



ATTACHMENT 5b

Community Engagement Materials

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Overview

This document is a collection of all the community engagement materials that were available to inform the Blue Mountains community on the options for *Resourcing Our Future*, including materials developed by Council and those available in the media.

The information products provided in this document were developed in accordance with the Community Engagement Strategy (see **Attachment 5a**) which was adopted on 22 July 2014.

The *Resourcing Our Future* public exhibition was held from 4 August to 15 September 2014, with submissions on the proposed options being accepted during this time.

The three documents which were on public exhibition are included elsewhere as other attachments to this application, as follows:

- Resourcing Strategy 2014-2024 – see **Attachment 13**
- Service Dashboards: Summary Service and Asset Plans – see **Attachment 10**
- Supplementary Delivery Program – see **Attachment 2**

In addition, the presentation which was given to participants of the *Resourcing Our Future* community workshops is provided as **Attachment 5c**.

1. Letter and brochure to ratepayers

This letter and four-page brochure was mailed out to all ratepayers at the beginning of the public exhibition on the options for *Resourcing Our Future*. A reply-paid envelope was included to encourage submissions from the community on their preferred option.

23 July 2014



Office of the Mayor
Reference File: F08908

Name
Person/Company
Address 1
Address 2
TOWN STATE POSTCODE

Dear Sir / Madam

RESOURCING OUR FUTURE – Have Your Say

Please find enclosed important information for Blue Mountains residents on the subject of *Resourcing Our Future*. The Council is considering making an application to the Independent Pricing and Regulatory Tribunal (IPART), with a view to securing the future funding our City needs to, at a minimum, maintain and hopefully improve our:

- Built infrastructure - such as roads, footpaths and drainage
- Preparedness and response to emergencies - such as bushfires and storms
- Environment - including protection and restoration of bushland, waterways and wildlife habitats
- Community facilities and services - such as parks, leisure centres and community development

We are taking this step because the City is facing significant challenges in providing services across 27 dispersed towns and villages, set in a unique landscape susceptible to natural disasters.

The Council has worked hard to deliver the best possible services to the community, efficiently and within available funding. We also continuously review our service delivery to ensure value for money. Over the past decade we have achieved significant cost savings – more than \$13 million – while attracting over \$87 million in grant funding. We have also developed six key strategies that we are implementing to address our financial challenge (see back page of enclosed brochure).

Despite our best efforts our costs are rising faster than our income. Other levels of government continue to shift costs on to us and restrict or reduce our funding. Much of our built infrastructure is old and requires significant investment to maintain, if not improve it.

Put simply, the available funding is insufficient to continue current service levels into the future.

The enclosed brochure provides three options for you to consider. Please take time to review each option and 'have your say'. You can do this by completing the tear-off form and posting it in the enclosed reply paid envelope. Let us know which option you prefer and whether you support improving, maintaining or reducing service levels.

IRIS Research, an independent research firm, has been engaged to conduct a telephone survey of a sample of residents who have read the brochure, to assess views on the options. This will take place in mid-August. Please **keep this brochure handy** in case you are contacted and choose to participate.

I would like to assure you that the Council is committed to meeting the needs of our community and improving the financial sustainability of the City. To ensure that we are in the best position to achieve our vision of building a successful future for the Blue Mountains, I encourage you to 'have your say' on *Resourcing Our Future*.

Yours sincerely,

MARK GREENHILL
Mayor

Six Strategies for Financial Sustainability

- 1 AVOID SHOCKS**
Through sound financial planning, this strategy positions us to better withstand costly and unexpected events such as the 2013 bushfires and the recent \$2.9 million reduction in Federal assistance to the Blue Mountains over the next 4 years.



- 2 BALANCE THE BUDGET**
Given that costs are rising by 2% more than income, the Council is taking action to balance its budget through annual efficiency cost savings – more than \$15 million achieved over the last 8 years.

- 3 MANAGE BORROWINGS RESPONSIBLY**
The Council has ceased new loan borrowings, subject to annual reviews of financial capacity and sound business cases.

- 4 INCREASE INCOME**

For every dollar residents pay in rates, the Council matches it with income from other sources. Over the past 5 years we have secured more than \$87 million in grant funding from State and Federal Government agencies for the community. We have also used Environment Levy funds to attract more than \$3.6 million in matching co-funding for our environment.

- 5 REVIEW & ADJUST SERVICES**

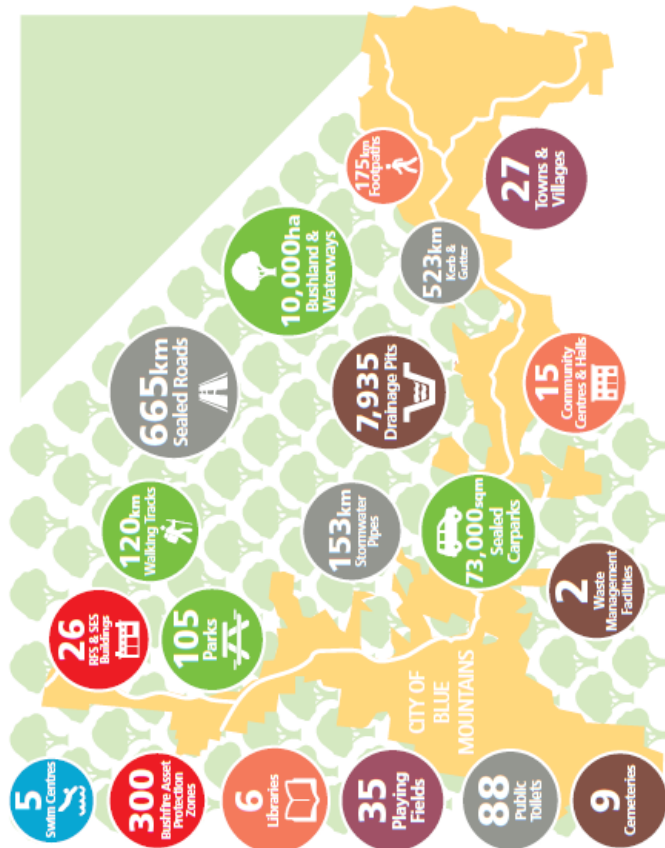
The Council continually reviews its service delivery to ensure it is meeting community needs and providing 'value for money'. Areas recently reviewed include bulky waste collection service, tourist parks and unsealed roads.

- 6 INCREASE ADVOCACY & PARTNERSHIPS**

This strategy is about advocating for a fair share of resources for the Blue Mountains and building partnerships to achieve positive outcomes. For example, following the 2013 bushfires, the Council advocated to the State Government and achieved a \$1.8 million grant to support recovery.

Resourcing OUR FUTURE

blue mountains
City Council



HAVE YOUR SAY

on options for achieving a better
BLUE MOUNTAINS

COMMUNITY CONSULTATION

4 AUGUST – 15 SEPTEMBER 2014

FOR MORE INFORMATION

Information on *Resourcing Our Future* is available:
Online: www.bluemountainshaveyoursay.com.au
Hardcopy: Katoomba office and Council libraries
Email: council@bmcc.nsw.gov.au

HAVE YOUR SAY

Tell us your preferred option by ticking one of the boxes below. Post your completed form in the reply paid envelope provided. Your personal details will be kept confidential.

KEEP THIS BROCHURE

A cross section of ratepayers will be asked to participate in a telephone survey from mid-August. Please keep this brochure handy in case you are selected to participate.

SUBMISSION FORM

My preferred option is (please tick one box):

- ☐ OPTION 1: SERVICE LEVELS IMPROVED
☐ OPTION 2: SERVICE LEVELS MAINTAINED
☐ OPTION 3: SERVICE LEVELS REDUCED

Submissions close Monday 15 September 2014

Your Name: _____
Address: _____
Suburb: _____
Postcode:

Resourcing OUR FUTURE

Towards a successful future

Despite our best efforts, the available funding is not sufficient for us to maintain, let alone improve, existing service levels. This is because costs are rising faster than our income and much of the City's built assets are old and in critical need of renewal and maintenance (e.g. roads, footpaths, drainage, parks, buildings).

To address the City's financial challenge, the Council has developed Six Strategies for Financial Sustainability which we are actively implementing (see back page).

Part of this strategy is to engage with you on how best we can achieve affordable and acceptable levels of service for the Blue Mountains.

What this brochure is about

This brochure provides three different options for you to consider for Resourcing Our Future. We encourage you to review each option detailed below and 'Have Your Say' on which option you prefer.

- **OPTION 1** proposes a rate increase to **IMPROVE** service levels
- **OPTION 2** proposes a rate increase (less than Option 1) to **MAINTAIN** service levels
- **OPTION 3** proposes increasing rates **ONLY** by the annual rate peg increase set by IPART – which will **REDUCE** service levels

HAVE YOUR SAY on options for achieving a better BLUE MOUNTAINS

The Environment Levy, which costs ratepayers on average \$45 per year (for 87c per week), is due to expire 30 June 2015. It has raised approx. \$1.5 million annually to restore and protect our natural environment, improve walking tracks and support the work of over 500 conservation volunteers. As well, the Levy attracts significant grant funding and supports our community and economy. Options 1 and 2 include the continuation of the Environment Levy on a permanent basis, while Option 3 does not.

Option 1

SERVICE LEVELS IMPROVED

Under **OPTION 1**, we stop the decline in the City's \$1 billion worth of built assets and have greater capacity to fund required renewal and maintenance, prepare and respond to emergencies and continue to look after the environment.

IF YOU CHOOSE OPTION 1 'IMPROVED' WE:

- ACHIEVE BETTER BUILT INFRASTRUCTURE**
BETTER AND SAFER roads, IMPROVED town centres, public toilets and buildings, BETTER footpaths, walking tracks and stormwater drainage.
- IMPROVE EMERGENCY PREPAREDNESS AND RESPONSE**
GREATER capacity to prepare for and respond to bushfires, BETTER disaster planning, IMPROVED asset protection zones and the local maintenance.
- CONTINUE TO PROTECT THE ENVIRONMENT**
CONTINUE weed control, water quality monitoring, stormwater pollution control, RESTORE bushland, SUPPORT Bushcare and Landcare programs.
- IMPROVE SERVICES TO COMMUNITY**
BETTER playing fields, parks, leisure centres, libraries, community facilities, IMPROVED CAPACITY TO SUPPORT community, including those in need.

HOW WILL OPTION 1 AFFECT YOUR RATES?

ANNUAL RATE INCREASE (%)	2015/16	2016/17	2017/18	2018/19
Rate Peg (allowed annual increase)	3.0%	3.0%	3.0%	3.0%
Environment Levy (reinstated)	3.6%	-	-	-
Additional Rate Increase	-	6.6%	9.6%	9.6%
Total Annual Increase	6.6%	9.6%	9.6%	9.6%

FOR RESIDENTIAL RATEPAYERS

AVERAGE RATES (per \$100 p.a.)	Current	2015/16	2016/17	2017/18	2018/19	Avg. Increase
Annual Rate	\$1272*	\$1310	\$1436	\$1574	\$1725	-
Annual Increase	-	\$38	\$126	\$138	\$151	\$113
Weekly Increase	-	\$0.73	\$2.42	\$2.65	\$2.90	\$2.18

FOR BUSINESS RATEPAYERS

AVERAGE RATES (per \$100 p.a.)	Current	2015/16	2016/17	2017/18	2018/19	Avg. Increase
Annual Rate	\$3071*	\$3163	\$3466	\$3799	\$4164	-
Annual Increase	-	\$92	\$303	\$333	\$365	\$273
Weekly Increase	-	\$1.77	\$5.83	\$6.40	\$7.02	\$5.25

*Current rates for 2014/15 include the Environment Levy

Over the four years, the cumulative increase to rates under **OPTION 1** is 40.4% or 27.8% above the allowed increase (rate peg). It also includes continuation of the Environment Levy that ratepayers are currently paying. This option raises an additional \$362 million over four years for our City and revenue is retained permanently.

For FARM AND RATES and more detailed information about the three options and a rates calculator, visit www.bluemountainshire.nsw.gov.au

Option 2

SERVICE LEVELS MAINTAINED

Under **OPTION 2**, the decline in the City's built assets is stabilised at the current level of 21% in poor condition. Our capacity to prepare for and respond to emergencies and look after the environment is maintained, not improved.

IF YOU CHOOSE OPTION 2 'MAINTAINED' WE:

- ONLY MAINTAIN BUILT INFRASTRUCTURE**
21% of built assets stay in POOR condition. Funding prioritised to MAINTAIN EXISTING THAN RENEW or upgrade and to manage risk.
- ONLY RETAIN EMERGENCY PREPAREDNESS AND RESPONSE**
RETAIN EXISTING CAPACITY to address emergencies, NO IMPROVEMENT.
- CONTINUE TO PROTECT THE ENVIRONMENT**
CONTINUE weed control, water quality monitoring, stormwater pollution control, RESTORE bushland, SUPPORT Bushcare and Landcare programs.
- ONLY MAINTAIN SERVICES TO COMMUNITY**
MAINTAIN CURRENT CAPACITY to support and advocate for community services, NO IMPROVEMENT to facilities, funding targeted to manage risk. Possible closure of facilities if unsafe.

HOW WILL OPTION 2 AFFECT YOUR RATES?

ANNUAL RATE INCREASE (%)	2015/16	2016/17	2017/18	2018/19
Rate Peg (allowed annual increase)	3.0%	3.0%	3.0%	3.0%
Environment Levy (reinstated)	3.6%	-	-	-
Additional Rate Increase	-	4.4%	4.4%	4.4%
Total Annual Increase	6.6%	7.4%	7.4%	7.4%

FOR RESIDENTIAL RATEPAYERS

AVERAGE RATES (per \$100 p.a.)	Current	2015/16	2016/17	2017/18	2018/19	Avg. Increase
Annual Rate	\$1272*	\$1310	\$1407	\$1511	\$1623	-
Annual Increase	-	\$38	\$97	\$104	\$112	\$88
Weekly Increase	-	\$0.73	\$1.87	\$2.00	\$2.15	\$1.69

FOR BUSINESS RATEPAYERS

AVERAGE RATES (per \$100 p.a.)	Current	2015/16	2016/17	2017/18	2018/19	Avg. Increase
Annual Rate	\$3071*	\$3163	\$3397	\$3648	\$3918	-
Annual Increase	-	\$92	\$234	\$251	\$270	\$211
Weekly Increase	-	\$1.77	\$4.50	\$4.83	\$5.19	\$4.07

*Current rates for 2014/15 include the Environment Levy

Over the four years, the cumulative increase to rates under **OPTION 2** is 32.1% or 19.8% above the allowed increase (rate peg). It also includes continuation of the Environment Levy that ratepayers are currently paying. This option raises an additional \$203 million over four years for our City and revenue is retained permanently.

RATE PEG (estimated at 3% annually) is the allowable percentage by which councils can increase rate revenue from one year to the next (as set by IPART). Councils can apply to set rates higher than the rate peg to meet community needs and keep pace with rising costs. This is known as a special rate variation.

Option 3

SERVICE LEVELS REDUCED

Under **OPTION 3**, built assets in poor condition increase from 21% to 37% by 2024. Priority focus is on managing risk, including closure or removal of unsafe infrastructure. Capacity to respond to emergencies and protect the environment is diminished.

IF YOU CHOOSE OPTION 3 'REDUCED' WE:

- CANNOT FURTHER INVEST IN BUILT INFRASTRUCTURE**
WORSE roads, town centres, public toilets, buildings, footpaths and drainage.
- CANNOT IMPROVE EMERGENCY PREPAREDNESS AND RESPONSE**
LESS CAPACITY to prepare for and respond to emergencies such as bushfires. More the trails and asset protection zones in poor condition.
- CANNOT CONTINUE CURRENT CAPACITY TO PROTECT THE ENVIRONMENT**
NO water quality monitoring, LESS weed control, LESS restoration of bushland, habitat and wetlands, LESS stormwater pollution control.
- CANNOT IMPROVE SERVICES TO COMMUNITY**
WORSE community and recreation facilities, LESS CAPACITY to support and advocate for community services, CLOSURE of unsafe facilities.

HOW WILL OPTION 3 AFFECT YOUR RATES?

ANNUAL RATE INCREASE (%)	2015/16	2016/17	2017/18	2018/19
Rate Peg Increase Only	3.0%	3.0%	3.0%	3.0%
Environment Levy (not continued)	-	-	-	-
Total Annual Increase	3.0%	3.0%	3.0%	3.0%

FOR RESIDENTIAL RATEPAYERS

AVERAGE RATES (per \$100 p.a.)	Current	2015/16	2016/17	2017/18	2018/19	Avg. Increase
Annual Rate	\$1272*	\$1266	\$1304	\$1343	\$1383	-
Annual Increase	-	-\$6*	\$38	\$39	\$40	\$28
Weekly Increase	-	-\$0.12	\$1.73	\$1.75	\$1.77	\$0.53

FOR BUSINESS RATEPAYERS

AVERAGE RATES (per \$100 p.a.)	Current	2015/16	2016/17	2017/18	2018/19	Avg. Increase
Annual Rate	\$3071*	\$3056	\$3147	\$3242	\$3339	-
Annual Increase	-	-\$15*	\$91	\$95	\$97	\$67
Weekly Increase	-	-\$0.29	\$1.75	\$1.83	\$1.87	\$1.29

*Current rates for 2014/15 include the Environment Levy

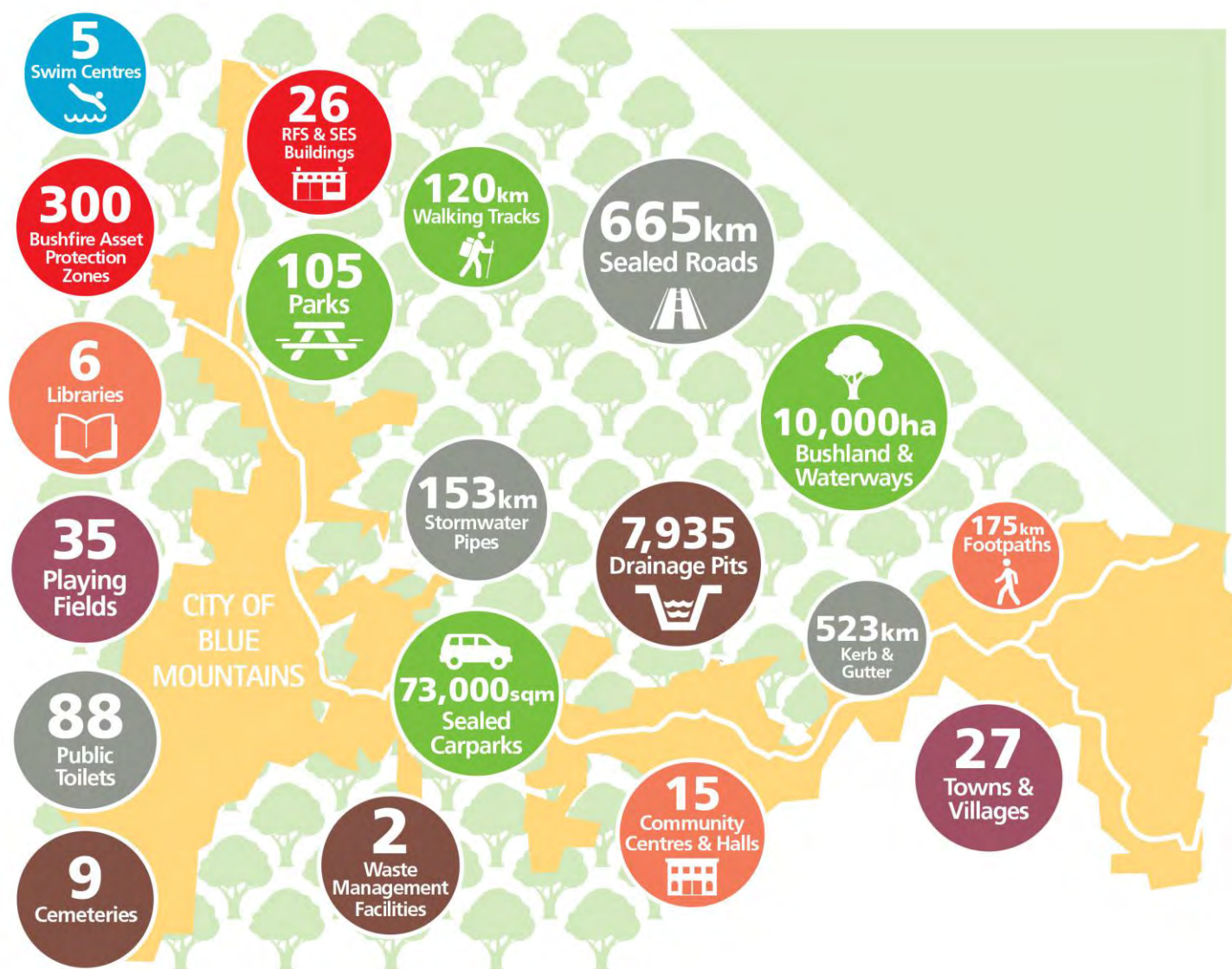
Over the four years, the cumulative increase to rates under **OPTION 3** is 12.8% (rate peg only). The Environment Levy is discontinued, resulting in a slight decrease to rates in 2018/19 and a reduction in our City's revenue of \$63.5 million over four years or \$16.3 million by 2020.

2. Information Sheets

The following four information sheets were developed to support the community consultation process on *Resourcing Our Future*. They were available online, at branch libraries and from the Council front counter during the public exhibition period. These information sheets were also sent to residents who requested further information on specific topics.

Information Sheet	Description
1. A Better Blue Mountains	A 12-page brochure on the proposed options for <i>Resourcing Our Future</i> . This provided more detail than the summary brochure sent to ratepayers
2. Your Environment Levy	Explains the Environment Levy, its longevity, what services it has provided, and what would happen if it was discontinued
3. Cost Savings, Efficiencies and Revenue Initiatives	An assessment of the efficiencies, productivity improvements and cost containment strategies which have been implemented by the Council in recent years
4. Frequently Asked Questions	To answer anticipated questions from the community

Resourcing OUR FUTURE



A BETTER BLUE MOUNTAINS

INFORMATION SHEET 1
JULY 2014

Resourcing Our Future – Have Your Say

Our Vision is to build a successful future for the Blue Mountains through improving the well-being of our community and the environment. How well we can do this depends to a large extent upon the level of resources we have. This document presents important information for Blue Mountains residents to consider on three alternative options for Resourcing Our Future.

- **OPTION 1** proposes a rate increase to *IMPROVE* service levels
- **OPTION 2** proposes a rate increase (less than Option 1) to just *MAINTAIN* service levels
- **OPTION 3** proposes increasing rates *ONLY* by the allowed 'rate peg' which will *REDUCE* service levels

Options 1 and 2 requires the consideration of an application to the Independent Pricing and Regulatory Tribunal (IPART) to secure the additional future funding our City needs to, at a minimum, maintain and hopefully improve our:

- **Built infrastructure** - such as roads, footpaths, town centres and drainage
- **Preparedness and response to emergencies** - such as bushfires and storms
- **Environment** - including protection and restoration of bushland, waterways and wildlife habitats
- **Community facilities and services** - such as parks, leisure centres and community development

We are considering this step because the City is facing significant challenges in providing services across 27 dispersed towns and villages, set in a unique landscape highly susceptible to natural disasters.

The Council has worked hard to deliver the best possible services to the community, efficiently and within available funding. We also continuously review our service delivery to ensure value for money. Over the past decade we have achieved significant cost savings – more than \$13 million – while attracting over \$87 million in grant funding. We have also developed six key strategies that we are actively implementing to address our financial challenge.

Despite our best efforts our costs continue to rise faster than our income. Other levels of government continue to shift costs on to us and restrict or reduce our funding. Much of our built infrastructure is old and requires significant investment to maintain, if not improve.

Put simply, the available funding is insufficient to continue current service levels into the future.

This document outlines three alternative options for you to consider for *Resourcing Our Future*. Please review each option and tell us which one you prefer. We need to know whether you want to improve, maintain or reduce existing levels of service - given that service levels provided must balance against available revenue.

The back page provides details on how you can register your choice by post, on-line or at Council libraries or head office in Katoomba.

City of Blue Mountains – A Special Place to Live

With its pristine bushland surroundings, clean air and opportunities for a healthy lifestyle, the Blue Mountains is indeed a very special place to live. Relative to Sydney, the Blue Mountains offers more affordable housing choices and a unique town and village lifestyle.

Our City is a place renowned for its vibrant and diverse community and rich Aboriginal heritage. The area boasts strong local community organisations, interest groups and close-knit communities and neighbourhoods. The Mountains is also a cultural epicentre, with many who work in the creative arena choosing to live here for their inspiration. Surrounded by a World Heritage Listed National Park, the City is also a unique global tourist destination.

To implement our vision of building a successful future for the Blue Mountains, the Council and other agencies and organisations are working with the community to achieve our Community Strategic Plan – *Sustainable Blue Mountains 2025*. This Plan outlines the community's vision, priorities and aspirations for the future of our local government area under these six Key Directions:

- ***Looking After Environment***
- ***Using Land***
- ***Moving Around***
- ***Looking After People***
- ***Sustainable Economy***
- ***Civic Leadership***

The Council is committed to working in partnership with the community and other levels of government to achieve this Plan. To resource the implementation of the Council's key responsibilities within this Plan, we have developed a *10 year Resourcing Strategy 2014-2024*. This strategy is currently on public exhibition and outlines in detail three alternative options for '*Resourcing Our Future*'.

Each year the Council provides an extensive range of services and facilities to the community in response to assessed needs and priorities and to meet legislative responsibilities under the *Local Government Act 1993* and other legislation. We deliver an extensive range of services and facilities to a population of just over 78,000 residents and several million visitors each year who come to experience one of Australia's top tourist destinations.



"Living in the Blue Mountains gives my family the opportunity to grow and thrive in a healthy natural environment and vibrant connected community."

Blue Mountains Resident

Built Assets

To support the provision of the services, the Council manages approximately **\$1 billion worth of assets and facilities**.

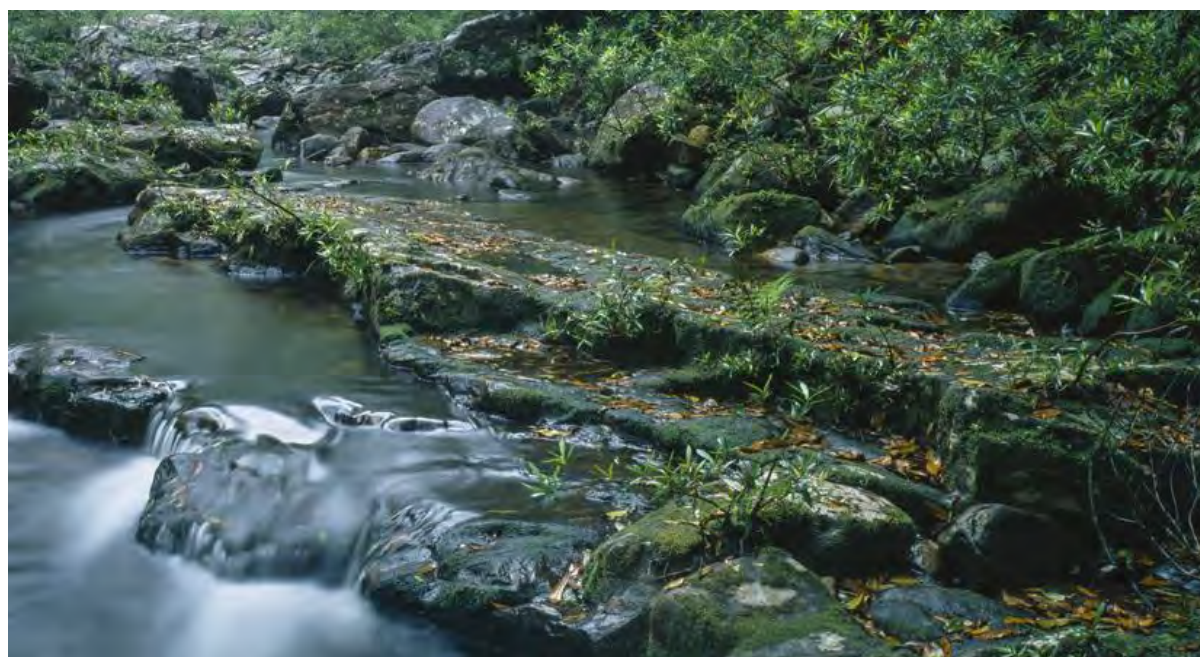
This includes:

27 towns and villages	5 skate parks
2 waste resource management facilities	15 halls including 5 community centres
1 dam	12 child care buildings
300km of water ways	6 libraries
665km sealed roads	126 bus shelters
120km unsealed roads	189 litter bins
34 bridges	493km kerbs & gutter
73,000 sqm of sealed car parks	7,935 drainage pits
523 km kerb and gutter	120km walking tracks
153km stormwater pipes	35 playing fields at 22 sportsgrounds
175km footpaths	31 RFS & SES buildings
105 parks	300 bushfire asset protection zones
66 playing courts	88 public toilets
5 swim leisure centres	9 cemeteries

Natural Assets

The Council is also responsible for managing approximately 10,000ha of natural bushland (equivalent to around 10,000 football fields) and 300km of creeks and waterways. These natural assets not only offer easy access to world-class outdoor recreation opportunities, they also provide habitat for a wide range of native species, some of which are found nowhere else on Earth.

These natural assets form a protective buffer for our, and Sydney's, drinking water catchments (servicing over 3.7 million people) and the Greater Blue Mountains World Heritage Area, which surrounds our City.

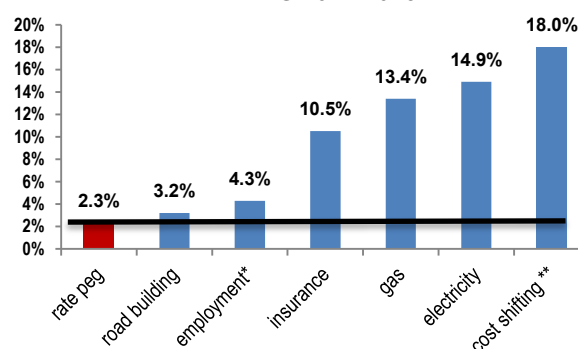


Challenges Facing Our City

Within available funding, the Council aims to provide the best possible services and facilities for our community. For many years, we have successfully achieved efficiencies and cost savings (at least \$13 million saved over past 8 years). However, like most NSW councils, the Blue Mountains faces significant financial challenges in maintaining current levels of services into the future due to:

- Costs continuing to rise faster than our ability to increase revenue due to rate pegging imposed by the State Government (which limits the amount we can increase rate incomes irrespective of actual cost rises)
- Continual shifting of service provision and costs from the Federal and State Governments
- Reductions in funding from both the Federal and State Governments (often at short notice).

ESTIMATED COUNCIL COSTS COMPARED TO RATE PEG 2014-2015



* Includes superannuation increases

** Based on a 5 year average & includes our contribution to NSW Government for emergency management services.

These challenges are exacerbated by the unique nature of our City.

The City of Blue Mountains is one of the largest local government areas in Sydney. The City's population of approx. 78,000 is located across 27 dispersed towns and villages, spread along 100 kilometres of mountainous terrain, set in a unique and challenging landscape. As a result, service provision is much more costly due to the landscape as well as the necessity to duplicate services and facilities to ensure equitable access.

The Blue Mountains is also unique in that we are a City surrounded by a World Heritage Listed National Park. A key challenge is protecting our globally significant natural environment with its rich and rare biological diversity, from the impacts of human settlement. This is particularly important given that our surrounding environment provides the catchment for Sydney's drinking water, servicing more than 3.7 million people.

Our City is highly susceptible to natural disasters including bushfires and windstorms. This requires significant expenditure by the Council to manage emergency preparedness, response and recovery and minimise risk, keep the community safe and reduce impacts on our built and natural environment.

Because of our natural topography and the closeness of the national park, capacity for growth within the City is constrained – this limits how much additional income the City receives from rates.

Finally, much of the City's infrastructure is ageing and need of repair. Because of the size of our infrastructure portfolio, estimated to be worth \$1 billion, and the restriction in revenue generation, the Council has not been able to keep up with renewal and maintenance requirements at acceptable levels over decades.

The level of service that the Council can provide to the community is dependent upon the amount of revenue we have available. However, we face rising costs and limits to our income generation. Without securing additional funds, the Council will no longer be able to deliver the services and infrastructure our community needs and expects. This is because we have to balance service levels against available revenue.

