STRATHFIELD COUNCIL

# EXTRAORDINARY COUNCIL MEETING

# AGENDA

Tuesday 28 February 2023

6:30pm

Council Chambers

65 Homebush Road, Strathfield

STRATHFIELD COUNCIL

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MICHAEL MAMO
GENERAL MANAGER

**CCS1 PROPOSED SPECIAL RATE VARIATION AND RATING STRUCTURE CHANGES**

**AUTHOR: Kristy Watts, Director Corporate and Community**

**APPROVER: Michael Mamo, General Manager**

## RECOMMENDATION

That Council:

1) Receive and note the contents of the Special Rate Variation Community Feedback Report, which outlines the feedback received from community consultation on the proposed Special Rate Variation (SRV), creation of new rating sub-categories and creation of minimum rates.

2) Adopt a new rating structure to commence from 1 July 2023, which will include the current existing categories and sub-categories of ordinary rates and special rates, and, in addition, will:
   a) Include the creation of the following new business ordinary rate subcategories:
      i) A new business rate subcategory called *Business – Business Strathfield Town Centre*, which applies to all business rated properties within the Strathfield Town Centre as shown in Figure 3 of this report.
      ii) A new business rate subcategory called *Business – Business North*, which applies to all business rated properties within the areas labelled Business North as shown in Figure 4 of this report.
      iii) A new business rate subcategory called *Business – Business South*, which applies to all business rated properties within the areas labelled Business South as shown in Figure 4 of this report.
   b) The removal of the base amount applied to the business and residential ordinary rate categories, and;
   c) The establishment of a minimum amount, in accordance with Section 548 of the *Local Government Act 1993*, to apply to the ad-valorem amount of all business and residential rate categories and subcategories. The amount set for the minimum amount will be subject to an application to IPART, as detailed below.

3) Approve the transfer of domestic waste revenue to residential ordinary rates, subject to IPART SRV approval for a 20.3% permanent increase in ordinary rates from 1 Jul 2023 (This increase is included in the 2023/24 SRV increases detailed below.

4) Make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent Special Rate Variation (SRV), under Section 508A of the *Local Government Act 1993* commencing on 1 July 2023. The SRV would permanently increase total ordinary rates over four years and remain in perpetuity, as follows:
   a) A 35.1% increase for the 2023-24 financial year (inclusive of the 3.7% rate peg determined by IPART for the year). This includes the 20.3% increase as a result of transferring revenue from domestic waste to ordinary residential rates outlined in the recommendation above.
   b) A 13.0% increase for the 2024-25 financial year (inclusive of the forecast rate peg of 3.0% for that year)
   c) A 17.5% increase for the 2025-26 financial year (inclusive of the forecast rate peg of 2.5% for that year)
   d) A 7.5% increase for the 2026-27 financial year (inclusive of the forecast rate peg of 2.5% for that year)

5) Make an application to the Independent Pricing and Regulatory Tribunal to set its minimum rates in accordance Section 548(3) of the *Local Government Act 1993*, for all rating categories and sub-categories, as follows.
   a) $1,040.00 for the 2023-24 financial year
   b) $1,200.00 for the 2024-25 financial year

6) The Minimum Rate will be increased by rate peg from 2025/26.

7) Adopt the exhibited updated 2022-33 Long Term Financial Plan (LTFP) with a subsequent update to reflect the changes outlined above to the SRV amounts over four years and the minimum rate increases over two years.

8) Endorse that the necessary adjustments be made to the SRV related items in the Council adopted 2022-2023 Operational Plan and 2022-2026 Delivery Program in accordance with the above resolutions.

9) Endorse the 2022-2026 Workforce Management plan which is to be submitted with Council's IPART application.

10) That Council be provided with a further review of the Financial Hardship Policy.

## PURPOSE OF REPORT

The purpose of this report is for Council to consider submitting a Special Rate Variation (SRV) and Minimum Rate application to the Independent Pricing and Regulatory Tribunal (IPART).

## REPORT

At the Ordinary Meeting of 6 December 2022, Council resolved to:

- Undertake community consultation on the proposed Special Rate Variation (SRV) options and implementation of minimum rates, including proposed changes to the rating structure and domestic waste management charges (DWMCs) from 7 December 2022 to 31 January 2023.
- Place the updated 2022-26 Delivery Program / 2022-23 Operational Plan that was adopted at the 7 February 2023 Council meeting and is available on Council website.
- 2022-33 Long Term Financial Plan (LTFP) on public exhibition from 7 December 2023 to 31 January 2023.
- Receive a report on the outcomes and feedback from the community engagement on the proposed SRV and the exhibition of the updated draft Delivery Program / Operational Plan and LTFP at an Extraordinary Meeting of Council scheduled for 28 February 2023.

The outcomes and feedback from the community engagement and exhibition process are outlined in this report, as well as recommendations to proceed to adopt a change to Council's rating structure and proceed with submitting an SRV an minimum rate applications to IPART.

This report is structured as follows:

- The first section provide background on Council's current financial situation.

- The second section provides details of the proposal to address its financial situation that were taken to the community for consultation in December 2022 and January 2023.
- The third section provides a summary of the community's feedback on this proposal.
- The fourth section outlines Council's recommendations taking into consideration the feedback from the community.
- The final section outlines the next steps in the SRV and minimum rate application process.

## Background

Council has been producing operating deficits over the past few years and has a significant funding backlog for the renewal of infrastructure assets such as roads, footpaths and buildings. The backlog has increased from $1.2 million to a current backlog of around $16.5 million. Additionally, as shown in the attached Long Term Financial Plan (LTFP), based on the required level of expenditure for asset renewal, Council is forecasting significant operating deficits over the next 10 years. The annual operating deficits for Council's General Funds are forecast to exceed $15 million by 2033 and there is a cash deficit forecast over the next 10 years is excess of $75 million.

In mid-2022, Council undertook a complete review of its long-term financial sustainability and a full organisational service review to identify improvement opportunities, the outcome of which was a productivity improvement plan to deliver costs savings and/or increased revenue.

Council has already implemented savings of $2 million per annum, and its productivity improvement plan has identified $3.2 million in ongoing savings through cost reduction and net income increases, with an ongoing implementation costs of $1.9m, therefore a further $1.3 million of ongoing savings, have been embedded in its exhibited updated LTFP. However, these savings would not alone be sufficient to arrest the increasing forecasted operating deficits.

Additionally, Council identified an estimated $4 million of annual revenue currently being levied through domestic waste charges that are required to be levied through rates. This would reduce the revenue collected from residents through the domestic waste management charge by around $4 million annually or $245 per residential ratepayer. A commensurate increase in the ordinary residential rates by an estimated $4 million would require an SRV application for a 20.3% increase in 2023-24 in addition to the 3.7% rate peg set by IPART.

This proposed domestic waste revenue reduction would not impact Council's ability to provide waste services to the current level nor would it reduce the ability to fund the domestic waste capital expenditure program. Under the reduced revenue, Council would still be able to fund the Food Organics and Garden Organics (FOGO) program and maintain a domestic waste cash reserve of $5 million. The current domestic waste charge is $795 per annum, per household. Under this proposal, this charge would be reduced by $245 per annum, resulting in a charge of $550 per annum, per household.

The financial sustainability review identified a significant residual funding gap that places Council's financial sustainability at risk unless additional action is taken. Under the updated LTFP base case, which includes the improvement plan savings, Domestic Waste Management (DWM) income transfer and reducing the asset backlog from 4.2% to 3.1%, Council will experience persistent deficits in its General Fund over the next 10

years averaging $12.8 million per annum. If Council does not take further action to improve its financial position, it is expected to run out of unrestricted cash by 2026.

Given Council's obligations to employ sound financial management principles and ensure that it generates sufficient revenue to provide the level and scope of services and infrastructure agreed with its community, it is critical that Council acts urgently to ensure its ongoing financial sustainability.

**Review of Rates - proposal taken to community consultation**

In light of the residual funding gap of both operational and capital requirements, Council reviewed its rates and rating structure to:

- Have a more equitable rating structure
- Create a sustainable rating structure for the future
- Maximise the rates income from future rate assessment growth
- Rebalance the income generated for provision for general fund services

As a result, Council has reviewed its options and considers that it needs to apply to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV) and Minimum Rate increase above the usual rate peg commencing from the 2023-24 financial year.

The rate peg is the maximum amount by which Council's are permitted to raise their total and minimum rates each year, unless an SRV is approved. IPART have released the 2023-24 rate peg, which will be 3.7%, and Council is forecasting a rate peg of 3.0% in 2024-25 and 2.5% in each year thereafter. These increases would be applied to rates, regardless of whether Council applies for an SRV.

In reviewing rates, Council also identified equity issues that it needs to address, including:

- Reducing the domestic waste charges and equally increase residential rates by a total of around $4 million annually, which can only be done through an SRV.
- Create three new business rates subcategories.
- Introduce minimum rates in the face of increased population density and a greater proportion of units over single house dwellings.

<u>Proposed Special Rate Variation (SRV) options presented in community consultation</u>

Council presented two options for a SRV to the community:

1. a single year permanent increase, or
2. a permanent increase over four years, as set out in ***Table 1*** below.

Under both options, the SRV applied to all rating categories and generated income to address the forecast funding gap and cash deficits, while allowing appropriate expenditure to renew assets and maintain services.

The reduction of around $4 million in domestic waste revenue was exactly offset by a proposed increase in residential rates revenue of around $4 million. Under the current regulatory environment, the only way to implement this shift is to apply for an SRV for the estimated $4 million increase to residential rates revenue. This would represent a 20.3% increase in rates, which under both proposed options would be implemented from 1 July 2023, if approved, alongside the commensurate reduction in DWMC.

In addition to the transfer of revenue from waste to residential rates, a further increase across all rates categories was sought to address the residual funding gap and ensure the ongoing financial sustainability of Council. This proposed increase would enable Council to deliver modest operating surpluses and start to address its asset backlog.

In the first year of the proposed SRV, Council proposed to:

- allocate all the DWM transfer, 20.3% to the residential rate category, and
- for the four-year option, apply the 10% increase to the Business – Business North and South subcategories.

For years two to four the proposed SRV would be distributed evenly across the rating categories.

The two proposed options for this SRV were to either apply a 50% increase in a single year or a cumulative increase of 52.7% across four years, as set out in the table below. While both proposals deliver similar revenue increases over and above the forecast rate peg, Council is required to state these amounts as cumulative increases inclusive of the rate peg. As the single year option only runs over one year, the stated increase will not include the rate peg for years two through four, even though these rate peg increases would still apply. Whereas the multi-year increase does include these rate pegs in the stated cumulative increase, this makes the multi-year rate increase appear much higher than the single year option. The increase proposed in Option 1, the single year increase, was 74.0%, cumulative over four years was 88.3%and the cumulative increase proposed in Option 2, the four-year increase, was 99.8%.

*Table 1: Proposed Special Rate Variation options for community consultation*

*OPTION 1: Single Year SRV*

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| **Forecast rate peg** | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| **Domestic waste transfer** | 20.3% | n/a | n/a | n/a | 20.3% |
| **Option 1: Single year SRV (excluding domestic waste transfer & rate peg)** | 50.0% | n/a | n/a | n/a | 50.0% |
| **Option 1: Single year SRV (total including domestic waste transfer & rate peg)** | 74% | n/a | n/a | n/a | **74.0%** (88.3% if years 2-4 rate pegs are included) |

*OPTION 2: Four-year SRV*

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| **Forecast rate peg** | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| **Domestic waste transfer** | 20.3% | n/a | n/a | n/a | 20.3% |
| **Option 2: Multi-year SRV (excluding domestic waste transfer & rate peg)** | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| **Option 2: Multi-year SRV (total including domestic waste transfer & rate peg)** | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

To fast-track its asset renewal program, Council proposed to supplement the SRV by borrowing up to $42 million. This will enable Council to get on top of its asset backlog faster and ensure assets are fit for purpose for community use.

The results of the community engagement on this proposal and subsequent recommendation for SRV amount and Minimum Rates application to IPART are presented in the relevant sections below.

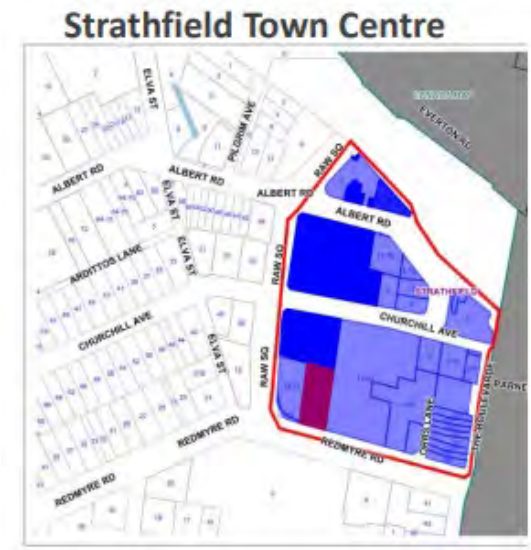
Proposed changes to rating system presented in community consultation

With a growing business centre and industrial areas, Council proposed to create three new business sub-categories for rates.

The first was a CBD subcategory for the Strathfield town centre as set out in

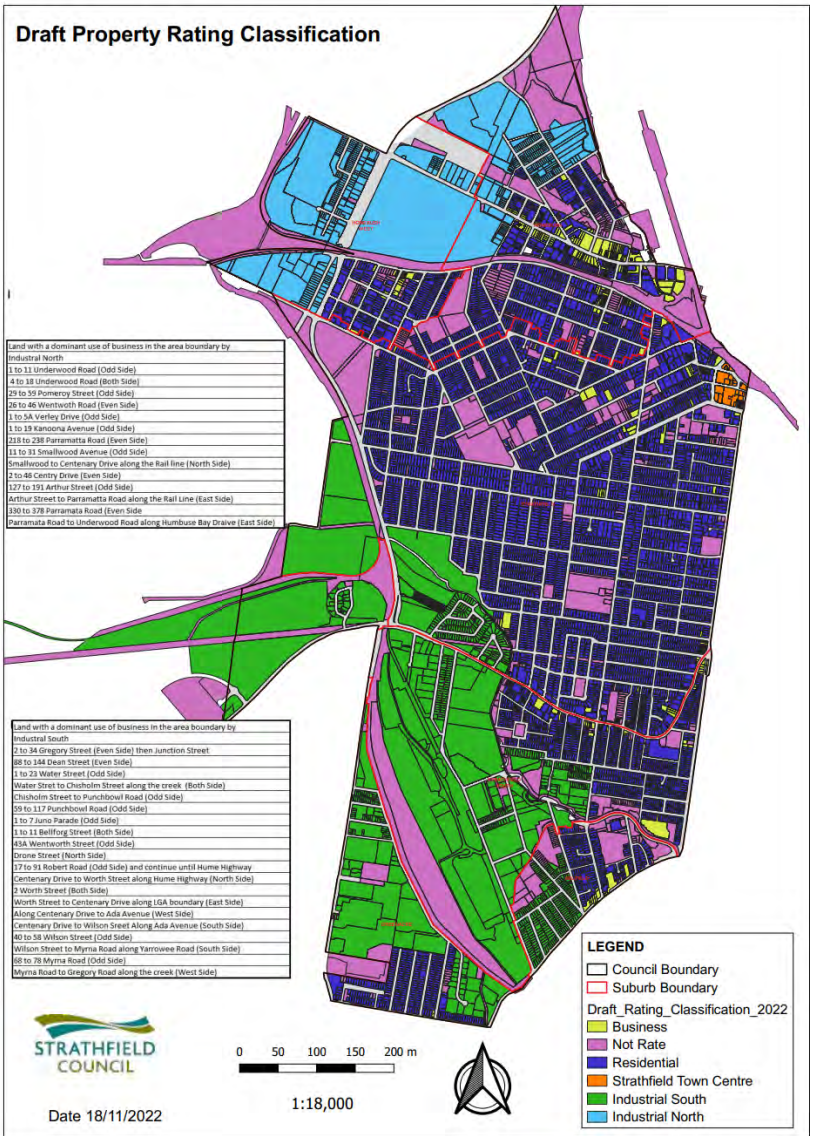
***Figure 1*** below, and will initially only be levied at the same as the Business Ordinary category.

