintenance of local parks and gardens

Delivery Program #	Objectives	Responsible Branch	Link to Relevant W2031+ strategy	
			Direct	Indirect
DP09	Facilitate and enable community development, with particular focus on targeted community groups such as young people, seniors, aboriginal people and people with a disability	Corporate & Community	2.4.1	2.4.2, 2.4.3
DP10	Provide and plan for community services and facilities to suit community needs, including family day care, libraries and pools	Corporate & Community	2.1.3	2.2.2, 2.3.1
DP11	Foster, support and encourage arts and culture	Corporate & Community	2.1.2	2.1.1, 2.1.3
DP12	Provide and maintain parks, sports facilities and open spaces that meet the needs of our community	Infrastructure Services	2.2.4	
DP13	Continue to support and develop community events	Corporate & Community	2.4.4	2.1.2, 2.2.2, 2.4.1

Places

Our Vision

“Places that are safe, maintained, accessible, sympathetic to the built and natural environment, that support the needs of the community”

Principal Activities

Community Regulation

Enforcement of regulations and complaint investigation to improve the amenity and safety of the local area. Companion animal regulation, collection and housing in accordance with legislative guidelines.

Asset Management

Ensure assets are maintained at a safe and functional standard and manage the utilisation of Council's assets to maximise provision of Council's services and facilities (within budget whilst aiming towards W2031+).

Construction and Maintenance of Infrastructure

Project management, supervision and construction of infrastructure provided by Council. Routine and preventative maintenance of Council's civil infrastructure.

Depot Administration and Fleet Management

Management and administration of Council's depots, workshops and stores equipment in an efficient and cost effective manner.

Infrastructure Design and Support

Investigation, design and cost estimates for infrastructure, survey, applications for grant funding and road safety.

Development and Building Services

Consideration and approval of development applications, including relevant community engagement. Assessment and approval of construction applications and staged inspections of building works. Ensure everything built within the Shire is safe and enhances the community.

Community and Corporate Buildings

Planning, design, construction, improvement, management and maintenance of Council's corporate and community buildings and facilities.

Strategic Planning

Strategic planning to guide the long term development of the Shire in the best interests of the community. Plan and design a workable Shire that meets community aspirations. Assessment of traffic generating development, strategic planning and assessing the need for new infrastructure. Design improved, more sustainable ways for the community to move throughout the Shire.

Heritage

Protection and management of places and areas of heritage significance through heritage item listings and heritage conservation areas; enhancement of heritage places through the provision of heritage advice to owners and the delivery of the annual heritage grants for conservation; promotion of heritage through the celebration of the annual National Trust Heritage Festival and the biennial Wingecarribee Heritage Awards.

Measuring Progress

Council measures its performance through its Community Satisfaction Survey. A random representative sample of the community will be asked to rate the importance of and satisfaction with the following performance measures:

- Revitalisation/beautification of town and village centres as well as the surrounding areas
- Protecting heritage values and buildings
- Dog control
- Cleanliness and functionality of public toilets
- Availability of car parking in the town and village centres
- Cycle paths and walking tracks
- Local traffic management
- Availability of and access to public transport
- Condition of local roads
- Provision and quality of footpaths
- Provision and maintenance of community halls/facilities
- Managing development and building regulations
- Providing adequate drainage

Delivery Program #	Objectives	Responsible Branch	Link to Relevant W2031+ strategy	
			Direct	Indirect
DP14	Maintain rural landscape and separation distance between towns and villages	Planning, Development & Regulatory Services	3.2.1	3.2.3, 3.3.4
DP15	Retain, revitalise and strengthen special qualities of towns and villages	Planning, Development & Regulatory Services	3.2.2	3.3.1, 3.3.3, 3.5.1, 3.5.2, 3.5.3
DP16	Plan and prioritise appropriate transport, traffic management and car parking solutions for the Shire	Assets	3.1.4	3.1.1, 3.1.2, 3.1.3
DP17	Ensure appropriate development that suits the character and demographics of the Shire	Planning, Development & Regulatory Services	3.3.2,	3.1.6, 3.4.1, 3.4.2
DP18	Provide efficient and safe roads, shared cycle and foot pathways and drainage networks	Infrastructure Services	3.1.4	3.1.5
DP19	Ensure appropriate regulation and animal control throughout the Shire	Planning, Development & Regulatory Services	3.3.1	
DP20	Provide and maintain community and Council buildings	Infrastructure Services	3.3.1	

Environment

Our Vision

“A community that values and protects the natural environment enhancing its health and diversity”

Principal Activities

Environmental Management

Environmental management systems and policy development, environmental and sustainability initiatives and education and bushcare.