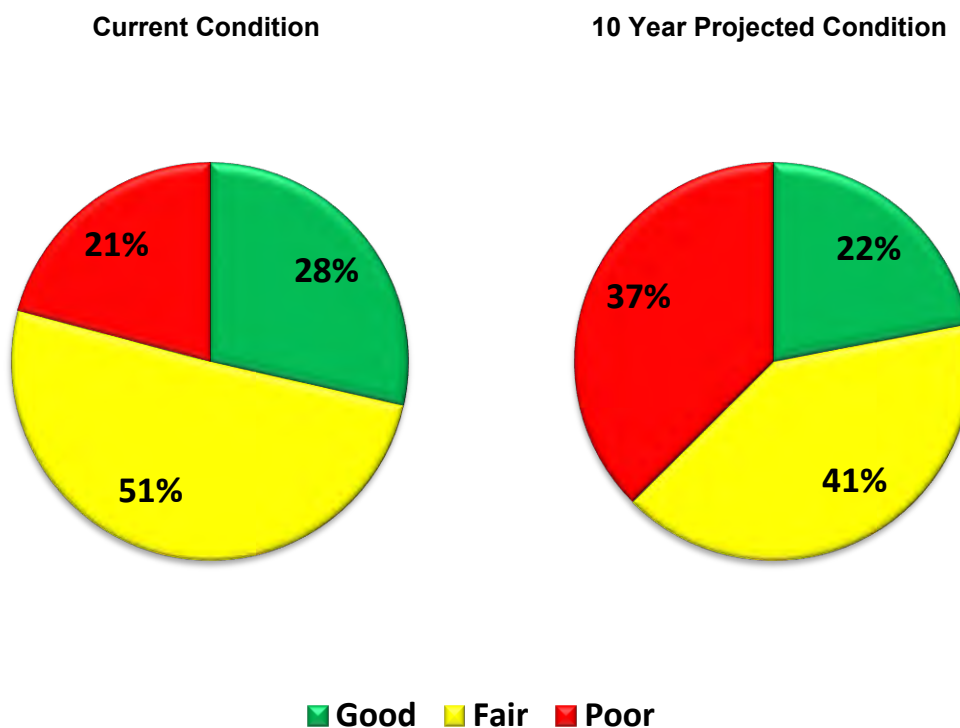
Impact of these Challenges on Our Built Assets

Currently it is estimated that 21% of the City's \$1 billion worth of built assets (roads, footpaths, drainage, town centres, community and recreation facilities) are in poor condition. This is estimated to increase to 37% by 2024 without corrective action.

This is due to the fact that the Council's costs have been rising at a faster rate than its income for a number of years and as a result, the Council has only been renewing its assets at 1% per year and maintaining them at 2% per year. It should be renewing assets at 3% per year and maintaining them at 4% per year.

Our 10 year *Resourcing Strategy 2014-2024* estimates that the City faces a funding shortfall of more than \$200 million over the next 10 years. Addressing this shortfall requires a multi-pronged approach, including seeking additional income through a special rate variation.

**PROPORTION OF BUILT ASSETS IN GOOD, FAIR AND POOR CONDITION
(CURRENT VERSUS 10 YEAR PROJECTED)**



OVERALL RATING	DESCRIPTION
Good	Minor maintenance only required
Fair	Significant maintenance required
Poor	Renewal required

A World Heritage Environment



The City of Blue Mountains is one of only two cities in the world surrounded by World Heritage Listed National Park. Covering an area of 1,431 sq. km – 70% of our local government area is comprised of World Heritage National Park, with only 11% available for settlement.

This park, which is part of the Greater Blue Mountains World Heritage Area, protects an unusually diverse range of vegetation communities. Rare and ancient plants and isolated animal populations are tucked away in its deep gorges. The Mountains provides a habitat for many unique plant species and wildlife, showcasing for example, the extraordinary story of the evolution of Australia's eucalypt vegetation.

Perched along a 100km spectacular sandstone plateau, the 27 towns and villages of the Blue Mountains enjoy sweeping views of world-renowned escarpments and gorges.

Blue Mountains City Council is custodian of an extensive network of natural assets. This involves managing more than 10,000ha of natural bushland, including two lakes and over 300km of waterways. These assets make a significant contribution to our local tourism economy, as well as to community health and wellbeing.

Being surrounded by a World Heritage Area places additional responsibilities on the Council and on all of us who are privileged to live within and visit this special place. The key challenge for our City is to foster social and economic prosperity while protecting the Blue Mountains World Heritage natural environment. Our Community Strategic Plan for the City of Blue Mountains – *Sustainable Blue Mountains 2025* – provides a roadmap for achieving this.

Our community has told us that it puts a high priority on maintaining our natural environment. This is our home and we need to take care of it for generations to come.

"Protecting our natural heritage is a key priority."

Blue Mountains Resident

Towards A Solution

To address the City's financial challenge the Council has developed *Six Strategies for Financial Sustainability* - that we are actively implementing to build a successful future for the Blue Mountains.

STRATEGIES FOR FINANCIAL SUSTAINABILITY



Strategy 1 - Avoid Shocks: The Council is proactively implementing financial planning to ensure we live responsibly within our means, manage risks and prioritise resources to achieve best outcomes. This strategy positions the City to better withstand costly unexpected events (such as the devastating October 2013 bushfires) and continue to deliver quality services that meet community needs.

Strategy 2 - Balance the Budget: Given that costs are rising in real terms by 2% more than income, the Council is taking action to balance its budget each year through achieving significant productivity and cost savings (approx. \$13 million in savings achieved over the past 8 years). Under this strategy, the Council is building financial capacity to meet future funding requirements for the City's aging infrastructure (roads, footpaths, drainage, community and recreational facilities etc.).

Strategy 3 - Manage Borrowings Responsibly: The Council is committed to reducing debt levels through ceasing "new" borrowings as much as possible (subject to review of financial capacity). Unless there is a sound business case to borrow funds, the Council will not be entering into new debt.

Strategy 4 - Increase Income: The Council is seeking to maximise income where appropriate. For every dollar residents pay in rates, the Council at least matches it with revenue from such sources such as grants, commercial activities (e.g. Caravan Parks and Visitor information Centres) and from fees and charges. Over the past five years the Council obtained over \$87 million in grant funding for the community. In 2014, the Council will be engaging community on options for a possible further special variation to rates and there will be a range of ways for residents to have their say on what level of service is affordable and required.

Strategy 5 - Review and Adjust Services: This strategy involves the Council implementing ongoing reviews to ensure we are providing quality value for money services, responsive to changing requirements of the community. Examples include the review of the bulky waste collection service resulting in a shift to a more responsive booked service, review of the Council's Caravan Parks resulting in increased revenue and the Sealing of Unsealed Roads Program resulting in cost savings and more roads sealed benefitting residents and the environment. The Council also uses best practice strategies to cost effectively purchase materials and implements competitive tendering processes for all expenditures over \$120,000.

Strategy 6 - Increasing Advocacy and Partnerships: This strategy involves advocating to other levels of government for a fair share of funding and reduced cost shifting and building partnerships with others to achieve positive outcomes for the Blue Mountains. For example, following the October 2013 Bushfire disaster, the Council successfully advocated and achieved \$1.8 million to assist with recovery and worked in partnership with State Government, RFS and a range of agencies.

Strategy 4 of the Council's Six Strategies for Financial Sustainability includes implementing a two-staged approach to increasing revenue through special rate variations phased in gradually over time, and taking into account community capacity and willingness to pay increased rates to achieve desired levels of service provision.

The Council developed this two-staged approach in order to:

- *Minimise the impacts of the reform of its rating structure on ratepayers*
- *Coincide with the expiry of the existing ten year Environment Levy in June 2015*
- *Phase the rate increases over a period of four years to minimise the impact of increased rates on ratepayers.*

This two-staged Strategy was previously publically exhibited (with no adverse community response) and adopted for implementation in June 2013 as part of the 2013-2023 Resourcing Strategy. In summary:

Stage one of this approach was achieved in 2013 with community endorsement for continuing an existing special variation to rates.

The second stage includes engaging the community on a possible further special rate variation application in 2015, including continuation of the existing Environment Levy, as part of *Resourcing Our Future* Options 1 or 2 - which are currently on public exhibition.

Balancing Service Levels to Available Revenue

Given that we must live responsibly within its means, the Council is seeking community input on how best we can achieve service levels that are not only affordable but also acceptable to the community.

Because we have to balance service levels to the available revenue, without additional funding through a special rate variation, service levels will need to be reduced.

We need to increase our income if we are to address the significant shortfall in funding required to renew and maintain our built infrastructure (roads, footpaths, stormwater drainage, parks, pools, community buildings, town centres, etc.) and natural assets adjoining the World Heritage Listed National Park.

As detailed in the following pages, Options 1 and 2 propose obtaining additional funding through a special rate variation. Alternatively, we could reduce our service levels and only increase rates by the allowed rate peg (Option 3). **The Council is inviting you to indicate your preference.**

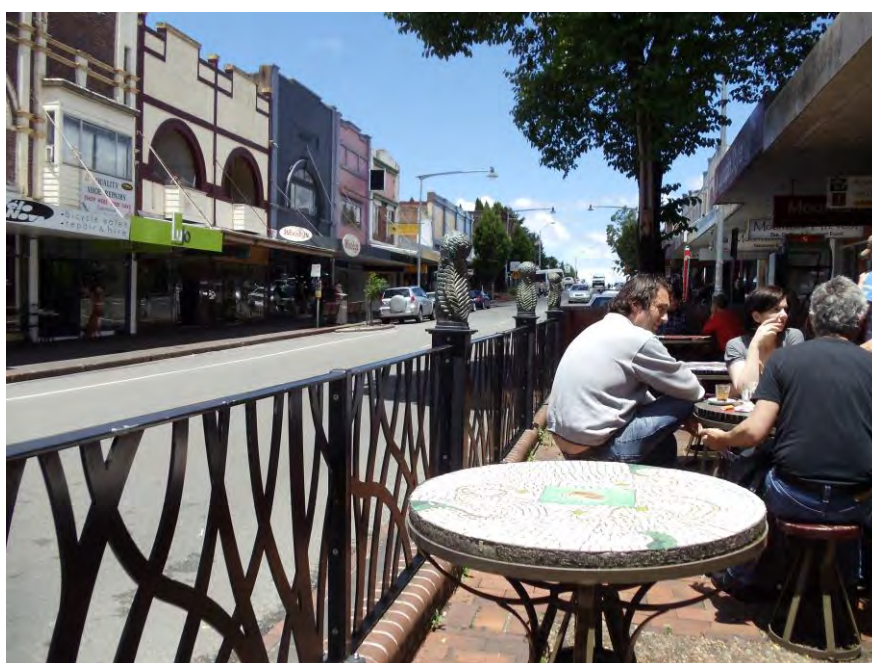
Resourcing Our Future – 3 Options

Resourcing our Future provides three options for you to consider on how we can best achieve affordable and acceptable levels of service for the Blue Mountains. These options are:

Option 1: Service Levels Improved

Option 2: Service Levels Maintained

Option 3: Service Levels Reduced



WHAT IS RATE PEG?

Rate peg is the allowable percentage by which all NSW councils can increase rate revenue from one year to the next and the Independent Pricing & Regulatory Tribunal (IPART) determines the percentage annually.

The NSW Government introduced 'rate pegging' in 1977 to limit the amount by which all NSW councils can increase rate revenue. However, the rate peg does not keep up with the increases to many of our major expenditure areas and this is a reality for most councils. For example, in 2014-2015 rates were allowed to increase by 2.3% but electricity is expected to rise by 14.9% and gas by 13.4%.

WHAT IS A SPECIAL RATE VARIATION?

Each year IPART sets a maximum percentage amounts that councils can increase their rates (known as the 'rate peg'). Councils can then assess in consultation with the community whether that rate peg is sufficient to maintain services and infrastructure or they can request an increase above the rate peg limit. Such increase is known as a Special Rate Variation (SRV).

IPART will only approve an application if it is satisfied that a council adequately meets its criteria, including demonstrating a need for the additional revenue, that productivity improvements to reduce overall costs have been undertaken and the community is aware of the proposal.

DID YOU KNOW?

Blue Mountains City Council offers a number of options for ratepayers to tailor their payments to manageable amounts. For example, you can arrange to pay in quarterly or monthly installments, and by direct debit. We also offer options for residents assessed to be in temporary financial hardship. Contact the Council on 4780 5000 to discuss payment plans for your rates.

Resourcing Our Future – OPTION 1 Service Levels Improved

Under OPTION 1 we turn around the decline in the City's \$1 billion worth of built assets (roads, footpaths, drainage, town centres, playing fields, libraries, community buildings) with the proportion in poor condition reducing from 21% to 17% by 2024. We have greater capacity to address risks, fund required renewal and maintenance of our assets, improve our community services and facilities, prepare and respond to emergencies such as bushfires and retain our capacity to protect our natural environment.

These improvements are achieved through a special rate variation raising an additional \$28.2 million over 2015/16 to 2018/19 (four year period) or \$98.5 million by 2024. This rate variation includes reinstating the existing Environment Levy in 2015/16 on a permanent basis - a 6.6% rate increase including an estimated 3% rate peg increase, followed by three increases of 9.6% (including rate peg) from 2016/17 to 2018/19. The additional funding raised would remain permanently in the rate base.

This option results in a cumulative increase over four years of 40.4% or 27.8% if we take out the annual rate peg increase ratepayers would normally pay. This also includes the Environment Levy (due to expire in June 2015) being reinstated that ratepayers are currently paying. If we take it out, then the actual increase to rates under Option 1, above current 2014/2015 rates, is 23% more than rate peg over four years.

IF YOU CHOOSE OPTION 1 'IMPROVED' WE:



ACHIEVE BETTER BUILT INFRASTRUCTURE
BETTER and SAFER roads, IMPROVED town centres, public toilets and buildings. BETTER footpaths, walking tracks and stormwater drainage.



IMPROVE EMERGENCY PREPAREDNESS AND RESPONSE
GREATER capacity to prepare for and respond to bushfires, BETTER disaster planning, IMPROVED asset protection zones and fire trail maintenance.



CONTINUE TO PROTECT THE ENVIRONMENT
CONTINUE weed control, water quality monitoring, stormwater pollution control, RESTORE bushland, SUPPORT Bushcare and Landcare programs.



IMPROVE SERVICES TO COMMUNITY
BETTER playing fields, parks, leisure centres, libraries, community facilities. IMPROVED CAPACITY TO SUPPORT community, including those in need.



How will OPTION 1 affect your rates?

ANNUAL RATE INCREASE (%)		2015/16	2016/17	2017/18	2018/19
OPTION 1 SERVICE LEVELS IMPROVED	Rate Peg	3%	3%	3%	3%
	Environment Levy (continuing)	3.6%*	-	-	-
	Additional Rate Increase	-	6.6%	6.6%	6.6%
	Total Annual Increase	6.6%	9.6%	9.6%	9.6%

Resourcing Our Future – OPTION 2 Service Levels Maintained

Under OPTION 2, service levels are maintained with the proportion of the Council's \$1 billion worth of built assets in poor condition remaining at an estimated 21% by 2024. Our current capacity to address risks is retained. Our emergency preparedness and response and community services and facilities are maintained at current levels, as is the current capacity of the Council to protect and restore the natural environment.

This option also reinstates the existing Environment Levy in 2015/16 on a permanent basis (a 6.6% increase including an estimated 3% rate peg increase), followed by three increases of 7.4% (including rate peg) from 2016/17 to 2018/19. These increases would remain permanently in the rate base and would raise an additional \$20.9 million over this four-year period or \$70 million by 2024.

This option results in a cumulative increase over four years of 32.1% or 19.5% if we take out the annual rate peg increase, which ratepayers would normally pay. This also includes the Environment Levy (due to expire in June 2015) being reinstated that ratepayers are currently paying. If we take it out, then the actual increase to rates under Option 2, above current 2014/2015 rates, is 15% more than rate peg over four years.

IF YOU CHOOSE OPTION 2 'MAINTAINED' WE:

- 

ONLY MAINTAIN BUILT INFRASTRUCTURE
21% of built assets STAY IN POOR CONDITION. Funding prioritised to MAINTAIN RATHER THAN RENEW or upgrade and to manage risk.
- 

ONLY RETAIN EMERGENCY PREPAREDNESS AND RESPONSE
RETAIN EXISTING CAPACITY to address emergencies. NO IMPROVEMENT.
- 

CONTINUE TO PROTECT THE ENVIRONMENT
CONTINUE weed control, water quality monitoring, stormwater pollution control, RESTORE bushland, SUPPORT Bushcare and Landcare programs.
- 

ONLY MAINTAIN SERVICES TO COMMUNITY
MAINTAIN CURRENT CAPACITY to support and advocate for community services. NO IMPROVEMENT to facilities, funding targeted to manage risk. Possible CLOSURE of facilities if unsafe.





How will OPTION 2 affect your rates?

ANNUAL RATE INCREASE (%)		2015/16	2016/17	2017/18	2018/19
OPTION 2 SERVICE LEVELS MAINTAINED	Rate Peg	3%	3%	3%	3%
	Environment Levy (continuing)	3.6%*	-	-	-
	Additional Rate Increase		4.4%	4.4%	4.4%
	Total Annual Increase	6.6%	7.4%	7.4%	7.4%

*As the Environment Levy expires in June 2015, it needs to be reinstated in 2015/2016 as a 3.6% increase. However, ratepayers will not experience this increase as they are already paying for it in 2014/2015.

Resourcing Our Future – OPTION 3 Service Levels Reduced

Under OPTION 3, the proportion of the City's \$1 billion worth of built assets in poor condition (roads, footpaths, drainage, town centres, community and recreation facilities) deteriorates significantly from 21% to 37% by 2024. Limited resources will need to be targeted to addressing the significantly increased risks arising from deteriorating assets. Our capacity to prepare for and respond to emergencies, protect and restore our natural environment and provide required community and recreation facilities will be significantly reduced.

This option discontinues the existing Environment Levy when it expires in June 2015 resulting in a reduction in rating revenue of \$6.9 million over four years. Rates will increase by rate peg only (estimated at 3% per annum).

Over 2015/16 to 2018/19, the cumulative increase to rates is 12.6%.



IF YOU CHOOSE OPTION 3 'REDUCED' WE:

CANNOT FURTHER INVEST IN BUILT INFRASTRUCTURE

WORSE roads, town centres, public toilets, buildings, footpaths and drainage.



CANNOT IMPROVE EMERGENCY PREPAREDNESS AND RESPONSE

LESS CAPACITY to prepare for and respond to emergencies such as bushfires. More fire trails and asset protection zones in poor condition.



CANNOT CONTINUE CURRENT CAPACITY TO PROTECT THE ENVIRONMENT

NO water quality monitoring, LESS weed control, LESS restoration of bushland, habitat and waterways, LESS stormwater pollution control.



CANNOT IMPROVE SERVICES TO COMMUNITY

WORSE community and recreation facilities, LESS CAPACITY to support and advocate for community services. CLOSURE of unsafe facilities.



How will OPTION 3 affect your rates?

ANNUAL RATE INCREASE (%)		2015/16	2016/17	2017/18	2018/19
OPTION 3 SERVICE LEVELS REDUCED	Rate Peg	3.0%	3.0%	3.0%	3.0%
	Environment Levy (discontinued)	-	-	-	-
	Additional Rate Increase	-	-	-	-
	Total Annual Increase	3.0%	3.0%	3.0%	3.0%

Allocation of additional income raised from Options 1 and 2

Expenditure allocation will be guided by the Council's 10 year *Resourcing Strategy* with additional income obtained under Options 1 and 2 being targeted to managing high priority risks and community requirements in the following areas:

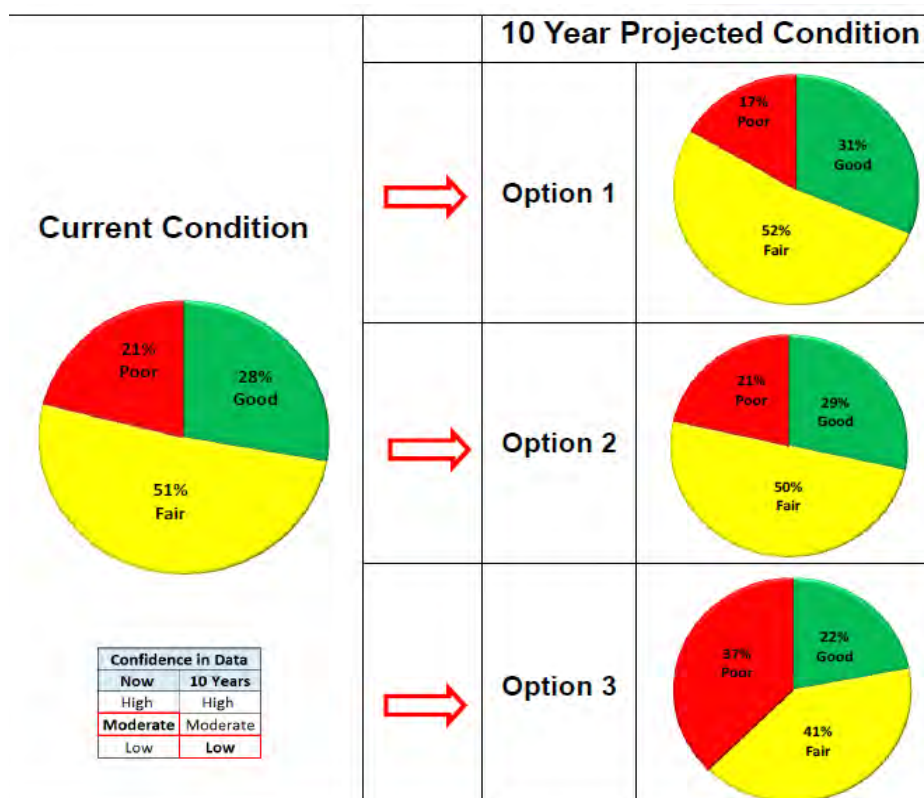
- **Built infrastructure** - roads, town centres, public toilets, drainage, footpaths etc.
- **Emergency preparedness and response** – capacity to prepare for and respond to bushfires and other natural disasters, disaster planning, asset protection zones and fire trail maintenance
- **Natural environment** – weed control, water quality monitoring, stormwater pollution control, bushland, walking tracks, Bushcare and Landcare programs
- **Community services** – sporting fields, parks, leisure centres, libraries, community facilities and supporting community development programs targeting those in need.

The Council will review its Long Term Financial Plan and Asset Management Plans annually. This will drive best value resource allocation that addresses priority assessed risks. This is critical given that much of the Council's \$1 billion worth of built assets is old and therefore potentially at risk of failure.

The Council's Resourcing Strategy proposes that income received under Options 1 and 2 will primarily be targeted to reducing the proportion of the City's \$1 billion worth of built assets in poor condition (as shown in the 'red' segments of the pie charts below). In summary:

- **Option 1** will allow the City to turn around the decline in built assets and provide funds to renew assets as they become due - with the proportion of built assets in poor condition being improved from the current 21% to approximately 17% by 2024
- **Option 2** will hold off the decline – stabilising the proportion of built assets in poor condition at 21% by 2024.
- **Option 3** will see the proportion of built assets in poor condition increase from 21% to 37% by 2024.

IMPACT OF FUNDING OPTIONS ON BUILT ASSET CONDITION



Proposed allocation of additional revenue under Options 1 and 2 over 2015-2024
(subject to annual review of *Resourcing Strategy /Asset Management Plans*)

	OPTION 1: Service Levels Improved	OPTION 2: Service Levels Maintained
Built Infrastructure	\$47.3 million	\$33.0 million
	<i>Including \$37.8 million for:</i> <ul style="list-style-type: none"> • Renewal and maintenance of the sealed road network funding shortfalls • Road shoulder work required to prevent overall deterioration of roads and improved stormwater management • Stormwater management infrastructure gaps • Renewal of ageing bridges • Footpath renewal priorities • Legislatively required bus stop disability access upgrades • Stormwater management infrastructure 	<i>Including \$24.9 million for:</i> As for Option 1 but with \$12.9 million less funding for required: <ul style="list-style-type: none"> • Renewal and maintenance of sealed road network • Stormwater management infrastructure • Traffic facility renewal • Footpath renewal
	<i>Including \$9.5 million for:</i> <ul style="list-style-type: none"> • Improving town centre maintenance regimes • Tree management • Town centre public domain infrastructure improvement programs • Improve building compliance • Public toilet upgrade in town centres • Building cleansing • Building maintenance and renewal • Information technology upgrades including disaster recovery systems 	<i>Including \$8.1 million for:</i> As for Option 1 but with \$1.4 million less funding for required: <ul style="list-style-type: none"> • Public toilet upgrade in town centres • Building cleansing • Building renewals
Environment	\$22.5 million	\$19.3 million
	<i>Including \$11.7 million for:</i> <ul style="list-style-type: none"> • Weed control • Restoration of water ways and water quality monitoring • Stormwater pollution control • Bushland restoration, Bushcare and Landcare programs • Wildlife habitat restoration and protection of rare and unique animal and plant species • Environmental education 	<i>Including \$11.4 million for:</i> As for Option 1 but with \$0.3 million less funding for required: <ul style="list-style-type: none"> • High risk environmental program areas

	OPTION 1: Service Levels Improved	OPTION 2: Service Levels Maintained
Environment Cont'd	<i>Including \$10.8 million for:</i> <ul style="list-style-type: none"> Walking tracks and lookouts Improvements to natural area visitor facilities 	<i>Including \$7.9 million for:</i> As for Option 1, but with \$2.9 million less funding for required: <ul style="list-style-type: none"> High risk walking track and natural area visitor facility renewals Walking track maintenance
Emergency Preparedness and Response	\$4.5 million <ul style="list-style-type: none"> Disaster and emergency management planning Bushfire impact preparedness and prevention - Asset Protection Zone high priority works Improved cyclic maintenance of fire trails 	\$2.0 million As for Option 1, but with \$2.5 million less funding for required: <ul style="list-style-type: none"> High priority Asset Protection Zone works Improved fire trail cyclic maintenance programs
Community & Recreation	\$24.2 million	\$16.0 million
	<i>Including \$9.4 million for:</i> <ul style="list-style-type: none"> Sporting facility operating costs Priority areas for renewal of recreational sporting surfaces, equipment, buildings and toilets Park Revitalisation Program 	<i>Including \$5.6 million for:</i> As for Option 1 but with \$3.8 million less funding for required: <ul style="list-style-type: none"> Renewal, maintenance and upgrade of parks, sports grounds and playing surfaces
	<i>Including \$5.0 million for:</i> <ul style="list-style-type: none"> Swimming pool renewal and infrastructure priorities 	<i>Including \$4.6 million for:</i> As for Option 1, but with \$0.4 million less funding for required swimming pool renewal, and infrastructure priorities
	<i>Including \$9.8 million for:</i> <ul style="list-style-type: none"> Renewal, maintenance and operation of community facilities including libraries, community centres, halls, youth facilities, child care facilities, neighbourhood centres Community development programs to improve social outcomes Rehabilitation of cultural assets 	<i>Including \$5.8 million for:</i> As for Option 1, but with \$4.0 million less funding for required: <ul style="list-style-type: none"> Community facilities renewal and upgrade Community development programs to improve social outcomes Community building cleansing
Total	\$98.5 million	\$70.3 million

Environment Levy

The Environment Levy was approved as a special variation in 2005 and currently costs the average ratepayer around \$45 p.a. (or 87c per week). It raises around \$1.5 million annually and is helping to look after this special place; supporting your quality of life and local tourism economy – including the 5,000 local jobs it provides. Key activities and programs funded by the Levy include:

- ***Rehabilitation of creeks and bushland across 130 sites (including weed control and stormwater pollution management) and restoration of rare and endangered habitats***
- ***Maintenance, repair and upgrade of over 120km of walking tracks; five campsites and 85+ lookouts (including important historical and cultural sites)***
- ***Supporting the work of over 500 local conservation volunteers contributing over 10,000 hours each year***
- ***Environmental education programs in local schools***
- ***Water quality monitoring at 40+ sites***

With over 10,000ha of bushland reserves in our care, we need to make every dollar count. We do this in three main ways:

- *We use Levy funds to attract significant grant funding. Since 2005, we have secured over \$3.6 million in extra funding from NSW and Australian government agencies to invest in our local environment.*
- *We work in close partnership with our community and other land management agencies, to share resources and get the best results for our local environment.*
- *We use scientific research and award-winning land management expertise to pinpoint the best use of Levy funds in tackling local environmental challenges.*

The Levy is due to expire in June 2015, and if the achievements made under it are to be continued, then it needs to be renewed as part of a special rate variation to IPART under Option 1 IMPROVE Service Levels or Option 2 MAINTAIN service levels.

More information on the Environment Levy can be found at www.bluemountainshaveyoursay.com.au and click on *Resourcing Our Future* and refer to *Information Sheet 2 Your Environment Levy*.

Together with over 500 dedicated volunteers, Council is monitoring and caring for our local waterways. We're also reducing weeds, repairing damaged creeks and bushland, and improving local walking tracks. So we can all enjoy our beautiful Blue Mountains – for generations to come.

Continuation of the Levy also protects our previous investment into these assets.

What would happen if we lose the Environment Levy?

Without the Environment Levy, the Council could only afford to run very basic programs (e.g. weed control and walking track maintenance). With no other programs in place, a more dramatic increase in creeks, bushland and walking tracks in poor condition will occur over time, with potential closure of some visitor facilities, such as tracks, as a result.

A particular impact of this scenario would be a significant and rapid loss of the condition improvement gained from the funds provided over the life of the current Levy. It would also potentially result in significant future costs to ratepayers were the City to re-invest in improving environmental condition at some point.

The Council would also lose the potential revenue raised through co-funding agreements with other government agencies (over 36 cents for every Levy dollar since 2005).

Currently, the Council with its environmental program is seen as a highly worthwhile investment by environmental funding bodies. A reduction in programs would have an adverse impact on this reputation and could see reduced external funding support.

Our capacity to maintain and renew safe visitor facilities and infrastructure in bushland settings across the City, including tourism hotspots, would also be reduced.



How would my rates changes?