*Figure 1 Proposed Business – Strathfield Town Centre subcategory for community consultation*




A further two Business – Business/industrial sub-categories were proposed, Industrial North and Industrial South as set out in ***Figure 2*** below.

*Figure 2 Proposed Industrial subcategories for community consultation*




A review of rates benefits indicated 4.4 times more active businesses than business assessments in the local government area and that general business and industrial ratepayers are paying less than the benefits they receive. These new sub-categories were aimed at addressing this imbalance and enabling council to capture future economic benefit from increasing business and industrial uses in the area.

<u>Proposed Minimum Rates increase presented in community consultation</u>

Over the years, Council has experienced significant population growth with the vast majority of this coming in the form of residential units as opposed to single house dwellings. As rates are levied on unimproved land values, units generally pay significantly less than houses, even when the property values are comparable. This does not reflect the cost of services to these residents nor their capacity to pay rates.

Council's current rating structure includes a base amount, which everyone pays, and then an ad-valorem, which is a percentage of unimproved land value. Council proposed to remove the base amount and instead implement a minimum rate across all rating categories, which would be the minimum amount a ratepayer would pay. This means that if a ratepayer's ad-valorem rates are calculated at less than the minimum, the minimum rate would apply. This would enable Council to better balance the costs of service and capacity to pay rates with the increase in unit development, now and into the future.

The table below sets out the minimum rates proposed in the community engagement starting at $900 in 2023-24 and increasing to $1,200 over four years. These increases included the forecast rate peg. At the end of the four years, minimum rates would increase in line with the set rate peg each year.

*Table 2 Proposed Minimum Rate increases for community consultation*

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|---|---|---|---|---|
| **Minimum Rate** | $900 | $1,000 | $1,100 | $1,200 |

## Community consultation on proposal

Council undertook extensive community engagement on the proposal, as outlined in the attached SRV Community Feedback Report.

The aim of the engagement was to provide an opportunity for ratepayers and residents to have their say on the proposed options for a Special Rate Variation (SRV) application to IPART. Council undertook engagement processes from 6 December 2022 to 31 January 2023 on the following proposals and/or draft plans:

1. Special Rate Variation (SRV) proposal including proposal to change the rate and funding of the Domestic Waste Charge (DWC)
2. Strathfield Connector Bus Service Review, which was identified as a potential cost saving.
3. Public exhibition of the amended Integrated Planning and Reporting documents (IPR) including draft Delivery Program 2022-2026, Operational Plan 2022-2023 and Long Term Financial Plan (LTFP).

The key proposals that that Council sought feedback included:

1. The proposal that Council apply to IPART for a Special Rate Variation.
2. That Council proposed two options for the Special Rate Variations, either in one year or across four years. The preferred Council option was for introducing the SRV across four years (Option 2) rather than a SRV increase in one year (Option 1).
3. The proposal to reduce the Domestic Waste Charge (DWC) by $245 (approximately $4 million total) and increasing a corresponding amount in Council rates.
4. That Council move from a Base Amount to a Minimum Rating System and establish new rating subcategories.
5. That Council address cash flow with a loan borrowing program to expedite asset renewal funding.
6. That Council discontinue the Strathfield Connector Bus service as one of the savings and productivity improvements in the SRV proposal. The engagement for the Connector Review was separately consulted, however comments on the Connector Bus service also featured in some comments on the SRV proposal.
7. That Council exhibited amendments to the following IPR documents – the Delivery Program 2022-2028, Operational Plan 2022-2023, and Long-Term Financial Plan

## Key findings from community consultation

Awareness of the SRV proposal

Council undertook an extensive community engagement program to ensure that residents, ratepayers (including non-resident) and businesses were informed of the proposals, through distribution of print

publications, dedicated web pages, digital, outdoor banners, social and video media. Eighty one percent (81%) of survey respondents stated that they were aware of the SRV proposals and 70% of survey respondents stated they understood the information provided by Council. To assist the community in understanding the proposals, Council provided information meetings, popup stalls or dealt directly with inquiries for further information.

Financial sustainability

The community were advised that the SRV proposals were intended to address the financial sustainability of Strathfield Council and address funding gaps, especially infrastructure backlogs. The SRV survey asked if they supported Strathfield Council remaining financially sustainable, now and into the future. Eighty four percent (84%) of survey respondents agreed with this statement.

SRV options and attitudes

Council proposed two options for the SRV, either applying in one-year or over four years. The community survey asked which option was preferred.

Fifty six percent (56%) of survey responses preferred the multi-year option over a one-year option. Comments from surveys and submissions indicated that this option was preferable as it reduced the immediate financial impact on ratepayers with a staged approach.

> *"The four-year option is more viable as it would be easier to cope with financially" (Survey response, 25 January 2023).*
>
> *"While I understand that council needs to remain viable, the rate payers have also suffered with higher costs. I don't think increase should be done in one go but over a period of time" (Survey response, 20 January 2023)*
>
> *"Everything is increasing, and our budget is already stretched, so we prefer smaller increments over 4-year period rather than one big hit" (Survey comment 28 December 2022)*

Ten percent (10%) of survey respondents supported a single year option. The remaining 34% provided open-ended responses, the majority of these responses indicated that they did not support the SRV and expected that Council is more effectively financially managed, focused on delivering on priorities and improved services. Similar comments were made in submissions and in the general comments of the survey.

> *"The council should not apply for special rates to be levied. The council should operate with the general rate increase" (Survey comment December 12 2022).*
>
> *"I'm not fully in favour of a rate increase above the CPI. All councils seem to blame previous councils but it is the ratepayers that have to pay the increase. How about some good news for a change" (Survey comment January 15 2023)*
>
> *"My strong suggestion is not to raise the rates. Stop unnecessary spending on projects that are non-essential services. For example, the community bus. Stop waste of any kind. One other suggestion, for council to be more transparent with the community" (Online submission 12 January 2023)*

Two submissions were received that opposed the SRV proposals concerning industrial rating and increases. One argued that the increases on industrial properties is unaffordable and the other stated that the large increases in rates will be passed onto commercial tenants.

A minority of survey respondents and submissions supported the SRV proposal. A number of submissions and survey responses did not indicate support or opposition to the SRV proposal but instead comments on how Council should find savings or identify other revenue raising options to improve Council's finances or to reduce the size of the proposed SRV. These included reducing expenditures on Connector Bus, events, festivals, increasing charges for halls and sportsgrounds, introducing more parking meters etc.

Inequity

There were concerns raised about the inequity of the proposed rate increases between houses and units, with the majority of the increase being levied on owners of houses, not units. The majority of the Strathfield LGA housing are units representing 67% of all LGA dwellings (Census 2021). The LGA has targets for additional unit and population growth. This will inevitably create additional demand and use of Council services and infrastructure.

Many owners of houses did not support the SRV increase on owners of single dwelling residential houses and considered it to be inequitable and disproportionately large in comparison to units. They also considered that units should make a larger contribution to local services and infrastructure provided by Council.

> *"We agree that the cost of Council services consumed by any particular household is not correlated with the land value of the property. Unimproved land value is inversely proportional to density, yet consumption of Council services does not reduce with density. In fact, all else being equal, a household living in a high density flat dwelling is more likely to consume Council services than a household living in a low density dwelling, due to the lack of space for recreation, exercise and socialising".* (Submission January 2023)
>
> *"Burden of rate increases in unfairly levied on owners of houses, not units. Owners and occupiers of units are significant users of Council services and assets but contribute little to provision and upkeep compared to houses"* (Survey response January 2023).
>
> *"It is simply perverse to require one household (in a house) to pay four or six times the minimum rate while another household (in a unit) pays only the minimum rate, when the latter household is likely to consume just as much, or more, Council services. We urge Council to rethink the unreasonable and unfair impact of the SRV on residents".* (Submission January 2023)
>
> *"The council paperwork trumps that 74% of ratepayers will pay no more than 19.5% after 4 years. This 74% use just as much council infrastructure and services as the remains 26% who will pay up to 76.9%. The method of calculation based on share of land valuation does not work and with the proliferation of unit development an alternative needs to be found" (Survey response January 2023).*
> *"In considering the rate variation, it is important to make sure that items like roadwork, footpath repair, park maintenance, rubbish collection..., things which are used by all residents are paid for equally by all residents. The disparity between apartments and houses has at times been extreme and given my rather modest dwelling has been way above the average rate for years, I can only assume*

*that it still exists.....The apartment residents use all the same facilities and are possibly more likely to use the parks than house residents who have back yards"* (Survey response December 2023)

*"Council's flyer say that 74% of ratepayers will have an increase of no more than 19.5%, the hidden detail shows that 26% of ratepayers (ie. more than 1 quarter) will be paying an increase of 20% to over 100% (ie more than double). These amounts are well in excess of inflation and wage rises. With steep increases in interest rates, energy bills, petrol prices and groceries, these proposed steep increases in council rates are not affordable*. (Online submission 12 January 2023)

Change to Rating system

The comments received on the change to Minimum/Ad Valorem generally received comments of support, with submissions arguing that it was a fairer outcome for all ratepayers, better representing the cost of services and infrastructure provided by Council. This issue also related to other comments concerning inequities of the rating system between houses and units.

*"We agree that a minimum rate structure is a fairer system"* (Submission January 2023).

*"The need for flat/apartment/unit dwellers to pay a fair share of the rates is vitally important and any change to the rating structure, e.g., the minimum rate idea must enable that minimum rate to increase, and possibly by a higher percentage than that for landholders, as the minimum rate is the cost of the services provided for all residents, a cost which should be shared equally. (Survey response December 2023)*

Changes to DWC

There was little response to the proposal for changes to the Domestic Waste Charge (DWC).

Borrowing Program

There was only one response received that discussed Council undertaking a borrowing program. The response did not support Council borrowing.

Financial impact

There were concerns raised about the impacts of the SRV increase, particularly in the current economic environment of higher inflation, rising cost of living and interest rates increases.

*"Given the rise in inflation, interest rates and general costs, it will be helpful of such rises are deferred until the economy stabilizes in Sydney" (Survey response, 8 December 2022).*

*"I personally will not be able to afford the increase even if you spread it over four year i have 3 kids and cost of living has gone up as well as interest rates. The 19.4% increase that council is asking for is very unreasonable and council clearly haven't taken families into account" (Survey response, 17 January 2023)*

Concerns in particular were raised about the impact on pensioners and low income earners especially those in single residential dwellings, which face significantly higher rate increases than units.

*"As a pensioner it would be an extra burden if there is going to be a Special rate variation. The rebate of $250 per year has remained the same for more than a decade whereas the rates have gone up by more than 50% during the decade" (Online submission 9 December 2022)*

*"You need to consider low income families how they would cope with the increase rate people do not want lose their homes' (Survey response, 20 January 2023)*

*"The Pensioner Rebate should increase by the same percentage as the rates increase" (Survey response, 23 January 2023).*

Council's management

Significant amounts of feedback concerned Council's management and financial sustainability. On the SRV Survey over 34% of all comments concerned Council management and similar comments were made in submissions and feedback at community information sessions/popup stalls.

Many expressed shock and surprise about the poor state of Council's finances. Many comments and submissions criticised how Council's resources have been previously managed with many expressing the view that Council needs to find savings and prioritise delivery of essential services e.g. area maintenance, waste management, roads, footpaths and local infrastructure etc. over non-essential expenditures. Nine percent (9%) of comments in the SRV survey nominated the Connector Bus Service as a service that should cease to reduce Council's expenditures.

*"Stop unnecessary spending on projects that are non- essential services. For example, the community bus. Stop waste of any kind".* (Online submission, 12 January 2023)

*"Council resources should be dedicated to core business e.g. area maintenance, infrastructure, waste services etc and not spend money on festivals, events etc. (Submission 8 December 2022)*

*"Question the claims of poor financial position of Council against previous claims of sustainability. Not all of the LGA is receiving adequate maintenance and general care, better services are needed across the whole LGA". (Submission 8 December 2022).*

*"I suggest council finds another way of paying for these mistakes, ratepayers had no idea that council was getting itself into so much debt therefore we shouldn't be held accountable to fix council's mistakes. I hope council will start to think long and hard before agreeing to pay millions of dollars for unnecessary projects and involves ratepayers (at least 70%) before decision making". (Survey response, 17 January 2023)*

Many expressed the view that Council needs to be more efficient and identify savings within their own operations. There were many comments about Council should be more transparent and accountable about its financial situation.

A number of Council operational issues were raised concerning service delivery and condition of infrastructure e.g., condition of roads, street sweeping, tree pruning etc. Residents consider that delivery of these Council services need to be more effective, and expenditures prioritised to justify increased Council rates.

Connector Bus review

The SRV Proposal assumes cost savings from the cessation of the Strathfield Connector Bus Service. A separate consultation was held on the review of the Connector Bus service. Comments about the Bus service were also received in the SRV consultation, with the majority supporting ceasing the service mainly as a cost saving.

The separate consultation for the Connector Bus review attracted over 1100 completed surveys. Fifty two percent (52%) stated there would be no impact if the service stopped, while 44% stated they would be impacted. Analysis of feedback indicates that it was likely there were unmet transport needs in the LGA in specific locations and/or vulnerable demographic groups. Council proposes investigating transport alternatives to meet specific community needs with reduced operating costs and in the medium term transitioning from operating the Connector Bus as general transport service. Nine percent (9%) of comments on the SRV survey raised the Connector Service with all but one supporting the cessation of the bus service, mainly due to its cost.

IPR amended plans

Council received no submissions related to notified amendments to the IPR documents including Delivery Program/Operational Plan and Long Term Financial Plan.

**Incorporation of community feedback into to recommendations**

In determining the final recommendation in this report on how to proceed, Council has taken account of the feedback received from the community.

Minimum Rates

Considering the community concern on the inequity of the current rating structure between units and single house dwellings, Council undertook further analysis on an accelerated timetable to increase minimum rates. After looking at the impacts of increase minimum rates to $1,200 over one, two and three years for both business and residential ratepayers, it is recommended that minimum rate application be made for the creation and increase of minimum rates over two years as set out in the ***Table 3***, below, with minimum rates to rise in line with the rate peg after two years.

*Table 3 Recommended Minimum Rates for application to IPART*

| | 2023-24 | 2024-25 |
|---|---|---|
| **Minimum Rate** | $1,040 | $1,200 |

The accelerated time frame for minimum rates addresses equity issues with the currently rating structure more quickly and in turn will more quickly redistribute the burden of the SRV increase from single dwelling ratepayers, provided that the minimum rate increase application is approved by IPART.

If the minimum rate application is not successful, Council can still implement a minimum set at the as prescribed amount under the cl126 of the Local Government Regulations, which will be $590 for 2023/24.