Water Management

Provision of water to the Shire’s residents and businesses to necessary standards and meeting population demands.

Sewer Management

Provision of sewer services to the Shire’s residents and businesses to necessary standard and meeting population demands.

Waste Management

Provide the community with waste removal, cleaning and education on waste minimisation practices. Help achieve continuous reduction of waste generation and disposal to landfill.

Measuring Progress

Council measures its performance through its Community Satisfaction Survey. A random representative sample of the community will be asked to rate the importance of and satisfaction with the following performance measures:

- Litter control and rubbish dumping
- Green waste collection
- Resource recovery centre
- Domestic garbage collection
- Support of community environmental initiatives
- Restoration of natural bushland
- Healthy, natural urban streams and creeks but not rivers
- Encouraging recycling
- Encouraging waste reduction initiatives
- Town water quality (taste, smell and colour)

Delivery Program #	Objectives	Responsible Branch	Link to Relevant W2031+ strategy	
			Direct	Indirect
DP21	Protect and enhance our natural environment	Environment & Sustainability	4.1.1	4.1.2, 4.1.3
DP22	Ensure development doesn't threaten underpinning natural resources of the Shire	Planning, Development & Regulatory Services	4.2.2	
DP23	Promote and encourage waste minimisation and recycling	Business Services	4.3.1	4.3.3
DP24	Reduce Council's environmental footprint	Environment & Sustainability	4.2.1	4.4.3, 4.4.4
DP25	Provide efficient and effective water and sewerage services to the community	Water & Sewer	4.1.1	

Economy

Our Vision

“A strong economy that encourages and provides employment, business opportunities and tourism.”

Principal Activities

Economic Development

Facilitate employment opportunity and economic gain for residents, businesses, developers and Council. Promote growth and sustainability of commercial and industrial centres.

Entrepreneurial Business

Provision of a leading livestock selling centre which services the region as a business unit of Council. Acquisition, management and development of operational property to maximise the available returns to enable Council to service the Community. Ensure development of Council owned land provides the best outcomes for the Community. Management of Council's lease portfolio to maximise available returns to enable Council to service the Community. Manage Council's properties effectively and efficiently.

Tourism

Management of the welcome Centre (formerly the Visitor Information Centre), promotion and advocacy of the Destination Southern Highlands brand and provide support to local operators.

Measuring Progress

Council measures its performance through its Community Satisfaction Survey. A random representative sample of the community will be asked to rate the importance of and satisfaction with the following performance measures:

- Importance of and satisfaction with:
- Support for local business and employment
- Support for tourism

Delivery Program #	Objectives	Responsible branch	Link to Relevant W2031+ strategy	
			Direct	Indirect
DP26	Support local business and employment for economic growth	Economic Development	5.5.2	5.5.1, 5.5.7
DP27	Promote Moss Vale Enterprise Zone	Economic Development	5.5.3	
DP28	Continue to promote the Southern Highlands as a recognised tourism destination	Tourism & Events	5.2.2	5.2.1
DP29	Continue operations of Southern Regional Livestock Exchange	Business Services	5.3.1	
DP30	Review Council's role in the promotion of learning across all demographics	Economic Development	5.1.1	5.1.2, 5.1.3, 5.5.8
DP31	Administer and manage Council owned land and operational property	Business Services	5.2.1	

Appendix 1

Budget Estimates and Rate Impact for Scenarios 1-3

The following Budget projects are provided based the three Investing in our Future scenarios. Further details can be found in the Long Term Financial Plan 2016-2026. Please note, this information applies to General Fund operations only and do not include the operations of the Water and Sewer Activities of Council.