Impact of rating options on average rates on A: Residential, B: Business and C: Farmland

A: IMPACT ON AVERAGE RESIDENTIAL RATES		2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
OPTION 1: Service Levels Improved	Annual rate	\$1,272	\$1,310	\$1,436	\$1,574	\$1,725	\$453
	Annual increase		\$38	\$126	\$138	\$151	
OPTION 2: Service Levels Maintained	Annual rate	\$1,272	\$1,310	\$1,407	\$1,511	\$1,623	\$351
	Annual increase		\$38	\$97	\$104	\$112	
OPTION 3: Service Levels Reduced (rate peg only)	Annual rate	\$1,272	\$1,266	\$1,304	\$1,343	\$1,383	\$111
	Annual increase		-\$6	\$38	\$39	\$40	

B: IMPACT ON AVERAGE BUSINESS RATES		2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
OPTION 1: Service Levels Improved	Annual rate	\$3,071	\$3,163	\$3,466	\$3,799	\$4,164	\$1,093
	Annual increase		\$92	\$303	\$333	\$365	
OPTION 2: Service Levels Maintained	Annual rate	\$3,071	\$3,163	\$3,397	\$3,648	\$3,918	\$847
	Annual increase		\$92	\$234	\$251	\$270	
OPTION 3: Service Levels Reduced (rate peg only)	Annual rate	\$3,071	\$3,056	\$3,147	\$3,242	\$3,339	\$268
	Annual increase		-\$15	\$91	\$95	\$97	

C: IMPACT ON AVERAGE FARMLAND RATES		2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
OPTION 1: Service Levels Improved	Annual rate	\$2,021	\$2,081	\$2,281	\$2,500	\$2,740	\$719
	Annual increase		\$60	\$200	\$219	\$240	
OPTION 2: Service Levels Maintained	Annual rate	\$2,021	\$2,081	\$2,235	\$2,401	\$2,578	\$557
	Annual increase		\$60	\$154	\$166	\$177	
OPTION 3: Service Levels Reduced (rate peg only)	Annual rate	\$2,021	\$2,011	\$2,071	\$2,133	\$2,197	\$176
	Annual increase		-\$10	\$60	\$62	\$64	

Rates calculator by land value ranges

RESIDENTIAL

OPTION 1: SERVICE LEVELS IMPROVED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$520	\$536	\$587	\$643	\$705	\$185
\$100,000 to \$199,999	\$856	\$882	\$966	\$1,059	\$1,161	\$305
\$200,000 to \$299,999	\$1,427	\$1,469	\$1,610	\$1,765	\$1,934	\$507
\$300,000 to \$399,999	\$1,997	\$2,057	\$2,255	\$2,471	\$2,708	\$711
\$400,000 to \$599,999	\$2,853	\$2,939	\$3,221	\$3,530	\$3,869	\$1,016
\$600,000 to \$999,999	\$4,565	\$4,702	\$5,153	\$5,648	\$6,190	\$1,625
\$1,000,000 and above	\$5,706	\$5,877	\$6,442	\$7,060	\$7,738	\$2,032

OPTION 2: SERVICE LEVELS MAINTAINED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$520	\$536	\$575	\$618	\$664	\$144
\$100,000 to \$199,999	\$856	\$882	\$947	\$1,017	\$1,092	\$236
\$200,000 to \$299,999	\$1,427	\$1,469	\$1,578	\$1,695	\$1,820	\$393
\$300,000 to \$399,999	\$1,997	\$2,057	\$2,209	\$2,373	\$2,548	\$551
\$400,000 to \$599,999	\$2,853	\$2,939	\$3,156	\$3,390	\$3,641	\$788
\$600,000 to \$999,999	\$4,565	\$4,702	\$5,050	\$5,424	\$5,825	\$1,260
\$1,000,000 and above	\$5,706	\$5,877	\$6,312	\$6,779	\$7,281	\$1,575

OPTION 3: SERVICE LEVELS REDUCED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$520	\$517	\$533	\$549	\$565	\$45
\$100,000 to \$199,999	\$856	\$852	\$877	\$904	\$931	\$75
\$200,000 to \$299,999	\$1,427	\$1,419	\$1,462	\$1,506	\$1,551	\$124
\$300,000 to \$399,999	\$1,997	\$1,987	\$2,047	\$2,108	\$2,171	\$174
\$400,000 to \$599,999	\$2,853	\$2,839	\$2,924	\$3,012	\$3,102	\$249
\$600,000 to \$999,999	\$4,565	\$4,542	\$4,678	\$4,819	\$4,963	\$398
\$1,000,000 and above	\$5,706	\$5,678	\$5,848	\$6,023	\$6,204	\$498

BUSINESS

OPTION 1: SERVICE LEVELS IMPROVED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$952	\$980	\$1,075	\$1,178	\$1,291	\$339
\$100,000 to \$199,999	\$1,319	\$1,358	\$1,489	\$1,632	\$1,788	\$469
\$200,000 to \$299,999	\$2,198	\$2,264	\$2,481	\$2,719	\$2,980	\$782
\$300,000 to \$399,999	\$3,077	\$3,169	\$3,473	\$3,807	\$4,172	\$1,095
\$400,000 to \$599,999	\$4,396	\$4,527	\$4,962	\$5,438	\$5,961	\$1,565
\$600,000 to \$999,999	\$7,033	\$7,244	\$7,939	\$8,701	\$9,537	\$2,504
\$1,000,000 and above	\$8,791	\$9,055	\$9,924	\$10,877	\$11,921	\$3,130

OPTION 2: SERVICE LEVELS MAINTAINED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$952	\$980	\$1,053	\$1,131	\$1,215	\$263
\$100,000 to \$199,999	\$1,319	\$1,358	\$1,459	\$1,567	\$1,683	\$364
\$200,000 to \$299,999	\$2,198	\$2,264	\$2,431	\$2,611	\$2,804	\$606
\$300,000 to \$399,999	\$3,077	\$3,169	\$3,404	\$3,656	\$3,926	\$849
\$400,000 to \$599,999	\$4,396	\$4,527	\$4,862	\$5,222	\$5,609	\$1,213
\$600,000 to \$999,999	\$7,033	\$7,244	\$7,780	\$8,356	\$8,974	\$1,941
\$1,000,000 and above	\$8,791	\$9,055	\$9,725	\$10,445	\$11,217	\$2,426

OPTION 3: SERVICE LEVELS REDUCED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$952	\$947	\$976	\$1,005	\$1,035	\$83
\$100,000 to \$199,999	\$1,319	\$1,312	\$1,351	\$1,392	\$1,434	\$115
\$200,000 to \$299,999	\$2,198	\$2,187	\$2,252	\$2,320	\$2,390	\$192
\$300,000 to \$399,999	\$3,077	\$3,062	\$3,153	\$3,248	\$3,345	\$268
\$400,000 to \$599,999	\$4,396	\$4,374	\$4,505	\$4,640	\$4,779	\$383
\$600,000 to \$999,999	\$7,033	\$6,998	\$7,208	\$7,424	\$7,647	\$614
\$1,000,000 and above	\$8,791	\$8,747	\$9,010	\$9,280	\$9,558	\$767

FARMLAND

OPTION 1: SERVICE LEVELS IMPROVED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$952	\$980	\$1,075	\$1,178	\$1,291	\$339
\$100,000 to \$199,999	\$952	\$980	\$1,075	\$1,178	\$1,291	\$339
\$200,000 to \$299,999	\$952	\$980	\$1,075	\$1,178	\$1,291	\$339
\$300,000 to \$399,999	\$1,304	\$1,343	\$1,472	\$1,614	\$1,769	\$465
\$400,000 to \$599,999	\$1,863	\$1,919	\$2,103	\$2,305	\$2,527	\$664
\$600,000 to \$999,999	\$2,981	\$3,071	\$3,366	\$3,689	\$4,043	\$1,062
\$1,000,000 and above	\$3,727	\$3,838	\$4,207	\$4,611	\$5,053	\$1,326

OPTION 2: SERVICE LEVELS MAINTAINED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$952	\$980	\$1,053	\$1,131	\$1,215	\$263
\$100,000 to \$199,999	\$952	\$980	\$1,053	\$1,131	\$1,215	\$263
\$200,000 to \$299,999	\$952	\$980	\$1,053	\$1,131	\$1,215	\$263
\$300,000 to \$399,999	\$1,304	\$1,343	\$1,443	\$1,550	\$1,664	\$360
\$400,000 to \$599,999	\$1,863	\$1,919	\$2,061	\$2,214	\$2,378	\$515
\$600,000 to \$999,999	\$2,981	\$3,071	\$3,298	\$3,542	\$3,804	\$823
\$1,000,000 and above	\$3,727	\$3,838	\$4,123	\$4,428	\$4,755	\$1,028

OPTION 3: SERVICE LEVELS REDUCED

Rateable Value	2014/15	2015/16	2016/17	2017/18	2018/19	Total increase over 4 years
\$0 to \$99,999	\$952	\$947	\$976	\$1,005	\$1,035	\$83
\$100,000 to \$199,999	\$952	\$947	\$976	\$1,005	\$1,035	\$83
\$200,000 to \$299,999	\$952	\$947	\$976	\$1,005	\$1,035	\$83
\$300,000 to \$399,999	\$1,304	\$1,298	\$1,337	\$1,377	\$1,418	\$114
\$400,000 to \$599,999	\$1,863	\$1,854	\$1,910	\$1,967	\$2,026	\$163
\$600,000 to \$999,999	\$2,981	\$2,966	\$3,055	\$3,147	\$3,241	\$260
\$1,000,000 and above	\$3,727	\$3,708	\$3,819	\$3,934	\$4,052	\$325

Resourcing Our Future – Which option do you prefer?

- Option 1: Service Levels Improved
- Option 2: Service Levels Maintained
- Option 3: Service Levels Reduced

TELL US YOUR PREFERRED OPTION BEFORE 15 SEPTEMBER.

ONLINE

www.bluemountainshaveyoursay.com.au and click on *Resourcing our Future* and follow the instructions to submit, post or drop off your completed form.

IN PERSON

Drop it off at your local library or at the Council's Katoomba office front counter.

BY POST

Post your submission in an envelope before 15 September to:

Blue Mountains City Council
Locked Bag 1005
Katoomba NSW 2780

FIND OUT MORE ONLINE:

Visit www.bluemountainshaveyoursay.com.au and click on *Resourcing Our Future* to view:

- Frequently Asked Questions (FAQ)
- Information Sheets on Your Environment Levy and on the Council's Cost Savings, Efficiency and Revenue Initiatives
- A rates calculator for Residential, Business and Farmland rates under each resourcing option



SUBMISSION FORM

My preferred option is (please tick one box):

- ☐ OPTION 1: SERVICE LEVELS IMPROVED
- ☐ OPTION 2: SERVICE LEVELS MAINTAINED
- ☐ OPTION 3: SERVICE LEVELS REDUCED

Submissions close Monday 15 September 2014

Your Name: _____

Address: _____

Suburb: _____

Postcode:

Resourcing OUR FUTURE



YOUR ENVIRONMENT LEVY

INFORMATION SHEET 2
JULY 2014

What is the Environment Levy?

The Environment Levy raises around \$1.5 million per year to help look after local creeks and waterways, wildlife habitats, walking tracks, lookouts, picnic and camping areas across our City's bushland reserves. It was introduced in 2005 to provide Blue Mountains City Council with the additional resources required to look after our unique natural environment - the only city in Australia within a World Heritage National Park. The introduction of the Levy was also essential to maintain the environmental gains made under the State Government's successful \$20 million Blue Mountains Urban Runoff Control Program (URCP) 1999-2004.

Research has shown that primary environmental works can quickly reverse without ongoing maintenance. Through the Environment Levy, Council has been able to continue URCP programs through enhanced funding for bush regeneration, weed control, water quality monitoring, stormwater mitigation, walking track upgrades and community-based volunteer programs. This has ensured the consolidation of environmental gains made in priority URCP catchments and the expansion of these programs across the City, including important programs to protect Endangered Ecological Communities (EECs) across the Blue Mountains.

If you are a property owner, the Environment Levy is paid as part of your Council rates, costing you, on average, around \$45 per year (or 87 cents per week). The Environment Levy expires in June 2015. Renewal of the Environment Levy is essential for many of these environmental programs to continue and to ensure that the on-ground environmental outcomes delivered over the span of the current Levy are maintained.



*Protecting our creeks
and drinking water*



*Controlling weeds and
restoring wildlife habitat*



*Improving local walking tracks
and lookouts*

Managing Our Environment Responsibly

It is up to seven times more cost effective to conserve healthy ecosystems than to rehabilitate them once they have been significantly damaged.

Why do we have an Environment Levy?

Blue Mountains residents consistently rate our local environment as one of the most important aspects of our City. Residents also rate “Looking After the Environment” as a key priority for the Council.

The Council has responsibility for approximately 10,000ha of bushland (equivalent to around 10,000 football fields) and 300km of creeks. These natural assets not only offer easy access to world-class outdoor recreational opportunities, but also habitat for a wide range of native species, some of which are found nowhere else on Earth. They also form a protective buffer for our drinking water catchments and the Greater Blue Mountains World Heritage Area, which surrounds the City.

By investing in these natural assets, we’re helping to protect our drinking water supplies, our unique Blue Mountains lifestyle and local wildlife. We’re also protecting our international reputation as a ‘must-see’ tourism destination and helping to preserve the World Heritage values for future generations.

In 2005, the Council sought, and was granted, an Environment Levy to address issues posing a serious threat to local creeks, waterways, bushland and wildlife, such as:

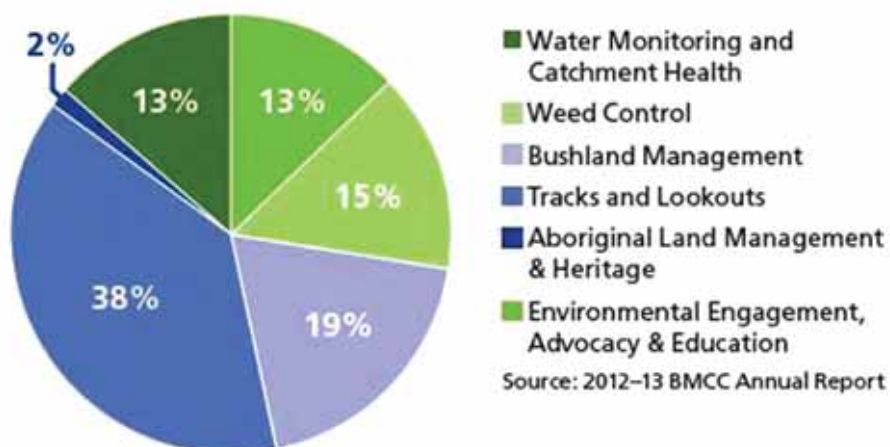
- *loss of biodiversity*
- *weed invasion*
- *uncontrolled stormwater runoff causing erosion, sedimentation and reduced water quality*
- *degraded and unsafe walking tracks*
- *failing on-site sewerage systems*
- *environmental issues at the former Blackheath and Lawson landfill sites*
- *localised flooding.*

Over the past 10 years, revenue from the Environment Levy has funded projects that have addressed local environment issues, with the result that we can all enjoy our beautiful Blue Mountains natural environment for generations to come.

Where your money goes

The Environment Levy supports the following activities:

- *Monitoring water quality in local creeks and waterways*
- *Repairing creeks and bushland damaged by urban runoff and weed invasion*
- *Constructing stormwater treatment systems to protect creeks and waterways*
- *Controlling weeds and restoring wildlife habitats and corridors*
- *Protecting rare and unique forests, swamps and plant and animal species*
- *Supporting over 500 local conservation volunteers*
- *Building and maintaining facilities such as tracks, lookouts, camping and picnic areas*
- *Restoring and improving local historical and cultural sites*
- *Delivering environmental education programs for the community and local schools.*



Making every dollar count

Since the introduction of the Environment Levy in 2005, the Council has boosted the effectiveness of ratepayer dollars by securing more than \$3.6 million in additional external grants for environmental projects. That's an extra 36 cents gained for every ratepayer dollar, by using Levy funds as matching contributions.

We are committed to using the Environment Levy to deliver the best possible value for money in looking after our environment. We do this in three ways:

1. *Using sound research and expertise to direct where dollars are spent for best effect*
2. *Partnerships and co-funding opportunities*
3. *Collecting fees for commercial activities on Council reserves. This money is then reinvested back into improving nature-based recreation sites such as local walking tracks and lookouts.*



*Partnerships are fundamental to boosting the effectiveness of Environment Levy investment. Levy funds have also enabled the Council to secure an **additional \$3.6 million in grant funding** since 2005.*

Protecting our creeks & drinking water catchments



Our City sits within Sydney's drinking water catchment, servicing over 3.7 million people.

Healthy waterways are not only critical to our water supply; they also support recreation, tourism and local biodiversity. Many iconic waterways such as Wentworth Falls, Leura Cascades and Katoomba Falls begin their journey within our City's urban areas before feeding into the Greater Blue Mountains World Heritage Area.

Environment Levy programs and projects are helping to prevent urban stormwater runoff damage, restore creeks and improve water quality across our City's wetlands, water catchments and over 300km of waterways.

Managing stormwater impacts

Managing the effects of stormwater runoff (pollution, erosion and sedimentation) is vital in keeping our local waterways healthy. A key focus for the Council is to slow down stormwater runoff, prevent 'scouring', and capture pollutants before they enter our waterways by constructing stormwater quality improvement devices (SQIDs), including gross pollutant traps (GPTs) and biofiltration systems.

Monitoring water quality

We help protect our waterways and manage pollution incidents by regularly testing water quality and macroinvertebrates at over 50 sites across the City. We're also monitoring the recovery of Jamison Creek following a serious pesticide contamination incident in 2012. Each summer, the Council conducts weekly recreational water quality monitoring at up to six popular visitor sites to determine suitability for swimming and other water-based activities.

(Above image: Ian Brown)



The Environment Levy funds water quality monitoring at over 50 sites across the City.



A Gross Pollutant Trap at Katoomba Falls prevents over 100 tonnes of sediment from entering the downstream World Heritage National Park every year.



The Council is currently repairing over 130 creek and bushland sites across the City, managing erosion, sedimentation (and other stormwater impacts) and controlling weeds.

Restoring degraded waterways

We are currently repairing over 130 creek and bushland sites across the City (see case study: Glenbrook Lagoon, page 11). This includes repairing stormwater damage to local waterways caused by weed infestation, erosion and sedimentation. Repairs are carried out using natural materials such as rock, timber and coir logs (shown above). Priority is given to protecting rare and unique habitats such as Blue Mountains swamps and shale-based forests.

Caring for swamps

Blue Mountains swamps not only provide habitat for a range of species found nowhere else in the world, they also act as large-scale water filters in the landscape, cleaning our water and providing a steady flow of water for creeks, even in dry periods. The Council is helping to care for around 200ha of these endangered ecological communities; by removing weeds, replanting native species and managing stormwater impacts.

Promoting water conservation and recycling

Council used matching Levy Funding to obtain a Federal Government Green Precincts Grant to install stormwater harvesting and re-use systems at Echo Point and the Katoomba Civic Centre, as well as a green roof at the new Katoomba Blue Mountains Cultural Centre (below). Over three million litres of potable drinking water has been conserved using these innovative systems.



The green roof at the new Blue Mountains Cultural Centre (left) and the rain garden at Echo Point (right) treat and harvest stormwater for re-use onsite.

Achievements: cleaner creeks and waterways

Results from the Council's aquatic monitoring programs show that water quality and waterway condition has been maintained or improved overall over the past decade. A 2012 study commissioned by the Council also found that waterways in urbanised Blue Mountains catchments were in better ecological condition than other streams with similar levels of urbanisation in the Sydney basin. (BMCC State of City Report 2008-12).

These positive outcomes have been supported by the following activities:

- *Regular aquatic monitoring at over 50 waterways.*
- *Response work and additional monitoring undertaken at Jamison Creek, following a significant pesticide spill into the creek in 2012.*
- *Weekly summer recreational water quality monitoring at up to six sites: Megalong Creek, Yosemite Creek, Kedumba Creek, Leura Cascades, Wentworth Falls Lake and Glenbrook Lagoon.*
- *Streamwatch community volunteer monitoring supported at up to 20 waterways.*
- *Water sensitive urban design (WSUD) systems installed in priority catchment areas, including Blackheath, Katoomba, Leura, Wentworth Falls, Bullaburra, Lawson, Faulconbridge and Glenbrook.*
- *Significant works undertaken to repair stormwater damage across 12 creeks: Popes Glen, Govetts Leap Brook, Katoomba Creek, Yosemite Creek, Leura Falls Creek, Jamison Creek, Lawson Creek, Terrace Falls Creek, Magdala Creek, Springwood Creek, Glenbrook Creek and Lapstone Creek.*
- *Eroded creek beds and banks stabilised and sediment controls installed at degraded sites along local waterways.*



Gross pollutant traps, such as this one at Wentworth Falls Lake (left), capture and clean stormwater runoff from the surrounding streets, before it enters local creeks and waterways, including Wentworth Falls (right).

- *Stormwater quality improvement devices (SQIDS) installed to catch litter and other pollutants washed off our streets before entering local creeks and waterways. The Council has over 200 SQIDS operating across the City.*
- *Three gross pollutant traps (GPTs) installed, and 'soft' engineering and swamp restoration works undertaken at Wentworth Falls Lake.*
- *Rainwater and stormwater collection and recycling systems installed at Echo Point, the Civic Centre and the Blue Mountains Cultural Centre where harvested stormwater is used for flushing toilets.*
- *Successful advocacy for the connection of around 2200 properties to the Sydney sewer system, preventing 150 million litres of effluent from entering the environment every year.*
- *Significant creek line restoration work and sediment controls installed upstream of Minnehaha Falls, Katoomba. Once clogged with sediment, the pool at the base of the falls has been restored.*
- *Successful control of three noxious aquatic weeds including Cabomba, Salvinia and Alligator Weed - all Weeds of National Significance (WONS) at Glenbrook Lagoon (see case study).*
- *\$149,000 in funding secured over the next two years from the Sydney Catchment Authority to improve stormwater quality entering Leura Falls Creek, at the headwaters of Leura Cascades.*



By 2004, the once "bottomless pool" at Minnehaha Falls was filled to the brim with sediment brought down by urban runoff from North Katoomba.



Following Levy-funded catchment improvements, including the installation of sediment erosion control devices, the pool has been restored.

Case Study: Restoring Glenbrook Lagoon

A long-term Council program to control weeds, restore habitats and prevent pollutants from entering Glenbrook Lagoon is giving this natural escarpment wetland a new lease of life. Glenbrook Lagoon is just one of 130 waterway or bushland sites being rehabilitated by the Council using Environment Levy funds.

Pre 2005: Glenbrook Lagoon under stress

Only a decade ago, Glenbrook Lagoon was in poor shape. Choked by three highly invasive water weeds – Cabomba, Alligator Weed and Salvinia – polluted by stormwater runoff from neighbouring urban areas and overrun by weeds in the surrounding reserve, this unique wetland was one of the most polluted water bodies in the Blue Mountains.

Cabomba also posed a potentially serious threat to Sydney's water supply, fisheries and tourism industries downstream, were it to escape from the lagoon.

TODAY: Glenbrook Lagoon in recovery

Since 2005, the Council has undertaken a program to restore Glenbrook Lagoon, removing noxious weeds on land and in water, replanting native species, supporting local Bushcare efforts, raising community awareness and installing systems to reduce pollution from urban stormwater runoff. The Council has secured a \$280,000 Caring For Our Country grant from the Federal Government for this project by matching this amount with \$200,000 worth of Environment Levy funds.

In a national first for a water body of this type, Glenbrook is now 99.9% clear of three aquatic Weeds of National Significance: Salvinia, Cabomba and Alligator Weed. Water quality is improving and healthy populations of fish and turtles are thriving.

Bushland habitats are also steadily recovering around the lagoon. Upgraded stormwater quality improvement systems are reducing the amount of nutrients and bacteria entering the lagoon.



*Glenbrook Lagoon choked
with aquatic weeds*



Glenbrook Lagoon today

Controlling weeds and restoring wildlife habitat

Our City is home to a remarkable range of plants and wildlife, including rare species found nowhere else on earth.

With approximately 10,000ha of bushland reserves in our care, we work closely with our community and other agencies to protect wildlife habitats, target weeds and other invasive species, and repair degraded lands.

This investment in our bushland reserves helps to protect our unique native wildlife, local tourism economy, Blue Mountains lifestyle and our World Heritage environment for future generations.



Controlling noxious weeds

The Council has a legal obligation to reduce the impact of weeds on human health, the economy, community and environment. Each year, we spend over \$1 million on weed management, controlling weeds on Council land and conducting weed inspections on private land. The Council's Urban Weed Management Program targets noxious and environmental weeds across the City.

Repairing degraded habitats

We are currently repairing over 130 degraded bushland sites across the City; removing weeds, replanting local species, repairing and preventing erosion, restoring creek lines, and installing stormwater pollution management systems. Priority is given to protecting rare and unique habitats such as the endangered forest communities of the lower Blue Mountains, home to Powerful Owls and Yellow-Bellied Gliders.

Supporting our community

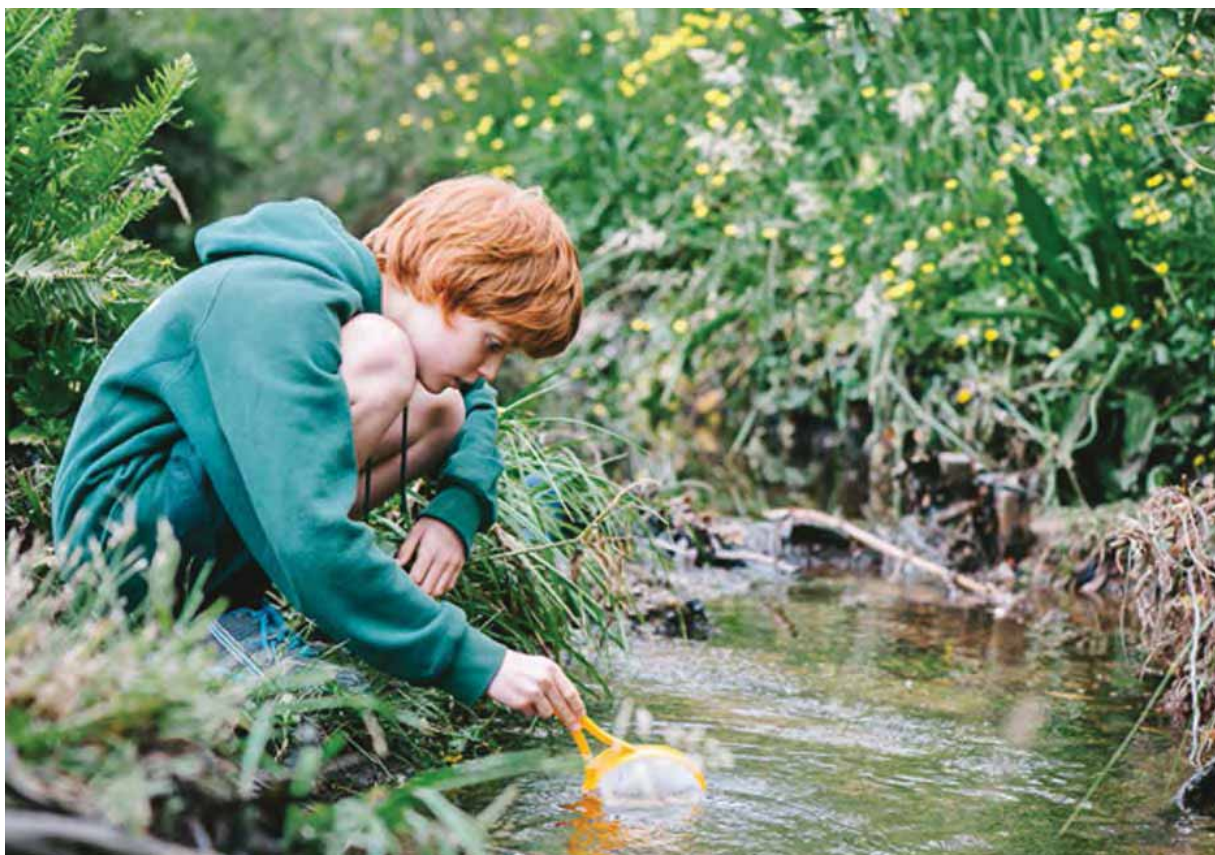
Community partnerships are a key focus for the Environment Levy. The Council's Community Conservation Volunteers Program supports over 500 Bushcare, Landcare, Streamwatch, Trackcare, Bush Backyards, Swampcare and local landowner volunteers, contributing over 10,000 hours annually to the care of our local environment. The Council also supports annual Clean Up Australia Day activities at around 22 sites.



*Community partnerships are a cornerstone of Council's bush regeneration programs.
The Levy supports the work of over 500 community conservation volunteers.*

Fostering responsible behaviour

The Council works with local landowners, schools and businesses to promote environmentally responsible behaviour across our City. In 2013-14, more than 1,000 local school children participated in Bioblitz, EnviroMentors and Bushtrackers environmental education programs. One hundred and thirty Council staff were trained in how to comply with relevant environmental legislation.



*Council's environmental education programs are encouraging
our community to live responsibly within a World Heritage Area.*

Achievements: healthier habitats and an active, aware community

The Environment Levy has enabled us to deliver a number of achievements since 2005 towards healthier habitats and a more active, aware community, including:

- *Remediation of the former Lawson and Blackheath landfill sites*
- *Up to 95% reduction of Gorse weed infestations across the City*
- *Significant reductions of Broom and African Olive weed infestations across the City*
- *Control of three Weeds of National Significance at Glenbrook Lagoon*
- *Community conservation programs (including Bushcare, Landcare, Trackcare and Streamwatch), supporting over 500 volunteers, contributing over 10,000 hours per year*
- *Bush Backyards and Resident Weed Support programs established*
- *2,000 private property inspections for noxious weeds each year*
- *Up to 25 commercial nurseries visited each year to help minimise the sale of weedy species*
- *Up to 40 on-site property visits annually to provide weed management advice to residents*



- *Bush regeneration of sites in 15 key sub-catchments, targeting high conservation landscapes (endangered ecological communities, significant forest types and threatened species)*
- *130 creeks and bushland sites under repair across 60 reserves*
- *200ha of Blue Mountains Swamps are being protected and restored through our Save Our Swamps Program*
- *Save our Swamps program awarded at the National Awards for Local Government (2010) and the United Nations Association of Australia World Environment Day Awards (2011)*
- *Over 1,000 local primary school children participated in Levy-funded environmental education programs including, Bioblitz, EnviroMentors and Bushtrackers in 2013-14*
- *Coordination of a local Weed Management Committee to ensure collaboration between Roads and Maritime Services, RailCorp, National Parks and Wildlife Service, Crown Lands and Sydney Water in tackling weeds across the City*
- *Regular support provided to Clean Up Australia Day volunteers*
- *Council staff trained and resourced to improve compliance with environmental legislation and achieve best practice in 2014*



Community Bushcare “legend” Alan Lane mentors local school children at a Levy-funded “Connecting Kids with Nature” workshop. (Photo: Ona Janzen)

Habitat Restoration at Popes Glen Reserve, Blackheath



BEFORE: this area was once heavily affected by weeds such as Gorse and Willows.



AFTER: Popes Glen is being brought back to life through the long-term efforts of the Council and community Bushcare volunteers.

Habitat Restoration at Else Mitchell Park, Springwood



BEFORE: weed infested creek line



AFTER: weeds and stormwater controlled and bushland habitat restored

Case Study: Else Mitchell Park – a Bushcare success story

Across the City, more than 500 dedicated local volunteers contribute more than 10,000 hours to looking after our local environment each year. The health of many of our City's popular bushland spots is improved or maintained thanks to the work of these dedicated people. The Environment Levy supports these efforts through additional weed control and stormwater treatment works, technical advice, tools and training.

Else Mitchell Park in Springwood is just one of 69 Bushcare and Landcare sites supported by the Environment Levy.

Handed over to the community by Rae Else-Mitchell, Else Mitchell Park is home to a magnificent stand of old Blue Gum trees (one of the last remaining stands in the Blue Mountains). A popular spot for picnics and walks, the park also features a variety of native shrubs and birds.

The longstanding local Bushcare Group has been working with the Council to control weeds and address stormwater problems in the park by installing sediment and litter traps, stabilising eroded creek channels with rocks, removing weeds and replanting native species from local seed sources. Tracks have also been upgraded and signs erected. The Environment Levy has supported this dedicated group to consolidate and expand its achievements.

Over this time we have seen a major improvement in the creeks and bushland of this Park.



Bushcare volunteers, supported by the Council and the Environment Levy, help rehabilitate Else Mitchell Park, one of 69 Bushcare sites across the City supported by the Environment Levy.

Improving local walking tracks, lookouts & visitor facilities



Our City, surrounded by a World Heritage Listed Area, boasts an outdoor lifestyle and nature-based experiences that are world-class.

With a network of over 120km of walking tracks, 86 lookouts and five camping areas, the Council provides facilities that offer access not only to some of Australia's premier tourist destinations but also to popular local treasures off the tourism trail.

By investing in these facilities, we're delivering quality experiences for visitors – thereby supporting our local economy – and helping our community enjoy the local lifestyle at its best.

Supporting local tourism

The Council has responsibility for over 120km of Blue Mountains walking tracks, including tracks at Echo Point, Katoomba Falls Reserve, and Jamison Creek, Wentworth Falls. Together, these areas host over half of our City's more than three million visitors a year. By investing in these areas, we are supporting our \$500 million local tourism industry and over 5000 related local jobs.

Enhancing our unique Blue Mountains lifestyle

Away from the tourist trail, the Council's network of tracks and reserves provide access to many local natural features, such as popular waterfalls, swimming holes and walking trails. We also manage important historical and cultural sites such as Mount York Conservation Reserve and The Gully Aboriginal Place, Katoomba as well as five popular campgrounds across the City.

Improving local facilities

Environment Levy funds are used to maintain, repair and build facilities including concrete footpaths, earth tracks, signage, retaining walls, bridges, historical monuments and interpretive walks, boardwalks, lighting, fencing, gating and handrails. With many facilities located on cliff tops or in rainforest gullies, building and maintaining infrastructure in these environments is a challenging task.



Council is progressively upgrading visitor facilities across the City using the Environment Levy.

Protecting local treasures

Ensuring our walking tracks, lookouts and campgrounds are in good, functional condition is critical to positive visitor experiences and public safety. Well-designed visitor infrastructure also helps to manage tourist impacts and prevent sensitive environments from being 'loved to death' - through erosion, the spread of weeds and the destruction of native bushland. By looking after these facilities, we're helping to ensure our unique Blue Mountains environment is protected for future generations.



Council's network of over 120km of walking tracks and 86 lookouts offer access to some of Australia's most iconic views, such as Jamison Valley at Echo Point.

Achievements: quality outdoor experiences for locals and visitors

In rolling out our visitor infrastructure program, the Council focuses on upgrading popular local landmarks and sites of cultural or historical significance, as well as high-use tourist destinations. Recent upgrades enhance visitor experiences in our City and also offer a boost to local tourism operators.

The Environment Levy has enabled a number of improvements to local visitor facilities in recent years:

- Upgrade of **mid-mountains track networks between Lawson and Springwood**, including upgraded track signage for the Horseshoe Falls walk (North Hazelbrook) and Jackson Park (Faulconbridge), upgraded signage and a new, sandstone creek crossing for the Waterfall Loop Track (South Lawson) and a new bridge for Birdwood Gully (Springwood).

Each of these walks offers access to popular local natural treasures. Just 15 minutes' walk from Hazelbrook town centre, the Horseshoe Falls walk provides entry into another world, of cool rainforest gullies and hidden pools. The Waterfall Loop track is also a favourite with locals, with its lush, varied vegetation and delightful waterfalls.

- Progressive upgrade of footbridges and boardwalks along the **Charles Darwin Walk**, Wentworth Falls.

Just 10 minutes' walk from Wentworth Falls village, this historic walk is a popular gateway to iconic Wentworth Falls and World Heritage national park. Charles Darwin, famous for his theory of evolution, walked this track in 1836, and it still offers over 100,000 visitors a year a pleasant walk with abundant birdlife and several waterfalls.