Special Rate Variation

It is recommended that Council make an application to IPART for a special rate variation over four years, as was the clear preference of the two options.

The transfer of the estimated $4 million from domestic waste charges to residential rate is recommended to remain in place. The net impact to total revenue is zero and the community did not provide any feedback on this either for or against.

Given the acceleration of the minimum rate increase, the four-year SRV amount has been reviewed to ensure that no more than 80% of residential rate payers are on the minimum rate. This has led to an increase in the SRV amounts in the first two years, offset by lower increases in the last two years. This results in a reduction in the overall cumulative amount of the rate increase from 99.8% to the recommended 92.8%, as set out in

*Table 4*, below.

*Table 4 Recommended Special Rate Variation for application to IPART*

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| **Forecast rate peg** | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| **Domestic waste transfer** | 20.3% | n/a | n/a | n/a | 20.3% |
| **Option 2: Multi-year SRV (excluding domestic waste transfer & rate peg)** | 11.1% | 10% | 15.0% | 5.0% | 47.6% |
| **Option 2: Multi-year SRV (total including domestic waste transfer & rate peg)** | 35.1% | 13.0% | 17.5% | 7.5% | **92.8%** |

It is noted, that based on **Table 4** above, the full 11.1% for the 2023/24 financial year will be only levied on the Business North and Business South rating subcategories and the full 20.3% for the Domestic Waste Transfer for the 2023/24 financial year will only be levied on the Residential rating category. In all other years the SRV is to be applied across all categories in line with the percentages set out in **Table 4** above.

It should also be noted that Councils will need to apply updated general land revaluations provided by the Valuer General for the 2023-24 financial year. This will not impact the total amount of rates that the Council can raise, but it may impact how the rates burden is distributed across properties, and therefore may impact some individual properties' rates amounts.

Rate structure

The proposed changes to the rating structure and creation of new business subcategories remain substantially unchanged, as these again address the issues of equity that strongly came through in the community feedback.

For the sake of clarity, it is recommended that the term industrial be removed, and the name of the new business subcategories be changes as follows:

a) *Business – Business Strathfield Town Centre*, which applies to all business rated properties within the Strathfield Town Centre as shown in **Figure 3** of this report,
b) *Business – Business North*, which applies to all business rated properties within the areas labelled Business North as shown in **Figure 4** of this report,
c) *Business – Business South*, which applies to all business rated properties within the areas labelled Business South as shown in **Figure 4** of this report.

For clarity the following table provides a summary of how the additional SRV income is to be allocated across the rating categories and sub-categories:

*Figure 3 Recommended Business Strathfield Town Centre subcategory*

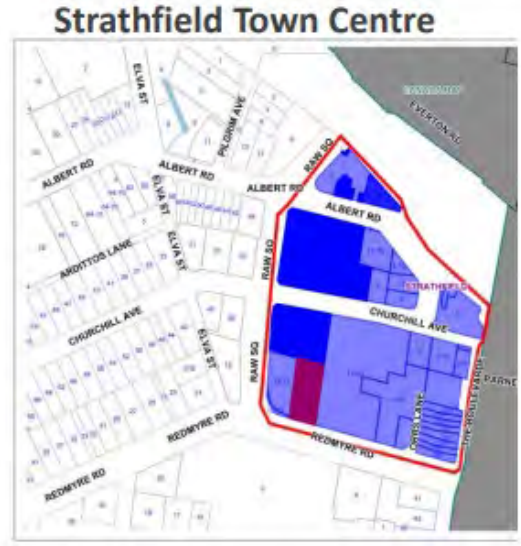
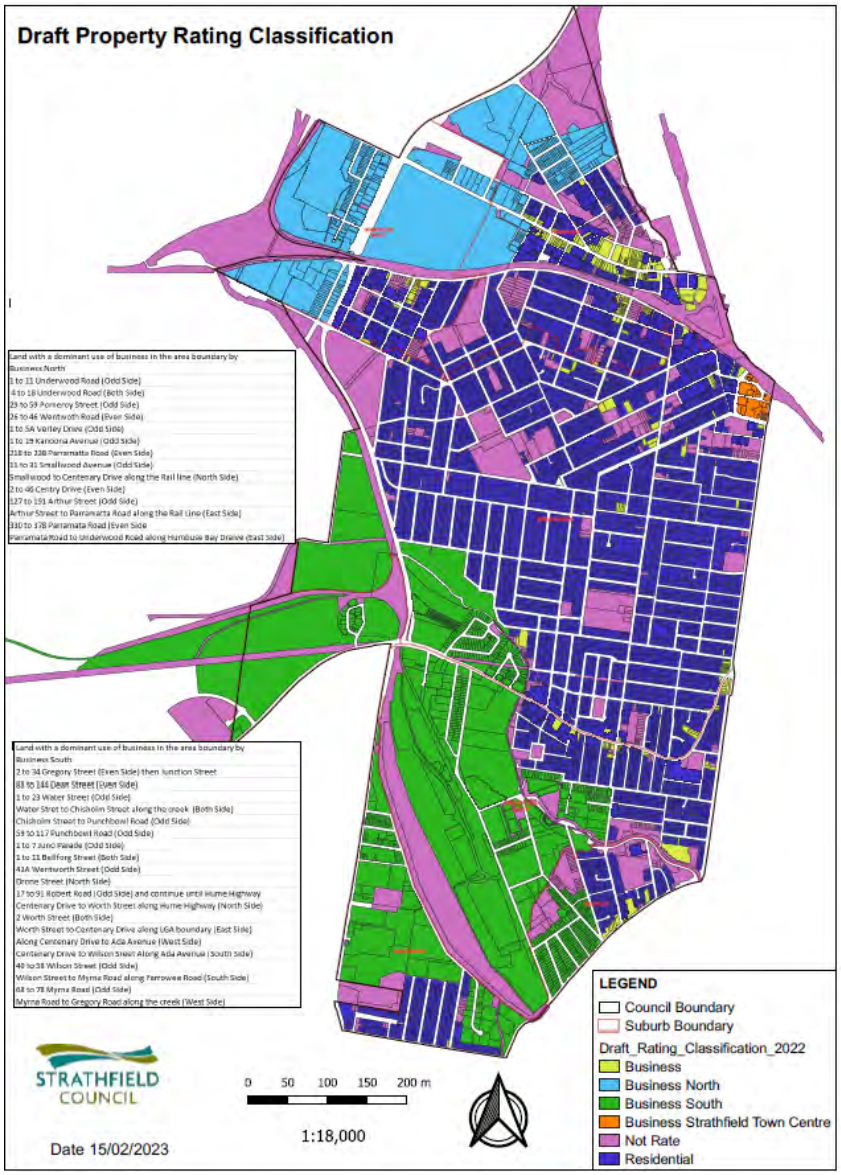



*Figure 4 Recommended Business subcategories*



Long Term Financial Plan

There was no feedback on the Delivery Program / Operating Plan nor on the Long-Term Financial Plan. However, it is recommended that Council adopt an updated Long Term Financial Plan which includes the SRV amounts and minimum rates that are adopted out of this report.

As a result, Council will revise the LTFP in line with what is adopted for inclusion in the applications to IPART.

## Next steps in the SRV process

Council must apply to IPART for approval to increase rates through an SRV.

IPART assesses the SRV applications using the following criteria:

1. The need and purpose of a different rate path for the council's General Fund is clearly articulated and identified in the council's Integrated Planning and Reporting (IP&R) documents, including the LTFP.
2. Evidence that the community is aware of the need for and the extent of a rate rise.
3. The impact on affected ratepayers must be reasonable.
4. The relevant IP&R documents must be exhibited, approved, and adopted by the council.
5. The IP&R documents or the councils application must explain and quantify the productivity improvements and cost containment strategies.
6. Any other matter that IPART considers relevant.

While the IPART deadline for 2023-24 SRV and minimum rate applications was 3 February 2023, IPART has approved an extension of this deadline for Council's application to 3 March 2023. If Council resolved to submit an application, the proposed timeline for the SRV application process would be as follows:

- **3 March 2023:** Council lodges the SRV application (subject to above decision).
- **Between March and April 2023:** IPART invites submissions and evaluates the application.
- **May/June 2023:** IPART makes its determination and advises Council.
- **June 2023:** Council makes the rates and adopts the Operational Plan and Budget for 2023/24

## ATTACHMENTS

1. Special Rate Variation Community Feedback Report
2. 2022/2033 Draft Long Term Financial Plan (As Exhibited)
3. Draft Workforce Management Plan

# ATTACHMENT 1

STRATHFIELD COUNCIL

# SPECIAL RATE VARIATION (SRV) COMMUNITY FEEDBACK REPORT

## FEBRUARY 2023

STRATHFIELD COUNCIL

## Contents

Executive Summary

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3. Engagement Outcomes

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Appendix A – Community Feedback

Appendix B - Special Rate Variation

Appendix C – Community Engagement Information

Appendix D – Community Presentation Slides

## Executive Summary

Strathfield Council resolved at a meeting of 6 December 2022 to undertake community engagement until 31 January 2023 concerning Council's financial sustainability and consideration of broad special rate variation (SRV) proposals. These comprised a number of elements consisting of:

- proposal to reduce the Domestic Waste Charge (DWC) by $245 ($4M total) and increasing a corresponding amount in Council rates.
- Council move from a Base to a Minimum Rating System and establish new rating categories
- Council address cash flow with a loan borrowing program to expedite asset renewal funding.
- Council discontinue the Strathfield Connector Bus service as one of the savings and productivity improvements in the SRV proposal. The engagement for the Connector Review was separately consulted, however comments on the Connector Bus service also featured in some comments on the SRV proposal.
- Council exhibited amendments to the following IPR documents - the Delivery Program 2022-2028, Operational Plan 2022-2023 and Long Term Financial Plan
- that Council apply for a Special Rate Variation.
- that Council proposed two options for the Special Rate Variations, either in one year or across four years. The preferred Council option was for introducing the SRV across four years (Option 2) rather than a SRV increase in one year (Option 1).

To ensure that all stakeholders were aware of these proposals and had the opportunity to provide feedback, Council undertook extensive community engagement with resident households, non-resident ratepayers and businesses, through utilising print, digital, social media and in-person discussions. A wide range of information as well as surveys were available on the online SRV community engagement website at *https://haveyoursay.strathfield.nsw.gov.au/*. Community feedback was mainly obtained from community surveys, submissions and discussions eg community information sessions and popup stalls.

81% of survey respondents stated that they were aware of the SRV proposals and 70% of survey respondents stated they understood the information provided by Council. 84% of survey respondents supported Strathfield Council remaining financially sustainable, now and into the future.

Community feedback clearly supported implementation of a SRV over a multi-year period to reduce the immediate financial impact of the increase. Only 10% supported a one year option. There was general support for changes to the minimum/ad valorem rating system, Domestic Waste Charge, Borrowing program and amendments to the Delivery Program 2022-2026 and Operational Plan 2022-2023.

A minority of survey respondents and submissions supported the proposal to increase rates charges through the SRV. Many commented on how Council should find savings or identify other revenue raising options to improve Council's finances and prioritise delivery of essential services eg area maintenance, waste management, roads, footpaths and local infrastructure etc.

Community feedback raised concerns raised about the financial impact of the SRV increase, particularly in the current economic environment of higher inflation, rising cost of living and interest rates increases. Concerns in particular were raised about the impact on pensioners and low income earners especially those in single residential dwellings, which face significantly higher rate increases than units.

Many owners of houses did not support the SRV increase on owners of single dwelling residential houses and considered it to be inequitable and disproportionately large in comparison to units. They also considered that units should make a larger contribution to local services and infrastructure provided by Council as units represent 67% of all dwellings in the LGA and creating additional demand and use of Council services and infrastructure.

This report provides more detailed information on the engagement process and community feedback. Section 4 provides responses to key issues raised through consultation and Section 5 summarises recommendations to each of the proposals.

# 1. Introduction

Strathfield Council undertook a community engagement process from December 6 2022 to January 31 2023 regarding Council's financial sustainability and a proposal for a special rate variation (SRV). The engagement process was branded 'Protecting Our Future'.

This report outlines the community engagement process and the key outcomes from these processes. The community engagement process was pursuant to resolutions of Council at the Council meeting of 6 December 2022, which adopted (minute 284/22) the following actions:

1. Adopt the updated Asset Management Policy and Asset Management Strategy.

2. Undertake community consultation on the proposed Special Rate Variation (SRV) options and implementation of minimum rates, including proposed changes to the rating structure and domestic waste management charges (DWMC), as detailed in the report and attachments, from 7 December 2022 to 31 January 2023.

3. Place the updated draft Delivery Program/Operational Plan and Long-Term Financial Plan (LTFP) attached to the report on public exhibition from 7 December 2022 to 31 January 2023.

4. Receive a report on the outcomes and feedback from the community engagement on the proposed SRV and the exhibition of the updated draft Delivery Program/Operational Plan and LTFP at an Extraordinary meeting of Council to be scheduled for 28 February 2023.

5. That the General Manager instruct Council's Chief Financial Officer to look further for the removal of non-essential items and report back to a Councillor Workshop and then to the February 2023 Council Meeting.
6. That all Councillors be provided by email with the community consultation brochure tomorrow.

A further resolution was made at the same meeting to undertake a community engagement program on the review of the Connector Bus Service. The cessation of the Connector Bus Service was identified as a potential cost saving initiative in the SRV proposal.

1. Advise the Community that it is looking to cease the operation of the Strathfield Connector Bus Service as part of a suite of a cost saving initiatives currently under review.
2. Undertake a Community Engagement Program on the proposed cessation of the Strathfield Connector Bus Service.
3. Lobby Transport for NSW to provide improved services for the residents of Homebush and Homebush West, particularly the Courallie Avenue, Telopea and Centenary Park precinct.

In summary, Council undertook the following engagement processes from 6 December 2022 to 31 January 2023 on the following proposals and/or draft plans:

a) Special Rate Variation (SRV) proposal including proposal to change the rate and funding of the Domestic Waste Charge (DWC)
b) Strathfield Connector Bus Service Review.

c) Public exhibition of the amended Integrated Planning and Reporting documents (IPR) including draft Delivery Program 2022-2026, Operational Plan 2022-2023 and Long Term Financial Plan (LTFP)

## 2. Community Engagement Overview

Council's engagement process promoted awareness and provided opportunities for feedback on Council's financial sustainability and the Special Rate Variation (SRV) proposals. A comprehensive Community Engagement Strategy was prepared (Attachment B) which required Council to extensively engage with its ratepayer, resident and business community.

Council's SRV community engagement was held from 6 December 2022 until 31 January 2023. Council undertook extensive community engagement and provide a large amount of information relating to the SRV proposal. Letter and flyers were directly distributed to resident households, business and non-occupant owners. Information was also available through websites, social media and community engagement meetings. Awareness of the proposal was promoted throughout the LGA with signage on banners in highly visible locations, Council buildings and bus shelters.

Council utilised the following methods to engage with the Strathfield community.

**Community Engagement website**

Council established an online SRV community engagement website which provide a wide range of information and event information at https://haveyoursay.strathfield.nsw.gov.au/. The site could be read in 10 community languages reflecting the most used languages in the Strathfield LGA. The site went live on 6 December 2022. The SRV online Community Engagement website attracted 3,046 views, 1,941 visits and 1,340 visitors.