Investing in our Future (Scenario 1 - Deteriorate)	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Income from Continuing Operations					
Revenue:					
Rates & Annual Charges	40,924	42,109	43,329	44,585	44,657
User Charges & Fees	6,931	7,104	7,282	7,464	7,651
Interest & Investment Revenue	1,778	1,787	1,796	1,814	1,832
Other Revenues	3,082	3,153	3,225	3,299	3,375
Grants & Contributions provided for Operating Purposes	7,665	7,842	8,022	8,207	8,394
Grants & Contributions provided for Capital Purposes	7,014	10,008	2,666	2,666	2,666
Total Income from Continuing Operations	67,394	72,003	66,320	68,035	68,575
Expenses from Continuing Operations					
Employee Benefits & On-Costs	27,287	28,065	28,919	29,798	30,702
Borrowing Costs	663	619	570	519	464
Materials & Contracts	10,940	11,385	11,844	12,316	11,619
Depreciation & Amortisation	15,688	15,216	15,260	15,443	15,922
Other Expenses	10,724	10,990	11,265	11,548	11,839
Net Losses from the Disposal of Assets	-	-	-	-	-
Total Expenses from Continuing Operations	65,302	66,275	67,858	69,624	70,546
Net Operating Result for the Year Surplus / (Deficit)	2,092	5,728	(1,538)	(1,589)	(1,971)
Capital & Reserve Movements					
Capital Expenditure	(21,515)	(24,334)	(10,979)	(12,099)	(11,802)
Less: Proceeds from the Sale of Assets	799	861	891	922	955
Loan Repayments	(1,600)	(1,409)	(1,477)	(1,549)	(1,625)
Net Transfers (to)/from Reserves	4,536	3,938	(2,157)	(1,128)	(1,479)
	(17,780)	(20,944)	(13,722)	(13,854)	(13,951)
Non Cash Movement					
Non Cash Depreciation Funding	15,688	15,216	15,260	15,443	15,922
	15,688	15,216	15,260	15,443	15,922
Projected Cash Budget Surplus / (Deficit)	-	-	-	-	-

Note: Please refer to Council's revised Long Term Financial Plan for further detail, including the projected Balance Sheet and Cashflow Statement.

Investing in our Future (Scenario 2 - Maintain)	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Income from Continuing Operations					
Revenue:					
Rates & Annual Charges	40,924	43,911	47,136	50,618	54,111
User Charges & Fees	6,931	7,104	7,282	7,464	7,651
Interest & Investment Revenue	1,778	1,787	1,796	1,814	1,832
Other Revenues	3,082	3,153	3,225	3,299	3,375
Grants & Contributions provided for Operating Purposes	7,665	7,842	8,022	8,207	8,394
Grants & Contributions provided for Capital Purposes	7,014	10,008	2,666	2,666	2,666
Total Income from Continuing Operations	67,394	73,805	70,127	74,068	78,029
Expenses from Continuing Operations					
Employee Benefits & On-Costs	27,287	28,065	28,919	29,798	30,702
Borrowing Costs	663	619	570	519	464
Materials & Contracts	10,940	11,982	13,031	14,394	15,534
Depreciation & Amortisation	15,688	15,216	15,260	15,443	15,922
Other Expenses	10,724	10,990	11,265	11,548	11,839
Net Losses from the Disposal of Assets	0	0	0	0	0
Total Expenses from Continuing Operations	65,302	66,872	69,045	71,702	74,461
Net Operating Result for the Year Surplus / (Deficit)	2,092	6,933	1,082	2,366	3,568
Capital & Reserve Movements					
Capital Expenditure	(21,515)	(25,539)	(13,599)	(16,054)	(17,341)
Less: Proceeds from the Sale of Assets	799	861	891	922	955
Loan Repayments	(1,600)	(1,409)	(1,477)	(1,549)	(1,625)
Net Transfers (to)/from Reserves	4,536	3,938	(2,157)	(1,128)	(1,479)
	(17,780)	(22,149)	(16,342)	(17,809)	(19,490)
Non Cash Movement					
Non Cash Depreciation Funding	15,688	15,216	15,260	15,443	15,922
	15,688	15,216	15,260	15,443	15,922
Projected Cash Budget Surplus / (Deficit)	-	-	-	-	-

Note: Please refer to Council's revised Long Term Financial Plan for further detail, including the projected Balance Sheet and Cashflow Statement.