- Upgrades to Prince Henry Cliff Walk at **Katoomba Falls Reserve** (see case study, page 23).
- Upgrades to track signage and track work at **Knapsack Reserve, Glenbrook**.

By funding upgrades to local walking tracks, lookouts, picnic areas and campgrounds, the Environment Levy helps provide opportunities to explore popular local landmarks and enjoy the unique Blue Mountains lifestyle.





Cataract Creek, one of the local natural treasures accessed by the Waterfall Loop Walk, South Lawson (photo: David Noble)

- Major upgrade of **Mount York Heritage Conservation Reserve**, including track-work, monument restoration, replantings, new signage and the installation of two wheelchair accessible walks (one to the obelisk and one self-guided walk in the main precinct).

This is now a must-see site, marking the first European crossing of the Blue Mountains. The upgrade showcases the commanding views of the site, walks, rich history, and offers climbing, biking, picnicking, camping and wheelchair access.



The Mount York Heritage Reserve upgrade (completed 2013) showcases the area's rich history and offers a variety of high quality outdoor experiences for visitors.

- Installation of a new self-guided, wheelchair accessible **Gully Interpretive Walk** (a Council partnership project with the Gully Traditional Owners) at The Gully Aboriginal Place (Katoomba).

The Gully is the first location to be gazetted as a Place of Aboriginal Significance in NSW and is now jointly managed by Council and the Gully Traditional Owners (GTO). The Gully Interpretive Walk is a flagship partnership project between Council and the GTO. The Council is also supporting the local Garguree Bushcare group, which is carefully restoring the area; including the swamp that forms the headwaters of Katoomba Falls. The Council secured a \$600,000 Caring For Country Grant from the Federal Government for both the track upgrade and cultural development activities in the Gully, by matching funds from the Environment Levy.



The Gully Interpretive Walk is a Council partnership project with the Gully Traditional Owners, funded by the Environment Levy.

Case Study: Katoomba Falls Reserve upgrade

A \$400,000 upgrade for a popular stretch of the Prince Henry Cliff Walk, funded from the Environment Levy and a grant from the NSW Government, will soon make it easier to experience one of the Mountains' most spectacular night-time views.

Prince Henry Cliff Walk is visited by more than 100,000 people a year and at night offers magnificent floodlit views of Katoomba Falls, Orphan Rock and the Three Sisters.

As part of the upgrade, the first component of the Katoomba Cascades project will see the installation of a 200m boardwalk/concrete path walking track, along with a new lookout balustrade at the Duke and Duchess of York Lookout. From here, under-rail night lighting will extend the Reids Plateau night-lit walk 300m east to the Cascades, where a spectacular new bridge has been established across the creek. Once completed, the bridge will provide opportunities to view the breathtaking spectacle of the Katoomba Cascades in full flow.

The upgrade represents a significant investment by the Council in local tourism infrastructure, which will not only enhance visitor experiences in our region but also offer a boost to local hospitality and tourism operators.

To help fund the upgrade, we have successfully secured a \$170,000 grant from the State Government's Metropolitan Greenspace – Regional Trails Program – one of many co-funding arrangements secured by the Council as a result of Levy investment.

Stage One of the upgrade – between the Duke and Duchess of York Lookout and Katoomba Falls Picnic Area – is due for completion in 2014.

Stage Two – extending to Cliff View Lookout – is due for completion in 2015.



Work underway on the Prince Henry Cliff Walk upgrade.



The recently upgraded Duke and Duchess of York lookout.

Why continue the Environment Levy?

The current Environment Levy expires in June 2015. The Council is seeking community support for a renewed Environment Levy. Here are six reasons to continue the Environment Levy.

1. *Protect our creeks, swamps and drinking water*

The Environment Levy allows Council to manage the damaging effects of urban stormwater runoff on our creeks and rivers and look after Blue Mountains swamps, other Endangered Ecological Communities and rare forests. It also funds water quality monitoring across 50 sites in our City allowing timely information on the health of our waterways, including popular recreational sites.

2. *Support local tourism and businesses*

The Blue Mountains' global reputation as a pristine, beautiful environment is critical for our local tourism industry, which attracts over three million visitors a year, contributes \$560 million annually to our local economy and supports 5000+ local jobs. Without a renewed Environment Levy, our capacity to look after local creeks, bushland, and popular walking track networks would be significantly reduced. Tourism is the largest single industry in the Blue Mountains so investing in our nature-based infrastructure is also investing in local businesses and creating jobs. This includes bush regeneration, the outdoor recreation industry, arboriculture, infrastructure building and maintenance trades.

3. *Enhance our local lifestyle*

Our community values the unique Blue Mountains environment and the lifestyle benefits it offers. Without a renewed Environment Levy, there would be less protection from pollution, erosion and weeds for our City's natural treasures – and the local bushland, waterfalls, lakes and swimming holes that you and your family enjoy.

4. *Protect our world-class environment*

Our City is one of only two cities in the world that is surrounded by a World Heritage Area (WHA). Many of the 10,000ha of lands under our care form a protective buffer zone between our City's urban areas and the World Heritage National Park. By controlling weeds and minimising urban stormwater impacts and protecting bushland reserves using Environment Levy funds, we're also helping to protect the surrounding WHA. A number of Australia's World Heritage Areas are already under scrutiny from UNESCO, including Tasmania's forests and the Great Barrier Reef. A renewed Environment Levy would ensure that the Greater Blue Mountains World Heritage listing is not put at risk and ensure that future generations can enjoy our rich diversity of plant and wildlife.

5. *Be ready for climate change challenges*

Healthy, robust waterways and bushland will be more resilient to the pressures of climate change and will help local species survive. Without the continuation of the Environment Levy, the Council will be less able to manage the potential risks posed by climate change and help local species survive the pressures arising from climate change.

6. *Deliver value for money for ratepayers and protect our investment*

With extensive natural areas in our care, every dollar counts. As with private properties, ongoing maintenance and repair is the most cost-effective way to look after our local environment. In fact, it can be up to seven times more cost-effective to conserve intact ecosystems than to attempt to re-establish them after they have significantly degraded. By continuing the Environment Levy, the Council can better protect the investment our community has made in the environment through the continuation of projects and partnerships, especially in being able to provide matching funding for state and federal environment grant opportunities.

What would happen if we didn't continue the Environment Levy?

Without the Environment Levy, the Council could only afford to run very basic programs (e.g. weed control and limited walking track maintenance). With no other programs in place, a more dramatic increase in creeks, bushland and walking tracks in poor condition will occur over time, with potential closure of some visitor facilities, such as tracks, as a result.

A particular impact of this scenario would be a significant and rapid loss of the condition improvement gained from the funds provided over the life of the current Levy. It would also potentially result in significant future costs to ratepayers were the City to re-invest in improving environmental condition at some point.

The Council would also lose the potential revenue raised through co-funding agreements with other government agencies (over 36 cents for every Levy dollar since 2005).

Currently, the Council, with its environmental program, is seen as a highly worthwhile investment by environmental funding bodies. A reduction of programs would have an adverse impact on this reputation and could result in less external support funding for our City.

Our capacity to maintain and renew safe visitor facilities and infrastructure in bushland settings across the City, including tourism hotspots, would also be reduced.



The Environment Levy is helping to protect the endangered forests of the lower Blue Mountains.

The Environment Levy has proven to be a good investment decision, and it now needs renewal.

Have Your Say

The Council is proposing to apply to the Independent Pricing and Regulatory Tribunal – the independent regulator that determines local government rates – for a permanent extension to the Environment Levy. This proposal is part of a broader package for Resourcing Our Future.

You are invited to have your say about what level of services you want the Council to deliver - and how much you would be prepared to pay for this.

The Council has developed three options for Resourcing Our Future.

Options 1 and 2 propose rate increases so we can ensure that we can either IMPROVE (Option 1) or MAINTAIN (Option 2) current service levels. These options also include continuation of the existing Environment Levy.

Option 3 only increases rates by the annual allowed rate peg amount (3%) and discontinues the Environment Levy. This results in a small decrease to rates in 2015/16. Under this option, service levels are reduced and our capacity to care for the environment is diminished.

Have Your Say on the three proposed options for Resourcing Our Future over the next 10 years on public exhibition from Monday 4 August until Monday 15 September.

To find out more please visit: www.bluemountainshaveyoursay.com.au at Resourcing Our Future from **Monday 4 August**.

Printed copies can be viewed at the Council's Katoomba office or in Council libraries.

Want to know more?

The Council is required to annually report on its works. For more information on Environment Levy projects go to www.bmcc.nsw.gov.au/environmentlevy and download our Annual Reports.

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COST SAVINGS, EFFICIENCIES AND REVENUE INITIATIVES

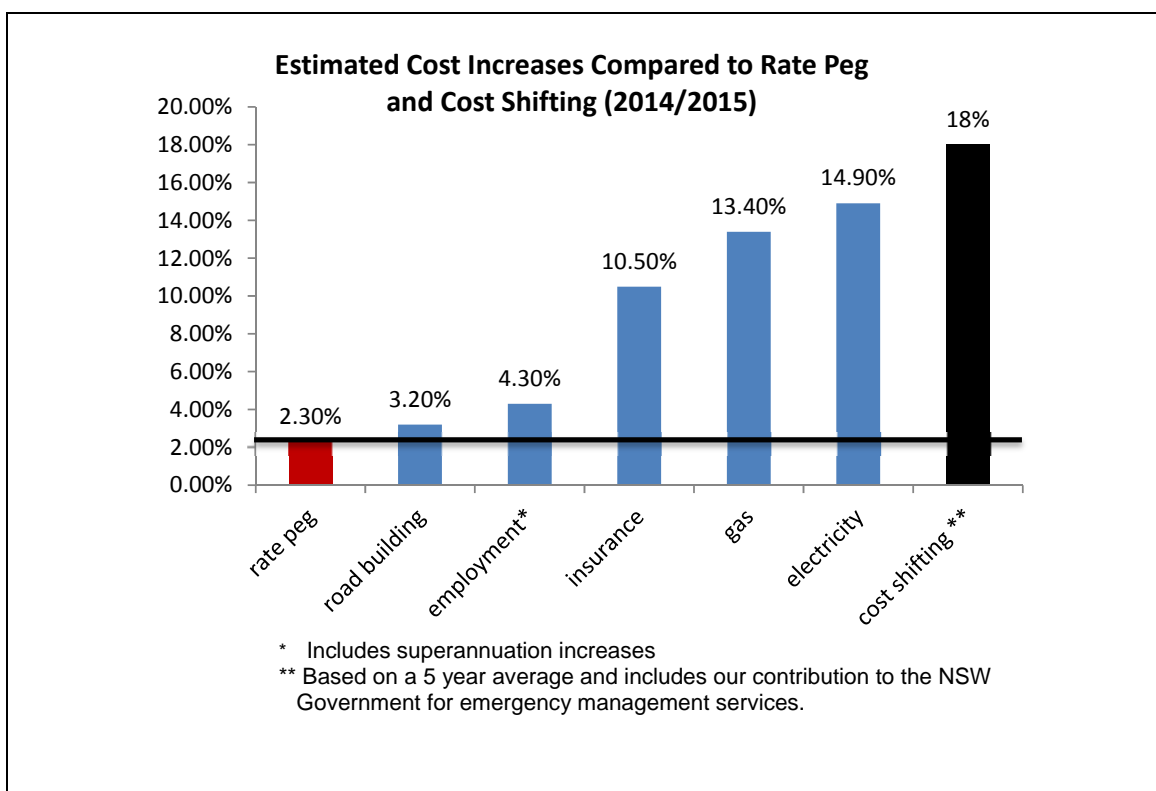
INFORMATION SHEET 3

JULY 2014

The need to contain costs

Given that costs are rising faster than income, the Council is taking action to balance its budget each year through a continued commitment to cost containment, business efficiency and continuous improvement.

While we are only allowed to increase our rates revenue by the set rate peg amount each year (2.3% in 2014/2015), our costs rise at a much greater rate. The graph below shows the projected cost increases against the allowed 2.3% rate peg increase.



Thirty-seven (37) years of NSW State Government imposed rate pegging has limited the extent to which NSW councils can annually increase their rates, despite actual cost increases. This has had a detrimental impact on our current financial position. We are currently in a position where a significant portion of our assets and facilities are ageing and in need of significant renewal or upgrade.

While costs have been rising faster than the rate peg for this entire period (nearly four decades), we have only been able to renew our assets at 1% of their value per year and maintain them at 2% per year – when they should be renewed at a rate of 3% of their total value per year and maintained at 4% of their value each year.

Every year the Federal and NSW Governments pass on additional service responsibilities to all NSW councils. Known as 'cost shifting' this is done without the provision of corresponding income, so these extra expenses have to be absorbed each year in order to balance the budget. In 2011-12, the impact of this on Blue Mountains City Council was \$6.9 million in additional expenditure requirements. Examples of such cost shifting are:

- Payment of an annual Waste Levy to the NSW Government – \$960,277
- Payment of emergency services contributions to the NSW Government for the NSW Fire Brigade, RFS and SES – \$1,693,000
- Costs of processing development applications under the *Environmental Planning and Assessment Act (NSW) 1979* – \$1,213,980

How the Council is containing costs and achieving savings

Given that costs are rising in real terms by 2% more than income, the Council has had to find savings in the order of \$1 million to \$1.5 million each year to balance its budget. This in itself has necessitated the achievement of significant cost savings and efficiencies.

In June 2013, the Council adopted a Best Value Service Provision Framework. This framework aims to ensure that within available resources the Council provides the best possible range of "value for money" services that meet the needs of the most number of residents and visitors to the City. It mandates the planning and review of all Council services to ensure resources are being effectively and efficiently targeted and that service delivery is of a high quality, responsive to the requirements of the community.

A rolling program of service reviews is being implemented and enforces budget containment strategies each year to enable the cash budget to be balanced (i.e. expenditure equals available income).

Council's current service provision

With a total expenditure budget of \$123M in 2014-2015, Blue Mountains City Council delivers a wide range of services and facilities to a population of 78,000 residents and to millions of visitors who come to experience one of Australia's top tourist destinations. The Council provides its services in response to assessed community needs and the *Local Government Act 1993* and other relevant legislation.

Over 2013-2017, it is estimated that the Council will deliver \$490 million worth of services and facilities across 27 towns and villages and continue to manage \$1 Billion worth of built assets and over 10,000 hectares of natural area assets. The majority of Council services are provided "in-house" using internal staff resources due to:

- Efficiency and economy of scale benefits
- Regulatory requirements
- Level of control required over quality service provision
- Higher costs and limited availability of external providers.

By providing the majority of its services in-house, the Council has become a major source of local employment delivering significant social and economic benefits to the City. Through its *Workforce Participation Strategy*, the Council aims to be a recognized leader in workforce participation in four core areas including:

1. Aboriginal Employment
2. Women in the Workforce
3. People with a Disability
4. Economically Disadvantaged

A phased approach has been adopted to ensure effective delivery of the overall strategy. To date, the Aboriginal Employment component has been developed and is currently being implemented. The Council also provides local employment opportunities for young people through its trainee and apprenticeship programs. In addition, the Council's Leisure Centres employ junior attendants who are all under the age of 18.

The Council employs a range of service delivery approaches where appropriate to achieve the most cost effective and best value service provision. This includes:

- Strategic partnerships to achieve savings (e.g. in joint procurement of insurance through participation with other councils in Westpool)
- Provision of other agency services at profit (e.g. the Council's Katoomba headquarters front counter "one-stop-shop" with Roads and Maritime Service (RMS) – this has enabled the RMS service to remain in the upper mountains avoiding residents having to travel further distances for such services and also retaining local employment opportunities)
- Limited use of consultants and contractors for specialised projects requiring skills and expertise not available within the organisation and for risk mitigation
- Participation in joint ventures and public/ private partnerships (e.g. Blue Mountains Cultural Centre development)
- Outsourcing where appropriate (e.g. Blackheath Vacation Care was outsourced to Blackheath Area Neighbourhood Centre)
- Peer review from other councils (e.g. of development applications)
- Establishment of incorporated independent entities where appropriate (e.g. Blue Mountains Economic Entity).

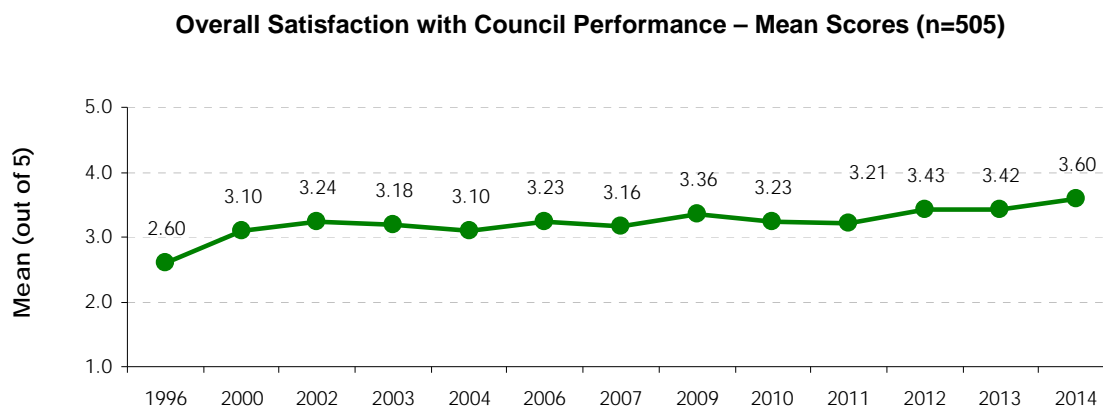
While the provision of most services is subsidised, the Council also operates a number of income generating commercial activities including: tourism Parks at Katoomba and Blackheath, Visitor Information Centres at Katoomba and Glenbrook, a commercial property portfolio, and a contract for provision of the Roads and Maritime Service through the Council's front counter.

Community Survey Results

Community satisfaction with the Council's service delivery, as measured by the annual Community Survey of resident satisfaction with Council performance, has consistently improved over the last 15 years with the highest scores to date achieved in 2014 for a number of key measures including overall performance of the Council and perception of value for money from rates paid.

A mean satisfaction score of 3.6 was achieved for Council's overall performance, the highest satisfaction score to date since IRIS began tracking this measure 14 years ago. Only 6% of residents were dissatisfied in 2014 compared to 11% in 2013 and 14% in 2012.

The main reasons cited for dissatisfaction with Council's overall performance was 'Lack of facilities, services and infrastructure'.



Source: 2014 Community Survey

2014 was the eighth year that residents were asked about their perceptions of the overall value they receive for their rate dollar. In 2014 a mean value for rates score of 3.47 was achieved – the highest score to date on this measure.

Value for Rates – Mean Scores (n=505)

Source: 2014 Community Survey

Services delivered

The services delivered by the Council, and the built assets supporting this service provision, are shown in the tables below.

SERVICES PROVIDED BY COUNCIL

KEY DIRECTION	SERVICES PROVIDED BY THE COUNCIL
LOOKING AFTER ENVIRONMENT	<ul style="list-style-type: none"> Natural Environment Waste Resource Management Water Resource Management
USING LAND	<ul style="list-style-type: none"> Burials and Ashes Placement Building Certification Land Use Management Town Centres
MOVING AROUND	<ul style="list-style-type: none"> Transport and Public Access
LOOKING AFTER PEOPLE	<ul style="list-style-type: none"> Aquatic and Leisure Centres, Sports and Recreation Blue Mountains Cultural Centre, Libraries and Information Community and Cultural Development Emergency Management Environmental Health and Regulatory Compliance Family Day Care
SUSTAINABLE ECONOMY	<ul style="list-style-type: none"> Visitor Information Centres Economic Development and Tourism Commercial Activities: <ul style="list-style-type: none"> Caravan Parks

KEY DIRECTION	SERVICES PROVIDED BY THE COUNCIL
	<ul style="list-style-type: none"> ○ Commercial Property Portfolio ○ Effluent Collection ○ Roads and Maritime Service
CIVIC LEADERSHIP	<ul style="list-style-type: none"> • Financial Management • Asset Planning • City-wide Strategic Planning • Corporate Strategic Planning • Governance and Risk • Information Solutions • People and Safety • Other operational support services including Central Warehousing and Purchasing and Fleet

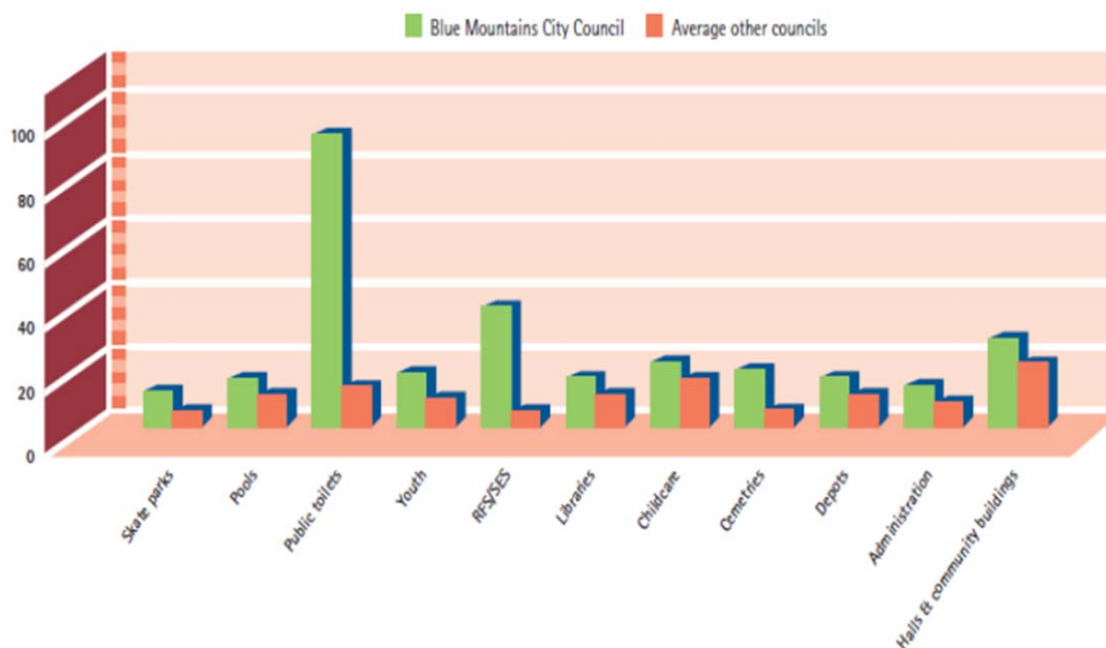
To support the provision of these services, the Council manages a large portfolio of built and natural assets as shown below.

BUILT AND NATURAL ASSETS SUPPORTING COUNCIL'S SERVICE DELIVERY INCLUDE:

- 665km of sealed roads
- 70kms unsealed roads
- 175km footpaths
- 34 bridges
- 523km kerb & gutter
- 7,935 drainage pits
- 126 bus shelters
- 189 litter bins
- 88 public toilets
- 27 towns and villages
- 105 parks
- 66 playing courts
- 5 swim centres
- 5 skate parks
- 35 playing fields in 22 sportsgrounds
- 120km of walking tracks
- 10,000 hectares of bushland
- 9 cemeteries
- 2 waste and resource management facilities
- 1 city-wide Cultural Centre
- 15 halls
- 5 community centres
- 6 libraries
- 153km stormwater pipes
- 26 RFS & SES buildings
- 450 heavy and light fleet
- 570 small plant
- 300 bushfire asset protection zones

Compared to many local government areas, the City of Blue Mountains has a significant degree of service facility duplication and higher levels of service provision per capita as a result of its dispersed settlement pattern, mountainous bushfire prone terrain and responsibilities in managing the impact of development on the surrounding World Heritage Listed environment. This results in higher service provision costs and further drives requirements for achieving efficient 'value for money' service delivery. The diagram below highlights that the Council currently provides more assets than other council areas with similar populations.

COMPARISON OF THE NUMBER OF BLUE MOUNTAINS ASSETS WITH OTHER COUNCIL AREAS OF SIMILAR POPULATIONS



Cost saving initiatives

In addressing the challenges of costs rising faster than revenue, we have continued to work hard to implement a range of strategies to reduce and contain costs, improve productivity and efficiencies and raise further revenue. It is estimated that over the past eight years we have saved more than **\$13 million** from direct action taken to reduce our operating costs and provide value for money services.

Examples of cost savings include:

\$4 million in savings from reduced consultancy and labour costs - with more than \$600,000 of these savings being expected to continue on a recurrent annual basis; that is the direct action taken to reduce costs has an ongoing financial benefit. Examples of savings achieved in this area include:

- ❖ A reduction in per annum consultancy costs overall from \$1.7 million in 2009/2010 to \$904,822 in 2013/2014 – a reduction of \$801,612. The Council's 2014/2015 budget further forecasts a reduction to \$621,177 per annum – being a reduction of over \$1 million on a per annum basis since 2009/2010. Examples of reduction in consultancy costs include:
 - Reduced consultancy costs as a result of using reciprocal arrangements with other local government service providers for required independent peer reviews of development

applications;

- Reduced consultancy costs from only conducting the Community Survey (measuring community perception of Council performance) once every two years instead of annually from 2014;
 - Reduced use of external recruitment consultants for senior management positions and increased internal recruitment management; and
 - Change from use of consultants to undertake energy use reporting to in-house reporting and monitoring of energy use.
- ❖ Reduction in maintenance staff and increased use of day labour for projects requiring seasonal resourcing or to assist with work peaks and troughs.
 - ❖ Reduction of staff implementing effluent collection program due to reduction in number of properties requiring pump out – staff and resources were reduced over the past eight years as the number of properties connected to sewer increased.
 - ❖ Reduction in mechanical maintenance staff over a five year period to meet changed service intervals of modern equipment.
 - ❖ Introduction of revised staffing rosters in Visitor Information Centres.

\$2.6 million in savings since 2010 due to a change in the Council's workers compensation model.

\$2.4 million in savings over a 7 year period through a change from crates to mobile bins for kerbside recycling.

\$1.5 million in cost savings through the reduction of equipment owned by City Services such as Bagela asphalt recycler, Beaver float trailer, crew caravan, backhoes, grader, bogie tippers and trailers and water carts due to a change in work methods and technology as well as changes to the way we maintain our assets.

\$640,000 in cost savings through changing from six to four cylinders in light fleet vehicles, resulting in lowered costs.

\$532,000 in cost savings through reduced energy costs associated with use of solar pool heating, pool blankets and water saving devices.

\$420,000 in cost savings through improved pothole patching machinery, enabling reduction in number of crew required to operate while maximising production and reducing unit rate.

\$400,000 in cost savings as a result of implementing the Lower Mountains sealing program, which reduced maintenance costs and provided the community with an improved asset. The Council will also benefit from long term ongoing efficiencies in road maintenance of approximately \$200,000 recurrent per annum. The program has been very successful and has been extended to the Upper Mountains.

\$320,000 in cost savings through use of RTA-highway and Council recycled materials in lieu of purchasing quarry materials for unsealed road maintenance.

\$178,400 in **cost** savings from more efficient child-minding service delivery and overall operations at Katoomba Sports and Aquatic Centre.

\$100,000 savings achieved through an agreement between the Council and the SES where fleet and mobile phone costs formerly borne by the Council will now be paid by SES.

It is estimated that over the past eight years, we have saved at least \$13 million through continuous business improvement initiatives.

Revenue initiatives

The Council has implemented a range of strategies aimed at increasing revenue to supplement our rates and other revenue. Over the past five years, the Council has obtained over \$87 million in grants (including the Federal Government Financial Assistance Grant, pensioner rebates, and specific purpose grants). Other initiatives that have increased revenue include:

- **\$1.7 million net profit over past five years** from our two Tourism Parks.
- **\$60,000 per annum ongoing** from our investment in a heated pool enclosure at Glenbrook Swim Centre enabling year round swimming and swim classes.
- **\$130,000 one off revenue** from targeted improvement in the recovery of court awarded costs.
- **\$125,000 per annum ongoing** from upgrade of parking meters to take credit card payments, with the additional revenue used for improvements in the surrounding tourist precinct.
- **\$18,000 per annum ongoing** from a contract to provide RMS services as part of the Council's Katoomba headquarters "one stop shop" service delivery to residents.

Property disposal and investment program (PDIP)

In 2005, the Council established this fund to accumulate income from land and property sales for re-investment and capital purposes. Fifty per cent (50%) of the annual return on investment generated from property sales is reinvested into the fund, with the balance used to fund asset renewal and maintenance. As at 30 June 2013, the fund contained \$3 million.

An efficient Council: case studies

Case study 1: *Sealing of unsealed roads*

It was identified that savings could be obtained through the sealing of sections of unsealed roads that were absorbing high levels of resources as a result of costly regrading requirements. The aim of this cost saving initiative was to reduce maintenance costs on unsealed roads by completing a permanent seal. The outcome from implementing the sealing of targeted unsealed roads has been estimated savings of **\$400,000** with recurrent annual savings of **\$200,000**. The reduction of unsealed roads has allowed resources (staff and materials) previously used on constant grading of unsealed roads, to be reallocated to other priority maintenance activities. In addition, this initiative has improved service delivery to the community through sealing of unsealed roads, many of which had been eroded by weather.



Case study 2: *Blue Mountains Tourist Parks*

The Council owns and operates two caravan parks: Katoomba Falls Caravan Park and Blackheath Caravan Park, which represent substantial assets and occupy significant and valuable parcels of reserved Crown land and Council land.

The two parks provide 140 accommodation sites with 105 of these being used as drive-on tourist sites and/or cabins and park vans and 35 sites for camping.



A comprehensive service review of these facilities was implemented. This resulted in the development of a Business Plan/ business case for further investing in the parks to achieve much-needed improvements and increased returns from investment. This has proved very successful with the \$2.3 million investment in rebranding and renovating the parks resulting in bookings at new record levels and a cumulative net return over the past five years of **\$1.7 million**.

Case study 3: *Energy savings at Springwood Aquatic Centre*

A range of energy saving initiatives have been implemented at Springwood Aquatic Centre including a Bauer air conditioning system, improved sealing of the facility and an entry airlock was created. This has resulted in a 40% energy cost saving over five months. There has also been reduced electricity consumption and CO₂ emissions. Projected annual savings from these initiatives is **\$20,000**.



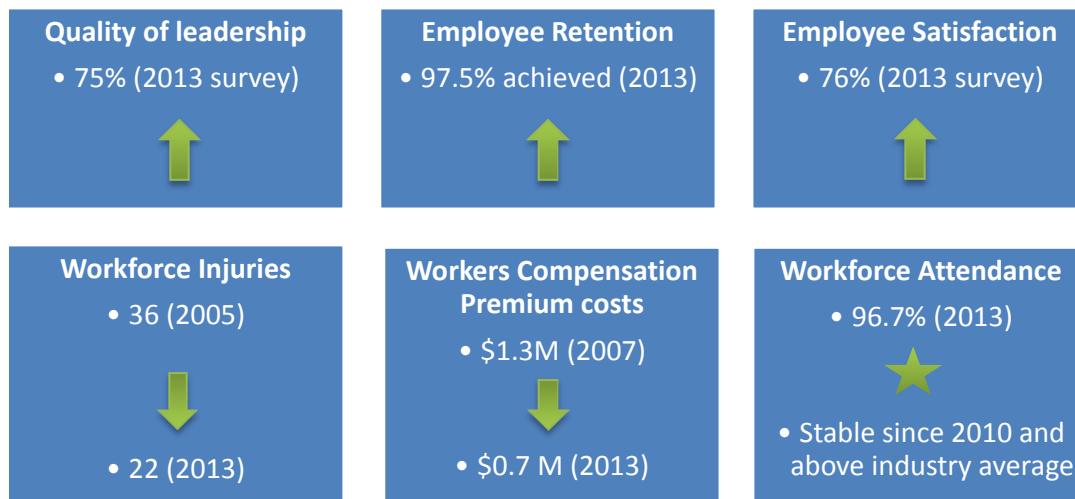
Other efficiency examples

Efficiencies are also about improved service delivery and project management within existing resources, as well as streamlining work processes and procedures to make service delivery more cost effective and to improve customer satisfaction. However, these tend to generate savings that are not easy to quantify. Sometimes more is achieved within the same budget. Examples of efficiencies, implemented by the Council over the past few years, include the following:

- The bushcare and landcare volunteer programs contribute to conservation activities; and are estimated to save the Council \$350,000 per annum in natural asset maintenance costs.
- In-house management of major multi-million dollar capital work projects, such as the Blaxland Waste Facility, have resulted in significant project control, cost savings and avoided cost.
- The implementation of energy and water saving initiatives has reduced energy costs; many projects achieved through grant programs.
- A review of shoulder slashing work practices and equipment has resulted in a more efficient use of the workforce; estimated to save the Council \$300,000 per annum.
- The implementation of split shift facility cleaning in town centres has improved service quality and reduced security contract costs.
- The replacement of the oval mower plant with plant that has a larger mowing deck, has reduced the workforce requirement for parks mowing.
- The introduction of self-checkout at Katoomba Library has provided quick service for customers.
- The introduction of a number of system and process changes has improved service turnaround of planning and regulatory matters.
- New e-lodgement and tracking system has improved the handling of customer service requests.
- The production of guides to the development application process has resulted in 17% reduction in the number of rejected applications, producing a significant saving to the client.
- The introduction of emailed rate notices to ratepayers, and Bpay payment option for debtors has improved cash flow and customer service.