The site featured a wide range of information that included:

- Summary of SRV
- 'Protecting our Future' information pack (in English, Chinese, Tamil and Korean)
- Detailed background papers
- Frequently Asked Questions (FAQs)
- Access to the Community Survey
- Online registration for engagement events and feedback forms.
- Draft rating classification map
- Information pages – examples of new rates based on land value, community rates examples, condition of Council assets.
- Links to IPR documents including Delivery Program, Long Term Financial Plan, Asset Management Policy and Strategy

Attachment C contains copies of these documents.



The following information was delivered to the community in print form to resident households and by letter and email to non-resident ratepayers and businesses.

**Protecting our Future Information Pack**

A four page Ratepayer and Household Information Pack called 'Protecting Our Future' was distributed from 6 December 2022 to all Strathfield LGA ratepayers, businesses and households.

A total of **19,438** packs were distributed to households and businesses. **6,607** letters including this pack were distributed to non-resident ratepayers. **2,229** emails were distributed to online ratepayers.

This flyer set out the proposal changes, SRV options (with estimates of each option over a four year period), rate comparisons with other councils, projected impacts on residential, business and business-industrial rates until 2022-2023 to 2026-2027, information on the minimum rate application and information on the consultation timeline, events and how to 'have your say' with links and QR codes to further information.







**Letter to residents and ratepayers**

A total of 19,000 letters were sent from the Mayor, Cr Matthew Blackmore, to all ratepayers/owners and households in the Strathfield LGA from 9 January 2022.

Copies of the flyers and Mayor's letter are attached in Appendix C

**Online SRV Survey**

The SRV survey was held online and open from 6 December 2022 until 31 January 2023. Print copies were available on request and completed print surveys were entered into the survey software. Council received **248** completed surveys relating to the SRV proposal.




Feedback survey

Take the survey by 31 January 2023

The survey asked the following questions:

- Name
- Suburb
- Are you a ratepayer to Strathfield Council? ...
- Do you support Strathfield Council remaining financially sustainable?
- Have you received or read information from Strathfield Council about a proposal to apply for a special rate variation to IPART for an increase in general rates above the rate cap?
- If yes, where you able to understand the information provided by Strathfield Council?
- Strathfield Council considered two special rate variation options. 1. The full amount required applied over a single permanent increase or 2. four smaller permanent increases over the next four years (which is Council's preferred option). Which option would you prefer?
- Do you have any comments or suggestion on the proposal to apply for a special rate variation?

Detailed results from the SRV survey are in Appendix A.

**Submissions/Online feedback**



Leave a Quick Comment

Let us know what you think

A total of 35 submissions were received, from mail or online.

Of the 35 submissions, 17 submissions were received by hard copy letter or email and 18 submissions were lodged online.

A summary of key comments from submissions is set out in Appendix A.



Send Feedback by Mail

Send by post or email

**Community meetings/PopUp stalls**

A total of three (3) information sessions/meetings were notified to all residents. A total of 7 person attended. Two meetings were held at the Strathfield Town Hall and one meeting was held online in the month of December 2022. The meetings were held in a presentation style format. Presentations were made by senior Council staff and consultants Morrison Low through talking through a MS PowerPoint to the participants (refer to Appendix C).

The engagement meeting presentation covered:

- introductions
- how the meetings run and how participants can participate (i.e. ask questions or express views)
- what the meeting is about, the objectives and importantly what it's not about
- what Council's financial sustainability obligations are
- Morrison Low's independent assessment of the situation and causes
- what some of the options and choices are to resolve the problem
- feedback from the participants on the options via Zoom polls
- opportunities for questions from participants
- where to from here – expressing views and next steps.

Council operated four PopUp stalls to encourage members of the community to meet and discuss their views on the SRV proposal with Council staff in person. Four stalls were held over December 2022 and January 2023 at Homebush shops, Strathfield Plaza, Cooke Park Belfield and Strathfield Library. A total 20 persons attended.

The following information was issued to the community in print form to resident households and by letter and email to non-resident ratepayers and businesses.



**Have Your Say: Proposed Special Rate Variation**

Make sure you have your say on the proposed special rate variation. There's an online info session tonight, and a pop up stall at Cooke Park on Saturday. Can't make it? Head to the website for all the info and how you can share your feedback.

Read More

**Issues of e-News**

Strathfield Council's E-News, is an email newsletter and is distributed to over **31,000** registered recipients.

2 special SRV editions of e-News, an email newsletter issued by Strathfield Council were published on 7 December 2022 and 29 January 2023.

A Special eNews issued to online ratepayers on 23 December 2023.

Information and updates on the engagement were issued in the regular issues of e-News on 8, 15, 22 December 2022 and 12, 19 and 23 January 2023.

**Social Media**

Updates issued on Council's social media including Facebook, Twitter and Instagram. **15** posts were published on Facebook with a total reach of **7,157** and **8,129** impressions. A total of **491** engagements occurred eg likes, comments, shared etc. 10 posts were published on Twitter with 453 impressions and 15 engagements. The average engagement rate was 3.18%. 16 posts were published on Instagram with a reach of 3,194 and 51 engagements. There were 3,512 impressions.

**Video Presentations**

- A video presentation of outlining the key elements of the SRV consultation was available on Council's Strathfield TV You Tube pages. This received 36 views. *https://www.youtube.com/watch?v=S0i8h_CN2PM*
- A video of one of the Community Information sessions was loaded onto Strathfield TV YouTube Channel and was made linked from the Council website. There were 26 views of this presentation. *https://www.youtube.com/watch?v=KEuVJjqjf3s*




**Media Releases**

- Council issued a media release was issued on 14 December 2022 about the SRV proposal.
  https://www.strathfield.nsw.gov.au/protecting-our-future-proposed-special-rates-variation/

## 3. Engagement Outcomes

The aim of the engagement for 'Protecting Our Future' was to provide an opportunity for ratepayers and residents to have their say on the proposed options for a Special Rate Variation (SRV) application to IPART. Council undertook the following engagement processes from 6 December 2022 to 31 January 2023 on the following proposals and/or draft plans:

1. Special Rate Variation (SRV) proposal including proposal to change the rate and funding of the Domestic Waste Charge (DWC)
2. Strathfield Connector Bus Service Review, which was identified as a potential cost saving.
3. Public exhibition of the amended Integrated Planning and Reporting documents (IPR) including draft Delivery Program 2022-2026, Operational Plan 2022-2023 and Long Term Financial Plan (LTFP).

The key proposals that that Council sought feedback included:

1. The proposal that Council apply for a Special Rate Variation.
2. That Council proposed two options for the Special Rate Variations, either in one year or across four years. The preferred Council option was for introducing the SRV across four years (Option 2) rather than a SRV increase in one year (Option 1).
3. The proposal to reduce the Domestic Waste Charge (DWC) by $245 ($4M total) and increasing a corresponding amount in Council rates.
4. That Council move from a Base to a Minimum Rating System and establish new rating categories
5. That Council address cash flow with a loan borrowing program to expedite asset renewal funding.
6. That Council discontinue the Strathfield Connector Bus service as one of the savings and productivity improvements in the SRV proposal. The engagement for the Connector Review was separately consulted, however comments on the Connector Bus service also featured in some comments on the SRV proposal.
7. That Council exhibited amendments to the following IPR documents - the Delivery Program 2022-2028, Operational Plan 2022-2023 and Long Term Financial Plan

**Key findings from consultation**

***Awareness of the SRV proposal***

Council undertook an extensive community engagement program to ensure that residents, ratepayers (including non-resident) and businesses were informed of the proposals, through distribution of print publications, dedicated web pages, digital, outdoor banners, social and video media. 81% of survey respondents stated that they were aware of the SRV proposals and 70% of survey respondents stated they understood the information provided by Council. To assist the community in understanding the proposals, Council provided information meetings, popup stalls or dealt directly with inquiries for further information.

***Financial sustainability***

The community were advised that the SRV proposals were intended to address the financial sustainability of Strathfield Council and address funding gaps, especially infrastructure backlogs. The SRV survey asked if they supported Strathfield Council remaining financially sustainable, now and into the future. 84% of survey respondents agreed with this statement.

***SRV options/Attitudes to the SRV***

Council proposed two options for the SRV, either applying in one-year or over four years. The community survey asked which option was preferred.

56% of survey responses preferred the multi-year option over a one year option. Comments from surveys and submissions indicated that this preference was preferable as it reduced the immediate financial impact on ratepayers with a staged approach.

> *"The four year option is more viable as it would be easier to cope with financially" (Survey response, 25 January 2023).*
>
> *"While I understand that council needs to remain viable, the rate payers have also suffered with higher costs. I don't think increase should be done in one go but over a period of time" (Survey response, 20 January 2023)*
>
> *"Everything is increasing and our budget is already stretched, so we prefer smaller increments over 4 year period rather than one big hit" (Survey comment 28 December 2022)*

10% of survey respondents supported a single year option. The remaining 34% provided open-ended responses, the majority of these responses indicated that they did not support the SRV and expected that Council is more effectively financially managed, focused on delivering on priorities and improved services. Similar comments were made in submissions and in the general comments of the survey.

> *"The council should not apply for special rates to be levied. The council should operate with the general rate increase" (Survey comment December 12 2022).*
>
> *"I'm not fully in favour of a rate increase above the CPI. All councils seem to blame previous councils but it is the ratepayers that have to pay the increase. How about some good news for a change" (Survey comment January 15 2023)*
>
> *"My strong suggestion is not to raise the rates. Stop unnecessary spending on projects that are non- essential services. For example, the community bus. Stop waste of any kind. One other suggestion, for council to be more transparent with the community" (Online submission 12 January 2023)*

Two submissions were received oppose the SRV proposals concerning industrial rating and increases. One argued that the increases on industrial properties is unaffordable and the other stated that the large increases in rates will be passed onto commercial tenants.

A minority of survey respondents and submissions supported the SRV proposal. A number of submissions and survey responses did not indicate support or opposition to the SRV proposal but

instead comments on how Council should find savings or identify other revenue raising options to improve Council's finances or to reduce the size of the proposed SRV. These included reducing expenditures on Connector Bus, events, festivals, increasing charges for halls and sportsgrounds, introducing more parking meters etc.

***Inequity***

There were concerns raised about the inequity of the proposed rate increases between houses and units, with the majority of the increase being levied on owners of houses, not units. The majority of the Strathfield LGA housing are units representing 67% of all LGA dwellings (Census 2021). The LGA has targets for additional unit and population growth. This will inevitably create additional demand and use of Council services and infrastructure.

Many owners of houses did not support the SRV increase on owners of single dwelling residential houses and considered it to be inequitable and disproportionately large in comparison to units. They also considered that units should make a larger contribution to local services and infrastructure provided by Council.

> *"We agree that the cost of Council services consumed by any particular household is not correlated with the land value of the property. Unimproved land value is inversely proportional to density, yet consumption of Council services does not reduce with density. In fact, all else being equal, a household living in a high density flat dwelling is more likely to consume Council services than a household living in a low density dwelling, due to the lack of space for recreation, exercise and socialising".* (Submission January 2023)

> *"Burden of rate increases in unfairly levied on owners of houses, not units. Owners and occupiers of units are significant users of Council services and assets but contribute little to provision and upkeep compared to houses"* (Survey response January 2023).

> *"It is simply perverse to require one household (in a house) to pay four or six times the minimum rate while another household (in a unit) pays only the minimum rate, when the latter household is likely to consume just as much, or more, Council services. We urge Council to rethink the unreasonable and unfair impact of the SRV on residents".* (Submission January 2023)

> *"The council paperwork trumps that 74% of ratepayers will pay no more than 19.5% after 4 years. This 74% use just as much council infrastructure and services as the remains 26% who will pay up to 76.9%. The method of calculation based on share of land valuation does not work and with the proliferation of unit development an alternative needs to be found" (Survey response January 2023).*

> *"In considering the rate variation, it is important to make sure that items like roadwork, footpath repair, park maintenance, rubbish collection..., things which are used by all residents are paid for equally by all residents. The disparity between apartments and houses has at times been extreme and given my rather modest dwelling has been way above the average rate for years, I can only assume that it still exists.....The apartment residents use all the same facilities and are possibly more likely to use the parks than house residents who have back yards"* (Survey response December 2023)

> *"Council's flyer say that 74% of ratepayers will have an increase of no more than 19.5%, the hidden detail shows that 26% of ratepayers (i.e. more than 1 quarter) will be paying an increase of 20% to over 100% (i.e. more than double). These amounts are well in excess of inflation and wage rises. With steep increases in interest rates, energy bills, petrol prices and groceries, these proposed steep increases in council rates are not affordable.* (Online submission 12 January 2023)

***Change to Rating system***

The comments received on the change to Minimum/Ad Valorem generally received comments of support, with submissions arguing that it was a fairer outcome for all ratepayers, better representing the cost of services and infrastructure provided by Council. This issue also related to other comments concerning inequities of the rating system between houses and units.

> *"We agree that a minimum rate structure is a fairer system"* (Submission January 2023).

> *"The need for flat/apartment/unit dwellers to pay a fair share of the rates is vitally important and any change to the rating structure, e.g. the minimum rate idea must enable that minimum rate to increase, and possibly by a higher percentage than that for landholders, as the minimum rate is the cost of the services provided for all residents, a cost which should be shared equally. (Survey response December 2023)*

***Changes to DWC***

There was little response to the proposal for changes to the Domestic Waste Charge (DWC).

***Borrowing Program***

There was only one response received that discussed Council undertaking a borrowing program. The response did not support Council borrowing.

***Financial impact***

There were concerns raised about the impacts of the SRV increase, particularly in the current economic environment of higher inflation, rising cost of living and interest rates increases.

> *"Given the rise in inflation, interest rates and general costs, it will be helpful of such rises are deferred until the economy stabilizes in Sydney" (Survey response, 8 December 2022).*

> *"I personally will not be able to afford the increase even if you spread it over four year I have 3 kids and cost of living has gone up as well as interest rates. The 19.4% increase that council is asking for is very unreasonable and council clearly haven't taken families into account" (Survey response, 17 January 2023)*

Concerns in particular were raised about the impact on pensioners and low income earners especially those in single residential dwellings, which face significantly higher rate increases than units.

*"As a pensioner it would be an extra burden if there is going to be a Special rate variation. The rebate of $250 per year has remained the same for more than a decade whereas the rates have gone up by more than 50% during the decade" (Online submission 9 December 2022)*

*"You need to consider low income families how they would cope with the increase rate people do not want lose their homes' (Survey response, 20 January 2023)*

*"The Pensioner Rebate should increase by the same percentage as the rates increase" (Survey response, 23 January 2023).*

***Council's management***

Significant amounts of feedback concerned Council's management and financial sustainability. On the SRV Survey over 34% of all comments concerned Council management and similar comments were made in submissions and feedback at community information sessions/popup stalls.

Many expressed shock and surprise about the poor state of Council's finances. Many comments and submissions criticised how Council's resources have been previously managed with many expressing the view that Council needs to find savings and prioritise delivery of essential services eg area maintenance, waste management, roads, footpaths and local infrastructure etc. over non-essential expenditures. 9% of comments in the SRV survey nominated the Connector Bus Service as a service that should cease to reduce Council's expenditures.