Investing in our Future (Scenario 3 - Improve)	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Income from Continuing Operations					
Revenue:					
Rates & Annual Charges	40,924	44,426	48,259	52,454	56,756
User Charges & Fees	6,931	7,104	7,282	7,464	7,651
Interest & Investment Revenue	1,778	1,787	1,796	1,814	1,832
Other Revenues	3,082	3,153	3,225	3,299	3,375
Grants & Contributions provided for Operating Purposes	7,665	7,842	8,022	8,207	8,394
Grants & Contributions provided for Capital Purposes	7,014	10,008	2,666	2,666	2,666
Total Income from Continuing Operations	67,394	74,320	71,250	75,904	80,674
Expenses from Continuing Operations					
Employee Benefits & On-Costs	27,287	28,065	28,919	29,798	30,702
Borrowing Costs	663	619	570	519	464
Materials & Contracts	10,940	11,982	13,031	14,394	15,534
Depreciation & Amortisation	15,688	15,216	15,260	15,443	15,922
Other Expenses	10,724	10,990	11,265	11,548	11,839
Net Losses from the Disposal of Assets	0	0	0	0	0
Total Expenses from Continuing Operations	65,302	66,872	69,045	71,702	74,461
Net Operating Result for the Year Surplus / (Deficit)	2,092	7,448	2,205	4,202	6,213
Capital & Reserve Movements					
Capital Expenditure	(21,515)	(26,054)	(14,722)	(17,890)	(19,986)
Less: Proceeds from the Sale of Assets	799	861	891	922	955
Loan Repayments	(1,600)	(1,409)	(1,477)	(1,549)	(1,625)
Net Transfers (to)/from Reserves	4,536	3,938	(2,157)	(1,128)	(1,479)
	(17,780)	(22,664)	(17,465)	(19,645)	(22,135)
Non Cash Movement					
Non Cash Depreciation Funding	15,688	15,216	15,260	15,443	15,922
	15,688	15,216	15,260	15,443	15,922
Projected Cash Budget Surplus / (Deficit)	-	-	-	-	-

Note: Please refer to Council's revised Long Term Financial Plan for further detail, including the projected Balance Sheet and Cashflow Statement.

Detailed Rate Impact

The impact of each of these Scenarios on average rates is shown in the tables below:

Impact on Average RESIDENTIAL RATES		Current	2016/17	2017/18	2018/19	2019/20	Total Increase
Scenario 1: Deteriorate	Annual Rate	\$1,278.63	\$1,310.59	\$1,343.36	\$1,376.94	\$1,363.99	\$85.36
	Annual Increase	-	\$31.96	\$32.77	\$33.58	-\$12.95	
Scenario 2: Maintain	Annual Rate	\$1,278.63	\$1,377.72	\$1,484.49	\$1,599.54	\$1,712.81	\$434.18
	Annual Increase	-	\$99.09	\$106.77	\$115.05	\$113.27	
Scenario 3: Improve	Annual Rate	\$1,278.63	\$1,396.90	\$1,526.11	\$1,667.28	\$1,809.41	\$530.78
	Annual Increase	-	\$118.27	\$129.21	\$141.17	\$142.13	

Impact on Average BUSINESS RATES		Current	2016/17	2017/18	2018/19	2019/20	Total Increase
Scenario 1: Deteriorate	Annual Rate	\$3,564.93	\$3,654.06	\$3,745.41	\$3,839.04	\$3,870.03	\$305.11
	Annual Increase	-	\$89.13	\$91.35	\$93.64	\$30.99	
Scenario 2: Maintain	Annual Rate	\$3,564.93	\$3,841.22	\$4,138.91	\$4,459.68	\$4,790.28	\$1,225.35
	Annual Increase	-	\$276.29	\$297.69	\$320.77	\$330.60	
Scenario 3: Improve	Annual Rate	\$3,564.93	\$3,894.69	\$4,254.95	\$4,648.53	\$5,064.38	\$1,499.45
	Annual Increase	-	\$329.76	\$360.26	\$393.58	\$415.85	

Impact on Average FARMLAND RATES		Current	2016/17	2017/18	2018/19	2019/20	Total Increase
Scenario 1: Deteriorate	Annual Rate	\$2,988.49	\$3,063.20	\$3,139.78	\$3,218.28	\$3,169.96	\$181.47
	Annual Increase	-	\$74.71	\$76.58	\$78.50	-\$48.32	
Scenario 2: Maintain	Annual Rate	\$2,988.49	\$3,220.10	\$3,469.66	\$3,738.56	\$3,999.24	\$1,010.75
	Annual Increase	-	\$231.61	\$249.56	\$268.90	\$260.68	
Scenario 3: Improve	Annual Rate	\$2,988.49	\$3,264.93	\$3,566.93	\$3,896.87	\$4,223.76	\$1,235.27
	Annual Increase	-	\$276.44	\$302.00	\$329.94	\$326.89	

The impact of each of these scenarios on land value ranges is shown in the following tables.