Productivity

Productivity is the rate of output per unit of input. Over the past few years, labour productivity within Blue Mountains City Council has improved, demonstrated through the following measures:



Reduction of debt

The Council has committed to reducing its debt position by ceasing the practice of borrowing \$2.3 million each year for its asset works program, as well as directing any surplus cash funds to reducing borrowings wherever it is effective to do so.

Any proposed new loan borrowings are subject to the Council's Borrowing Policy, the financial capacity of the Council and a requirement for a sound business case approved by the Council.

Advocating to other levels of government

The Council continues to advocate on State and Federal policy and grant funding to minimise the financial impact of service costs on ratepayers. The main issues that are of current focus are the low share of revenue taxation which local government receives, the imposed Waste Levy costs, rate-pegging, contributions to State Emergency Management and the recent Federal Government cuts to the Local Government Financial Assistance Grant.

General performance of the Council

To assess resident perception of Council service delivery and performance, the Council has engaged an independent research firm to undertake a community survey of a representative sample of the population.

This survey has been consistently benchmarking the performance the Council over time relative to community perceptions of: service delivery, satisfaction with councillors and staff, and whether the community believe they receive value for money from rates paid. Despite ongoing financial constraints, over the past four years the Council has achieved some of the highest performance measure results as shown in the table below.

Key Performance Area	Mean Performance Ratings (Out of 5)				Change 2013-14
	2011	2012	2013	2014	
Overall satisfaction with Council performance	3.21	3.43	3.42	3.60	↑
Overall satisfaction with Councillor performance	3.34	3.09	3.23	3.45	↑
Overall satisfaction with Staff performance	3.93	3.87	3.89	3.91	↑
Value for money	3.03	3.26	3.27	3.47	↑

Resourcing Our Future - How you can have your say

Online: www.bluemountainshaveyoursay.com.au click on *Resourcing Our Future*

Email: council@bmcc.nsw.gov.au

Post to: Resourcing Our Future
Blue Mountains City Council
Locked Bag 1005, Katoomba NSW 2780

Hand deliver to: Katoomba Council office

Resourcing OUR FUTURE



FAQs

JULY 2014

Resourcing our Future – Key Questions Addressed

1. What are the key financial challenges facing the City of Blue Mountains?

Blue Mountains City Council faces significant challenges in providing services across 27 towns and villages, spread along 100 kilometres of mountainous terrain, set in a unique and challenging landscape that is susceptible to natural disasters, including bushfires.

Within available funding the Council works hard to efficiently deliver the best possible services to the community. However, despite our best efforts, costs are rising at a greater rate than our income and Federal and State Governments continue to shift costs on to all councils, including us, and reduce our funding at short notice (e.g. the 2014 Federal Budget reduces Financial Assistance Grant Funding for all councils Australia-wide and this results in a funding reduction to the Blue Mountains of \$2.9 million over the next four years and \$1 million on an ongoing basis).

‘Cost shifting’ is when either the Federal or State Governments add significant cost burdens to local governments by shifting their responsibilities for service provision to local government, without corresponding funding. For example, in 2011-2012, the impact of ‘cost shifting’ on the Council has been estimated at \$6.9 million in additional expenditure requirements. Cost shifting in 2014-2015 is estimated to increase by 18%. As we have only been able to increase our rates income by 2.3% for the year under State Government rate pegging, these decisions by the other levels of government leave councils with the difficult choice of either increasing rates or cutting services.

Another major challenge is that much of the City’s \$1 billion worth of built infrastructure (e.g. roads, pools, parks, ovals and community buildings) is old. A significant investment is required just to maintain these assets, if not improve them. We also have vast areas of natural environment to care for including over 300km of waterways and approximately 10,000ha of bushland. Our natural assets, which add immeasurably to the health and wellbeing of our environment, community and economy, also require funding – if we are to adequately look after them and minimise the impact of development on our World Heritage surroundings (see Question 17 on Environment Levy).

Our main source of reliable income, rates, has also been limited in growth because of rate pegging and minimal new development within the City.

Put simply, the available funding is insufficient to maintain, let alone improve, existing levels of service into the future and the City faces a significant shortfall in funding required to maintain and renew built infrastructure and community assets.

Attachment 1 provides a summary of the Impact of Federal and State Government funding reductions and cost shifting on the City of Blue Mountains.

2. Is the Council financially viable?

Yes, each year the Council lives responsibly within its financial means and ensures the annual cash budget is balanced against available revenue. The Council's cash liquidity and financial flexibility is sound, expenditure is well managed, revenue has been trending favourably and the majority of the Council's key financial performance measures are maintained above the industry benchmarks, as supported by NSW Treasury Corporation and the Council's independent external auditors.

However notably, the Council's asset renewal indicators highlight that action is required to improve funding of the Council's ageing \$1 billion worth of assets so that the needs and priorities of our community can be met into the future. The Council is currently not able to meet the funding needed to adequately maintain, renew and upgrade built infrastructure as required.

Currently 21% of built assets are estimated to be in poor condition. Without additional funding this is projected to increase to 37% in 10 years' time.

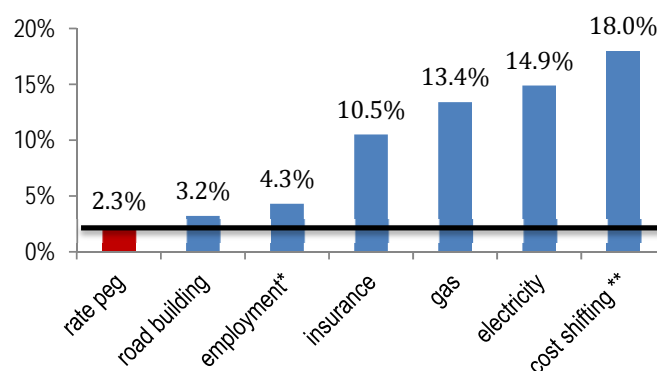
To address our financial challenge the Council has developed *Six Strategies for Financial Sustainability* which we are actively implementing. All six strategies need to be implemented simultaneously (see Question 4).

3. What is rate peg?

Rate peg is the allowable percentage by which all NSW councils can increase rate revenue from one year to the next and the percentage is determined annually by the Independent Pricing & Regulatory Tribunal (IPART).

The NSW Government introduced 'rate pegging' in 1977 to limit the amount by which all NSW councils can increase rate revenue. However, the rate peg does not keep up with the increases to many of our major expenditure areas and this is a reality for most councils. As highlighted in *Chart 1* below, for 2014-2015 rates were allowed to increase by 2.3% but electricity is expected to rise by 14.9% and gas by 13.4%.

CHART 1: ESTIMATED COUNCIL COSTS COMPARED TO RATE PEG 2014-2015



* Includes superannuation increases

** Based on a 5 year average and includes our contribution to the NSW Government for emergency management services.

4. How is the Council addressing its financial challenge?

The Council is working hard to address its financial challenges in a multitude of ways. Most importantly, we have taken initiative and leadership in developing *Six Strategies for Financial Sustainability* which we are actively implementing. Key achievements to date include:

- Taking action to responsibly manage and reduce our borrowings by not borrowing unless there is a sound business case to do so (this strategy has included stopping the practice of borrowing \$2.3 million each year for the Asset Works Program with reduced interest cost savings of \$180,000 achieved in 2013/2014).
- Balancing the annual budget through finding cost savings of \$1 to \$1.5 million per annum.
- Developing a best value service framework including continuous reviews of services. Significant savings have been achieved from best value service reviews including:
 - A review of unsealed roads – resulting in the implementation of a 'Sealing of Unsealed Roads Program' which has reduced long term road maintenance costs while providing improved roads – estimated net recurrent savings of \$200k per annum.
 - A review of the bulky waste and kerb side chipping service – resulting in savings to the Domestic Waste Charge of \$63,500 in 2013/14.
 - A review of Tourism Parks initiated in 2009/10 – generating \$1.7 million net profit over five years.
- Successful advocacy to other levels of government to fund needed services and facilities including the Hazelwood Childcare Centre and a successful \$1.8 million State Government grant to assist the recovery process following the October 2013 bushfires.

Implementing each of these strategies simultaneously, whilst challenging, is critical to building a successful future for our City. For more information on our six financial strategies you can view the *Resourcing Strategy 2014-2024* (Part 3) at www.bluemountainshaveyoursay.com.au.

SIX STRATEGIES FOR FINANCIAL SUSTAINABILITY



Like many councils, the Blue Mountains faces significant financial challenges. The Council's *Six Strategies for Financial Sustainability* position the Blue Mountains to withstand these challenges and build a successful future.

5. Why doesn't the Council cut costs first before increasing rates?

The Council has been containing and reducing its costs each year. Given that costs are rising in real terms by 2% more than income, the Council has had to find savings in the order of \$1 million to \$1.5 million each year to balance its budget. This has necessitated the achievement of significant cost savings and efficiencies.

The Council continuously reviews its service delivery to ensure it is efficient, cost effective and providing 'value for money'. Over the past eight years we have achieved significant cost savings – approximately \$13 million.

All major expenditures go through a value management process to make sure all possible alternatives are considered, based on benefit, cost and risk. This ensures that the Council lives within its means.

As with all councils, many of the services we provide are also a legal responsibility under the *Local Government Act 1993* and other relevant legislation and it is not possible to cut them. For example, specifically set out in the Council's Charter of the *Local Government Act 1993* is the requirement to 'provide and plan for the needs of children' and 'properly manage, develop, protect, restore, enhance and conserve the environment'.

Improving the wellbeing of our community and the environment is a key focus of the Council as we build a successful future for the Blue Mountains. The Council is committed to providing the best possible range of 'value for money' services to meet the diverse and at times changing needs of a community that is spread over one of the largest local government areas on Sydney's fringe.

Services provided by the Council range from provision of infrastructure such as roads, bridges, footpaths, stormwater, aquatic centres and parks, to programs aimed to increase the resilience and well-being of residents (particularly disadvantaged groups), to building capacity of our City to respond to bushfires and major storm and snow events, to ensuring swimming pool barriers in homes across the City are safe, to providing essential services, critical to the wellbeing of the community and our environment, such as the weekly waste collection and recycling service.

6. Why doesn't the Council get more funds from other levels of government?

The Council has actively sought grants from the Federal and State Government and other funding bodies. Over the past five years, the Council has secured more than \$87 million in grant funding for the community (including the annual Financial Assistance Grant).

However, like all councils, we have not been getting a fair share of funding relative to that received by other levels of government. This is partly because under Australia's constitution there is no connection between the service obligations for each level of Government and how much taxation revenue is raised. At the broader level, local government rates account for less than 3% of total taxation, with the Federal Government raising well in excess of 80% of taxation revenue. Yet local government is responsible for providing approximately 36% of infrastructure (roads, footpaths, drainage, parks, pools, fire trails etc.).

In addition, when we have been able to receive grant funding from other levels of government, it is often tied to certain purposes or programs such as the Roads to Recovery. For example grant funding is generally provided for 'new' projects rather than for ongoing maintenance costs.

Federal and State Grant funding is a means for raising capital for opportunities that the Council would otherwise not be able to support. While many of the Federal and State grants obtained have funded initiatives contributing to the vibrancy and quality of life in the Blue Mountains, the costs associated with ongoing maintenance, renewal and upgrade of these grant funded projects generally remain the responsibility of the Council (e.g. Blue Mountains Theatre and Community Hub and the Blue Mountains Cultural Centre and Katoomba Library).

Grant funding is also not a reliable source of funding. For example, the Federal Government recently announced that it will be reducing its Federal Assistance Grants for all councils (see **Attachment 1**). This decision has resulted in a funding reduction to the Blue Mountains of \$2.9 million over the next four years and \$1 million on an ongoing basis. The Federal Government is also discontinuing funding of its 5% share of a rates rebate provided to pensioners for all councils and this impacts the Blue Mountains by approximately \$80,000 per annum.

7. Why have my Council Rates increased in 2014/2015?

Each year, council rates increase by an annual indexation known as rate peg which is set by the Independent Pricing and Regulatory Tribunal (IPART). Any increases in a ratepayer's 2014/2015 rates over the previous year are a result of three factors:

- Firstly, the annual allowable rate peg increase for 2014/2015 of 2.3% on total Council ordinary rates income.
- Secondly, individual rates are impacted by the updated land valuations undertaken by the NSW Department of Lands (Valuer General) and issued in January 2014 (base date 1 July 2013). Across the City, land valuations have increased, decreased or remained stable in accordance with the Department of Lands' assessment. As a result, individual ratepayers pay rates that may increase or decrease in alignment with their individual property land value as land values are essentially applied against the *ad valorem* rates (i.e. the cent-in-the-dollar rate charge) to determine rates payable.
- Finally, 2014/2015 rates are calculated on a single residential *ad valorem* rate following the reform of the rating structure which commenced in July 2012. This rating reform was required to achieve a rating structure fully compliant with the *Local Government Act 1993*. It was also required to meet the requirement under the Act for the rating structure to be simple, fair and broadly uniform. Prior to the rating reform, there were 26 different *ad valorem* rates and significant inequities in rating between properties of similar value in different parts of the City. Community consultation on a new rating structure was undertaken in 2011 and 2012. Following a comprehensive review of community feedback, extensive analysis and assessment over a three-year period, the Council resolved in June 2012 to implement its rating reform program from 2012/13 to 2014/15, a three-year period, to ease the impact of adjustments on ratepayers.

Importantly, changes to the rating structure as a result of the rating reform, and also as a result of land valuation changes, only affect how rates are calculated and distributed amongst the City's ratepayers – they do not increase revenue within the rate base. This only occurs following allowed annual rate peg increases or from approved special variations to rates.

8. What are the options for Resourcing Our Future?

Resourcing our Future provides three options for you to consider on how the Council can best achieve affordable and acceptable levels of service for the Blue Mountains. These options are:

- Option 1: Service Levels Improved
- Option 2: Service Levels Maintained
- Option 3: Service Levels Reduced

OPTION 1 Service Levels Improved

Under this option service levels will be improved, with the proportion of the Council's \$1 billion worth of built assets (roads, footpaths, drainage, town centres, public toilets) in poor condition reducing from an estimated 21% to 17% by 2024. Our emergency preparedness and response is also improved, the current capacity of the Council to protect and restore the natural environment is retained and community services and facilities (playing fields, parks, leisure centres, libraries etc.) are improved.

These improvements are achieved through a special rate variation raising an additional \$28.2 million over 2015/16 to 2018/19 (four year period). This rate variation includes reinstating the existing Environment Levy (due to expire in June 2015) in 2015/16 on a permanent basis – a 6.6% rate increase including an estimated 3% rate peg increase, followed by three increases of 9.6% (including rate peg) from 2016/17 to 2018/19. The additional funding raised would remain permanently in the rate base.

This option results in a cumulative increase over four years of 40.4% or 27.8% above the allowed rate peg increase. However, if we also take out the Environment Levy, which ratepayers are already paying, then the actual increase on rates under Option 1 above 2014/15 rates is 23% above rate peg over four years.

OPTION 2 Service Levels Maintained

Under this option, service levels are maintained with the proportion of the Council's \$1 billion worth of built assets in poor condition remaining at an estimated 21% by 2024. Our emergency preparedness and response is maintained, community services and facilities are maintained at current levels, and the current capacity of the Council to protect and restore the natural environment is retained.

This option also reinstates the existing Environment Levy (due to expire in June 2015) in 2015/16 on a permanent basis (a 6.6% increase including an estimated 3% rate peg increase), followed by three increases of 7.4% (including rate peg) from 2016/17 to 2018/19. These increases would remain permanently in the rate base and would raise an additional \$20.9 million over this four-year period. This option results in a cumulative increase over four years of 32.1% or 19.55 above the allowed rate peg increase. However, if we also take out the Environment Levy which rate payers are already paying, then the actual increase on rates under Option 2 above 2014/15 rates is 15% above rate peg over four years.

OPTION 3 Service Levels Reduced

Under this option there will be a significant reduction in service levels, with deterioration in our built assets from the current 21% in poor condition to 37% in poor condition by 2024. Our capacity to prepare for and respond to emergencies will be reduced and our community services and facilities will be reduced. Our capacity to protect and restore the natural environment will also be significantly reduced.

This option does not continue the existing Environment Levy when it expires in June 2015, resulting in a reduction in rating revenue of \$6.9 million over four years. Rates will increase by rate peg only (estimated at 3% per annum or a compounded increase of 12.6% over the four years).

The annual percentage rate increases for each option is summarised in the table below.

ANNUAL RATE INCREASE (%)		2015/16	2016/17	2017/18	2018/19
Option 1 SERVICE LEVELS IMPROVED	Rate Peg	3%	3%	3%	3%
	Environment Levy (continuing)	3.6%*	-	-	-
	Additional Rate Increase	-	6.6%	6.6%	6.6%
	Total Annual Increase	6.6%	9.6%	9.6%	9.6%
Option 2 SERVICE LEVELS MAINTAINED	Rate Peg	3%	3%	3%	3%
	Environment Levy (continuing)	3.6%*	-	-	-
	Additional Rate Increase		4.4%	4.4%	4.4%
	Total Annual Increase	6.6%	7.4%	7.4%	7.4%
Option 3 SERVICE LEVELS REDUCED	Rate Peg	3.0%	3.0%	3.0%	3.0%
	Environment Levy (discontinued)	-	-	-	-
	Additional Rate Increase (Nil)	-	-	-	-
	Total Annual Increase	3.0%*	3.0%	3.0%	3.0%

* As the Environment Levy expires in June 2015, it needs to be reinstated in 2015/2016 as a 3.6% increase. However, ratepayers will not experience this increase as they are already paying for it in 2014/2015.

9. Do my rates really go up by 40.4% under Option 1?

No, because you are already paying the Environment Levy in your current rates.

The total increase over four years ABOVE CURRENT 2014/15 rates (excluding the Environment Levy because it is already in your rates) would be 35.6% under Option 1 and 27.6% under Option 2. In the case of Option 3, because the Environment Levy is discontinued and backed out, the total increase above 2014/15 rates over the four years is only 8.7%.

These increases also include four years of NSW State Government rate peg estimated at 3% per annum (equivalent to 12.6% compounded over four years) which ratepayers would normally pay. If we were to also exclude the estimated rate peg of 12.6%, then:

- For Option 1, the increase above current rates would be 23.0% more than the allowable rate peg amount, over four years.
- For Option 2, the increase above current rates would be 15.0% more than the allowable rate peg amount, over four years.
- For Option 3, there is no increase above the allowable rate peg amount and rates would decrease slightly due to the discontinuation of the Environment Levy.

	Total compounded increase over four years <u>above current</u> <u>2014/15 rates*</u>	Total compounded increase over four years <u>above current</u> <u>2014/15 rates*</u> -- excluding rate peg of 12.6% over four years
Option 1	35.6%	23.0%
Option 2	27.6%	15.0%
Option 3	8.7%	No increase above rate peg**

*2014/2015 rates include the Environment Levy

** When rate peg is excluded, there would actually be a small decrease under Option 3 due to the discontinuation of the Environment Levy

10. Where does the 40.4% increase come from then?

The cumulative percentage increase of 40.4% over four years is the total increase that Council would seek from IPART under Option 1 (if the Council decided to implement Option 1). This includes the allowed rate peg increase of 12.6% over four years (which you would normally pay anyway) and reinstatement of the existing Environment Levy (which you are already paying), as well as the additional increases sought.

These percentages are shown in the table below.

Total Annual Increase (%)	2015/16	2016/17	2017/18	2018/19	Total compounded increase over four years	Total <u>compounded</u> increase over four years (excluding rate peg of 12.6% over 4 years)
Option 1	6.6%	9.6%	9.6%	9.6%	40.4%	27.8%
Option 2	6.6%	7.4%	7.4%	7.4%	32.1%	19.5%
Option 3	3.0%	3.0%	3.0%	3.0%	12.6%	0.0%

11. Why don't the annual percentages add to the total increase?

The percentage increases in the table above are compounding, which means that the total increase over four years is more than the sum of the annual increases. This works in a similar way to compound interest, with the increase each year applying to the total from the year before.

12. Would all ratepayers experience the same percentage increases?

The percentage increases described above apply to all ratepayers equally, regardless of whether they are residential, business or farmland ratepayers. However in dollar terms, because individual rates are based on land values, ratepayers with high land values will have larger dollar increases in rates than those with lesser land values.

13. How will the three options affect ratepayers each year on average over the four years?

For residential ratepayers, the average increase in rates over four years will be:

- Option 1 (Service Levels Improved): **\$113 per year or \$2.18 per week**
- Option 2 (Service Levels Maintained): **\$88 per year or \$1.69 per week**
- Option 3 (Service Levels Reduced): **\$28 per year or \$0.53 per week**

For business ratepayers, the average increase in rates over four years will be:

- Option 1 (Service Levels Improved): **\$273 per year or \$5.25 per week**
- Option 2 (Service Levels Maintained): **\$211 per year or \$4.07 per week**
- Option 3 (Service Levels Reduced): **\$67 per year or \$1.29 per week**

For farmland ratepayers, the average increase in rates over four years will be:

- Option 1 (Service Levels Improved): **\$179 per year or \$3.46 per week**
- Option 2 (Service Levels Maintained): **\$139 per year or \$2.68 per week**
- Option 3 (Service Levels Reduced): **\$44 per year or \$0.85 per week**

Detailed tables on rate increases for average residential, business and farmland each year over 2015/16-2018/19, can be viewed in *Information Sheet 1: A Better Blue Mountains* at www.bluemountainshaveyoursay.com.au click on Resourcing Our Future.

14. How can I find out about the impact of the options on my own actual rates, rather than the average?

Ratepayers can obtain an indication of the proposed rates under each option by using a calculator which can be found at www.bluemountainshaveyoursay.com.au. Click on *Resourcing Our Future – Rates Calculator*.

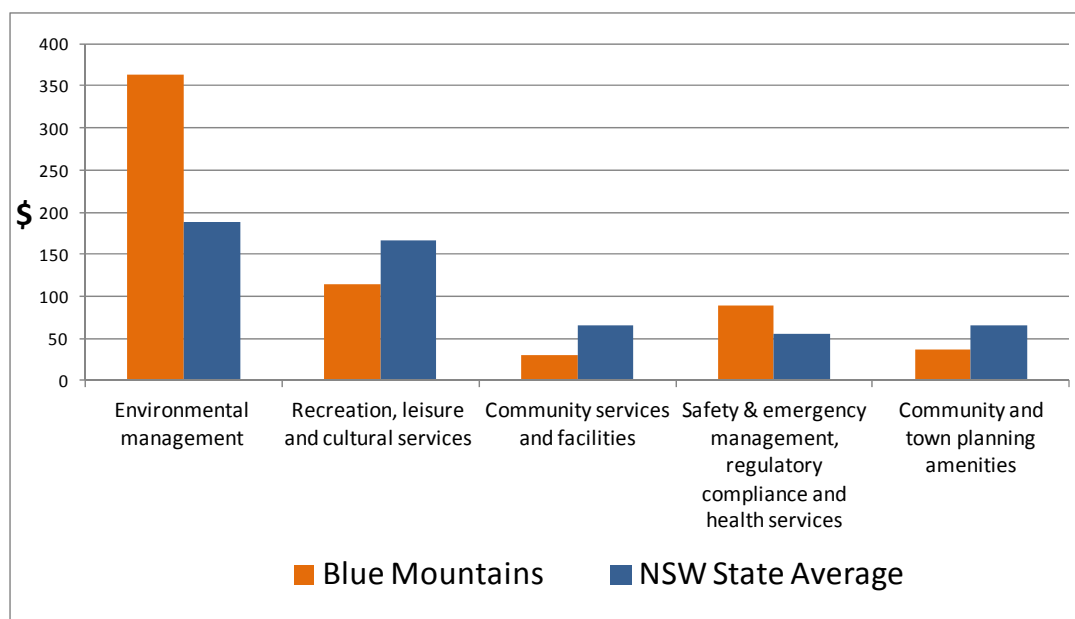
You will need your current land valuation which was supplied to you by the Department of Lands in January 2014 in a document titled "Notice of Land Valuation". You will also find this value displayed on your annual rates notice (issued in July 2014) along with your rating category.

15. How do Blue Mountains City Council's costs compare with that of other councils?

Comparisons with other councils in NSW are difficult because of the unique nature of the City and the requirements of our community. No other local government area in NSW is adjacent to a World Heritage Listed Area, which is also the catchment for Sydney's drinking water. The City's land area is significantly larger than many other Sydney councils (see Map 1). The Council is responsible for managing 10,000 hectares of natural bushland and 300km of waterways. Surrounded as we are by a National Park, the City is at great risk of bushfires so we need to invest significant expenditure to ensure the safety of our community which the majority of other Sydney councils do not need to do.

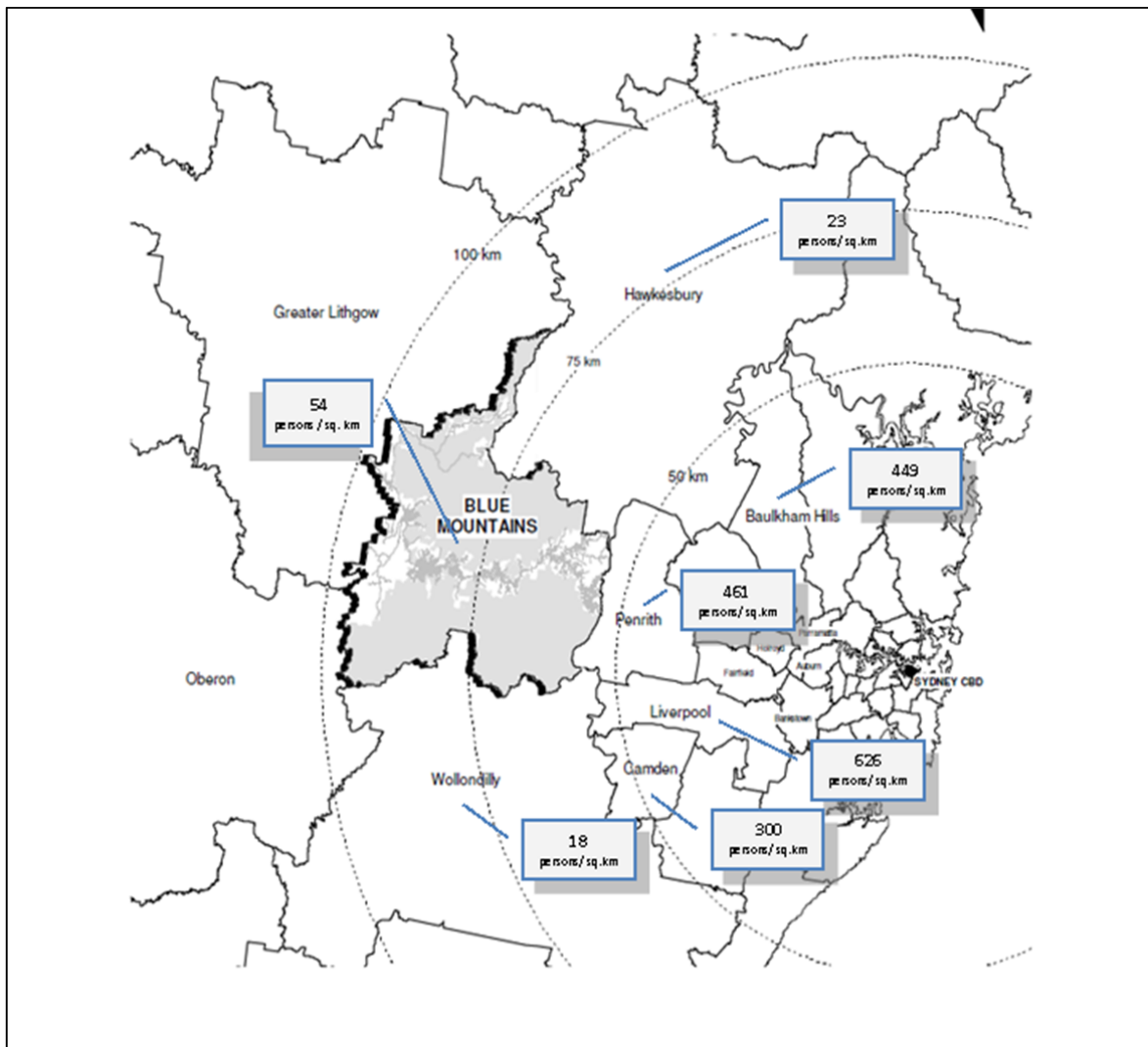
The chart below highlights this, with the Council spending more on managing the environment and safety and emergency management per resident than the NSW average. This is to be expected given the location of the Blue Mountains adjacent to a World Heritage Listed National Park and the proneness of the City to natural disasters including bushfires and storms. The 2014 Community Survey also shows that the Blue Mountains community highly values the surrounding natural environment and sees managing bushfire risk on Council land as one of the highest issues of concern and priorities for action.

EXPENDITURE ON SERVICES PER RESIDENT – BMCC & NSW STATE AVERAGE



Source: DLG Comparative Information on NSW Local Government Councils 2010/11

In comparing our costs relative to other councils, the Map below is useful in highlighting the significantly larger land area managed by the Council, relative to many other areas, and the additional cost challenges resulting from the Blue Mountains population of approximately 78,000 being dispersed across a linear settlement pattern of 27 settlements, with a population density of 54 people per sq.km. extending 100km across predominantly mountainous ridgeline terrain amongst a World Heritage Listed environment.



Map 1: Blue Mountains Local Government Area

16. What is a Special Rate Variation?

“Special variations are an important means of providing additional funding to councils in delivering services and infrastructure that the community has requested and the council is unable to fund within its existing revenue.” Source: Office of Local Government Guidelines for the preparation of an application for a special variation to general income.

Each year the Independent Pricing and Regulatory Tribunal (IPART), sets a maximum percentage amount that councils can increase their rates by (known as the ‘rate peg’). Councils can then assess, in consultation with the community, whether that rate peg is sufficient to maintain services and infrastructure or they can request an increase above the rate peg limit. Such increase is known as a Special Rate Variation (SRV).

IPART will only approve a SRV application if it is satisfied that a council adequately meets its criteria, including demonstrating a need for the additional revenue, that productivity improvements to reduce overall costs have been undertaken and the community is aware of the proposal.

17. What is the Environment Levy?

The Environment Levy was approved as a special variation in 2005 and currently costs the average ratepayer around \$45 p.a. (or 87c per week). It raises around \$1.6 million annually to fund restoration projects across the City’s natural environment. Key activities and programs funded by the Levy include:

- Maintenance, repair and upgrade of over 120km of walking tracks; five campsites and 85+ lookouts (including important historical and cultural sites)
- Rehabilitation of creeks and bushland across 130 sites (including weed control and stormwater pollution management) and restoration of rare and endangered habitats
- Supporting the work of over 500 local conservation volunteers contributing over 10,000 hours each year
- Environmental education programs in local schools
- Water quality monitoring at 40+ sites.

The Levy is due to expire in June 2015, and if the achievements made under it are to be continued, then it needs to be renewed through an application to IPART.

More detailed information on the Environment Levy can be found at www.bluemountainshaveyoursay.com.au and click on *Resourcing Our Future* and refer to *Information Sheet 2 Your Environment Levy*.

18. How do we know that money isn't being wasted?

Over 37 years of rate pegging has resulted in the Council having to find efficiencies and cost savings every year (in the order of \$1 million to \$1.5 million) to balance our annual budget, given costs rising faster than allowable revenue increases. The Council uses best practice procurement strategies, including participation in purchasing groups such as Westpool for the Council's insurance costs. The Council implements competitive tendering processes for all costs greater than \$120,000. The Council also works hard to leverage additional grant funding from the revenue we have e.g. our Environment Levy has attracted more than \$3.6 million in matching funding for environmental programs.

Our annual 'best value' service reviews include addressing the following two questions:

- *'Is the Council spending money in the right places (effectiveness)?' and*
- *'Could work be done at a lower cost (efficiency)?'*

Increasingly, these reviews have found that the Council does not have enough funds to adequately repair and maintain its vast portfolio of built assets, valued at over \$1 billion. Instead, it sometimes just 'patches' instead of replacing assets near the end of their life, so that available funds can be spread further to other facilities and services in need of resources. This is a short-term solution, however, and in the long term will end up costing us more money.

In the 2013-2014 financial year, Council staff attended to over 14,000 requests for repairs and maintenance. Unless additional revenue is obtained to fund required maintenance, repair and renewal of built assets, service levels will need to be reduced. Council faces a choice; either have less facilities/ built assets requiring less work and reduce our service levels OR increase income so we can actually adequately maintain and renew what we have.

Our value management processes have achieved efficiencies and costs savings of more than \$13 million over the past eight years. This has helped to offset the additional costs of energy, construction materials and suppliers, which are rising faster than the allowed increase to our rating income (rate peg).