*"Stop unnecessary spending on projects that are non- essential services. For example, the community bus. Stop waste of any kind".* (Online submission, 12 January 2023)

*"Council resources should be dedicated to core business eg area maintenance, infrastructure, waste services etc and not spend money on festivals, events etc. (Submission 8 December 2022)*

*"Question the claims of poor financial position of Council against previous claims of sustainability. Not all of the LGA is receiving adequate maintenance and general care, better services are needed across the whole LGA". (Submission 8 December 2022).*

*"I suggest council finds another way of paying for these mistakes, ratepayers had no idea that council was getting itself into so much debt therefore we shouldn't be held accountable to fix council's mistakes. I hope council will start to think long and hard before agreeing to pay millions of dollars for unnecessary projects and involves ratepayers (at least 70%) before decision making". (Survey response, 17 January 2023)*

Many expressed the view that Council needs to be more efficient and identify savings within their own operations. There were many comments about Council should be more transparent and accountable about its financial situation.

A number of Council operational issues were raised concerning service delivery and condition of infrastructure eg condition of roads, street sweeping, tree pruning etc. Residents consider that delivery of these Council services need to be more effective and expenditures prioritised to justify increased Council rates.

***Connector Bus review***

The SRV Proposal assumes cost savings from the cessation of the Strathfield Connector Bus Service. A separate consultation was held on the review of the Connector Bus service. Comments about the Bus service were also received in the SRV consultation, with the majority supporting ceasing the service mainly as a cost saving.

The separate consultation for the Connector Bus review attracted over 1100 completed surveys. 52% stated there would be no impact if the service stopped, while 44% stated they would be impacted. Analysis of feedback indicates that it was likely there were unmet transport needs in the LGA in specific locations and/or vulnerable demographic groups. Council proposes investigating transport alternatives to meet specific community needs with reduced operating costs and in the medium term transitioning from operating the Connector Bus as general transport service. 9% of comments on the SRV survey raised the Connector Service with all but one supporting the cessation of the bus service, mainly due to its cost.

***IPR amended plans***

Council received no submissions related to notified amendments to the IPR documents including Delivery Program/Operational Plan and Long Term Financial Plan.

## 4. Council's Response

Due to the large volume and variety of content contained in community feedback, the key issues raised are grouped into themes and addressed below.

| Theme | Summary of theme/example of comment | Council's response |
|---|---|---|
| Affordability | Impact of SRV increase on pensioners and low income earners and the amount of pensioner rebates<br><br>Community capacity to afford increases due to poor economic conditions eg impact of COVID, high inflation and interest rate increases | Council has set out its response to affordability in its Community Financial Capacity Report. It is acknowledged that the current economic conditions such as interest rate increases may affect ratepayers at an individual level, depending on factors such as income and size of mortgage and interest rate repayments. Council has adopted a Hardship Policy which sets out how Council can assist ratepayers who are experiencing difficulties in paying rates on time. Council will continue to provide pensioner subsidies for Council rates, Domestic Waste Charge and Stormwater Charge. |
| Connector Bus | Cost and demand for the Connector Bus service. | The SRV Proposal assumes cost savings from the cessation of the Strathfield Connector Bus Service as demand for the service appears to be limited based on low passengers numbers and also community feedback. The majority of comments received in the SRV consultation supported the cessation of the service. |

| Theme | Summary of theme/example of comment | Council's response |
|---|---|---|
| | | However, a separate consultation on the Connector service identified limited but specific areas of demand from key user groups of the service. As a result, Council proposes reducing bus services and its operating costs and transitioning the bus from being a general transport service. Council will further investigate transport alternatives to meet specific community needs as well as advocate to the NSW Government to provide transport services in any areas of the LGA without public transport. |
| Financial management of Council | Past financial performance of previous Councils<br><br>Why should ratepayers pay for past Council poor financial management?<br><br>Council needs to find savings and cut waste and reduce impact of rates increases on community<br><br>Council needs to improve and notify community its financial management | The broader SRV proposal involved implementing a new approach to the Council's management and financial sustainability. The broader range of proposals comprise a number of elements consisting of:<br><br>- Reducing the Domestic Waste Charge (DMC) for all residential ratepayers<br>- implementing savings and productivity improvements which will improve the bottom line by around $2.5M annually by 2033.<br>- Establishing new Business rating sub-categories to ensure large business pay their fair share and to reduce the rate burden on residents.<br>- Changing our rating system to a minimum rate structure for a fairer and more equitable structure based on consumption of council services and assets as well as being a measure to be more financially sustainable into the future as the population grows and the demand on council services increase.<br>- implement a loan borrowing program to address cash flow challenges and apply principles of intergenerational equity for the purpose of maintaining and renewing our long life assets.<br>- implementing a Special Rate Variation (SRV).<br><br>These combination of actions are designed to secure Council's long-term financial future and fund current service levels without any significant decrease. Strathfield Council has posted operating deficits since 2020. In the 5 years to 2020/21, the average operating performance ratio of NSW councils has steadily declined from 9.8% in 2016/17, to -1.5% in 2020/21. On top of this steady decline the |

| Theme | Summary of theme/example of comment | Council's response |
|---|---|---|
| | | economic climate has changed post COVID 19. The high level of inflation is impacting the cost of materials and contracts that Council purchases to deliver services such as roads and footpath renewals. This means that Council can no longer keep expenditure contained within the levels forecast in the LTFP without significant impact on service delivery to the community.<br><br>Following a thorough and independent audit of assets, the size of the actual backlog indicates a significant gap between actual and required expenditures to maintain the majority of assets to a community standard of satisfactory and above. Council's backlog has increased from $0.6m in 2019 to $16m in 2022 which is a backlog ratio of 4.2%, above the industry target of 2%. Without additional income from a SRV, asset backlogs will continue to increase and large amounts of assets such as roads and footpaths will deteriorate from at least satisfactory to fair or poor conditions and thereby, potentially becoming unserviceable and unsafe. Some services will need to be reduced or potentially stopped.<br><br>The revised Long-Term financial plan sets out the funding requirements needed to maintain quality infrastructure and services in the Strathfield LGA.<br><br>Council notifies its financial status in reports such as its Annual Financial Statement, which is audited by the Audit Office of NSW and Council's quarterly financial review. These statements and reports are available on Council's websites. |
| General comments on Council services | Council needs more efficient management<br><br>Community better and improved services especially if rates are increased<br><br>Council should deliver basic or essential services only | Council manages a wide range of services for the community. This includes services eg waste, environmental protection, public land management, area maintenance in public domains, parks and open space, development planning and assessment, library and community services etc; enforcement and regulatory eg approvals, orders and building certificates, revenue and administrative etc. Most of Council's income is expended on those core services including maintenance and |

| Theme | Summary of theme/example of comment | Council's response |
|---|---|---|
| | Council should not spend money on non-essential expenditures | renewal of local infrastructure such as roads, footpaths, kerbs and gutters, stormwater, local public buildings etc. Council also contributes payment for State Emergency Services (SES), Fire Services, street lighting etc. Expenditures are detailed in Council's Annual Financial Statements.<br><br>Council's budget is prepared annually and included in the yearly operational plan. How Council proposes allocating resources to operations and capital works is set out in this plan which is notified and exhibited to the public annually. The plan requires Council adoption after consideration of feedback from the community. Progress is reported every 6 months and in the Annual Report published in November each year. The community has a number of opportunities to have input into decision making processes which concern where Council resources are allocated.<br><br>Council has identified productivity improvements and savings to be implemented which will improve the bottom line by around $2.5M annually by 2033, which include savings from the Connector Bus, |
| Inequity of SRV | SRV burden is not equally distributed across units and houses.<br><br>Units occupants high consumers of services and infrastructure<br><br>Units should pay less as they are worth less. | In NSW, the system of rating is based on unimproved land valuations, which are issued by the NSW Valuer-General every three years. Land value is the value of land only. In the case of a house (single residential dwelling), it does not include the value of the house or other structures and improvements. The land value of a unit development is determined for the whole site of a strata scheme. The Notice of Valuation is issued to the nominated representative of the scheme. Rating values for individual strata units are a proportion of the strata scheme land value, based on unit entitlement<br><br>Strathfield Council is proposed moving to a minimum rate system. Rates are currently calculated on a base rate/ad valorem, which is payment of a base amount and a % against the unimproved land value. The minimum rate model sets a minimum amount for rates across all properties in a category. Those valued under a specific land valuation pay only the |

| Theme | Summary of theme/example of comment | Council's response |
|---|---|---|
| | | minimum. Land valued at a higher amount that the minimum pays a % (ad valorem) of the land valuation.<br><br>Lower valued properties will pay less than high valued properties. However, to recognise that occupants of units may be high consumers of services and infrastructure, the minimum rate will provide a minimum contribution from all residential properties to Council's income to support a wide range of services. |
| Land valuation are not accurate | Land valuations have increased since last valuation and therefore examples are not accurate | The average figures provided to the community have been developed from financial modelling based on current property data and land values. The NSW Valuer General issues councils with new land values every 3 years. A new set of land values will be supplied by the NSW Valuer General and applied from 1 July 2023.<br><br>Should IPART approve the SRV, the rate levied for the 2022-23 financial year may vary from those estimates for individual properties depending on the relative movement in land values for each property compared to the whole LGA. |
| Suggestions of other revenue raising options | Rates should be levied on an individual basis, not on unimproved land value<br><br>Churches and schools should pay rates | How rates are levied is set out in the Local Government Act 1993. Council does not have the power to change how rates are determined and under the Act, cannot levy rates differently than the Act permits eg per person or per metre as suggested in some feedback comments.<br><br>There are certain categories of property which are rate exempt under the Act such as churches and schools. |
| Various services | Many comments received on variety of Council services eg tree pruning and policy, street sweeping, maintenance of public domain and neighbourhoods etc. | The Community Engagement process has raised many issues relating to services and programs. Though many are not directly related to the SRV proposals, they will be considered in the preparation of Council's operational plan for 2022-2023 and related reviews. |

## 5. Conclusion

In preparing the final SRV options, community feedback has been considered. The table below features the proposal and recommendations following community feedback.

| Proposal | Recommendation |
|---|---|
| That Council apply to IPART for a Special Rate Variation (SRV) | Supported.<br><br>While many are not supportive of a SRV rate increase, there is also little evidence that the community wants its local services and infrastructure to deteriorate, which will occur without additional funding. The majority of community feedback supports Council remaining financially sustainable. The SRV proposal involves a broad and integrated range of financial initiatives to improve Council's financial sustainability including implementation of savings from Council operations. |
| Council proposes two options for a SRV implementation – one year or over 4 years. | 4 year option supported.<br><br>That Council adopt and apply for the Option for a multiple year SRV across four years. This is supported on the basis that it spreads the increase over multiple years which has less immediate impact on ratepayers. |
| The proposal to reduce the Domestic Waste Charge (DWC) by $245 ($4M total) and increasing a corresponding amount in Council rates. | Supported.<br><br>There was no feedback that indicated that this was not generally supported by the community. |
| That Council move from a Base to a Minimum Rating System and establish new rating categories | Supported.<br><br>The Minimum Rating system was generally supported by community feedback. Comments concern inequity of rates burden on houses, not units was considered, particularly as the dominant form of housing in the LGA are units. Growth of population will continue promoted by increasing numbers of units. Housing and unit growth will increase use and demand for additional services and infrastructure. The Minimum rate will ensure that units will provide fairer contribution to costs of Council services and infrastructure.<br><br>The SRV proposal has been reviewed and amendments proposed to move to the maximum minimum rate of $1200 within 2 years, which will improve cashflow quicker but also increase the contribution of units to Council rates and ameliorate part of the SRV increase for owners of houses. |
| That Council address cash flow with a loan borrowing program to expedite asset renewal funding. | Supported.<br><br>Only one comment was received objecting to a borrowing program. |
| That the Connector Bus cease | Supported in part. |

| Proposal | Recommendation |
|---|---|
| | That Council discontinue the Strathfield Connector Bus service as a savings and productivity improvement in the SRV proposal. The review and engagement on Connector Bus indicated demand in particular locations and certain demographics. It is proposed to transition this service from general transport to targeted services in the short term, cap expenditure and review and identify other methods of meeting unmet community transport needs. |
| That Council exhibited amendments to the following IPR documents - the Delivery Program 2022-2028, Operational Plan 2022-2023 and Long Term Financial Plan | Adopted.<br><br>Draft amended plans were exhibited and adopted by Council in February 2023. |

# APPENDIX A

# COMMUNITY FEEDBACK

# Appendix A – Community Feedback

## Introduction

This section provides more detail on specific engagement activities involving community participation.

1. Community Information sessions/meetings
2. PopUp information stalls
3. Submissions
4. Community Survey

### 1. Community Information sessions/meetings

A total of three (3) information sessions/meetings were notified to all residents. Two meetings were held at the Strathfield Town Hall and one meeting was held online in the month of December 2022.

The meetings were held in a presentation style format. Presentations were made by senior Council staff and consultants Morrison Low through talking through a MS PowerPoint to the participants (refer to Appendix C).
The engagement meeting presentation covered:

- introductions
- how the meetings run and how participants can participate (i.e. ask questions or express views)
- what the meeting is about, the objectives and importantly what it's not about
- what Council's financial sustainability obligations are
- Morrison Low's independent assessment of the situation and causes
- what some of the options and choices are to resolve the problem
- feedback from the participants on the options via Zoom polls
- opportunities for questions from participants
- where to from here – expressing views and next steps.

**Meeting 1 – Monday 12 December 2022 at 6pm**

Six (6) community members were in attendance. The meeting was opened by the General Manager, who provided background to the SRV proposal. Consultants Morrison Low provided a detailed briefing of the SRV proposal.

The key issues and concerns raised at the meeting were:

- Questioning about how Council came to be in a position where substantial increases were required. Some comments included the need for a forensic audit of contracts, the hiring of

staff practices under the previous General Manager, suggestions that library hours of opening need to return to prior times.

- There was some concern about the SRV proposal but participants indicated an understanding of the importance of the need to address Council's financial sustainability.

**Meeting 2 – Wednesday 14 December 2022 at 6:00pm**

The meeting was opened by the General Manager, who provided background to the SRV proposal. Consultants Morrison Low provided a detailed briefing of the SRV proposal.

6 community members were in attendance. 4 councillors attended including the Mayor.

The key issues and concerns raised at the meeting were:

- Questioning about how Council came to be in a position where substantial increases were required.
- One of the residents who attended the session congratulated the Council and staff for finally taking steps to address the issue.

**Meeting 3 – Thursday 15 December 2022 at 6pm (online)**




1 community members was in attendance.

To ensure residents and ratepayers had access to information sessions and could participate in directly asking questions, one community engagement meeting was held virtually via Zoom, facilitated by Morrison Low. Registration for the meeting was advertised on Council's website. Links to the meeting were sent prior to the meeting to those persons registered with the meeting presentation slides available on Council website.

The format of these meetings included:

- presentation on the SRV process, options, and implications (Appendix C)
- requesting questions from participants.

This meeting was recorded and the links to the recordings were included on Council's website following this meeting.

The participant did not raise any questions or issues at the meeting.

The meeting recording can be found at: *https://strathfieldnswgovau-my.sharepoint.com/personal/fina_nainoca_strathfield_nsw_gov_au/_layouts/15/stream.aspx?id=%2Fpersonal%2Ffina%5Fnainoca%5Fstrathfield%5Fnsw%5Fgov%5Fau%2FDocuments%2FRecordings%2FSRV%20Online%20Consultation%2D20221215%5F181220%2DMeeting%20Recording%2Emp4&ga=1*

## 2. PopUp information stalls

Council operated four PopUp stalls to encourage members of the community to meet and discuss their views on the SRV proposal with Council staff in person. Four stalls were held over December 2022 and January 2023.