RESIDENTIAL**SCENARIO 1
DETERIORATE**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$833.60	\$854.45	\$875.81	\$897.70	\$889.14
\$100,000 to \$199,999	\$841.06	\$862.09	\$883.64	\$905.73	\$889.14
\$200,000 to \$299,999	\$1,151.75	\$1,180.53	\$1,210.05	\$1,240.30	\$1,224.45
\$300,000 to \$399,999	\$1,602.71	\$1,642.75	\$1,683.83	\$1,725.93	\$1,714.23
\$400,000 to \$499,999	\$2,053.67	\$2,104.97	\$2,157.62	\$2,211.56	\$2,204.01
\$500,000 to \$599,999	\$2,504.63	\$2,567.19	\$2,631.40	\$2,697.19	\$2,693.79
\$600,000 to \$699,999	\$2,955.59	\$3,029.42	\$3,105.18	\$3,182.82	\$3,183.57
\$700,000 to \$799,999	\$3,406.55	\$3,491.64	\$3,578.97	\$3,668.45	\$3,673.35
\$800,000 to \$899,999	\$3,857.51	\$3,953.86	\$4,052.75	\$4,154.08	\$4,163.13
\$900,000 to \$999,999	\$4,308.47	\$4,416.08	\$4,526.53	\$4,639.71	\$4,652.91
\$1,000,000 and above	\$5,661.35	\$5,802.75	\$5,947.88	\$6,096.60	\$6,122.25

**SCENARIO 2
MAINTAIN**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$833.60	\$898.20	\$967.82	\$1,042.83	\$1,116.79
\$100,000 to \$199,999	\$841.06	\$906.24	\$976.48	\$1,052.15	\$1,125.02
\$200,000 to \$299,999	\$1,151.75	\$1,241.00	\$1,337.17	\$1,440.81	\$1,541.84
\$300,000 to \$399,999	\$1,602.71	\$1,726.90	\$1,860.73	\$2,004.95	\$2,147.82
\$400,000 to \$499,999	\$2,053.67	\$2,212.81	\$2,384.28	\$2,569.09	\$2,753.80
\$500,000 to \$599,999	\$2,504.63	\$2,698.71	\$2,907.84	\$3,133.23	\$3,359.78
\$600,000 to \$699,999	\$2,955.59	\$3,184.62	\$3,431.40	\$3,697.36	\$3,965.76
\$700,000 to \$799,999	\$3,406.55	\$3,670.52	\$3,954.95	\$4,261.50	\$4,571.74
\$800,000 to \$899,999	\$3,857.51	\$4,156.42	\$4,478.51	\$4,825.64	\$5,177.72
\$900,000 to \$999,999	\$4,308.47	\$4,642.33	\$5,002.07	\$5,389.78	\$5,783.70
\$1,000,000 and above	\$5,661.35	\$6,100.04	\$6,572.74	\$7,082.19	\$7,601.64

**SCENARIO 3
IMPROVE**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$833.60	\$910.71	\$994.95	\$1,086.99	\$1,178.53
\$100,000 to \$199,999	\$841.06	\$918.86	\$1,003.85	\$1,096.71	\$1,186.76
\$200,000 to \$299,999	\$1,151.75	\$1,258.27	\$1,374.67	\$1,501.82	\$1,629.27
\$300,000 to \$399,999	\$1,602.71	\$1,750.94	\$1,912.91	\$2,089.84	\$2,270.22
\$400,000 to \$499,999	\$2,053.67	\$2,243.61	\$2,451.15	\$2,677.86	\$2,911.17
\$500,000 to \$599,999	\$2,504.63	\$2,736.27	\$2,989.39	\$3,265.88	\$3,552.12
\$600,000 to \$699,999	\$2,955.59	\$3,228.94	\$3,527.62	\$3,853.91	\$4,193.07
\$700,000 to \$799,999	\$3,406.55	\$3,721.60	\$4,065.86	\$4,441.93	\$4,834.02
\$800,000 to \$899,999	\$3,857.51	\$4,214.27	\$4,604.10	\$5,029.95	\$5,474.97
\$900,000 to \$999,999	\$4,308.47	\$4,706.94	\$5,142.34	\$5,617.97	\$6,115.92
\$1,000,000 and above	\$5,661.35	\$6,184.93	\$6,757.06	\$7,382.04	\$8,038.77