More detailed information on the Council's cost saving, efficiency and revenue initiatives can be found at www.bluemountainshaveyoursay.com.au click on *Resourcing Our Future* and refer to Information Sheet 3: *Cost Savings, Efficiencies and Revenue Initiatives*.

19. Why did the Council undertake new building projects over the past five years if funding was tight?

Maintaining a vibrant City and being responsive to the changing needs and requirements of our community are key objectives for our City through our Community Strategic Plan – *Sustainable Blue Mountains 2025*.

The majority of new and important major projects undertaken by the Council have received substantial amounts of grant funding and all have met assessed priority needs of the City and the community. The Blue Mountains Theatre and Community Hub at Springwood, which has received strong community support, is a good example of this:

- The Federal Government granted us \$9.5 million to upgrade this heavily used performing arts and community centre, which was ageing, had no air conditioning and required major renewal expenditure over the next 10 years to keep it running.
- The Council successfully obtained a low interest loan subsidy for the remaining \$6 million required for the project from the NSW Government.
- This project is of high benefit to the whole community, relatively low cost to Council and involved a relatively small short-term expenditure and provides an integrated cultural and community precinct that will enliven the Springwood Town Centre, improve the amenity of a key District Centre and add considerable value and support to the Blue Mountains economy.

The challenge for the Council is to manage and maintain this, and other Federal and State Government grant funded facilities, to community expectations.

20. Why has the Council borrowed so much?

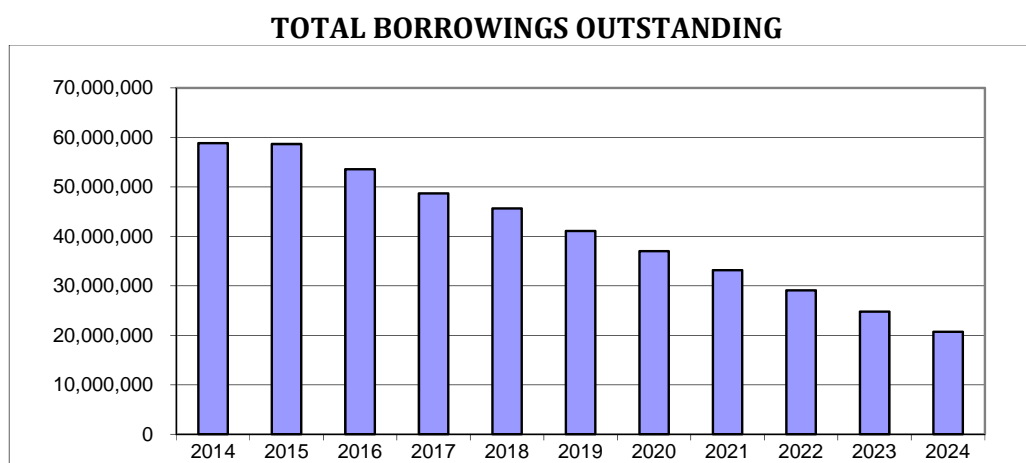
Over the past decade the Council has used borrowings as a source of funding a component of its Asset Works Program. This funding has enabled the Council to address required renewal and upgrade of existing built assets and manage priority risks associated with ageing infrastructure and facilities. Some of this funding has also enabled the Council to attract significant matching grant funding e.g. in past years for the renewal of our road network under the Roads to Recovery Federal Government funding program.

The transport network (including roads, footpaths, kerb and gutter, bridges and stormwater infrastructure) accounts for over \$650 million of the Council's \$1 billion total asset value and not renewing our road network, when required, results in significantly increased future funding requirements as a result of more extensive deterioration needing to be addressed.

The Council has also borrowed funds to address key assessed priority needs of the City such as the upgrade of the Katoomba Waste Management Facility completed in 2010. This project resulted in a much needed Resource Recovery Centre and Waste Transfer Station to maximise the lives of our

waste management facilities and significantly minimise longer term costs to the community. Other borrowings have contributed to the funding of key community infrastructure projects that have improved the amenity and vibrancy of our City overall and towns, strengthened the local economy and met assessed community needs e.g. the new Katoomba library which has seen significantly increased visitation since opening. As highlighted above in Question 19, these borrowings have enabled the Council to deliver major projects of high benefit to the community; have involved low interest loan subsidy financing arrangements with the State Government; and have in most cases been **more than matched** by significant Federal & State Government grant funding.

However, while the Council's debt service ratio performance indicator (i.e. the degree of revenue from continued operations committed to the repayment of debt) **is within industry benchmark**, our financial planning has identified that we have reached our capacity to incur new debt. That is, our available revenue is insufficient to support further loan interest and principal repayments at this point in time. As a result, a strategy has been included in the Council's adopted *Six Strategies for Financial Sustainability* to manage borrowings responsibly (*Strategy 3*) by minimising future borrowings and reducing existing debt. As shown in the figure below, this strategy is projected to bring the Council's borrowing balance down from \$59M in 2013-2014 to \$21M by 2023-2024.



To support the implementation of this strategy the Council has developed a Borrowing Policy (outlined in the Council's *Delivery Program 2013-2017*) that ensures we manage the cost of debt responsibly, taking into account principles of inter-generational equity and the financial capacity of the Council.

Going forward, the Council has and will endeavour to further reduce debt earlier where possible and implement an annual review of borrowings. No new borrowings from 2014-2015 are planned unless:

- The cost of the debt is funded from sufficient income or cost saving generated by the project.
- Financially responsible subsidised loan funding is available (e.g. LIRS funding).
- Any proposed new borrowing is supported by a comprehensive business case.
- The borrowing relates to deferred asset works carried forward from a prior period as resolved by the Council.

21. What is the Council doing to develop more income streams?

For every dollar residents pay in rates, the Council at least matches it with revenue from such sources such as grants, commercial activities and from fees and charges. Over the past five years, the Council's revenue base has included over \$87 million in externally acquired grant funding for the community.

Since 2006-2007, we have implemented specific strategies aimed at increasing revenue. These include, for example:

- *Implementing a property disposal and investment program*

In 2005, the Property Disposal and Investment Fund was established to accumulate income generated from property sales and development for re-investment and asset renewal works. Fifty per cent of the annual return on investment generated from the program is reinvested into the fund with the balance used to fund asset renewal and maintenance.

As at 30 June 2013, the fund contained \$1.8 million and it is estimated that the fund will have an estimated \$3.2 million at the end of 30 June 2014 due to additional property sales.

- *Identifying and implementing viable income generating initiatives*

In 2009, we established a Commercial Activities Service with the aim of generating revenue for the Council. Current activities within this service, all of which generate net profits include:

- Caravan Parks
- Visitor Information Centres
- RTA agency
- Commercial buildings and properties
- Commercial ventures at leisure centres.

While it is prudent that the Council maximises all current and future streams to fulfil community needs, it is also recognised that this must be balanced against socio-economic realities, principles of fairness and affordability and the need for the Council to be risk averse in business ventures, which involve the spending of public money.

22. How will the Council spend any additional income?

Expenditure allocation will be guided by the Council's 10-year *Resourcing Strategy* with any additional income being obtained under Options 1 and 2 targeted to managing high priority risks and community requirements that resource our future in the following areas:

- **Built infrastructure** - roads, town centres, public toilets, buildings, footpaths and stormwater drainage
- **Emergency preparedness and response** – capacity to prepare for and respond to bushfires and other natural disasters, disaster planning, asset protection zones and fire trail maintenance
- **Natural environment** – weed control, water quality monitoring, stormwater pollution control, bushland, walking tracks, Bushcare and Landcare programs
- **Community services** – sporting fields, parks, leisure centres, libraries, community facilities and supporting the community, including those in need.

As required by the legislated local government Integrated Planning & Reporting, the Council will review its Long Term Financial Plan and Asset Management Plans annually. This will drive best value resource allocation that addresses priority assessed risks. This is critical given that much of the Council's \$1 billion worth of built assets is old and therefore potentially at risk of failure.

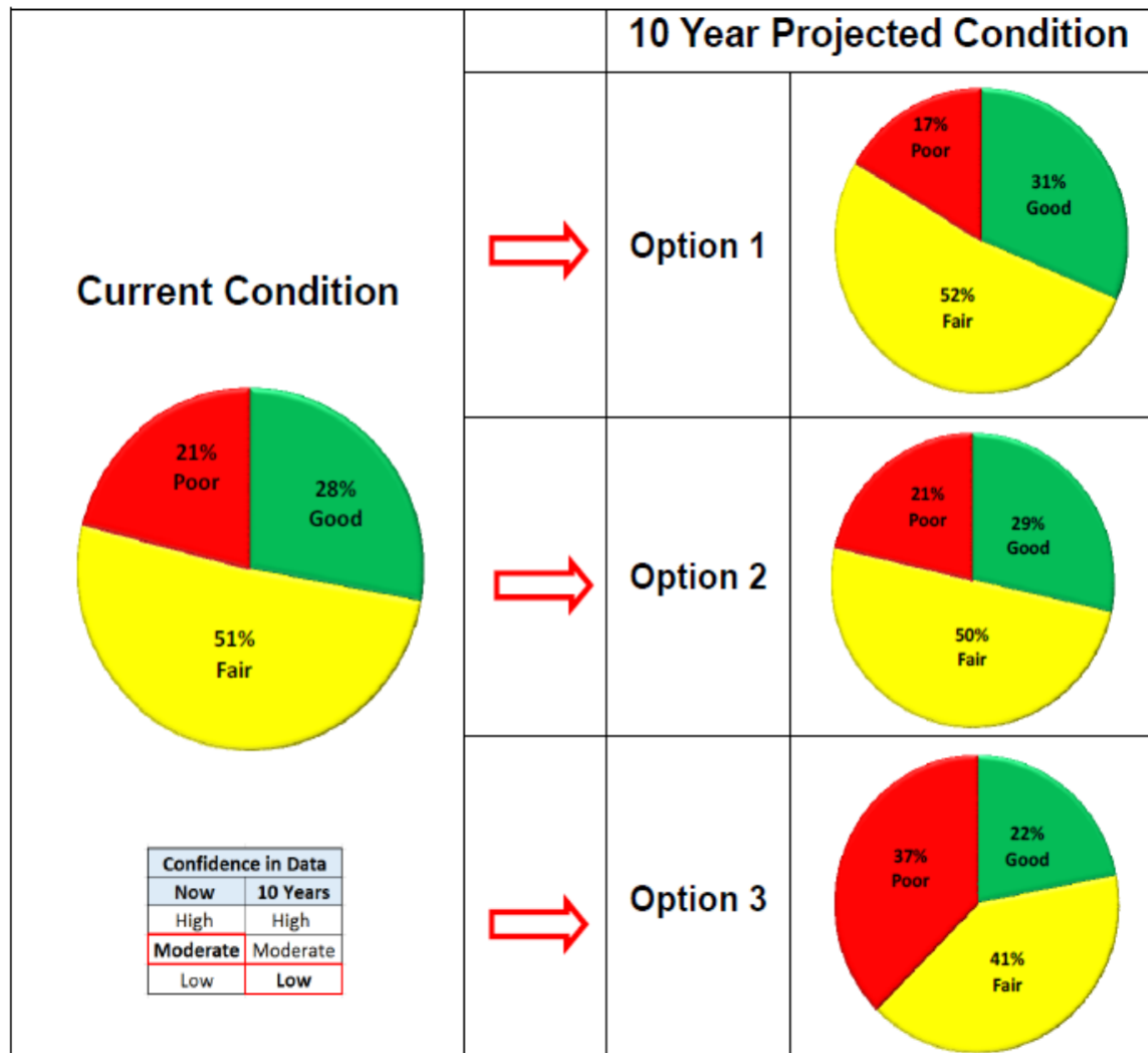
The Council's Resourcing Strategy 2014-2024 proposes that income received under Options 1 and 2 will primarily be targeted to reducing the proportion of the City's \$1 billion worth of built assets in poor condition (as shown in the 'red' segments of the pie charts below).

In summary:

- **Option 1** will allow the City to turn around the decline in built assets and provide funds to renew assets as they become due - with the proportion of built assets in poor condition being improved from the current 21% to approximately 17% by 2024
- **Option 2** will hold off the decline – stabilising the proportion of built assets in poor condition at 21%
- **Option 3** will see the proportion of built assets in poor condition increase from 21% to 37% by 2024.

The following table provides a summary overview of planned expenditure under **Options 1 and 2** over the next 10 years.

IMPACT OF FUNDING OPTIONS ON BUILT ASSET CONDITION



**Proposed allocation of additional revenue under Options 1 and 2 over 2015-2024
(subject to annual review of *Resourcing Strategy /Asset Management Plans*)**

	OPTION 1	OPTION 2
Built Infrastructure	\$47.3 million	\$33.0 million
	<i>Including \$37.8 million for:</i> <ul style="list-style-type: none"> • Renewal and maintenance of the sealed road network funding shortfalls • Road shoulder work required to prevent overall deterioration of roads and improved stormwater management • Stormwater management infrastructure gaps • Renewal of ageing bridges • Footpath renewal priorities • Legislatively required bus stop disability access upgrades • Stormwater management infrastructure 	<i>Including \$24.9 million for:</i> As for Option 1 but with \$12.9 million less funding for required: <ul style="list-style-type: none"> • Renewal and maintenance of sealed road network • Stormwater management infrastructure • Traffic facility renewal • Footpath renewal
	<i>Including \$9.5 million for:</i> <ul style="list-style-type: none"> • Improving town centre maintenance regimes • Tree management • Town centre public domain infrastructure improvement programs • Improve building compliance • Public toilet upgrade in town centres • Building cleansing • Building maintenance and renewal • Information technology upgrades including disaster recovery systems 	<i>Including \$8.1 million for:</i> As for Option 1 but with \$1.4 million less funding for required: <ul style="list-style-type: none"> • Public toilet upgrade in town centres • Building cleansing • Building renewals
Environment	\$22.5 million	\$19.3 million
	<i>Including \$11.7 million for:</i> <ul style="list-style-type: none"> • Weed control • Restoration of water ways and water quality monitoring • Stormwater pollution control • Bushland restoration, Bushcare and Landcare programs • Wildlife habitat restoration and protection of rare and unique animal and plant species • Environmental education 	<i>Including \$11.4 million for:</i> As for Option 1 but with \$0.3 million less funding for required: <ul style="list-style-type: none"> • High risk environmental program areas

	OPTION 1	OPTION 2
Environment Cont'd	<i>Including \$10.8 million for:</i> <ul style="list-style-type: none"> Walking tracks and lookouts Improvements to natural area visitor facilities 	<i>Including \$7.9 million for:</i> As for Option 1, but with \$2.9 million less funding for required: <ul style="list-style-type: none"> High risk walking track and natural area visitor facility renewals Walking track maintenance
Emergency Preparedness and Response	\$4.5 million for: <ul style="list-style-type: none"> Disaster and emergency management planning Bushfire impact preparedness and prevention - Asset Protection Zone high priority works Improved cyclic maintenance of fire trails 	\$2.0 million for: As for Option 1, but with \$2.5 million less funding for required: <ul style="list-style-type: none"> High priority Asset Protection Zone works Improved fire trail cyclic maintenance programs
Community & Recreation	\$24.2 million <i>Including \$9.4 million for:</i> <ul style="list-style-type: none"> Sporting facility operating costs Priority areas for renewal of recreational sporting surfaces, equipment, buildings and toilets Park Revitalisation Program 	\$16.0 million <i>Including \$5.6 million for:</i> As for Option 1 but with \$3.8 million less funding for required: <ul style="list-style-type: none"> Renewal, maintenance and upgrade of parks, sports grounds and playing surfaces
	<i>Including \$5.0 million for:</i> <ul style="list-style-type: none"> Swimming pool renewal and infrastructure priorities 	<i>Including \$4.6 million for:</i> As for Option 1, but with \$0.4 million less funding for required swimming pool renewal, and infrastructure priorities
	<i>Including \$9.8 million for:</i> <ul style="list-style-type: none"> Renewal, maintenance and operation of community facilities including libraries, community centres, halls, youth facilities, child care facilities, neighbourhood centres Community development programs to improve social outcomes Rehabilitation of cultural assets 	<i>Including \$5.8 million for:</i> As for Option 1, but with \$4.0 million less funding for required: <ul style="list-style-type: none"> Community facilities renewal and upgrade Community development programs to improve social outcomes Community building cleansing
Total	\$98.5 million	\$70.3 million

23. What if I will suffer genuine hardship because of any rate increases?

The Council has a *Hardship Relief Policy* in place for persons having trouble paying their rates. Any residential ratepayer experiencing genuine hardship in paying rates should contact the Rates Team at the Council, so that we can assess whether some level of relief is warranted.

In determining the percentage increases under both Option 1 and Option 2, ratepayer's capacity to pay was assessed and taken into consideration amongst other factors. This assessment indicates that while there are some financially challenged residents, the majority of residents within the City appear from the statistics below, to have some capacity to pay additional rates. Key findings from the assessment included:

- **SEIFA Ranking:** Blue Mountains residents are **among** the top 20% of least disadvantaged Local Government Area's in NSW (Source: Australian Bureau of Statistics Socio-Economic Indexes for Areas)
- **Weekly Income:** Weekly household income in the Blue Mountains (\$1,270) is above the NSW (\$1,237) and national (\$1,234) averages (Source: Census 2011)
- **Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage:** Uncollected rates are below the local government benchmark, indicating that in general Blue Mountains ratepayers have the capacity to pay their rates (Source: *Long Term Financial Plan 2014-2024*)

24. What happens next?

All community feedback will be reviewed, and the Council will decide which option to proceed with, if any, for *resourcing our future*. This will include a decision on whether or not the Council will proceed with making an application to IPART for a special variation to rates.

If the Council is to proceed with a special variation, then an application will be prepared for submission to the Independent Pricing and Regulatory Tribunal (IPART) in February 2015. IPART's decision would then be made by mid-June 2015.

25. Where can I find more information about rates?

Frequently asked questions on rates and charges from the Division of Local Government's website can be found at: www.dlg.nsw.gov.au/dlg/dlghome/PublicTopicsIndex

26. Where can I find out more about *Resourcing Our Future* options and other information?

Additional information can be found at: www.bluemountainshaveyoursay and click *Resourcing Our Future*.

ATTACHMENT 1

IMPACT OF FEDERAL & STATE GOVERNMENT FUNDING REDUCTIONS AND COST SHIFTING ON THE CITY OF BLUE MOUNTAINS

- There has been a history of Federal and State Governments **cost shifting** responsibilities for service provision to local government without corresponding funding e.g. in 2010/2011 \$6.9 Million in additional expenditure requirements.
- Local government is responsible for approximately **36% of the Nation's Infrastructure but only receives 3% of National Taxation Revenue** (councils have been advocating strongly for this fiscal imbalance in Federal funding to be rectified for many years).
- The Federal Government has recently withdrawn funding to the Blue Mountains from the **Community Infrastructure Grants** program, Regional Development Australia.
- The NSW **Rate Peg** for 2014/2015 was set at 2.3% with no consideration of the subsequent 2014 Federal Budget funding reductions to local government. Costs have been rising faster than revenue due to 37 years of rate pegging - the NSW government restricts the amount that rates can increase despite actual expenditure cost increases. For example, in 2013-2014 the contribution the Council was required to pay to Fire & Rescue NSW (as part of the legislated Emergency Services Statutory Contributions) increased by 36% or \$241,000, however allowed increase to rates was only 3.4% in that year.
- The Council has been advised that the **NSW State Government Waste Levy** will increase from \$53.90 per tonne of waste to landfill in 2013-2014 to \$65.40 per tonne in 2014-2015. The requirement to pay the Levy (\$2.9M in 2014-15) will hinder the Council's ability to invest these funds in other, more effective local waste avoidance and resource recovery initiatives; it also prevents investment in other critical priorities and risks needing to be addressed within the City.
 - The Council has previously lobbied the State Government for the removal of this levy which is an additional tax on residents and businesses and an unaffordable expense for our community. The Levy is considered inappropriate and unjust, given that the Blue Mountains is self-sufficient in provision of resource recovery and waste management infrastructure/ services. The community currently funds the operation and upgrade of Katoomba and Blaxland Waste Management Facilities, as well as the rehabilitation of two dormant landfill sites. The Levy, in addition to these expenses, makes it difficult for the Council to increase gate fees and the Domestic Waste Management Charge to invest in further resource recovery, due to considerations of affordability to the community.
 - Given the range of services that ratepayers expect from their rates, the Waste Levy is considered poor value for money.
 - The Waste Levy has significant financial implications for the Council and the community. Between 2009-2010 and 2015-2016 it is projected that the Council will levy its ratepayers and landfill users more than \$21 million, receiving back only \$3 million through the WaSIP fund for investment in new or enhanced waste and sustainability initiatives over the same period. The remainder is directed to the NSW

Treasury. The Levy is therefore considered to be a disguised State Government tax on Blue Mountains residents, collected by Council on behalf of the NSW Government.

2014 Federal Budget Impacts

Financial Assistance Grant indexation freeze

Like most council's nationally, the Financial Assistance Grant (the Grant) aids the Council's provision of a wide range of services supported by infrastructure including local roads, bridges, recreation facilities, libraries, cultural facilities. The Grant is a significant proportion of our budget (i.e. 7% for 2014/2015) and the annual indexation allows us to manage inflationary cost increases and therefore facilitates the balancing of our annual budget.

As shown in the table below, the proposed indexation freeze on the Grant in the 2014 Federal Budget means revenue received from the Grant will remain at \$8.2 million per annum until 2017/2018.

This will have a \$253,000 impact on the Council's 2014/2015 budget, and in subsequent years, we will lose revenue of \$620,000, \$1,003,000 and \$1,037,000 in the years 2015/2016, 2016/2017 and 2017/2018 respectively. This is a total of \$2.9 million over this period of four years.

The indexation freeze also impacts revenue into the future since the foregone revenue will never be recouped, leading to an ongoing loss of revenue of over \$1 million per annum from 2017/2018.

2014 Federal Budget impacts on FAGS projections			
	Column1	Column2	Column3
Year	Original Expectation (4%)	2014 Federal Budget Reduced FAGS	Loss over 4 years
2013/2014 - Current Year	8,268,335	8,268,335	0
2014/2015 - NO Indexation	8,536,000	8,283,421	(252,579)
2015/2016 - NO Indexation	8,877,440	8,257,363	(620,077)
2016/2017 - NO Indexation	9,232,538	8,229,934	(1,002,603)
2017/2018 - Indexation Reinstated	9,601,839	8,564,489	(1,037,350)
	44,516,152	41,603,543	(2,912,609)

In addition to the long term impacts, at such a late stage in the Council's planning cycle for 2014/2015, this freeze impacts the Council's capacity to deliver local services and infrastructure to our community for next year. This impact will continue to escalate and therefore will limit our capacity to deliver services in future years as required by our community.

The Council's 10 year Asset Management Strategy identified basic infrastructure that is at high risk. The significant reduction in the Grant will only increase the percentage of the Council assets at high risk.

Pensioner Rate Subsidy

The 2014 Budget proposal to withdraw the Federal Government's 5% contribution towards the pensioner rate subsidy will result in loss of an additional \$80,000 per annum of revenue on an ongoing basis. This is a direct cost shift to local government as we do not have the legislative authority to waive the pensioner rebate. Council understands that the State government will cover the 5% gap for one year only.

Again, at such a late stage in our planning cycle, this funding cut will impact our ability to deliver services and maintain infrastructure into the future.

Summary of Funding Cut Implications

These funding cuts, compounded by the constant cost shifting from both the State and Federal Government, will have a significant impact on the everyday lives of our community. The Council will be forced to immediately re-assess its spending priorities and re-evaluate the level of services and infrastructure it can provide to its community, given the substantial reduction in ongoing revenue.

The funding cuts will ultimately mean that our community will experience a decline in the condition of our local infrastructure, with worsening safety and significant risk management requirement, negative impacts on local community services and businesses and on our regional economy and increasing infrastructure maintenance costs.

The Council recognises that the Federal Budget indicates a commitment to a number of funding programs for local government nationally, such as National Roads to Recovery (R2R) and a new funding program for the renewal of bridges. It should be noted however, that these grants will be tied to specific transport infrastructure programs and it is unclear at this stage whether the Blue Mountains will be eligible for these funds. Often these grants require a dollar for dollar contribution by the Council. With our revenue decreased, this will be challenging.

3. Website Content

The communication products shown below were made available online via the Blue Mountains Have Your Say site, with a link prominent on the Council homepage. This content is still available at www.bluemountainshaveyoursay.com.au/ResourcingOurFuture, and also via the Council website: <http://www.bmcc.nsw.gov.au/yourcouncil/specialratesvariation>.

Table 1: List of documents supporting the public exhibition: 4 August – 15 September 2014

Title	Description
Documents on public exhibition:	
Resourcing Strategy 2014-2024	Incorporating: <ul style="list-style-type: none"> • Long-Term Financial Plan (LTFP) • Asset Management Policy and Strategy (AMP&S) • Workforce Management Strategy (WMS)
Service Dashboards	Summary Service and Asset Plans: Companion document to the Resourcing Strategy 2014-2024
Supplementary Delivery Program	Including three possible options for <i>Resourcing Our Future</i>
Supporting Information:	
Frequently Asked Questions	To answer anticipated questions from the community
Information Sheet 1: A Better Blue Mountains	A 12-page brochure on the proposed options for <i>Resourcing Our Future</i> . This provided more detail than the summary brochure sent to ratepayers
Information Sheet 2: Your Environment Levy	Explains the Environment Levy, its longevity, what services it has provided, and what would happen if it was discontinued
Information Sheet 3: Cost Savings, Efficiencies and Revenue Initiatives	An assessment of the efficiencies, productivity improvements and cost containment strategies which have been implemented by the Council in recent years
Community Engagement Strategy	Strategy for engagement of the community on options for <i>Resourcing Our Future</i> , including approach and delivery
Community Survey 2014	Results of a survey of residents designed to gauge community perceptions around Council service delivery
Rates Calculator	Allows ratepayers to input land valuation details and find how each of the three options would impact on their rates
Documents sent to all ratepayers:	
Letter from the Mayor	A Mayoral introduction to the ratepayer mail-out
Resourcing Our Future: Have your say on options for achieving a better Blue Mountains	A four-page brochure informing ratepayers of the proposed options and providing the opportunity to return a submission strip using the reply-paid envelope
Submission forms:	
Downloadable submission form in both Word & PDF format	A standard submission form available to the community for making a submission on the three options
Online submission form: (available during public exhibition)	This provided an online opportunity to make a submission on the three options

* Documents highlighted in orange were also available at branch libraries and the Council front counter

Figure 1a: Unexpanded screen view of Have Your Say site

http://bluemountainshaveyoursay.com.au/ResourcingOurFuture

Sharepoint Knowledge Base Blackheath Community C... Suggested Sites Web Slice Gallery

Resourcing OUR FUTURE

HAVE YOUR SAY

on options for achieving a better BLUE MOUNTAINS

blue mountain City Council

Home Sign In

Resourcing Our Future Search

Resourcing Our Future

Consultation has concluded

Resourcing Our Future – Have Your Say

The Council is committed to building a successful future for the Blue Mountains. To achieve this we have developed *Six Strategies for Financial Sustainability* that we are actively implementing to improve financial sustainability of the City. A key component of these strategies is engaging the community on how best we can achieve affordable and acceptable levels of service - given our financial challenges. **Three OPTIONS for Resourcing Our Future have been developed** for you to review and have your say on.

Please click [here](#) to view a summary overview of each of these options, as detailed. [Read more](#)

News Online Submission

Consultation has concluded

Documents on Public Exhibition

Documents on Public Exhibition

This *Resourcing Strategy* outlines the Council's resourcing commitment to implementing the objectives and strategies within the community strategic plan, *Sustainable Blue Mountains 2025*, given available resources. Through the *Resourcing Strategy*, the Council sets out its delivery and financial capability over the next 10 years. This Strategy also outlines the Council's major resourcing challenges and its *Six Strategies for Financial Sustainability*.

The *Resourcing Strategy 2014-2024* is comprised of five parts. The last three parts are integrated components of the strategy, which are legislatively required under the *Local Government Act*.

[Read more](#)

by The Administrator 28-Jul-2014, 04:02 PM

Rating Calculator

Please click [this link](#) to go to the Rating Calculator.

The linked online calculator has been created to give ratepayers an estimate of the ordinary rates they can expect to pay for future rating years, under the three options proposed by Council.

You will need your current land valuation which was supplied to you by the Department of Lands in January 2014 in a document titled "Notice of Land Valuation". You will also find this value displayed on your annual rates notice (issued in July 2014) along with your rating category.

<http://www.bmcc.nsw.gov.au/formserver/index.cfm/forms/rates-calculators/>

by The Administrator 28-Jul-2014, 03:58 PM

Key Dates

Resourcing Our Future Public Exhibition
04 August → 15 September 2014

Document Libraries

- Submission Form
- Documents on Public Exhibition
- Supporting Information

[more...](#)

Resourcing Our Future Poster

HAVE YOUR SAY
on options for achieving a better
BLUE MOUNTAINS

Resourcing Our Future Icons

Figure 1b: Expanded screen view of Have Your Say site

The screenshot displays the 'Have Your Say' website for Blue Mountains Council. The main heading is 'Resourcing Our Future' with the subtext 'on options for achieving a better BLUE MOUNTAINS'. The page is divided into several sections:

- Resourcing Our Future**: A section titled 'Consultation has concluded' and 'Resourcing Our Future - Have Your Say'. It states that the Council is committed to building a successful future for the Blue Mountains and has developed six strategies for financial sustainability. It invites users to click on links to view a summary overview of each of these options, as detailed in the brochure that is being sent to all ratepayers in mid August. A range of documentation is provided on this site in the Library to support community understanding and engagement on these proposed resourcing options, including:
 - Frequently Asked Questions document - [click here](#)
 - Information Sheet 1 A Better Blue Mountains - [click here](#)
 - Information Sheet 2 Your Environment Levy - [click here](#) and
 - Information Sheet 3 on the Council's Cost Saving, Efficiency and Revenue Initiatives [click here](#)
- Key Dates**: A section titled 'Resourcing Our Future Public Exhibition' with dates '04 August - 15 September 2014'. It includes a photo of red flowers.
- Document Libraries**: A section with links to 'Submission Form', 'Documents on Public Exhibition', and 'Supporting Information'.
- Resourcing Our Future Poster**: A section featuring a poster titled 'Resourcing Our Future' with various statistics and a 'HAVE YOUR SAY' button.
- Online Submission**: A section titled 'Documents on Public Exhibition' and 'Documents on Public Exhibition'. It states that this Resourcing Strategy outlines the Council's resourcing commitment to implementing the objectives and strategies within the community strategic plan, Sustainable Blue Mountains 2025, given available resources. Through the Resourcing Strategy, the Council sets out its delivery and financial capability over the next 10 years. This Strategy also outlines the Council's major resourcing challenges and its Six Strategies for Financial Sustainability. The Resourcing Strategy 2014-2024 is comprised of five parts. The last three parts are integrated components of the strategy, which are legislatively required under the Local Government Act.
 - Part 1 - Overview
 - Part 2 - City Context
 - Part 3 - The Long-Term Financial Plan (LTFP)
 - Part 4 - The Asset Management Strategy and Policy (AMS&P)
 - Part 5 - The Workforce Management Strategy (WMS)
- Rating Calculator**: A section titled 'Please click this link to go to the Rating Calculator.' It includes a photo of children sitting on a bench. The text states: 'The linked online calculator has been created to give ratepayers an estimate of the ordinary rates they can expect to pay for future rating years, under the three options proposed by Council. You will need your current land valuation which was supplied to you by the Department of Lands in January 2014 in a document titled "Notice of Land Valuation". You will also find this value displayed on your annual rates notice (issued in July 2014) along with your rating category.' It includes a link: <http://www.bmc.nsw.gov.au/formsandindexes/formsandindexes-calculator/>

The footer contains links for Privacy Policy, Moderation Policy, Technical Support, Accessibility, Terms and Conditions, and Site Map. It also mentions 'Powered by EngagementO'.