**Meeting 1 - Saturday 10 December 2022 at 10am to 12pm at Homebush shopping centre**
A number of staff attended this this engagement. 6 community members attended the consultation. The key issues and concerns raised at the meeting related to the SRV included:

- Request for information on the impact of SRV increase on an individual property (followed up with later response)
- Street sweeping needs to be scheduled on a regular basis (set time and date) and suggest there is no parking allowed on streets during this time (referenced Mosman Council)
- Does not support rate increase (3)
- Illegal boarding house/non complying development operating in nearby street
- Too many CCTV's in LGA, why were they installed? what use is made of data?
- Street cleaning inadequate, don't see anyone sweeping unless a complaint is made
- Insufficient street sweeping in nearby streets
- More detail should be provided on Council's current and projected income, projected population/income from new dwellings, clear explanation of how Council is future proofing, independent oversight of proposed funding.

**Meeting 2 - Tuesday 13 December 2022 at 10am to 12pm at Strathfield Plaza**
The Manager Communications and Events attended this engagement. 6 community members were in attendance. The key issues and concerns raised at the meeting were:

- Council needs an audit of contracts issued by previous management.
- Areas outside of Strathfield Railway need to be rehabilitated as it has rotted over the last 12 years.
- Library needs to return to previous opening hours
- Council trees need to be pruned (request forwarded to officer for follow up)
- Misuse of leaf blower early in the morning by neighbours
- Council needs to improve Strathfield Town Centre on both sides of railway.

- Replace old trees with trees that don't drop leaves. More street sweeping and vacuuming of streets.
- Water in Raw Square underpass – condition is unsafe and resident almost fell.

**Meeting 3 - Saturday 17 December 2022 at 10am to 12pm at Cooke Park Belfield.**
The General Manager and Manager of Finance attended this engagement. 1 community member was in attendance who discussed the SRV proposal and how it applied.

**Meeting 4 - Saturday 21 January 2023 at 10am to 12pm at Strathfield Library at Strathfield Library Homebush.**
The Director Corporate & Community and Chief Strategy Officer attended this engagement. 7 community members attended the consultation and raised the following issues:

- Where the rate income is primarily spent? Eg on what services, activities etc.
- Suggestion that Council should commence charging residents for Council clean up services (advised this is covered by the Domestic Waste Charge, which is paid with Council rates)
- Street sweeping services – many people are sweeping onto the roads and should place leaves/waste in a bin.
- Concerns about impact of SRV on cost of living expenses for households.
- Are boarding houses, child care centres etc paying rates and if so, what type of rates do they pay? Eg resident, commercial etc.
- Add information on the Council website such as video of presentation on the SRV case.
- Like the Connector Bus Service. It should be better publicised to attract passengers.
- Maybe trial erecting signs in streets to move cars to assist street sweeping.
- Can the Community attend Council meetings or is it still on Zoom? (Response that meeting is broadcast but public is welcome to attend in-person).
- A few requested estimates of impact of SRV on their properties (responses issued subsequently to ratepayers by email or mail).

## 3. Special Rate Variation – Submissions

A total of 35 submissions were received. Of the 35, 17 were written submissions (letter or email) and 18 lodged online.

A total of 15 submissions raised objections or concerns with the SRV increase. Of this 11 cited affordability cost of living and interest rates including a submission about impacts on pensioners, two submissions stating that increases on industrial properties is unaffordable and large increases will be passed onto tenants. 4 submissions stated that the impact of the proposed SRV increase is significantly higher on houses than units. Many linked concerns with the SRV increase with comments with the need for Council to improve its services and maintenance of the local area.

The other 20 submissions mainly raised issues about Council management including need to dedicate Council resources to core or essential services, that waste and unnecessary expenditures need to be cut and savings found from cuts to events, Christmas decorations, that the Connector Bus should be

cut, become a user pays service or improve service those who need it eg elderly or people with disabilities. There were also comments about specific programs such as tree management, traffic controls and green waste. Some submissions made suggestions about areas for potential revenue such as parking meters, rate levies on new properties for street beautification.

Opposed to SRV

1. Oppose the SRV as cost of living is high and do not want to pay more Council rates
2. Oppose the SRV due to increased cost of living. Maintenance of public areas is poor, critical of expenditure on Hudson Park.
3. Oppose SRV
4. Oppose SRV due to current economic conditions. Inadequate maintenance and need for better services. Council should consider amalgamation and maintain or reduce rates
5. The current high cost of living and the upcoming Covid wave is already creating immense stress to the residents. Psychological wellbeing of the residents should be the top priority of the council. Properties with value of $ 1 million or more should be charged higher rates. People living in units should be spared of this burden. Council should not provide free services, provide basic services eg tree pruning and road maintenance.
6. Object to SRV increase to industrial properties. The increase is unaffordable in current economic climate. Council should focus on core services and run the council as a sound financial institution than a huge rate spike
7. Object to SRV increase as maintenance of public areas is inadequate and need better road management and on-street parking as well as bus service on Parramatta Road in Homebush West to Burwood or Lidcombe
8. Opposed to SRV increase. Improve maintenance and services. Cut unnecessary expenses and Connector Bus. Overdevelopment in LGA is creating problems for infrastructure, damage to roadways and footpaths by development and building works.
9. Object to SRV proposal due to inequities burden on houses, not units. 26% of ratepayers will be paying an increase of 20% to over 100%. SRV above inflation, wage rises and not affordable. Many house owners in Strathfield have a huge mortgage with increasing interest rates. Self-funded retirees with no government assistance. Council needs to demonstrate cost efficiencies.
10. Object SRV proposal is not equally applied, it has significant impact on single dwellings and is unfair. Minimum rate system is a fairer system
11. Object to SRV proposal due to unequal burden of rates on houses, not units. Stop connector bus and make better decisions.
12. People living in units in high concentration probably use more services person – yet the landowners are carrying the burden of rates. Review spending priorities and spend only on basic services. Charge rates per person instead of per unit of land held, churches should pay rates
13. Oppose SRV and new categories that target business which will result in large increases passed onto tenants
14. Oppose SRV. Stop waste or unnecessary spending on projects that are non-essential services eg Connector Bus. Be more transparent with the community

15. Concern with SRV due to cost as a pensioner SRV would be an extra burden. The rebate of $250 per year has remained the same for more than a decade whereas the rates have gone up by more than 50% during the decade

Comments on management, services and revenue raising

1. Council resources should be dedicated to core business eg area maintenance, infrastructure, waste services etc and not spend money on festivals, events etc.
2. Council should consider alternatives to the SRV to increase revenue eg parking fees for business vehicles, boats and trailers, meter parking and expand commercial area of the Strathfield Town Centre
3. Improve financial reporting and transparency
4. Council problems caused by wastage, inefficiency and inability to manage budgets, needs full assessment of future funding needs before SRV application.
5. Use cash reserves to deal with short term deficits, remove Connector Bus Service and review ranger service.
6. Understand need for Council to undertake sound planning and management. Resource street beautification and footpath upgrades.
7. Need to improve major and local roads, heavy trucks are damaging roads, support new tree plantings, review connector bus and improve living conditions for all residents and community.
8. Replace 2023/24 residential rates with the proposed rate for 2024/2025. Review residential rate categories. Overseas examples demonstrate how the Connector services could be self-funding. Community assets can also generate some operational income to help reduce increasing cost burden.
9. Implement cost measures 1) amalgamate Council 2) Collect a special rate variation on new property owners/ratepayers of 2% of the property purchase price for streetscape beautification/liabilities for building/truck damage 3) End the Strathfield Connector/user pays 4) Reduce the nonessential eg Christmas decorations, events etc. 5) Eliminate red tape for safety measures/property maintenance eg tree trimming.
10. Improve management of Connector Bus, retirees need access to free transport due to cancellation of driver's licences after a certain age. If it can't be improved, cancel service, sell buses to recoup funds
11. Improve tree policy and consider cost of damage of damage of tree roots to building foundations and pipes and trees of a certain height don't provide shade.
12. Save costs by replacing tall street trees that interfere with electricity wiring from telegraph poles with to buildings very hardy, drought resistant trees
13. Clean up tree branches and leaves in our street and prune trees
14. NSW Government should provide grant for green waste bins for residents and provide liquid compost.
15. Hasn't the council made more money from the proliferation of units in Strathfield council area?
16. Too many staff especially ones that double up with state stuff
17. Spend less on unnecessary speed bumps every 50 metres = more money for pothole repairs
18. In addition to SRV, council should also increase the application fees for new building approval

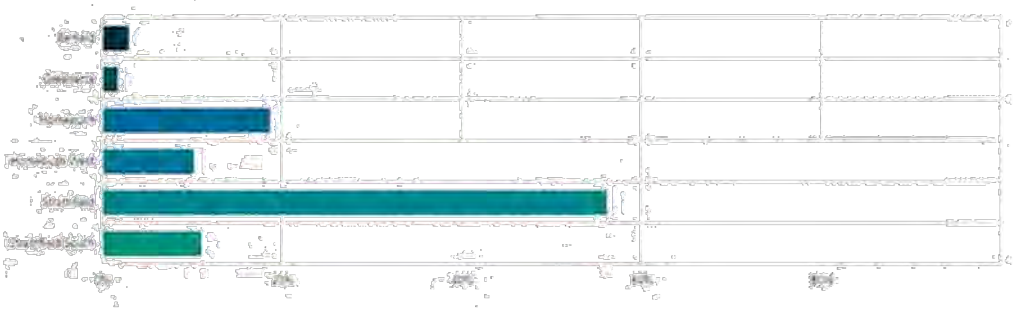
19. Strathfield Council should have money with all the new unit towers. Maybe Council's expenses are excessive and should be reviewed. Stop building / making more parklands.
20. Costs of running Bus overstated, necessary for elderly/low income/people with disabilities. Stop waste eg too much street sweeping, councillor junkets

## 4. Special Rate Variation (SRV) Survey - feedback

Council received 248 completed surveys relating to the SRV proposal. The survey was held online and open from 6 December 2022 until 31 January 2023. Print copies were available on request and completed print surveys were keyed into the survey software.

Respondent information

**Question: Where do you live?**

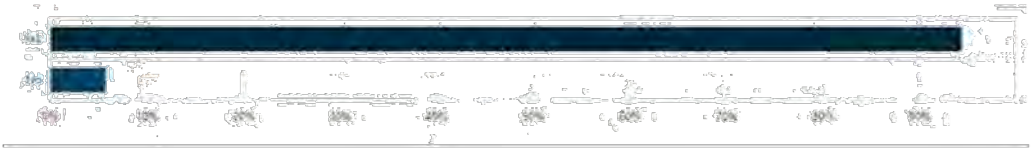


N = 248 responses

The majority of responses were from the suburb of Strathfield (56%), followed by Homebush (19%), Strathfield South (11%) and Homebush West (10%). Belfield and Greenacre recorded under 3%.

| Suburb | No. of responses | % |
|---|---|---|
| Belfield | 7 | 3% |
| Greenacre | 4 | 2% |
| Homebush | 46 | 19% |
| Homebush West | 25 | 10% |
| Strathfield | 139 | 56% |
| Strathfield South | 27 | 11% |

**Question: Are you a ratepayer to Strathfield Council?**



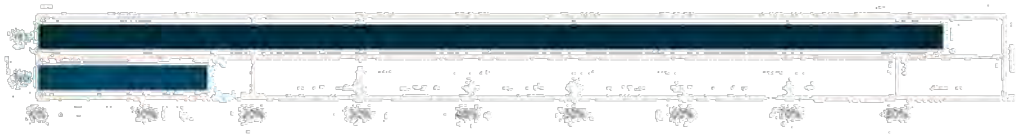
N = 248 responses

94% of survey respondents stated they were a ratepayer of Strathfield Council, with 6% stating no.

Financial sustainability of Council

**Question: Do you support Strathfield Council remaining financially sustainable?**

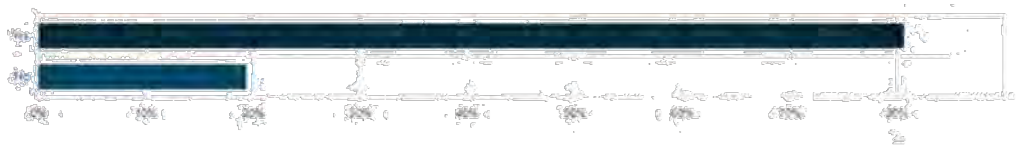
N = 248 responses.



84% of survey respondents stated that they support Council remaining financially sustainable, the remaining 16% disagreed.

Awareness of the SRV proposal

Question: Have you received or read information from Strathfield Council about a proposal to apply for a special rate variation to IPART for an increase in general rates above the rate cap?

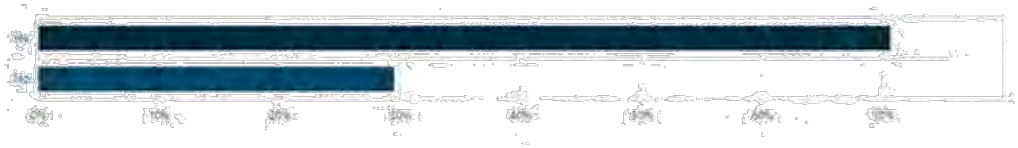


N = 248 responses.

81% of survey respondents stated that they were aware of the SRV proposal, with remaining 19% stating no.

Understanding the SRV proposal

**Question: "If yes, where you able to understand the information provided by Strathfield Council?**



N = 248 responses.

71% (175 responses) stated they understood the information provided. 29% (73 responses) disagreed with the statement. However, Council did provide other means of obtaining further information including meetings, popup stalls and contacting Council with inquiries

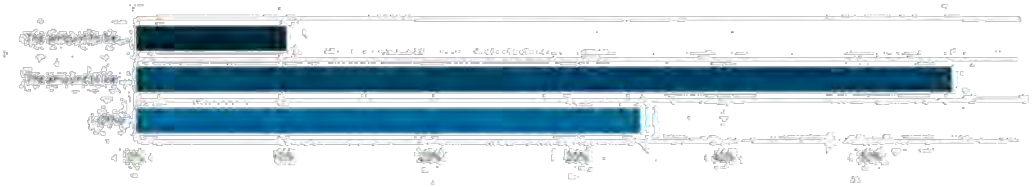
Preferred SRV option

For the community consultation, Council proposed two options for the Special Rate Variations, either in one year or across four years. The preferred Council option was for introducing the SRV across four years (Option 2) rather than a SRV increase in one year (Option 1).

**Question: Strathfield Council considered two special rate variation options. 1. The full amount required applied over a single permanent increase or 2. four smaller permanent increases over the next four years (which is Council's preferred option). Which option would you prefer?**

56% of responses supported the multi-year option, while 10% support the one year option.

N=245



| Proposed SRV options | % | No of responses |
|---|---|---|
| The amount to be applied over one year | 10% | 25 |
| The amount to be spread over four years | 56% | 136 |
| Other | 34% | 84 |

34% of responses indicated 'other' and nominated their own response. The highest number of responses indicated they did not support the rate increase and seconded highest responses concerned Council improving efficiencies, prioritising services and improved management of budgets.