BUSINESS**SCENARIO 1
DETERIORATE**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$833.60	\$854.45	\$875.81	\$897.70	\$889.14
\$100,000 to \$199,999	\$1,098.59	\$1,126.05	\$1,154.20	\$1,183.06	\$1,173.83
\$200,000 to \$299,999	\$1,814.75	\$1,860.10	\$1,906.60	\$1,954.28	\$1,956.38
\$300,000 to \$399,999	\$2,530.91	\$2,594.15	\$2,659.00	\$2,725.50	\$2,738.93
\$400,000 to \$499,999	\$3,247.07	\$3,328.21	\$3,411.41	\$3,496.72	\$3,521.48
\$500,000 to \$599,999	\$3,963.23	\$4,062.26	\$4,163.81	\$4,267.94	\$4,304.03
\$600,000 to \$699,999	\$4,679.39	\$4,796.31	\$4,916.21	\$5,039.16	\$5,086.58
\$700,000 to \$799,999	\$5,395.55	\$5,530.36	\$5,668.62	\$5,810.38	\$5,869.13
\$800,000 to \$899,999	\$6,111.71	\$6,264.42	\$6,421.02	\$6,581.59	\$6,651.68
\$900,000 to \$999,999	\$6,827.87	\$6,998.47	\$7,173.42	\$7,352.81	\$7,434.23
\$1,000,000 and above	\$8,976.35	\$9,200.63	\$9,430.63	\$9,666.47	\$9,781.88

**SCENARIO 2
MAINTAIN**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$833.60	\$898.20	\$967.82	\$1,042.83	\$1,116.79
\$100,000 to \$199,999	\$1,098.59	\$1,183.72	\$1,275.46	\$1,374.32	\$1,472.04
\$200,000 to \$299,999	\$1,814.75	\$1,955.37	\$2,106.92	\$2,270.21	\$2,435.47
\$300,000 to \$399,999	\$2,530.91	\$2,727.03	\$2,938.38	\$3,166.11	\$3,398.90
\$400,000 to \$499,999	\$3,247.07	\$3,498.68	\$3,769.83	\$4,062.01	\$4,362.33
\$500,000 to \$599,999	\$3,963.23	\$4,270.34	\$4,601.29	\$4,957.91	\$5,325.76
\$600,000 to \$699,999	\$4,679.39	\$5,041.99	\$5,432.75	\$5,853.80	\$6,289.19
\$700,000 to \$799,999	\$5,395.55	\$5,813.64	\$6,264.20	\$6,749.70	\$7,252.62
\$800,000 to \$899,999	\$6,111.71	\$6,585.30	\$7,095.66	\$7,645.60	\$8,216.05
\$900,000 to \$999,999	\$6,827.87	\$7,356.95	\$7,927.12	\$8,541.50	\$9,179.48
\$1,000,000 and above	\$8,976.35	\$9,671.91	\$10,421.49	\$11,229.19	\$12,069.77

**SCENARIO 3
IMPROVE**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$833.60	\$910.71	\$994.95	\$1,086.99	\$1,178.53
\$100,000 to \$199,999	\$1,098.59	\$1,200.20	\$1,311.22	\$1,432.51	\$1,555.27
\$200,000 to \$299,999	\$1,814.75	\$1,982.60	\$2,165.99	\$2,366.34	\$2,574.19
\$300,000 to \$399,999	\$2,530.91	\$2,765.00	\$3,020.76	\$3,300.17	\$3,593.11
\$400,000 to \$499,999	\$3,247.07	\$3,547.39	\$3,875.53	\$4,234.01	\$4,612.03
\$500,000 to \$599,999	\$3,963.23	\$4,329.79	\$4,730.30	\$5,167.84	\$5,630.95
\$600,000 to \$699,999	\$4,679.39	\$5,112.18	\$5,585.07	\$6,101.67	\$6,649.87
\$700,000 to \$799,999	\$5,395.55	\$5,894.58	\$6,439.84	\$7,035.50	\$7,668.79
\$800,000 to \$899,999	\$6,111.71	\$6,676.97	\$7,294.61	\$7,969.34	\$8,687.71
\$900,000 to \$999,999	\$6,827.87	\$7,459.37	\$8,149.38	\$8,903.17	\$9,706.63
\$1,000,000 and above	\$8,976.35	\$9,806.56	\$10,713.69	\$11,704.67	\$12,763.39