Figure 2: Screen view of documents online at Have Your Say site

Home

Sign In

Resourcing Our Future

Search

Search

Documents

Submission Form

- Public Submission Form - pdf (96.8 KB) (pdf)
- Public Submission Form - Word .docx (52.8 KB) (docx)

Documents on Public Exhibition

- Resourcing Strategy 2014-2024 (9.12 MB) (pdf)
- RS Part 1 - Overview (1.14 MB) (pdf)
- RS Part 2 - City Context (1.59 MB) (pdf)
- RS Part 3 - The Long-Term Financial Plan (LTFP) (2.03 MB) (pdf)
- RS Part 4 - The Asset Management Strategy & Policy (AMS&P) (1.96 MB) (pdf)
- RS Part 5 - The Workforce Management Strategy (WMS) (971 KB) (pdf)
- Service Dashboards (11 MB) (pdf)
- Supplementary Delivery Program (1.35 MB) (pdf)

Supporting Information

- Letter & Brochure to All Ratepayers (842 KB) (pdf)
- FAQs (1.25 MB) (pdf)
- Information Sheet 1: A Better Blue Mountains (1.73 MB) (pdf)
- Info Sheet 2: Your Environment Levy (2.02 MB) (pdf)
- Info Sheet 3: Cost Savings, Efficiencies and Revenue Initiatives (433 KB) (pdf)
- Community Engagement Strategy (322 KB) (pdf)
- 2014 Community Survey (1.25 MB) (pdf)

[Privacy Policy](#)
[Moderation Policy](#)
[Technical Support](#)
[Accessibility](#)
[Terms and Conditions](#)
[Site Map](#)



Powered by  EngagementHQ

Figure 3: Downloadable submission form



Public Submission Form

Resourcing Our Future

Have Your Say

If you would like to make a formal submission on the proposed options for **Resourcing Our Future**, the *Resourcing Strategy 2014-2024* or the *Supplementary Delivery Program* currently on public exhibition, we would like to hear from you.

Please fill in the template below, save the document to your hard drive and simply post or email the form to Council at the address below. Your personal details will be kept confidential.

The **deadline** for receiving public submissions is close of business **15 Sept 2014**.

Contact Details of Sender

Name: _____ _____ Postal Address: _____ _____ Postcode: _____	Organisation: _____ <i>(if applicable)</i> _____ Telephone: _____ _____ Email: _____
--	--

My preferred option is: (please tick one of the boxes)

<input type="checkbox"/>	OPTION 1: SERVICE LEVELS IMPROVED
<input type="checkbox"/>	OPTION 2: SERVICE LEVELS MAINTAINED
<input type="checkbox"/>	OPTION 3: SERVICE LEVELS REDUCED

Post to: Resourcing Our Future Blue Mountains City Council Locked Bag 1005 Katoomba NSW 2780	OR Email to: council@bmcc.nsw.gov.au OR Hand to: Library Staff or Katoomba Front Counter Staff
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BMCC Privacy Statement: <http://www.bmcc.nsw.gov.au/yourcouncil/privacystatement>

040814

4. Online Rates Calculator

An online rates calculator was available from the *Resourcing Our Future* website during the public exhibition and can still be accessed via the Council website, or directly from this link: <http://www.bmcc.nsw.gov.au/formserver/index.cfm/forms/rates-calculators/>.

Ratepayers could either telephone staff and ask for assistance in determining the impact on their rates, or use the calculator themselves. After inputting the current land valuation and type of property (residential, business or farmland) the calculator automatically estimates the ordinary rates payable for future years, both with and without a special variation.

Figure 4: Online rating calculator available from Have Your Say site

THE CITY WITHIN A WORLD HERITAGE NATIONAL PARK

FORMS

Environmental Levy

Rates Calculators

HOME » FORMS » Rates Calculators

Resourcing Our Future: Rates Calculator

The calculator below has been created to give ratepayers an estimate of the ordinary rates they can expect to pay for future rating years, under the three options proposed by Council.

The ordinary rate is calculated by multiplying the value of your land by the rate-in-the-dollar which applies to the rating category of your property. This rate-in-the-dollar is also known as the ad valorem rate.

It should be noted that the ordinary rates calculated and shown below do not include annual, fixed charges such as the Emergency Services Annual Charge and waste services charges.

To obtain an indication of the ordinary rates payable over the next four years (as well as current 2014/15 rates), please enter the required information into the calculator below.

You will need your current land valuation which was supplied to you by the Department of Lands in January 2014 in a document titled "Notice of Land Valuation". You will also find this value displayed on your annual rates notice (issued in July 2014) along with your rating category.

Click [HERE](#) to go back to Have Your Say

Rates Estimate Calculator

2013 Land Valuation: Enter land value here (eg. 190000 for \$190,000 - do not use signs, commas etc)

Rating Category: Select

Option	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
1: Service Levels Improved					
2: Service Levels Maintained					
3: Service Levels Reduced					

5. Website Analytics

This section provides analysis of unique visits to the *Resourcing Our Future* website during the period of the public exhibition, and analysis of the documents which were viewed online during that time.

Figure 5: Number of unique visitors to the website from 4 August to 17 September 2014

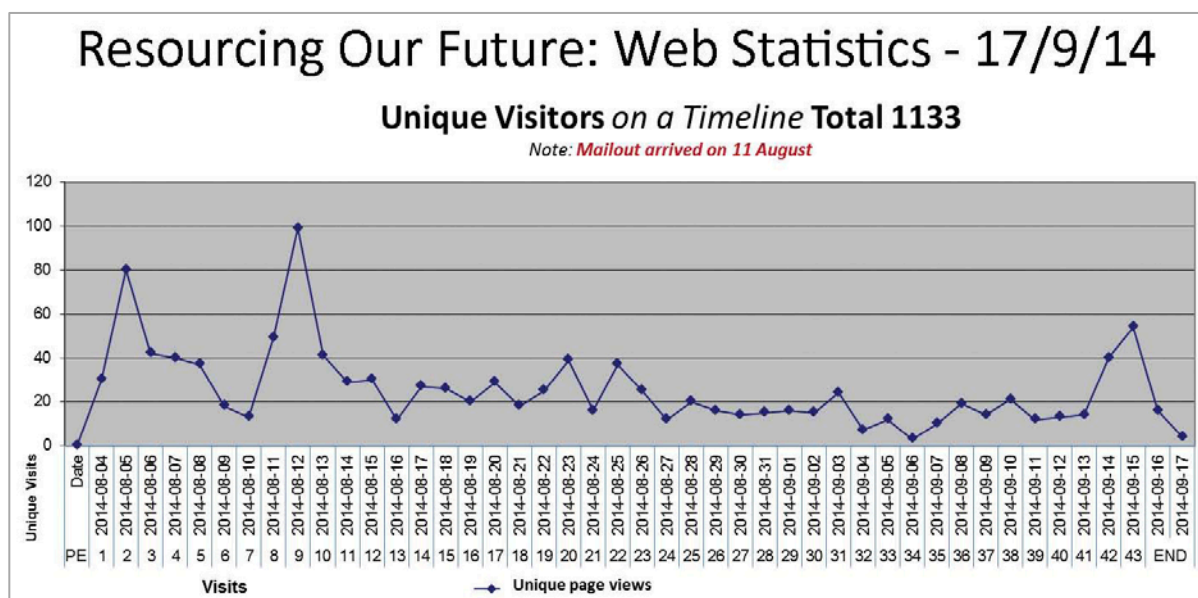


Figure 6: Number of views of online documents from 4 August to 15 September 2014

Document Name	View
Public Submission Form - pdf	97
Public Submission Form - Word .docx	90
FAQs	33
Info Sheet 2: Your Environment Levy	32
Resourcing Strategy 2014-2024	31
RS Part 5 - The Workforce Management Strategy (WMS)	30
Information Sheet 1: A Better Blue Mountains	27
Letter & Brochure to All Ratepayers	26
Info Sheet 3: Cost Savings, Efficiencies and Revenue Initiatives	23
Service Dashboards	21
2014 Community Survey	20
Community Engagement Strategy	18
Supplementary Delivery Program	17
RS Part 4 - The Asset Management Strategy & Policy (AMS&P)	16
RS Part 1 - Overview	12
RS Part 3 - The Long-Term Financial Plan (LTFP)	11
RS Part 2 - City Context	9

6. News from the Hill

News from the Hill is a newsletter which is circulated to ratepayers on a quarterly basis with their rates notices. The following excerpts were published in relation to the *Resourcing Our Future* consultation process.

News from the Hill: April 2014

News From the Hill
Page 3

BUILDING A SUCCESSFUL FUTURE FOR THE BLUE MOUNTAINS

The Council has taken initiative in developing a Six Point Strategy for achieving financial sustainability over the next 10 years. Implementing this Strategy, whilst challenging, is critical to building a successful future for our City.

Six Key Strategies for Financial Sustainability

1. **Avoid Shocks:** The Council is proactively implementing financial planning to ensure we live responsibly within our means, manage risks and prioritise resources to achieve best outcomes. This strategy positions the City to better withstand costly unexpected events (such as the devastating October 2013 bush fires) and continue to deliver quality services that meet community needs.
2. **Balance the Budget:** Given that costs are rising in real terms by 2% more than income, the Council is taking action to balance its budget each year through achieving efficiencies and cost savings (approx. \$12M in savings achieved over the past 7 years). Under this strategy, the Council is building financial capacity to meet future funding requirements for the City's aging infrastructure (roads, community and recreational facilities etc.).
3. **Manage Borrowings Responsibly:** The Council is committed to reducing debt levels through ceasing new borrowings as much as possible (subject to review of financial capacity). Unless there is a sound business case to borrow funds, the Council will not be entering into new debt.
4. **Increase Income:** The Council is seeking to maximise income where appropriate. For every dollar residents pay in rates, the Council at least matches it with revenue from such sources as grants, fees and charges and commercial activities. Over the past five years the Council obtained over \$87M in grant funding for the community. In 2014, the Council will be engaging community on options for a possible further special variation to rates and there will be a range of ways for residents to have their say on what level of service is affordable and required.
5. **Review and Adjust Services:** This strategy involves the Council implementing ongoing reviews to ensure we are providing quality, value for money services that are responsive to the changing requirements of the community. Examples include the review of the bulky waste collection service resulting in a shift to a more convenient booked service, review of the Council's Tourist Parks resulting in increased revenue and the Sealing of Unsealed Roads Program resulting in reduced maintenance costs and improved service delivery.
6. **Increasing Advocacy and Partnerships:** This strategy involves advocating to other levels of government for a fair share of funding and reduced cost shifting, and building partnerships with others to achieve positive outcomes for the Blue Mountains. For example, following the October 2013 bush fire disaster, the Council's advocacy ensured the safe and appropriate disposal of fire related waste outside of the City and successfully achieved \$1.8M to assist with recovery. Council actively worked in partnership with NSW Government, the NSW RFS and a range of government agencies and community organisations during the response and early recovery.

For more information on our six financial strategies you can view the Resourcing Strategy 2013-2023 at www.bmcc.nsw.gov.au/yourcouncil/integratedplanningforservices

Like most councils, the Blue Mountains faces significant financial challenges.

The Council's Six Point Financial Strategy positions the Blue Mountains to withstand these challenges and build a successful future.

SERVICE DELIVERY - WHAT'S PLANNED FOR 2014-2015?

The Council's Delivery Program and Operational Plan is a document which outlines the services Council is planning to deliver to the community in 2014-2015, across six Key Directions including:

- Looking After Environment
- Using Land
- Moving Around
- Looking After People
- Sustainable Economy
- Civic Leadership & Good Governance

Residents can provide feedback on this plan during the public exhibition period which commences on 30 April 2014. You can find out more by going to bluemountainshaveyoursay.com.au on 30 April 2014.

News from the Hill: July 2014

RESOURCING OUR FUTURE - HAVE YOUR SAY

The Council is committed to building a successful future for the Blue Mountains. To achieve this we have developed a Six Point Strategy for improving financial sustainability of the City. A key part of this Strategy is engaging the community on how we can best achieve affordable and acceptable levels of service, given there is insufficient funding to maintain current service levels into the future. Three options have been developed for community feedback. Two options propose a special rate variation and continuation of the Environment Levy and the third option proposes not pursuing a special rate variation and discontinuing the Environment Levy. Each option has a different impact on service levels.

Council's 10 year Resourcing Strategy and Supplementary Delivery Program is on public exhibition from 4 August to 15 September. Ratepayers are invited to lodge submissions indicating their preferred option for Resourcing Our Future. To find out more visit www.haveyoursay.com.au or view printed copies at Council's Katoomba office or branch libraries.

News from the Hill: October 2014

MAYOR'S MESSAGE

As I continue in my role for a **second term as Mayor**, I look back at an eventful year for our community and the Council. The devastating **October 2013 bushfires** defined the year, being the single greatest challenge faced by the City and the Council. I am immensely proud of our collective efforts in the response to, and recovery from, the bushfires, particularly the resilience of our bushfire affected community. The one year anniversary of the bushfires has just passed, marking the journey from the time of the fires, through the process of recovery, to the honouring of memory. The recovery process is ongoing and Council continues its support of bushfire affected residents. We are working to ensure the lessons learned from this experience hold us in good stead for any future natural disaster. To this end, I urge residents to have a Bush Fire Survival Plan in place should the need arise.

To the year ahead, the Council will continue on its chartered course towards financial sustainability, delivering acceptable and affordable services to our community, and planning for the future of our City. The **Resourcing Our Future** public exhibition attracted a high level of community interest, which is pleasing. The Council will decide in December whether to proceed with an application to IPART for a special rate variation to commence in 2015/16. The Council will also consider its short term **Waste Strategy**, which will guide the next phase of waste management in the City.

I hope to report a favourable result of NSW Government approval of our final draft Local Environment Plan (DLEP 2013), in the coming year. I believe our DLEP is the best fit possible to conform to the NSW Government standard template, while retaining the core principles of our current planning framework.

It will be with great excitement that we open the new **Blue Mountains Theatre & Community Hub**, located in Springwood, in March 2015, which will offer modern community and cultural facilities to the Blue Mountains region.

With the **By-election** taking place on 15 November, I look forward to working with a full and united Council and the dedicated management and staff to continue **achieving our strategic goals** over the 4 year term on behalf of residents.

Mark Greenhill, **Mayor**



A BETTER BLUE MOUNTAINS - RESOURCING OUR FUTURE

Blue Mountains City Council has endorsed the next step to resourcing the long term future of the City. At its December 2014 meeting, the Council resolved to make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a special rate variation to achieve acceptable and affordable services for the community. Should the application to IPART be successful, the Council is committed to targeting any additional funding wisely and efficiently to achieve the best possible value for money services for the community.

The large majority of public submissions (78%) were in favour of the Council seeking a special rate variation, which includes a continuation of the successful Environment Levy. A total of 55% supported Option 1, to improve service levels.

Under Option 1, Council can stop the decline in the City's \$1 billion worth of built assets, and have greater capacity to fund renewal and maintenance, prepare and respond to emergencies, improve services to community, and continue to look after the environment.

The cost of Option 1 to residential ratepayers is, on average, \$2.18 per week, or \$113 per year, over 4 years.

The Council will now make an application to IPART, which will assess and determine Council's case for the Option 1 special rate variation. BMCC is one of 32 NSW councils to make an application to IPART for a special rate variation in 2015/16.

A combination of rate pegging, costs rising faster than income, cost shifting by other levels of government, funding cuts, and ageing infrastructure, present very real constraints on NSW councils as well as limited commercial/industrial properties and a challenging urban geography for this Council.

Despite the ongoing and increasing pressures on this, and many other councils in NSW, your council is well managed and financially sound. Council is committed to building a successful future for the City of Blue Mountains by implementing our six point strategy for improving financial sustainability, which includes responsible debt management, finding cost savings and efficiencies, ongoing review of services, and advocacy and partnerships with other levels of government to achieve positive outcomes for the Blue Mountains.

7. Media Press Releases

Press Release 1: 31 March 2014 – Building a Successful Future for the Blue Mountains



News Release

31 March 2014

BUILDING A SUCCESSFUL FUTURE FOR THE BLUE MOUNTAINS

Blue Mountains City Council has set its strategic direction and priorities for the City for the next four years as part of its ongoing commitment to good governance and financial sustainability.

Mayor, Cr Mark Greenhill, said, "The Council has realised a number of significant achievements and is making good progress towards the goal of living within our means by implementing our 10 Year Long Term Financial Plan."

"The Council has shown initiative in developing a six point strategy, as a key part of this Plan, for achieving financial sustainability over the next 10 years. Implementing this strategy, whilst challenging, is critical to building a successful future for our City", he said.

Council's six point strategy aims to: 1. Avoid Shocks 2. Balance the Budget 3. Manage Borrowings Responsibly 4. Increase Income 5. Review and Adjust Services and 6. Increase Advocacy and Partnerships

"Council can confidently demonstrate considerable success in putting the six point plan into action", said the Mayor.

"We have achieved around \$12M in cost savings over the past 7 years, secured over \$87M in grant funding for the community over the past five years, reduced Council's debt levels in the order of \$2.3M annual borrowings, and attracted \$1.8M to assist with bushfire recovery."

"Whilst we are realising some financial improvements now, these strategies are not going to be a quick fix and will take some years before making a real improvement to our bottom line.

Like many councils, the Blue Mountains faces significant financial challenges, in particular, how it can continue to deliver existing services into the future at levels affordable to the Council and acceptable to the community", said the Mayor.

"Our focus will remain on our agreed priorities and projects that pose the highest risks and have a benefit to the majority of the community, as well as strengthen our City's economy. This will involve making some hard decisions in the best interest of the City.

The Council's Six Point plan for financial sustainability positions the Blue Mountains to withstand these challenges and build a successful future", concluded the Mayor.

Council's key planning document, the Delivery Program 2013-2017 (incorporating the annual Operational Plan 2014-2015) will be on public exhibition commencing the end of April. Details of how residents and community can provide feedback on these important plans will be advertised in the coming weeks.

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Image: Blue Mountains City Council's 6 point plan for financial sustainability.

Adrienne Murphy | Team Leader Corporate Communications & Marketing | t 02 4780 5744 | m 0414 195 533
| e amurphy@bmcc.nsw.gov.au

Blue Mountains City Council • council@bmcc.nsw.gov.au • www.bmcc.nsw.gov.au • Locked Bag 1005 Katoomba NSW 2780



News Release

Wednesday 23 July 2014

RESOURCING OUR FUTURE – *Have Your Say*

Blue Mountains City Council (BMCC) is inviting the community to have their say on three options for *Resourcing Our Future*. From Monday 4 August until Monday 15 September, Council's *Resourcing Strategy 2014-2024* and other key documents, detailing these options, will be on public exhibition.

Mayor Cllr Mark Greenhill said: "Our vision is to build a successful future for the Blue Mountains. To achieve this we have developed a Six Point Strategy for improving financial sustainability of the City. A key part of this Strategy is engaging the community on how best we can achieve affordable and acceptable levels of service, given there is insufficient funding to maintain current service levels into the future.

"Within available funding, the Council has worked hard to efficiently deliver the best possible services to the community, and to continuously review our service delivery to ensure value for money. Over the past seven years, we have achieved significant cost savings – in the order of \$13M – while attracting over \$87 million in grant funding.

"Despite our best efforts, costs are rising at a greater rate than our income, other levels of government continue to shift cost on to us, restrict or reduce funding to us and much of our built infrastructure (e.g. roads, footpaths, drainage, community and recreation facilities such as pools, parks and libraries) is old and requires significant investment just to maintain, if not improve it. Currently, 21% of our built assets are in poor condition and this is estimated to increase to 37% over the next 10 years. Put simply, the available funding is insufficient to continue current service levels into the future," Cllr Greenhill said.

"To address these challenges, we have developed three options for community feedback. Two options include obtaining additional revenue through increasing charges above the normal allowed increase (known as rate peg). These options also propose continuing the existing Environment Levy (due to expire in June 2015), which has been costing ratepayers on average 87 cents weekly.

"Under Option 1 (Service Levels Improved), there would be an average weekly increase to residential charges of \$2.18 over four years, while under Option 2 (Service Levels Maintained) there would be an average weekly increase of \$1.69 over four years," he said.

Mayor Greenhill said that under Option 3 (Service Levels Reduced) there would be no increase above the rate peg, however, the Environment Levy could not be renewed.

Have Your Say on the three proposed options for *Resourcing Our Future* over the next 10 years. To find out more please visit: www.bluemountainshaveyoursay.com.au at *Resourcing Our Future* from Monday 4 August. Hard copies of key documents may also be viewed at the front counter of Council's Katoomba office or in Council libraries from this date.

Media inquiries: Adrienne Murphy, BMCC Communications (02) 4780 5744 Mob: 0414 195 533

Background Notes:

What is a rate peg?

In 1977, the NSW Government introduced 'rate pegging' to limit the amount by which councils can increase rate revenue from one year to the next (around 3% per year). Currently, the Independent Pricing and Regulatory Tribunal (IPART) determines council rates, however, it does not take into consideration rising costs and residents' demand for increased services.

As a result, councils are able to apply for a Special Rate Variation (SRV) in order to set rates higher than the rate peg for up to a seven-year period. All councils can apply to IPART for a SRV to seek additional funds above the rate peg to deliver services and infrastructure that the community has requested and the Council is unable to fund within its existing revenue. Put simply, a SRV is a valid solution to achieve financial sustainability for councils.

What is the Environment Levy?

The Environment Levy is paid as part of Council rates and costs the average ratepayer around \$45 p.a. (or 87c per week). The Levy raises around \$1.6 million annually to fund restoration projects across the City's natural environment. The current Levy has been in place since 2005 and expires in June 2015. In 2012-2013, the Environment Levy funded assets across 10,000ha of bushland, including nature-based tourism, and its levels of services included the following activities:

- water quality monitoring at 40+ sites
- rehabilitation of creeks and bushland across 130 sites (including weed control and stormwater pollution management) and restoration of rare and endangered habitats
- maintenance, repair and upgrade of the infrastructure for over 120km of walking tracks; five campsites and 85+ lookouts (including important historical and cultural sites)
- support for 500+ local conservation volunteers contributing over 10,000 hours p.a.
- environmental education programs in local schools.

Background Notes:

Media inquiries: Adrienne Murphy, BMCC Communications (02) 4780 5744 Mob: 0414 195 533

SUMMARY OVERVIEW OF OPTIONS FOR RESOURCING OUR FUTURE

Option 1: Service Levels Improved

Under Option 1, the Council can begin to turn around the decline in the City's built assets (roads, footpaths, drainage, community and recreation facilities), have better capacity to prepare for and respond to emergencies such as bushfires, and continue to look after the environment. This will raise an additional \$28.2 million over four years.

OPTION 1 – IMPACT ON AVERAGE RESIDENTIAL RATES

AVERAGE RESIDENTIAL RATES	Current 2014/15	2015/16	2016/17	2017/18	2018/19	Average Increase
Annual rate	\$1,272*	\$1,310	\$1,436	\$1,574	\$1,725	
Annual increase		\$38	\$126	\$138	\$151	\$113
Weekly increase		\$0.73	\$2.42	\$2.65	\$2.90	\$2.18

* Current rates for 2014/15 include the Environment Levy

Option 2: Service Levels Maintained

Under Option 2, the decline in the City's built assets (roads, footpaths, drainage, community and recreation facilities) is halted and we maintain our current capacity to look after the environment. This will raise an additional \$20.9 million over four years.

OPTION 2 – IMPACT ON AVERAGE RESIDENTIAL RATES*

AVERAGE RESIDENTIAL RATES	Current 2014/15	2015/16	2016/17	2017/18	2018/19	Average Increase
Annual rate	\$1,272*	\$1,310	\$1,407	\$1,511	\$1,623	
Annual increase		\$38	\$97	\$104	\$112	\$88
Weekly increase		\$0.73	\$1.87	\$2.00	\$2.15	\$1.69

* Current rates for 2014/15 include the Environment Levy

Option 3: Service Levels Reduced

Under Option 3, the City will need to reduce service levels and go to a "worst first" approach to manage risk. The proportion of the City's built assets (roads, footpaths, drainage, community and recreation facilities) in poor condition increases to 37% over 10 years and our capacity to look after our natural environment is significantly reduced.

OPTION 3 – IMPACT ON AVERAGE RESIDENTIAL RATES*

AVERAGE RESIDENTIAL RATES	Current 2014/15	2015/16	2016/17	2017/18	2018/19	Average Increase
Annual rate	\$1,272*	\$1,266	\$1,304	\$1,343	\$1,383	
Annual increase		-\$6	\$38	\$39	\$40	\$28
Weekly increase		-\$0.29	\$1.75	\$1.83	\$1.87	\$0.53

* Current rates for 2014/15 include the Environment Levy

Media inquiries: Adrienne Murphy, BMCC Communications (02) 4780 5744 Mob: 0414 195 533



Letter to Editor

29 August 2014

Understandably, the community has asked questions about Council's financial predicament prompted by the resignations of former councillors Stock and Williamson.

As I have said before, despite our best efforts, costs continue to rise faster than our income. We have reduced costs considerably, achieved significant savings, managed borrowings responsibly, adjusted our services, implemented more efficient ways of doing business, and sought funding from State and Federal governments. This is before considering the possibility of rate variations. I am confident in saying we have successfully turned the ship around as fast as we could, but the pressures on this, and many other councils, to do more with less, is just too great.

Our Council is not alone in considering how to continue delivering acceptable and affordable levels of service in the future. 32 applications for a special variation were made by councils across NSW to increase the income they receive from rates in 2014/15. We are often compared to other councils, but our LGA is like no other. We are different to high density cities and even regional town centres.

The Council has forensically examined every aspect of its business in recent years. As a result, we have a strong strategic planning framework, recognised by the NSW Government as leading practice. A recent Review of Local Government recommended BMCC remain unchanged and on its chartered course towards financial sustainability. Further, a recent NSW Treasury Corporation review stated that the Council has been well managed and its performance is satisfactory, also recognising the Council is not in a position to fund the maintenance and renewal of its built infrastructure. Despite the challenges facing Council, and the impact of the October 2013 bushfires, we achieved over 90% of the actions we set out to do in the last financial year, with a balanced end of year budget, and a modest surplus.

The Council had broad ranging and deeply considered discussions and on the options for resourcing our future, including staffing levels, over the course of many months, prior to the commencement of the current community consultation, in which all Councillors had the opportunity to participate. We will stay true to our commitment to asking our community their preferred option for *Resourcing Our Future*. Extensive information is available to the community, answering many of the questions asked, and much more. Council is serious about listening to what you have to say.

Mayor, Cr Mark Greenhill

Words: 395

Media inquiries: Adrienne Murphy, Communications Officer (02) 4780 5744 Mob: 0414 195 533

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News Release

26 September 2014

COUNCIL THANKS COMMUNITY FOR INPUT ON RESOURCING OUR FUTURE

Blue Mountains City Council is now considering over 4,000 public submissions on the three resourcing options, recently on public exhibition, with a preliminary assessment of results showing that approximately four out of five submissions (80%) support the Council in seeking a special rate variation, that includes a continuation of the Environment Levy.

Mayor, Cr Mark Greenhill, said, "I would like to thank the community for their interest in, and feedback on, Council's Resourcing Our Future proposal.

I am encouraged by the unrivalled number of submissions received by Council, stating the preferred option for acceptable and affordable services in the future and feedback on the 10 year Resourcing Strategy. This is the highest number of submissions received by the Council on any matter, ever."

A summary of the preliminary results indicate approximately 56% of formal submissions selected Option 1 (Service Levels Improved) with almost 24% selecting Option 2 (Service Levels Maintained). Both Option 1 and 2 would require a special rate variation, including continuation of the Environment Levy. Approximately 20% of submissions selected Option 3 (Service Levels Reduced), preferring no special rate variation and discontinuation of the Environment Levy, which ends in June 2015. These results were consistent across the City and were closely echoed across the various methods of consultation.

"I welcome community opinion on improving our services and addressing our financial challenges", said the Mayor. "I also welcome the diverse viewpoints on this issue. We genuinely wanted to hear what the community had to say, and we have done just that.

The Council has demonstrated a great deal of leadership in this significant community consultation on the future needs of our City and resourcing our future."

The Resourcing Our Future public exhibition was held throughout August and September for a period of 43 days rather than the minimum 28 days required by law. Council went to considerable effort to ensure the community had a range of opportunities to view the extensive documentation providing detailed financial, asset, workforce and service information, to inform their submission, which could be made in a number of ways.

A variety of community engagement opportunities were conducted, additional to the Independent Pricing and Regulatory Tribunal (IPART) requirements. In addition to the direct mail out to ratepayers, an independent research firm conducted a telephone survey of a representative sample of ratepayers, followed by a series of three hour workshops across the City, also with a random cross section of residents. An online rating calculator was also made available to assist ratepayers in understanding the impact of each resourcing option on their rates.

2 Civic Place/Locked Bag 1005/Katoomba NSW 2780 T 02 4780 5000 F 02 4780 5555

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The Mayor said, "I am proud to say that including the community in the conversation on Resourcing Our Future in the way we have, above and beyond the IPART requirements, is an approach that we will all benefit from."

Despite the ongoing and increasing pressures on this, and many other councils in NSW, your council is well managed and has proven success in improving its financial performance said the Mayor.

"However, the pressure from State and Federal governments for local councils to do more with less, is just too great. Put simply, the available funding is insufficient to continue current service levels into the future."

Council will continue to undertake a full analysis of the outcomes of the community engagement, which concluded on Monday 15 September, and prepare a comprehensive report to the Council.

Taking into consideration the outcomes of the community engagement, the Council will resolve at its December meeting, which resourcing option to proceed with, and whether to proceed with an application for a special rate variation to commence in 2015/16.

"In the meantime, the Council will continue its efforts in implementing our Six Strategies for Financial Sustainability, one of which is to increase income, and delivering a wide range of services across the City", the Mayor concluded.

Media inquiries: Adrienne Murphy, BMCC Communications (02) 4780 5744 Mob: 0414 195 533



News Release

10 December 2014

COUNCIL ENDORSES NEXT STEP FOR RESOURCING OUR FUTURE

Blue Mountains City Council has endorsed the next step to resourcing the long term future of the City. At its recent meeting, the Council resolved to make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a special rate variation to achieve acceptable and affordable services for the community.

Mayor, Cr Mark Greenhill, said, "The community has spoken. The large majority of public submissions (78%) were in favour of the Council seeking a special rate variation, which includes a continuation of the successful Environment Levy. A total of 55% supported Option 1, to improve service levels.

Under Option 1, Council can stop the decline in the City's \$1 billion worth of built assets, and have greater capacity to fund renewal and maintenance, prepare and respond to emergencies, improve services to community, and continue to look after the environment."

The cost of Option 1 to residential ratepayers is, on average, \$2.18 per week, or \$113 per year, over 4 years. For business ratepayers, the average increase to rates is \$5.25 per week or \$273 per year, over 4 years.

"The Council is not going to disregard the views of the community" said the Mayor.

"Our community engagement was sound, comprehensive and far reaching. It meets the IPART requirements, it is statistically valid, the community was certainly informed and every ratepayer contacted. Council received the highest number of submissions ever received on any matter."

The Council will now make an application to IPART, which will assess and determine Council's case for the Option 1 special rate variation.

The Mayor said, "Should Council's application to IPART be successful, we will keep faith with the community, who, quite rightly, expect improved services, in return for their contribution to resourcing our future."

"There is no question this is a tough decision for the Council but to Do Nothing is not an option", said the Mayor. "Our driving purpose is to respond to the voice of our community and provide the best value services we can to meet needs and improve our City. Increasing rates is a means to this end.

Special rate variations are a reasonable and legitimate avenue for councils to provide affordable and acceptable levels of service, when combined with our other strategies. In 2014/15 alone, 32 NSW councils made an application to IPART for special rate variations."

A combination of rate pegging, costs rising faster than income, cost shifting by other levels of government, funding cuts, and ageing infrastructure, present very real constraints on NSW councils as well as limited commercial/industrial properties and a challenging urban geography for this Council.

"We now have another hoop to jump through to prove to the NSW Government that BMCC is fit for the future, as do all councils", said the Mayor.

"Despite the ongoing and increasing pressures on this, and many other councils in NSW, your council is well managed and has proven success in improving its financial performance", said the Mayor.

"I am confident that the Council has gone to considerable lengths to reduce costs, achieve savings, manage borrowings responsibly, review services, implement more efficient ways of doing business, and seek funding from State and Federal governments, before we considered taking this step."

In fact, the Council resolved at the same meeting, to enter into a for a waste and recycling services contract, which will potentially deliver a saving of approximately \$30 per household per year on the current domestic waste management charge.

"Immediately, this would help to offset the average cost of a special rate variation to residents" the Mayor said. "It could also mean a saving of almost \$10 million to council over 10 years that, with the benefits shared by ratepayers and residents."

Council will continue its efforts in implementing our Six Strategies for Financial Sustainability, one of which is to increase income, and building a successful future for the Blue Mountains", the Mayor concluded.

Media inquiries: Adrienne Murphy, BMCC Communications (02) 4780 5744 Mob: 0414 195 533

8. Information published in the Blue Mountains Gazette

This section provides copies of the advertisements which were published in the Blue Mountains Gazette during the *Resourcing Our Future* public exhibition period. There were three half-page display ads, four public notices in the Council Communicator Column and a mention in the Mayor's Column.

Also included is a selection of local newspaper articles that were published in response to the *Resourcing Our Future* community engagement process.


Half page display ad published in the Gazette on 6 August 2014

Resourcing OUR FUTURE

HAVE YOUR SAY

on options for achieving a better

BLUE MOUNTAINS



Council's vision is to build a successful future for the Blue Mountains and improve the wellbeing of our community and environment. We are working hard to achieve this with our 6 Point strategy for financial sustainability, but it is not a quick fix. How well we can achieve this vision is impacted on how much revenue we have. The Council is asking residents to consider their preferred option for Resourcing Our Future over the next 10 years. It is important that you know what Council is already doing to provide the best possible services to the community, within available funding.