'Other' responses (grouped where responses were similar):

| Comments (grouped) | No responses |
|---|---|
| Don't support rate increase | 42 |
| Council should be more efficient, cut waste, priority core services and work within budgets - don't support increase | 19 |
| Need more information | 4 |
| No comment | 2 |

**Other comments – 1 response**

- Amalgamate council to improve finances
- Can't afford the increase - families are struggling with cost of living
- Council rates are already too high
- Council should charge more rates to maintain area properly
- Cut Connector Bus and save money
- Developers should pay more, don't support rate increase
- Draw on investments and reserves
- I support the proposal of the Homebush Residents Group Inc
- Implement rate peg only
- Increase rates moderately without decrease in water charge
- Not relevant to me
- Rebates for pensioners, low income and heritage properties
- Residents are not the cause of financial mismanagement, find savings within council
- Support increase over 10 year period
- Support SRV for business, not residence

Comments or suggestions on the SRV proposal

Question: Do you have any comments or suggestion on the proposal to apply for a special rate variation? (open-ended responses). There was a total of 248 responses. As comments were self-nominating, they covered a range of issues, which are grouped where similar.

| | |
|---|---|
| Council needs more efficient management/better service delivery/prioritised on essentials/find savings and cut waste | 34.27% |
| Oppose SRV increase | 20.56% |
| No comment | 17.74% |
| Affordability/provide financial assistance to pensioners & low income earners | 10.08% |
| Remove Connector Bus and reduce costs | 9.27% |
| Improve and notify community about how Council is financially managed in a transparent and accountable way | 8.47% |
| Rates and/or SRV is too high | 4.44% |
| SRV burden is not equitable/houses targeted/unit occupant high consumers of services and infrastructure | 4.03% |
| Support SRV | 3.63% |
| Support multi-year implementation | 3.23% |
| Industry & developers should contribute more/damage to roads & infrastructure | 2.82% |

The following comments were mentioned 3 or less times

- Consider merging with another council
- Strathfield needs to remain financially viable
- More information needed
- Survey is misleading

- Strathfield Town Centre should be consolidated under one Council
- Keep connector
- Appreciate Council consultations
- Lower value properties should pay less
- Oppose borrowing
- Tree issues
- How does Council compare with other councils?
- Proposal is not clear or well presented
- SRV should include all increases and be increased at same rate each year
- Council needs be tough on law breakers
- Establish Government on-demand bus service
- Projected figures are underestimate impacts
- Improve communications with community on Council issues
- Council should be wealthy with all the units
- Rate increase should apply to private schools
- Single year increase and no further increases
- No leisure centre
- Prioritise environment
- Poor services for seniors
- Concern with permanent increase
- Landlords will pass on increases
- Oppose high density with no car parking onsite
- Redevelop Strathfield Town Centre
- What is difference between SRV and rate increase?
- Strathfield's rates are good in comparison to others
- Rates are too high
- State or Federal Government should contribute more
- Pay in instalments
- Share services with other councils
- Unnecessary traffic controls
- Where will additional money be spent?
- Investigate power generation
- Investigate other ways of remaining sustainability
- No services provided to seniors
- Get assistance from State Government
- Projections based on old valuation data not current

# APPENDIX B
# COMMUNITY ENGAGEMENT STRATEGY

# Appendix B - Special Rate Variation – Community Engagement Action Plan

Strathfield Council

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**Document status**

| Job # | Version | Written | Reviewed | Approved | Report Date |
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# 1. Context

Morrison Low Consultants has been engaged by Strathfield Council ('Council') to provide support and advice through the proposed special rate variation (SRV) process.

## 1.1 Background

Strathfield Council's (Council) 2022-32 Long-Term Financial Plan (LTFP), adopted in July 2022, forecasts consolidated operating deficits until 2030. Further analysis of Councils operations and separating out the General fund operations, a revised LTFP will be publicly exhibited at the same time as Council consults with the community on the proposed Special Rate Variation.

Council has made efforts to contain costs and find savings over several years and has identified further savings of $1,404,172 that are included in its financial forecasts.

Despite this Council must now consider growing rates income through a Special Rate Variation (SRV) to maintain financial sustainability.

During October and November 2022, Council reassessed its long-term financial position and identified a need for an SRV. At the Council Meeting on 6 December 2022, Council considered options for a permanent cumulative SRV as set out in the table below.

**Proposed SRV increases – Option 1 - One year**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 1: Single year SRV (excluding domestic waste transfer & rate peg) | 50.0% | n/a | n/a | n/a | 50.0% |
| Option 1: Single year SRV (total including domestic waste transfer & rate peg) | 74% | n/a | n/a | n/a | **74.0%** (88.3% if years 2-4 rate pegs are included) |

Proposed SRV increases – Option 2 - Four years

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 2: Multi-year SRV (excluding domestic waste transfer & rate peg) | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| Option 2: Multi-year SRV (total including domestic waste transfer & rate peg) | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

If supported, Council will seek the community's feedback on the proposed SRV options.

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This community engagement action plan outlines the approach, key messages and timeline for community consultation on the potential SRV. This plan has been developed to ensure that it meets the SRV assessment criteria set out by the NSW Office of Local Government, who sets policy and oversees the local government industry, and the Independent Pricing and Regulatory Tribunal (IPART), who will assess any SRV application submitted. It has also been developed in compliance with Council's Community Engagement Policy and Community Engagement Plan, as well as the International Association for Public Participation (IAP2) Quality Assurance Standard.

## 1.2 Engagement purpose and goals

The purpose of this community engagement is to ensure that the community is adequately informed and consulted about the impact of the proposed special rate variation and the impact of not applying for a special rate variation.

The objectives of this community engagement process include:

- To present the proposed SRV.
- To identify the impact of the SRV on the average rates across each rating category.
- To exhibit an updated LTFP demonstrating the impact of the proposed SRV on Council's operating results from 2023-24 for feedback and final endorsement by Council.
- To communicate to the community the timeline and process for any potential SRV application.
- To gather and consider the community's feedback to inform Council's final decision on whether and how to move forward with an SRV application.

## 1.3 Stakeholder analysis

The key impacted stakeholders are those that pay rates in the Strathfield Council Local Government Area (LGA) or are renting property in Strathfield, where there may be rent increases passed to cover the proposed rate increases fully or partly.

Stakeholder groups have been identified below to ensure that the specific considerations of these groups can be integrated into the community engagement plan. These groupings are not mutually exclusive, that is individuals may fall into a number of different stakeholder groups. For example, individuals who own multiple properties in the LGA may be both resident ratepayers and landlord ratepayers.

**Table 1 Stakeholder groupings**

| Stakeholder group | Who is in the group | Specific considerations |
|---|---|---|
| Resident ratepayers | Homeowners who are residents of Strathfield LGA | Proposed rate increases will be directly incurred by these stakeholders. |
| Residential Renters | Renters who are residents of Strathfield LGA | It will be a decision of the landlord on whether and when any rate increases are passed on to renters. |
| Landlord ratepayers | Investment property owners of property within Strathfield LGA | It will be a decision of the landlord on whether and when any rate increases are passed on to renters. |
| Business, Strathfield CBD and Major Retail Shopping Centre ratepayers | Business property owners within Strathfield LGA | Proposed rate increases will be directly incurred by these stakeholders. Where there are commercial leases in place. |

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| | | |
|---|---|---|
| | | It will depend on the contract terms as to whether and when any increase will be passed to tenants. |
| Culturally and Linguistically Diverse (CALD) members | Ratepayers, renters, landlords and business operators with CALD backgrounds | Council's Translation Information Page will be included in all relevant materials.<br>Ensure that non-English collateral and media are included in the communications on the SRV. |
| Community stakeholders | Residents' groups, sports and recreation groups, environmental groups, cultural groups and local business/industry. | These groups have a direct interest in their members/ residents and therefore, they need to understand why Council is proposing an SRV. |
| Council's consultative committees | Any advisory Committees? | These committees need to be informed and consulted. |

Within each stakeholder group, there will be a range of socio-economic factors that will be considered through a capacity to pay analysis and report; this will further inform not only the affordability of any SRV, but also may provide further insight to improve the consultation plan and key messages.

# 2. Approach

The defined approach to engagement has been crafted in line with Council's seven core engagement principles:

- Strategy-led
- Proactive
- Open and inclusive
- Easy
- Relevant
- Timely
- Meaningful.

## 2.1 Impact and complexity of the engagement

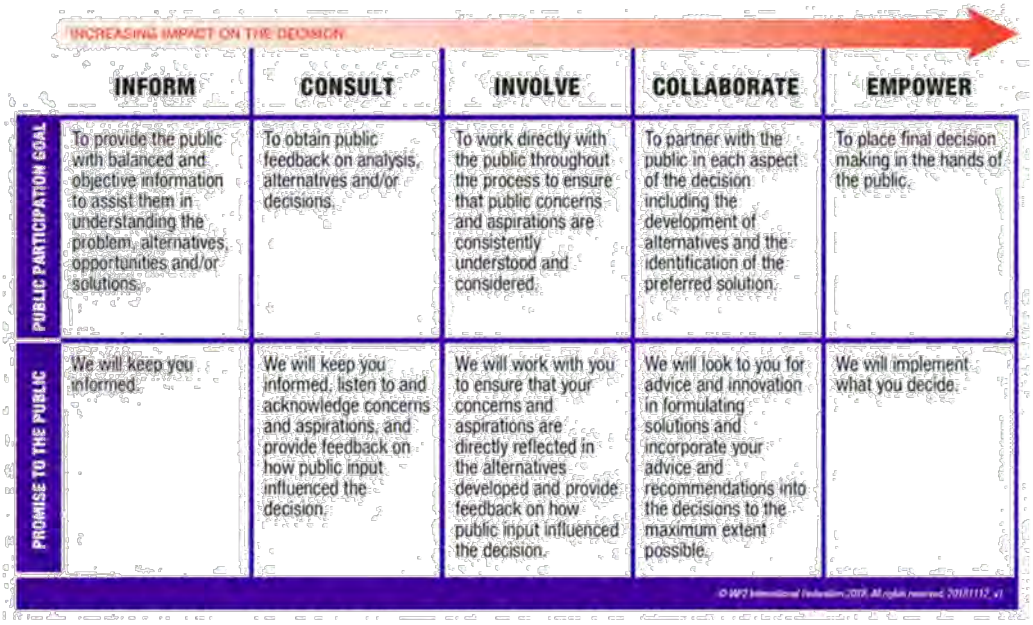
This engagement is defined as 'high impact', which means that the issues will have a real or perceived impact across the whole LGA. The issue has the potential to create controversy and has a high level of potential community interest.

It is also considered to have 'high complexity', as the information presented to the community will be based on relatively complex financial analysis and needs to be expressed in terms that are easily understood.

## 2.2 Levels of engagement

The level of engagement is defined from the IAP2 Spectrum of Public Participation in the figure below, also included in Council's Community Engagement Policy. This spectrum outlines the level of engagement required depending on the purpose and desired outcome of the project.

**Figure 1 IAP2 Spectrum of Public Participation**[1]




To meet the assessment criteria for an SRV application, Council must:

1. Demonstrate that the **need and purpose** of a different rate path for Council's General Fund is clearly articulated and identified in Council's Integrated Planning and Reporting (IP&R) documents.
2. Show evidence that the **community is aware** of the need for and the extent of a rate rise.
3. Show that the **impact on affected ratepayers** is reasonable.
4. Exhibit, approve and adopt the relevant **IP&R documents**.
5. Explain and quantify the **productivity improvements and cost containment** strategies in its IP&R documents and/or application.
6. Address any other matter that IPART considers relevant.

To meet criterion two, Council would only need to undertake engagement at the "inform" level, but a "consult" level would ensure it more fully meets criteria one and four.

The LTFP adopted in July 2022 forecasted operating deficit but did not specifically identify the need for an SRV. To meet these criteria fully, Council will adopt an updated LTFP, which includes the proposed SRV, that will be exhibited in parallel to this community engagement process.

As a result, this community engagement action plan is drafted to meet both the **inform** and **consult** levels of engagement. This means that Council will provide the public with balanced and objective information to assist them in understanding the problem, alternatives, and preferred solution and to obtain the public's feedback on analysis and alternatives. Council will keep the public informed, listen to and acknowledge concerns and

[1] International Association for Public Participation (IAP2) Australasia, 2018. *IAP2 Spectrum of Public Participation*. Retrieved from: https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf.

aspirations, and provide feedback on how public input influenced the decision made by Council.

Given the complexity of the project and proposed level of engagement, Council's Community Engagement Strategy outlines the following as possible mechanisms for community engagement that are considered relevant to this consultation:

- Print:
  - Reports, fact sheets, letters, flyers
  - Advertisements
  - Media releases
  - Billboard, banner, poster, signage
  - Direct mail, rate notices.
- Online:
  - Newsletters, emails, bulk text messages
  - Web pages, campaign/project microsites
  - Social media
  - Surveys (phone and online)
  - Submissions (email and post), listening post (online forum).
- Face-to-Face:
  - Pop-up stalls, displays, open days
  - Community events
  - Speaking at Council meetings
  - Workshops, focus groups, stakeholder interviews
  - Forum, briefing, information session.
- Interactive:
  - Interactive collaborative mapping (such as Social Pinpoint)
  - Hotline/phone-in
  - Polls
  - Suggestion box.

This community engagement will build from inform to consult:

1. Inform: to raise awareness and inform all stakeholder groups of the options being considered.
2. Consult: to seek considered community feedback on these options to inform Council in their final deliberations on a potential SRV application.

The proposed mechanisms to be used for this engagement are outlined in the table below.

**Table 2 Engagement mechanisms**

| Mechanism | Level of consultation | Reach (stakeholder groups) |
|---|---|---|
| Direct mail out | Inform | All ratepayers |
| Newspaper advertisements | Inform | All residents |
| Include in-language information, e.g., via printed inserts, in local newspapers | Inform | CALD communities |
| e-Newsletters | Inform | Approx 30,000 subscribers – residents and businesses |
| Social media channels | Inform | Facebook: 7,670 followers<br>Instagram: 1,816 followers<br>LinkedIn: 2,287 followers<br>Twitter: 638 followers |
| Have your Say page (website) | Inform & consult | All residents and ratepayers |
| Community "roadshow" – face-to-face and online forums | Inform & consult | Key community groups |
| Public forums (one online and face-to-face) | Inform & consult | All residents and ratepayers |
| Library drop-in sessions with translators | Inform & consult | CALD communities |

These external community engagement mechanisms will be coupled with internal communications to inform all staff about the proposed SRV and process and provide them with information to direct questions from members of the public that may arise in their day-to-day interactions. This will include:

- A managers' briefing
- Information and scripting for customer service and frontline teams
- Updates in staff e-news.

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## 2.3 Roles and responsibilities

The roles of councillors, Council officers and Morrison Low in the engagement process are defined in the table below.