FARMLAND**SCENARIO 1
DETERIORATE**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$1,205.18	\$1,235.32	\$1,266.20	\$1,297.85	\$1,299.30
\$100,000 to \$199,999	\$1,212.64	\$1,242.96	\$1,274.03	\$1,305.88	\$1,299.30
\$200,000 to \$299,999	\$1,220.10	\$1,250.60	\$1,281.86	\$1,313.91	\$1,299.30
\$300,000 to \$399,999	\$1,227.56	\$1,258.25	\$1,289.70	\$1,321.94	\$1,299.30
\$400,000 to \$499,999	\$1,235.02	\$1,265.89	\$1,297.53	\$1,329.97	\$1,299.30
\$500,000 to \$599,999	\$1,304.53	\$1,337.12	\$1,370.52	\$1,404.80	\$1,368.24
\$600,000 to \$699,999	\$1,537.29	\$1,575.69	\$1,615.06	\$1,655.45	\$1,617.01
\$700,000 to \$799,999	\$1,770.05	\$1,814.26	\$1,859.59	\$1,906.10	\$1,865.78
\$800,000 to \$899,999	\$2,002.81	\$2,052.84	\$2,104.12	\$2,156.75	\$2,114.55
\$900,000 to \$999,999	\$2,235.57	\$2,291.41	\$2,348.66	\$2,407.40	\$2,363.32
\$1,000,000 and above	\$2,933.85	\$3,007.13	\$3,082.26	\$3,159.35	\$3,109.63

**SCENARIO 2
MAINTAIN**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$1,205.18	\$1,298.58	\$1,399.23	\$1,507.67	\$1,617.66
\$100,000 to \$199,999	\$1,212.64	\$1,306.62	\$1,407.89	\$1,516.99	\$1,625.89
\$200,000 to \$299,999	\$1,220.10	\$1,314.65	\$1,416.54	\$1,526.32	\$1,634.12
\$300,000 to \$399,999	\$1,227.56	\$1,322.68	\$1,425.20	\$1,535.65	\$1,642.35
\$400,000 to \$499,999	\$1,235.02	\$1,330.72	\$1,433.85	\$1,544.98	\$1,650.58
\$500,000 to \$599,999	\$1,304.53	\$1,405.61	\$1,514.53	\$1,631.89	\$1,742.29
\$600,000 to \$699,999	\$1,537.29	\$1,656.40	\$1,784.75	\$1,923.06	\$2,054.18
\$700,000 to \$799,999	\$1,770.05	\$1,907.19	\$2,054.98	\$2,214.23	\$2,366.07
\$800,000 to \$899,999	\$2,002.81	\$2,157.99	\$2,325.21	\$2,505.39	\$2,677.96
\$900,000 to \$999,999	\$2,235.57	\$2,408.78	\$2,595.43	\$2,796.56	\$2,989.85
\$1,000,000 and above	\$2,933.85	\$3,161.16	\$3,406.11	\$3,670.06	\$3,925.52

**SCENARIO 3
IMPROVE**

Rateable Value	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	\$1,205.18	\$1,316.66	\$1,438.45	\$1,571.51	\$1,707.87
\$100,000 to \$199,999	\$1,212.64	\$1,324.81	\$1,447.35	\$1,581.24	\$1,716.10
\$200,000 to \$299,999	\$1,220.10	\$1,332.96	\$1,456.25	\$1,590.96	\$1,724.33
\$300,000 to \$399,999	\$1,227.56	\$1,341.10	\$1,465.15	\$1,600.68	\$1,732.56
\$400,000 to \$499,999	\$1,235.02	\$1,349.25	\$1,474.05	\$1,610.40	\$1,740.79
\$500,000 to \$599,999	\$1,304.53	\$1,425.18	\$1,556.97	\$1,701.02	\$1,839.36
\$600,000 to \$699,999	\$1,537.29	\$1,679.47	\$1,834.76	\$2,004.53	\$2,168.90
\$700,000 to \$799,999	\$1,770.05	\$1,933.75	\$2,112.56	\$2,308.03	\$2,498.44
\$800,000 to \$899,999	\$2,002.81	\$2,188.04	\$2,390.36	\$2,611.53	\$2,827.98
\$900,000 to \$999,999	\$2,235.57	\$2,442.33	\$2,668.16	\$2,915.03	\$3,157.52
\$1,000,000 and above	\$2,933.85	\$3,205.18	\$3,501.56	\$3,825.54	\$4,146.14

Why don't the tables show the increases for Option 2 as 38.4% and Option 3 as 46.2%?

The reason for this is because the Environment Levy is already included in your rates. Council is simply seeking a continuation of the Environment Levy. As such there should be no increase in your rates as a result of the additional 2.9% increase in the fourth year for both Scenarios 2 and 3.

Taking the continuation of the Environment Levy into account the increase for Scenario 2 will be approx. 34.8% and for Option 3 approx. 42.5%. This is shown in the table below:

Rate Increase Including 2.9% for Environment Levy in Year 4.