WHAT IS THE COUNCIL DOING TO BE EFFICIENT?

- ☒ reduced costs
- ☒ achieved savings (\$12M in 7 years)
- ☒ managed borrowings responsibly (reduced debt level \$2.3M)
- ☒ adjusted our services
- ☒ balance our annual budget each year
- ☒ Increased income from commercial activities
- ☒ implemented more efficient ways of doing business
- ☒ sought State & Federal government funding (\$87M in 5 yrs)
- ☒ offer value for money services

3 OPTIONS

Average Weekly Increase Each Year (over 4 years)*	Option 1 IMPROVED	Option 2 MAINTAINED	Option 3 REDUCED
Average Residential	\$2.18	\$1.69	\$0.53
Average Business	\$5.25	\$4.07	\$1.29
Average Farmland	\$3.46	\$2.68	\$0.85
Existing Environment Levy	Continued	Continued	Discontinued

*For average ratepayer

FOR MORE INFORMATION

Information on *Resourcing Our Future* is available:

Online: www.bluemountainshaveyoursay.com.au
Hardcopy: Katoomba office and Council libraries
Email: council@bmcc.nsw.gov.au

HAVE YOUR SAY

Tell us your preferred option by

Online: www.bluemountainshaveyoursay.com.au
Reply paid: submission form in the brochure to households
Phone survey: if you receive a randomly selected call in mid-August

COMMUNITY CONSULTATION

4 AUGUST – 15 SEPTEMBER 2014

Half page display ad published in the Gazette on 20 August 2014

Resourcing OUR FUTURE

The Council is asking residents to consider their preferred option for *Resourcing Our Future* over the next 10 years so we can continue to provide the best possible services to the community, within available funding. Here is the answer to some commonly asked questions.

Why is Council asking to increase rates?

Council is asking the community to consider 3 options, one of which is a nil increase to rates (above rate peg) • Despite our best efforts, costs continue to rise faster than our income • Much of our \$1 billion worth of built infrastructure (e.g. roads, footpaths, drainage, pools, parks, libraries) is old and requires significant investment just to maintain, if not improve • Rate pegging set by the NSW Govt. over 37 years has not reflected the true costs to Local Govt. in managing approx. 36% of the nation's infrastructure with around 3% of national taxation revenue • State and Federal governments continue to shift costs on to councils and have significantly reduced local government funding • Our Council is not alone in addressing this challenge • 32 applications for a special variation were made by local councils across NSW to increase the income they receive from rates in 2014/15.

Can Council save money by being more efficient?

Council has reduced costs • achieved savings (\$13M in 8 years) • managed borrowings responsibly (reduced debt by \$2.3M) • adjusted our services • increased revenue from commercial activities • secured funding from State and Federal governments (\$87M in 5 years) • A recent NSW Treasury Corporation review of Council stated that the Council has been well managed and its performance is satisfactory, also recognising the Council is not in a position to fund the maintenance and renewal of its built infrastructure.

Haven't rates already gone up recently?

Any increases in the 2014/2015 rates are a result of three factors • firstly, the annual allowable rate peg increase of 2.3% for 2014/2015 • secondly, individual rates are impacted by the land valuations undertaken by the NSW Dept of Lands (Valuer General) and issued in January 2014 • and the reform of the rating structure which commenced in July 2012, to meet *Local Government Act 1993* requirements for the rating structure to be simple, fair and broadly uniform • Land valuations and rating structure do not increase revenue, they only affect how rates are calculated & distributed amongst the City's ratepayers

Why does BMCC have higher costs than other councils?

Comparisons with other councils in NSW are difficult because of the unique nature of the City and requirements of our community • The Blue Mountains is a significantly larger area with limited potential for urban growth, relative to many other areas • with additional challenges resulting from the population of approximately 78,000 being dispersed along a ribbon settlement pattern of 27 townships • with a population density of 54 people per sq.km • extending 100km across predominantly mountainous ridgeline terrain amongst a World Heritage listed environment.

Wouldn't more development increase Council's income?

The Blue Mountains has limited opportunity for urban growth due to its sensitive environment • the Council will be reviewing opportunities for growth as part of a Residential Strategy • Any additional income from urban growth would be limited and only increase rates revenue progressively over time, which does not address the current financial challenge.

What will the extra rates revenue be spent on?

Expenditure will be guided by the Council's 10-year Resourcing Strategy • Any additional income will be targeted to managing high priority risks and community requirements in our Built infrastructure; Emergency preparedness and response; Community services; and Natural environment.

Can I have a say on how our rates are spent?

Yes, each year Council presents a plan detailing its proposed service delivery program, actions, projects, budget, fees and charges • All residents are welcome to comment on the annual Delivery Program / Operational Plan which is placed on public exhibition in April/May each year.

Where can I find more information before I have my say?

Yes, a lot of useful information, and an online Rates Calculator, is available during the public exhibition period • see www.bluemountainshaveyoursay.com.au or from Council's Katoomba office and libraries (except Springwood).

COMMUNITY CONSULTATION 4 AUGUST – 15 SEPTEMBER 2014

FOR MORE INFORMATION

Online: www.bluemountainshaveyoursay.com.au

Hardcopy: Council's Katoomba office and libraries

Email: council@bmcc.nsw.gov.au

HAVE YOUR SAY

Tell us your preferred option by:

Online: www.bluemountainshaveyoursay.com.au

Reply paid: submission form in the brochure to ratepayers

Phone survey: if you receive a randomly selected call in mid-August




Half page display ad published in the Gazette on 3 September 2014

Resourcing OUR FUTURE

HAVE YOUR SAY

on options for achieving a better

BLUE MOUNTAINS



Council's vision it to build a successful future for the Blue Mountains and improve the wellbeing of our community and environment. To do this we, need to live within our means and balance delivery of the best possible emergency, community and environmental services within available funding—just like a household.

Council is encouraging the Blue Mountains community to find out more and have your say on the 3 options for Resourcing Our Future.

WHAT IS THE COUNCIL DOING TO BE EFFICIENT?

- ☒ reducing costs
- ☒ achieving savings (\$13M in 8 years)
- ☒ managing borrowings responsibly (reduced debt by \$2.3M)
- ☒ reviewing and adjusting our services
- ☒ balancing our annual budget each year
- ☒ increasing income from commercial activities
- ☒ implementing more efficient ways of doing business
- ☒ seeking State and Federal Govt. funding (\$87M in 5 yrs)
- ☒ delivering value for money services
- ☒ asking the community to consider 3 options, one of which is a nil increase to rates (above allowable rate peg)

IMPORTANT THINGS TO KNOW?

- 1 Detailed, accurate information is available for public view
- 2 Council's strategy for financial sustainability is working well but it is not a quick fix. Council manages over \$1 billion worth of assets
- 3 Council is viable. Despite a challenging year, Council achieved over 90% of the 2013-14 actions and a modest budget surplus in 2013-14
- 4 Our City is like no other with 27 dispersed towns & villages in 10,000ha of World Heritage Area bushland prone to natural disasters
- 5 Council's strong planning framework, sound budget position, as well as our infrastructure backlog, are recognised by NSW Govt. agencies
- 6 Rates are based on NSW Valuer-General land valuations and affected (+ and -) by the rating structure reform required of council
- 7 Rate pegging has occurred in NSW for over 37 years
- 8 Costs continue to rise faster than our income
- 9 All councils are being asked to do more with less
- 10 Many NSW councils consider rate variations each year

COMMUNITY CONSULTATION

4 AUGUST – 15 SEPTEMBER 2014

FOR MORE INFORMATION

Online: www.bluemountainshaveyoursay.com.au
Hardcopy: Council's Katoomba office and libraries
Email: council@bmcc.nsw.gov.au

HAVE YOUR SAY

Online: www.bluemountainshaveyoursay.com.au
Reply paid: submission form in the brochure to ratepayers

Mayor's Column published in Blue Mountains Gazette on 30 July 2014

28 The Blue Mountains Gazette, Wednesday, 30 July, 2014

www.bluemountainsgazette.com.au



MAYOR'S COLUMN: JULY 2014

I am pleased to share the results of the annual **2014 Community Survey** assessing resident perceptions of Council's performance in delivering services and facilities; value for money from rates; and the top issues of concern to residents. The Council achieved the highest score to date for overall residents' satisfaction and value they receive for their rate

dollar. I am most proud of the high level of satisfaction residents had with Council staff and rise in satisfaction with the performance by Councillors. I accept there is room for improvement on every measure of the survey and assure you of our motivation to improve our survey result by doing the best we can to deliver affordable and acceptable levels of service within available resources. The full Community Survey Report 2014 can be viewed on Council's website.

It follows to tell you about Council's progress in implementing our Six Point Strategy for improving financial sustainability, which guides our commitment to building a successful future for the Blue Mountains. A key part of this Strategy is engaging the community on how we can best achieve affordable and acceptable levels of service, given there is insufficient funding to maintain current

service levels into the future. Council is proposing three options, each with different costs and challenges, for residents to consider for **resourcing our future** over the next 10 years.

Another important consultation coming up is the Council's **draft Waste Strategy**. This strategy is the next step in our journey to continually improve the performance of Council's waste service. Council and the community have achieved considerable success in reducing the waste sent to landfill and improving resource recovery, but there is more to do. The draft Waste Strategy guides the next phase of waste management supported by strong evidence, including extensive community consultation and technical research.

I invite and encourage all residents to contribute to the conversations with Council on these significant issues for our City. The easiest way to do this is visit Council's online community engagement forum www.bluemountainshaveyoursay.com.au or see the regular public notice in the Council News in this paper.

I proudly introduce the **Blue Mountains Theatre and Community Hub** as the name for the new community and cultural facility located on the former Springwood Civic Centre site. A new name is appropriate given the significant investment in this project and the new era for the community facility. The Council unanimously agreed that the new name represents the future use

of the new facility well and reflected its importance as a city-wide community asset. We are at an exciting part of the project where we see the architectural plans turning into a reality with significant construction work happening in the last two months.

It is with great enthusiasm that I express Council's acknowledgement and congratulations to the four Blue Mountains based artists who have been selected as finalists for three of the most prestigious art prizes in NSW - Robert Malherbe, 2014 Wynne Prize Finalist; Leo Robba, 2014 Sulman Prize finalist; Michael Bales and Matthew Lynn, 2014 Archibald Prize finalists. To be selected as a finalist in these awards from a field of Australia's most recognised painters is a major achievement.

The Council would also like to congratulate 18 year old Winmalee resident, Ms Anja Nissen for winning the reality TV show 'The Voice'. Ms Nissen's grandparents lost their home in the October 2013 bush fires, and she was evacuated from her HSC exams at Winmalee High School. Her victory is an endorsement of the spirit and resilience of the community. As Blue Mountains residents we can be proud that such creative talent can be found across our region. Given the progress on the Blue Mountains Theatre and Community Hub and the success of our local artists, the Blue Mountains is certainly living up to its reputation of the first City of the arts in NSW.

COUNCIL MEETING

DEVELOPMENT NOTICES

DEVELOPMENT DETERMINATIONS

Public notice published in the Communicator Column on 6, 13 & 27 August 2014

30. The Blue Mountains Gazette, Wednesday, 6 August, 2014.



The City within a World Heritage Area National Park

COUNCIL MEETING

The next Ordinary Meeting of the Council is scheduled to be held on **Tuesday 19 August 2014** commencing at 7:00pm in the Council Chambers, 2 Civic Place, Katoomba.

Business Papers are available for inspection for Ordinary Council Meetings on the Council's website and at the Council offices and libraries on the Wednesday morning preceding the meeting.

Persons wishing to address the Council must register with the Council Administration Officer present in the Council Chamber, between 6:30pm to 6:55pm, prior to the commencement of the meeting. Registrations may also be made prior to the meeting by completing a Registration Form (download from www.bmcc.nsw.gov.au/yourcouncil/councilmeetings) and submitting it by email or fax to Executive Services during business hours.

Council papers and Minutes are available at www.bmcc.nsw.gov.au/yourcouncil/councilmeetings

PUBLIC NOTICES

Notice for Extraordinary Council Meeting on 14 August 2014 – Draft Local Environmental Plan 2013 (Site Specific Matters from Mount Irvine to Wentworth Falls)

The Council report on Draft Local Environmental Plan 2013 (DLEP 2013) Public Exhibition and Review Process to the Council meeting of 27 May 2014 (item 14) proposed a series of Extraordinary Council meetings be held to deal specifically with matters raised from submissions. The third of these Extraordinary Council meetings will be held **Thursday 14 August 2014** commencing at 7:00pm in the Council Chamber, 2 Civic Place, Katoomba.

This Extraordinary Council meeting will consider matters arising from submissions dealing with site specific matters for properties from **Mount Irvine to Wentworth Falls**. All members of the public are invited to attend this meeting.

A future Extraordinary Council meeting will address site specific and mapping matters for properties from Bullaburra to Lapstone and these will be notified accordingly.

The Business Paper for this meeting will be available for inspection at Council's Libraries and Offices on the Friday afternoon preceding the meeting on 8 August 2014 and also available on the Council Website, www.bmcc.nsw.gov.au/yourcouncil/councilmeetings from that time. Please note: a submitter did not need to be the owner of a property in order to make a submission on a particular property. A list of properties that are being considered at the 14 August 2014 Extraordinary Council meeting will be available the Friday afternoon preceding the meeting on 8 August 2014 on the following website: <http://bluemountainshaveyoursay.com.au/draftlep2013>.

In the week prior to the Council meeting written communications will be sent to individual submitters whose issues are being considered at this meeting. These submitters will be advised of the particulars of the meeting and the process to address the Council at the meeting. In particular, they will be advised to review the Council report to see how their submission on a particular property was reviewed and assessed and the recommendations arising for consideration by the Council at the meeting.

Resourcing Our Future – Have Your Say

Have Your Say on options for achieving a better Blue Mountains from 4 August until 15 September 2014. Two options propose a special rate variation including continuation of the Environment Levy. This will provide funding to improve or maintain our ageing built assets (roads, drainage, community and recreation facilities), improve or maintain our capacity to respond to emergencies such as bushfires, and support continuation of environmental protection and restoration. A third option proposes no increase to rates above the allowed rate peg, which will result in a reduction in service levels. Here is what the three options look like for residential ratepayers – an average weekly rate increase, each year for the next four years, of:

- Option 1** (Service Levels Improved): \$2.18 per week
- Option 2** (Service Levels Maintained): \$1.69 per week
- Option 3** (Service Levels Reduced): \$0.53 per week (no increase above rate peg)

For more information and to Have Your Say visit: www.bluemountainshaveyoursay.com.au and click Resourcing Our Future or view documents at Council's Katoomba office or in libraries.

Katoomba Office **Springwood Office** **Tele**
Civic Place, Katoomba 104 Macquarie Rd, Springwood
Opening Hours: 8:30am-5:00pm Opening Hours: 10:00am-5:00pm Fax

***Temporary Closure Springwood
Monday 4 August**

Public Exhibition: The Draft Waste Strategy

The Draft Waste Strategy is on public exhibition from **Friday 1 August – Monday 8 September 2014**. There are a number of reference documents that support the full Draft Waste Strategy. These are:

- Draft Waste Strategy Summary, 2014
- Council Report, July 2014
- Waste Management Options Study, 2013
- Community Consultation Report, 2013
- Waste Consultation Booklet, March 2013
- Council Report, October 2012

The full Draft Waste Strategy and these reference documents can be viewed at www.bluemountainshaveyoursay.com.au and at Council's Katoomba office and Council's branch libraries (except Springwood). Following consideration of these documents you are invited and encouraged to provide your feedback through: Online submission on www.bluemountainshaveyoursay.com.au or by Mail or on the email listed below.

Are You Sensitive to Chemicals?

Some people are sensitive to certain chemicals. Council is continually updating its Chemically Sensitive Register. This is a list of residents who wish to be notified prior to Council spraying in the proximity of their property. Adequate notice and timeframes will be given to allow time for people to vacate the area whilst the spraying process is underway.

If you wish to be included on Council's Chemically Sensitive Register please write to:

Mr Dave Whitehead, Bushland Operations Team Leader, Blue Mountains City Council, Locked Bag 1005, KATOOMBA NSW 2780. Council adheres to best practice guidelines in its use of chemicals, which includes the use of herbicides with the least toxic constituents that are effective and economical. Council also endeavours to use the least amount of herbicides necessary to be effective. All Council's weed control staff are trained in Conservation and Land Management and safe use and storage of chemicals.

Council's Noxious Weed Operations

For the months of June, July & August 2014, Council's Noxious Weeds Team will be treating the following weeds throughout the mountains:

High/Low Volume Spraying**Target Species**

Coolatui Grass and Pappas Grass using Glyphosate 360g/L. African Lovegrass using Flupropate. Cape Broom using Metsulfuron methyl and Green Centurion using Triclopyr/Picloram/Aminopyralid.

Cut and Paint**Target Species**

Boneseed, Privet, Lantana, Bamboo, Scotch Broom, Pampas Grass using Glyphosate 360g/L.

Targeted Opportunistically

Crofton Weed using Glyphosate 360g/L. Portuguese Heath and Himalayan H. methyl.

In addition to the above occur. Should you have please contact Council

Areas of Focus

Council's Noxious Weed townships which are the Target areas are determined by:

- The presence of Environmental Communities
- Negative impacts to an area
- Bushcare or Landcare
- Other teams within environmental focus
- Drainage systems

Once an area has been area is divided into zones each zone is inspected for noxious weeds. This Public Lands Program, the growing season prior Temporary Closure. Customer Service C As part of the Blue N Cultural Facility upgrade and Council's Customer temporarily closed from **Monday 8 September** and integration with the Springwood Cust

not due to re-open until **Monday 8 September 2014**. Council rates can be paid by the following methods: Direct Debit, telephone, mail, payment in person at Council's Katoomba office, B-Pay or at Australia Post as per your 'Rates Notice Payment Options' on your 'Rates and Charges Notice'. For any Council enquiries please call **47235000**. Alternate branch libraries are located at Blaxland, Lawson, Wentworth Falls, Katoomba and Blackheath.

Public Exhibition Fees and Charges 2014 – 2015 Correction

A correction to the Waste Resource Management Fees and Charges for 2014 – 2015 is currently on public exhibition. It is proposed that the "Mixed waste containing mattresses" fee be corrected to \$306 per tonne. The document will be on public exhibition until Tuesday the 19 August 2014. Documents can be viewed by at www.bmcc.nsw.gov.au/yourcouncil/councilmeetings/2014meeting/s/22july2014 item 9.

For more information please contact Rebecca Tempest, Sustainable Waste & Resource Management on **4780 5621** or council@bmcc.nsw.gov.au

POSITIONS VACANT

For exciting Career Opportunities at Blue Mountain City Council please see the positions vacant section of this paper and visit our website www.bmcc.nsw.gov.au

DEVELOPMENT NOTICES**Development Determinations**

Applications Determined Between 15/07/14 to 21/07/14

Approved

BLACKHEATH
X/553/2014 - 9-11 Cecil Rd, adds/alts to dwelling

BLAXLAND
X/524/2014 - 15 Rock Wallaby Way, pool

GLENBROOK
X/607/2014 - 73 King St, pool

KATOOMBA
X/409/2014 - Katoomba High School 42-84 Martin St, monthly Farmers Market with temporary structures/stalls

X/538/2014 - Katoomba RSL Club 70-86 Lurline St, temporary use for car display and markets in car park on 16 August 2014

X/548/2014 - 36 Parke St, advertising signage and awning

MOUNT IRVINE
X/478/2014 - Carisbrook 24-32 Danes Way, shed

MOUNT RIVERVIEW

Resourcing Our Future – Have Your Say

Have Your Say on options for achieving a better Blue Mountains from 4 August until 15 September 2014.

Two options propose a special rate variation including continuation of the Environment Levy. This will provide funding to improve or maintain our ageing built assets (roads, drainage, community and recreation facilities), improve or maintain our capacity to respond to emergencies such as bushfires, and support continuation of environmental protection and restoration. A third option proposes no increase to rates above the allowed rate peg, which will result in a reduction in service levels. Here is what the three options look like for residential ratepayers – an average weekly rate increase, each year for the next four years, of:

- Option 1** (Service Levels Improved): \$2.18 per week
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- Option 3** (Service Levels Reduced): \$0.53 per week (no increase above rate peg)

For more information and to Have Your Say visit: www.bluemountainshaveyoursay.com.au and click Resourcing Our Future or view documents at Council's Katoomba office or in libraries.

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www.bluemountainsgazette.com.au

*The City within a World Here***COUNCIL MEETING**

The next Ordinary Meeting of the Council is scheduled to be held on **Tuesday 16 September 2014** commencing at 7pm in the Council Chambers, 2 Civic Place, Katoomba. Business Papers are available for inspection for Ordinary Council Meetings on the Council's website and at the Council offices and libraries on the Wednesday morning preceding the meeting.

Persons wishing to address the Council must register with the Council Administration Officer present in the Council Chamber, between 6:30pm to 6:55pm, prior to the commencement of the meeting.

Registrations may also be made prior to the meeting by completing a Registration Form (download from www.bmcc.nsw.gov.au/yourcouncil/councilmeetings) and submitting it by email or fax to Executive Services during business hours. Council papers and Minutes are available at www.bmcc.nsw.gov.au/yourcouncil/councilmeetings.

PUBLIC NOTICES**Temporary Closure of Springwood Library and Customer Service Counter**

Due to wet weather impacting on work, the scheduled reopening of Springwood Library, Council Customer Service counter and the Library car park have been delayed.

The Library and Customer Service counter will now reopen on **Monday 22nd September** and the car park will reopen on **Saturday 27th September** - weather permitting.

During this time the After Hours Book Bin will remain open for items to be returned and other library branches can be called to renew items over the phone. Rate payments can be made by the following methods: Direct Debit, B-Pay, Telephone, Mail, Personal payment at Katoomba Headquarters or at Australia Post. For any Council enquiries please ring 4780 5000 for connection to Katoomba Headquarters Call Centre staff who will help with your enquiry.

Blue Mountains Local Heritage Places Fund 2014-15

Blue Mountains City Council with the aid of NSW Heritage Division is offering funding to owners of heritage

listed places to carry out sympathetic repairs or restorations. A total fund of approximately \$20,000 may be shared amongst a number of small eligible projects.

Priority will be given to stonework repairs and projects in Central Katoomba, but other projects will be considered. Grants are offered on a dollar for dollar basis with the successful applicant and must be completed by April 2015.

For full details and to download Guidelines and an Application Form go to Council's website or contact 4780 5740. Applications close 5pm, Friday 26th September 2014.

Oval Spraying Operations

During September, October & November 2014, Council's Sporting Ovals Section will be spraying broad leaf weeds and grasses on the following Ovals.

Leura Oval, Murray Oval, Wentworth Falls, Lapstone Oval, Glenbrook Oval, Tom Hunter Oval using the herbicide Kamba - M, Active Constituents - Dicamba, MCPA, Mecoprop, Roundup bioactive, Active Constituent - Glyphosate.

Summerhayes Oval Winmalee, Warrimoo Oval, using the herbicide Kamba - M, Active Constituent - Dicamba, MCPA, Mecoprop, Destiny Herbicide, Active Constituent - 100 g/kg iodosulfuron-methyl-sodium, DSMA Herbicide, Active Constituent - 220 g/L DSMA, Monument Herbicide, Active Constituent - Trifloxysulfuron sodium, Roundup bioactive, Active Constituent - Glyphosate.

Glenbrook Park using the herbicide Kamba - M, Active Constituents - Dicamba, MCPA, Mecoprop, Destiny Herbicide, Active Constituent - 100 g/kg iodosulfuron-methyl-sodium.

This spraying will only take place if the weather permits. For any enquiries regarding these activities please contact Blue Mountains City Council on 4780 5000.

Resourcing Our Future - submissions close Monday

As we near the end of the public exhibition period for the Resourcing Our Future consultation on **Monday 15 September**, Council is encouraging ratepayers and residents to have your say on how we can best achieve affordable and acceptable levels of service for the Blue Mountains.

Katoomba Office 2 Civic Place, Katoomba Opening Hours: 8.30am - 5.00pm	Springwood Office 104 Macquarie Rd, Springwood Opening Hours: 10.00am - 5.00pm
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Resourcing Our Future - submissions close Monday

As we near the end of the public exhibition period for the Resourcing Our Future consultation on **Monday 15 September**, Council is encouraging ratepayers and residents to have your say on how we can best achieve affordable and acceptable levels of service for the Blue Mountains.

Three options are presented for the community to consider and to suggest a preferred option for Council to balance delivery of the best possible community, emergency and environmental services within available funding.

- **Option 1 (Service Levels Improved)**
- **Option 2 (Service Levels Maintained)**
- **Option 3 (Service Levels Reduced)**

For detailed information and to **Have Your Say** visit: www.bluemountainshaveyoursay.com.au and click Resourcing Our Future or view documents at Council's Katoomba office or in libraries.

Pages 125-134 have been
omitted from this version.

9. Responses to submissions

Set out below is the Council's response to some of the most common issues of concern raised in submissions received on the options for *Resourcing Our Future*. A team of staff was made available to answer questions individually and respond to telephone enquiries as required.

More than 150 letter and email responses were sent to Blue Mountains residents in relation to comments raised in submissions, or enquiries relating to the options for *Resourcing Our Future*.

Table 2: Response to common issues raised in submissions on *Resourcing Our Future*

Comment Raised	Response
<i>Perception that Council needs to be more efficient/ target funding well/ not waste money</i>	<p>Over the past decade, the Council has worked hard to implement a range of strategies to reduce and contain costs, improve productivity and efficiency, and raise further revenue. Given that costs are rising in real terms by 2% more than income, the Council has had to find savings in the order of \$1 million to \$1.5 million each year to balance its budget. It is estimated that over the past eight years we have saved more than \$13 million from direct action taken to reduce our operating costs and provide value for money services. Examples of achievements are set out in <i>Information Sheet 3: Cost Savings, Efficiencies and Revenue Initiatives</i>.</p> <p>The Council is committed to ongoing continuous review of its services to ensure value for money for the community. For example the review of the Council's Tourist Parks has resulted in a net return of \$1.7M over the past 5 years and the Sealing of Unsealed roads program has resulted in ongoing savings of \$200K per annum.</p>

Comment Raised	Response
<p><i>Can't afford an increase/affordability concerns</i></p>	<p>In determining the percentage increases under Option 1 and Option 2, ratepayer's capacity to pay was assessed and taken into consideration (in addition to a range of other factors including impacts of affordable levels of service provision on the community).</p> <p>Our initial assessment of capacity to pay indicates that while there are financially challenged residents, the majority of residents within the City appear to have some capacity to pay additional rates. However, most importantly, the Council was committed to testing community willingness and capacity to pay through its extensive <i>Resourcing Our Future</i> community consultation process.</p> <p>The assessment of capacity to pay to date has included consideration of a range of information and measures including:</p> <ul style="list-style-type: none"> • Blue Mountains average weekly household incomes (\$1270) are above the NSW (\$1237) and national (\$1234) average; • Our unemployment rate (4.9%) is lower than that of the State, Western Sydney and the rest of NSW; • The Blue Mountains is ranked among the top 20% of least disadvantaged Local Government Areas according to the Australian Index of Relative Socio-Economic Disadvantage; • Our rental stress has been assessed as being lower (8.4%) than the NSW average (11.6%); • Our mortgage stress is equivalent to the NSW average (10.5%) but lower than Sydney Metropolitan Local Government Areas; • The Council offers assistance to ratepayers struggling to pay rates who can evidence genuine hardship – on average over the past few years the Council has approved approximately 10 hardship claims per annum – this provides longer repayment periods; and • The proportion of residents behind in paying rates (3.8%) is also relatively low and below accepted industry average for NSW councils of 5% of ratepayers.

Comment Raised	Response
<p><i>Reduce Council staff and/or wages</i></p>	<p>Blue Mountains City Council implements a salary system that meets legislative requirements of the Local Government Award. The Council's wages and salaries projections are reassessed every year as part of the update on the Council's Long Term Financial Plan. Levels of employment directly relate to provision of services. Any adjustment to employment levels has consequences on levels of service able to be provided by the Council.</p> <p>In comparing staffing levels with other councils, it is important to remember that some councils rely to larger extents on contractors and consultancies – which can lead to a perception that they have less staff requirement. However, engagement of contractors and consultants is generally more expensive. Blue Mountains City Council has reduced its expenditure on consultancies from \$1.7M in 2009/10 to \$622K in 2014/15.</p> <p>In addition, there are significant difference between councils that make comparison of expenditure of staffing and services challenging. For example, the City of Blue Mountains requires greater expenditure on emergency services and the environment due to being surrounded by a World Heritage natural disaster prone area.</p> <p>The majority of Blue Mountains City Council services are provided 'in-house' using internal staff resources due to:</p> <ul style="list-style-type: none"> • Efficiency and economy of scale benefits • Regulatory requirements • Level of control required over quality service provision • Higher costs and limited availability of external providers.
<p><i>My rates are more than the average/ too high already</i></p>	<p>It is a requirement of the Local Government Act 1993 that all Councils undertake the levying of annual rates and charges in a fair and equitable way using land valuations as the primary method/basis of rating. This means that different rates are payable by different landowners, however the use of land values has been deemed the most equitable and fairest means of levying rates.</p> <p>This City does have higher residential rates than a number of other NSW councils. There are a number of reasons for this, including:</p> <ul style="list-style-type: none"> • The area is primarily residential with a significantly smaller number of businesses compared to the majority of other local government areas within the Sydney metropolitan region. This places a greater burden on residential ratepayers to contribute the revenue the Council needs to provide services and facilities as required by the community; • The spread out nature of our local government area, over a vast area of 1,431km² adds to the cost of service provision; • The Council faces higher resourcing requirements for emergency management due to the fact the City is located in one of the most bush fire prone areas in the State than many other councils; and • Being located within a World Heritage National Park which is also one of Sydney's water catchment areas, requires us to spend more revenue managing our environment than most other NSW councils. <p>For more information, please refer to the <i>Resourcing Strategy 2014-2024</i>.</p>

Comment Raised	Response
<i>Lack of information</i>	<p>The four page brochure, <i>Resourcing Our Future</i>, sent to all ratepayers in the City, is simply a summary of the extensive information that was available for public view and comment. In particular, the <i>Draft Resourcing Strategy 2014-2024</i> and the <i>Service Dashboards</i> show more detailed and technical information which has been summarised in the brochure.</p> <p>In addition, the Council provided supplementary documents in the form of fact sheets and responses to frequently asked questions. All of these documents were available in hard copy at the Katoomba Council Office and in branch libraries (except Springwood, which was closed during the public exhibition period), as well as being available on the Council's Have Your Say website.</p> <p>In response to the quoted average rates in the <i>Resourcing Our Future</i> brochure being misleading, the impact on rates was presented this way due to space constraints. However more detailed tables showing impact on rates for different land value ranges are shown in <i>Information Sheet 1: A Better Blue Mountains</i>, and a rating calculator was also provided online.</p>
<i>Increase rate base/other revenue streams/ more user pays</i>	<p>The Council has implemented a range of strategies aimed at increasing revenue to supplement our rates and other revenue. Over the past five years, the Council has obtained over \$87 million in grants (including the Federal Government Financial Assistance Grant, pensioner rebates, and specific purpose grants).</p> <p>Further information about revenue initiatives can be found in <i>Information Sheet 3: Cost Savings, Efficiencies and Revenue Initiatives</i>.</p>
<i>Lack of services and/or facilities currently provided by the Council</i>	<p>The Service Dashboards provide information on the services and facilities provided by the Council to the community.</p> <p>From these Dashboards, it can be seen that the Council does in fact provide a wide range of services to meet the broad needs of a diverse community. To support these services it also manages a portfolio of over \$1 billion worth of built assets.</p> <p>Because of the geographical layout of our City, many of these services are duplicated to ensure a reasonable access by the community. In addition, the Council manages more assets per head of population than many councils with similar population numbers due to our large local government area and dispersed settlement pattern.</p>

10. Community Workshops

In August and September 2014, five community workshops were held across the City's five planning areas to support the engagement on options for *Resourcing Our Future*. A copy of the comprehensive, interactive presentation that informed participants at these workshops is provided in **Attachment 5c** of this application.

This section provides an overview of the workshop program and photos from the five area workshops, which held in Blackheath, Katoomba, Lawson, Springwood and Blaxland.

WORKSHOP PROGRAM

TIME	ITEM
10:00am	❖ Welcome & Introduction - Participant Introductions
10.20am	❖ Resourcing Our Future - City Context - Participant Questions/ Comments
11.00am	❖ Options for A Better Blue Mountains - Participant Questions / Comments
11.20am	Refreshment break
11.35am	❖ Impact of Options on Council service provision - Service Dashboards - Participants begin filling in workbooks - Participant Questions / Comments
12.30pm	❖ Summary overview of Draft Waste Strategy - Participant Questions / Comments
12.45pm	❖ Participants complete Workbooks
1.00pm	❖ Workshop concludes