Total Annual Increase %	2016/17	2017/18	2018/19	2019/20	Total Increase (Compounded)
Option 2	7.75%	7.75%	7.75%	10.65%	38.4%
Option 3	9.25%	9.25%	9.25%	12.15%	46.2%

Rate Increase Excluding 2.9% for Environment Levy in Year 4.

Total Annual Increase %	2016/17	2017/18	2018/19	2019/20	Total Increase (Compounded)
Option 2	7.75%	7.75%	7.75%	7.75%	34.8%
Option 3	9.25%	9.25%	9.25%	9.25%	42.5%

What other factors could impact on how much rates I have to pay?

Council rates are calculated based on the value of your land, as determined by the NSW Valuer General. Updated land values are provided to Council every three years. A general revaluation is due to effect land valuations to properties throughout the Shire from 1 July 2016. Any significant fluctuation in your land valuations will also have an impact on the amount of rates you pay.

What if I have difficulties in paying my rates?

Council acknowledges that any rate increase may adversely impact some community members. Council has mechanisms in place to assist ratepayers should they incur difficulty in keeping up with their rates payments, including a Financial Hardship Policy.

Visit www.wsc.nsw.gov.au/rates for more information.

Appendix 2 Environment Levy

Environment Levy Funded Program	2016-17	2017-18	2018-19	2019-20
<u>BIODIVERSITY CONSERVATION - PROTECT AND GROW PROGRAM</u>				
1.1 ROADSIDE RESERVE ENV WEED PROJECTS	\$15,000			
1.1 ENVIRONMENTAL WEED MANAGEMENT	\$357,511	\$366,449	\$375,610	\$385,000
1.2 REVEGETATION	\$149,983	\$153,733	\$157,576	\$161,516
1.2 SUPPORT COMMUNITY NURSERY	\$22,302	\$22,679	\$23,246	\$23,827
1.3 GREEN WEB ACTION	\$25,294	\$25,926	\$26,574	\$27,239
1.3 VEGETATION CONSERVATION	\$53,035	\$54,360	\$55,719	\$57,112
BIODIVERSITY CONSERVATION - VERTEBRATE PEST MGT/MGT PLANS		\$20,000	\$20,500	\$21,013
INTERPRETIVE MATERIAL - NATURAL ASSETS	\$27,400		\$0	\$0
<u>RIVERS AND STREAMS PROGRAM</u>				
RIPARIAN MANAGEMENT PLANS DELIVERY	\$100,902	\$103,425	\$106,010	\$108,660
<u>SUSTAINABLE LIVING PROGRAM</u>				
3.3 COMMUNITY SUSTAINABILITY	\$34,956	\$35,830	\$36,725	\$37,644
<u>COMMUNITY SUPPORT</u>				
4.1 AWARENESS CAMPAIGNS	\$11,719	\$12,012	\$12,313	\$12,620
4.1 COMMUNITY EDUCATION	\$28,848	\$34,695	\$35,562	\$36,451
4.2 COMMUNITY SUPPORT	\$20,639	\$21,155	\$21,684	\$22,226
4.2 LANDCARE & BUSHCARE	\$45,975	\$47,124	\$48,302	\$49,510
4.3 ENV & SUSTAINABILITY COMMITTEE SUPPORT	\$20,419	\$20,929	\$21,452	\$21,989
4.3 ENVIRONMENT LEVY AWARENESS	\$4,884	\$5,006	\$5,131	\$5,260
4.4 RURAL PARTNER PROGRAM	\$27,190	\$27,870	\$28,567	\$29,281
4.4 URBAN SUSTAINABILITY PARTNER PROGRAM	\$67,682	\$69,374	\$71,108	\$72,886
<u>COORDINATION</u>				
A1 ENV LEVY PROGRAM COORDINATION	\$161,104	\$165,132	\$169,260	\$173,491
A2 GRANT APPLICATIONS		\$0	\$0	\$0
5.1 DATA COLLECTION	\$14,434	\$14,795	\$15,164	\$15,544
A4 ENV LEVY CORPORATE SUPPORT	\$67,618	\$69,309	\$71,041	\$72,817
Total	\$1,256,894	\$1,269,802	\$1,301,547	\$1,334,085
<u>Funding Source</u>				
Environment Levy revenue	\$1,139,055	\$1,167,531	\$1,196,719	\$1,226,637
Plant Lease	\$15,457	\$15,843	\$16,240	\$16,645
Transfer from Environment Levy Reserve	\$102,383	\$86,427	\$88,588	\$90,802
Total	\$1,256,894	\$1,269,802	\$1,301,547	\$1,334,085