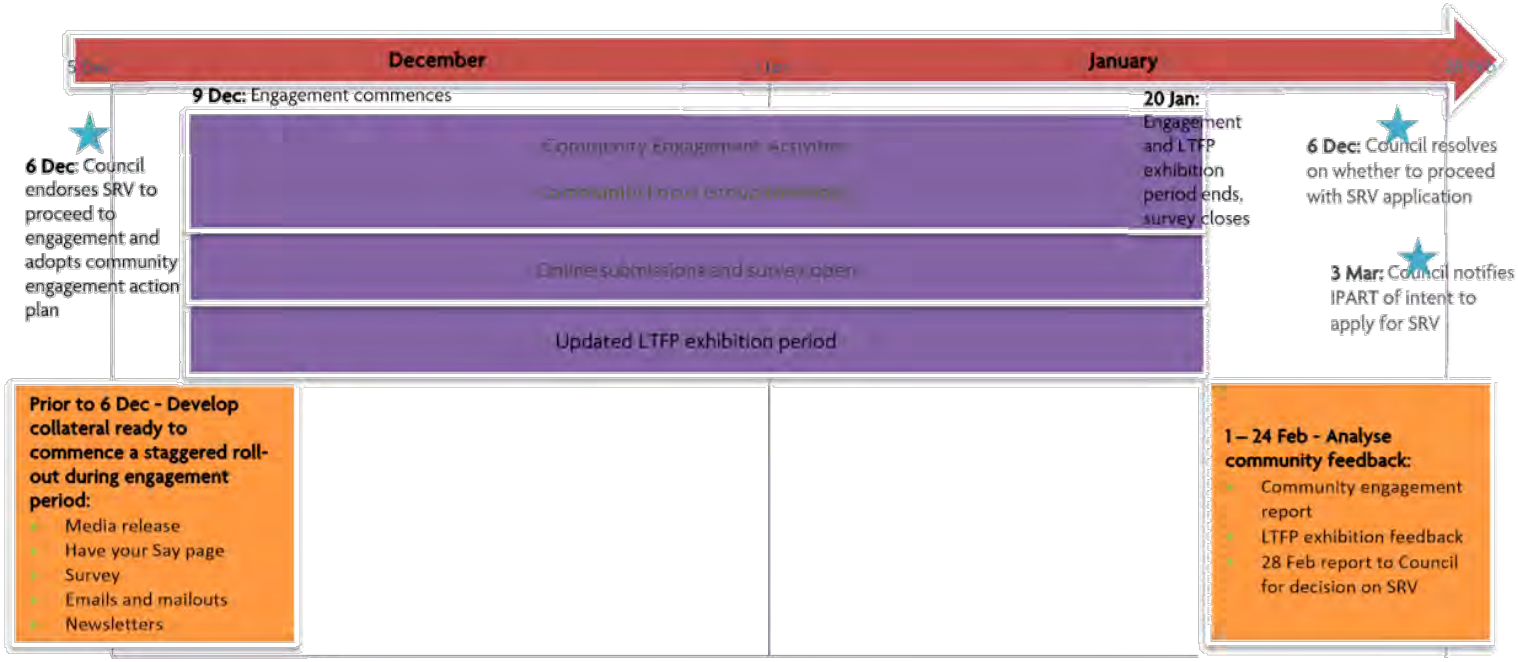
**Table 3 Roles and responsibilities**

| Role | Responsibility |
|---|---|
| Morrison Low (consultant) | • Develop the background paper on the SRV<br>• Facilitate public forums, assist Council in preparing presentation and taking notes at each forum<br>• Peer Review report on community engagement outcomes |
| Strathfield communications and engagement team | • Develop collateral for the various written mechanisms, based on information provided by Morrison Low to inform Council communications<br>• Publish and release materials in line with this community engagement action plan, including internal communications<br>• Gather community feedback and provide to Morrison Low for analysis |
| Strathfield executive and management team | • Brief staff on SRV, process and community engagement activities |
| Strathfield councillors | • Approve community engagement plan |
| Strathfield General Manager | • Endorse community engagement plan, approve any adjustments to community engagement process as required<br>• Participate in media interviews and public forums, where required |

## 2.4 Timeline

The high-level timeline, with key milestones, is mapped out in the figure on the following page. Further detail on tasks and dependencies is provided in the supporting action plan.

**Figure 2 Community engagement timeline**



## 3. Detailed action plan

**Table 4 Action plan**

| Ref | Action | Responsible | By when | Dependency |
|---|---|---|---|---|
| 1 | Draft Background Paper for SRV | Morrison Low (consultant) | 18 Nov | |
| 2 | Finalise updated LTFP for exhibition | Morrison Low and Executive | 22 Nov | |
| 2 | Develop FAQs | Communications & Engagement team and Morrison Low (consultant) | 25 Nov | 1,2 |
| 4 | Draft 'Direct Mail' content | Communications & Engagement team and Morrison Low (consultant) | | 1,2 |
| 5 | Draft (and translate, where applicable) Newspaper advertisements (two – one each month) | Communications & Engagement team | | 1,2 |
| 6 | Draft e-Newsletter content | Communications & Engagement team | 25 Nov | 1,2 |
| 7 | Develop video on SRV (TBC) | Communications & Engagement team | 25 Nov | 1,2 |
| 8 | Develop survey | Communications & Engagement team and Morrison Low (consultant) | 25 Nov | 1,2 |
| 9 | Build 'Have Your Say' page | Communications & Engagement team | 25 Nov | 1,2 |
| 10 | Schedule roadshow and public forums (face-to-face and online) | Communications & Engagement team | 25 Nov | |
| 11 | Develop media release and social media content for commencement of engagement | Communications & Engagement team | 25 Nov | 1,2 |
| 12 | Develop and distribute information and scripting for customer service and frontline staff | Communications & Engagement team | 28 Sept | 1,2 |

| Ref | Action | Responsible | By when | Dependency |
|---|---|---|---|---|
| 13 | Council resolves to proceed to community consultation on an SRV and advises IPART of its intent to submit and SRV | Council | 6 Dec | 1,2 |
| 14 | Brief managers on Council decision and next steps | General Manager / Directors | 7-8 Dec | 14 |
| 15 | Publish first newspaper advertisement on SRV | Communications & Engagement team | 9-12 Dec | 5,14 |
| 16 | Open the 'Have Your Say' page and Survey to the community | Communications & Engagement team | 9-12 Dec | 9,14 |
| 17 | Engagement period commences | | 9 Dec | 14 |
| 18 | Publish e-Newsletter | Communications & Engagement team | 9 Dec | 6,17 |
| 19 | Release direct mail out | Communications & Engagement team | 9-12 Dec | 4,17 |
| 20 | Manage social media | Communications & Engagement team | 9 Dec – 31 Jan | 11,17 |
| 21 | Manage media enquires | Communications & Engagement team | 9 Dec – 31 Jan | 11,17 |
| 22 | Conduct public and roadshow forums | Communications & Engagement team<br>Morrison Low (consultant) to facilitate public forums | 9 Dec – 31 Jan | 10,17 |
| 23 | Publish second newspaper advertisement | Communications & Engagement team | Early Jan 2023 | 5,17 |
| 24 | Release reminder of SRV community engagement closing 31 Jan 2023:<br>- E-Newsletter<br>- Social media | Communications & Engagement team | 16 Dec & 13 Jan | 6,11,17 |
| 25 | Close engagement, exhibition of updated LTFP and survey, and gather all community feedback | Communications & Engagement team | 31 Jan | 17 |

| Ref | Action | Responsible | By when | Dependency |
|---|---|---|---|---|
| 26 | Analyse submissions and survey results and draft community engagement report | Council – Communication and Engagement team: Peer Review Morrison Low | 1 - 15 Feb | 25 |
| 27 | Finalise updated LTFP based on feedback over exhibition period | Finance team | 1-15 Feb | 25 |
| 28 | Draft report to Council | Council | 16 - 20 Feb | 25 |
| 29 | Council resolves to submit an SRV application | Council | 28 Feb | 28 |
| 30 | Prepare SRV application | Morrison Low and Council | 28 Feb | 29 |
| 31 | Submit SRV application | Council | 3 Mar | 30 |

### 3.1 Measures of success

A final community engagement report will be produced to document the outcomes of the engagement process, but also to clarify the extent to which the community engagement activities reached all relevant stakeholder groups. Measures to understand the level of reach and participation in the engagement process will include:

- attendance at forums
- SRV related inquiries through customer service teams
- number of unique survey responses
- number of submissions on the SRV proposal
- key analytics from the 'Have Your Say' page.

Where feasible, measures of success would also include documenting key demographics of participants to ensure that it is both representative of the Strathfield community and engagement activities have reached groups that can sometimes be hard to reach.

## 4. Key messages

The key messages for the community should clearly communicate what is not negotiable and what aspects are open for community feedback to inform the decision-making process.

Non-negotiables include:

- the legislative requirement for Council to employ sound financial management principals.
- the current core deficits in the General Fund need to be addressed, targeting sufficient surpluses over time to ensure the ongoing financial sustainability of Council.

Community feedback is sought to:

- assess the level of community understanding of the proposed SRV and it impacts and why it is needed.
- seek submissions on the proposed SRV and the updated Long Term Financial Plan.

To support these key messages and the development of collateral for the community engagement activities, a background paper will be developed to articulate the need for and level of SRV being sought.

In addition, Council will also have the following reports:

1. A capacity to pay report which will investigate, analyse and report on the community's capacity to pay against Council's rating categories and proposed SRV. This includes research of specific areas across the LGA and will undertake a range of comparisons and assessments of information for areas/locations within the LGA, and associated land use.
2. An updated LTFP and financial sustainability analysis that will demonstrate the impact of the SRV on the ongoing financial sustainability of Council.

Key messages in any community communications and collateral will also include:

- how community members can seek further information or have their questions answered.

- how community members can provide their feedback on the proposed SRV.
- what to expect after the community engagement activity is completed, including IPART's public submission and assessment process.

### 4.1 Frequently asked questions

A set of frequently asked questions (FAQs) and their responses will be developed for this engagement process. While every effort is made to ensure that this is a complete list of FAQs at the commencement, these questions will be regularly reviewed and updated throughout the engagement process.

The below is a starting list of the questions we expect to develop for the FAQs:

- How will the proposed special rate variation impact my rates?
- Why do we need an increase to our rates?
- What is the alternative to the proposed rates increase?
- What action has Council taken to address its financial situation?
- How does Council work out what rates to charge each resident?
- How will the 2023 General Revaluation impact my rates?
- What is Council doing to keep rates low?
- Can't you get more funding from other levels of government to help pay for things?
- What if I can't afford to pay my increased rates? (Hardship Policy)
- When would a rate increase be applied from?
- How has Council identified the priority initiatives?
- Who is IPART and what do they do?

## 5. Monitoring and risk

### 5.1 Monitoring

During the consultation process, the level of engagement will be monitored by Morrison Low and Council's Communications and Engagement team.

Any proposed adjustments to the plan will be approved by the General Manager before implementation.

### 5.2 Risk assessment

The table below documents the key risks associated with this community engagement. The risk ratings are assessments of the residual risk after the documented risk responses are implemented.

**Table 5 Risk assessment**

| Risk | Risk response | Residual likelihood | Residual consequence | Residual risk rating |
|---|---|---|---|---|
| Engagement doesn't meet | Engagement plan and activities | Low | Medium | Low |

| Risk | Risk response | Residual likelihood | Residual consequence | Residual risk rating |
|---|---|---|---|---|
| IPART assessment criteria. | analyse and integrate requirement to meet criteria. | | | |
| Impact on ratepayers of raising rates at a time of increasing inflation and cost of living pressures. | Capacity to pay analysis to understand the impacts of rate increase on community.<br>Key messages to impact on Council of not seeking the SRV. | Medium | Medium | Medium |

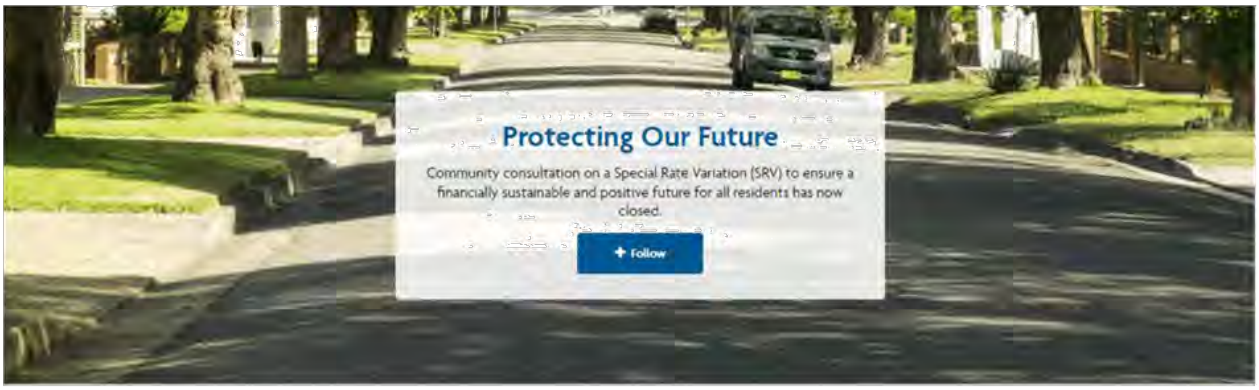
# APPENDIX C

# COMMUNITY ENGAGEMENT INFORMATION

# Appendix C – Community Engagement Information

Information related to the Community Engagement include the following documents:

1. Summary of SRV (website text)
2. 'Protecting our Future' information pack – English version
3. 'Protecting our Future' information pack – Chinese version
4. 'Protecting our Future' information pack - Tamil
5. 'Protecting our Future' information pack – Korean
6. Mayors letter to the community – January 2023
7. Detailed background papers
8. Frequently Asked Questions (FAQs)
9. SRV Community Survey
10. Summary of social media and eNews postings
11. Draft rating classification map
12. Examples of new rates based on land value (website text)
13. Community rates examples (website text)
14. Condition of Council assets (website text)




ne / Special Rate Variation

thfield Council is committed to a future that builds long-term financial sustainability and meets the demands of our growing ulation. This includes the highest quality services for our residents, maintaining assets such as roads and footpaths, ensuring area is always clean, and our property values are maintained.

rder to meet these commitments, changes to our asset management and funding structure must be made. Although these isions are difficult to make, we are confident in the strength and community spirit of Strathfield locals, and that we can support other to protect our future.

## hat's Happening?

r reviewing our current financial situation, Council has found that it has been producing operating deficits over the past few , with this estimated to grow to $15 million by 2033, with Council running out of cash in 2027.

itionally, there is a significant funding backlog for the renewal of infrastructure assets such as roads, footpaths and buildings. backlog has increased from $1.2 million to a current backlog of around $16.1 million.

requires urgent and immediate action to protect the future of Strathfield. We must ensure we are financially sustainable not now, but long into the future so the current generation and future generations will be able to enjoy the Oasis in the West that rathfield Council.

## ow Will We Fix it?

ncil is proposing a number of actions to address the asset renewal backlog, and ensure a financially sustainable future. uding:

**Reducing the Domestic Waste Charge** (DWMC) by $245 for every residential ratepayer ($4m total). Council has reviewed our domestic waste service and decided that charges can be decreased without reducing services. Instead of overpaying for waste services, the additional charges will be applied to general rates. This will allow the savings to be spent in more general and productive ways.

**Savings and Productivity Improvement** - Council has undertaken an organisational wide service review, which identified and prioritised a number of savings. Some of these have already been implemented and others will be applied in future years. These savings included:

- Savings ($2 million): Already implemented and built into Council's cost structures, including $161,000 of continuing savings post 2021-22.
- Cost Reduction ($1.9 million): Annual cost reduction to be implemented in line with proposed SRV application and included in the updated long term financial plan (LTFP).
- Net Income Increases ($1.1 million): To be implemented in line with proposed SRV application and included in the updated LTFP.
- Efficiency & Productivity Gains ($2.1 million annual) ($1.2 million one-off): To be implemented in line with proposed SRV application and included in the updated LTFP.
- We are also currently reviewing the Strathfield Connector Bus for possible cost savings. You can have your say on the bus by taking this survey.

**Establishing Industrial Rating Sub-Categories** will increase industrial site rates, ensuring residential ratepayers pay a smaller percentage of the total rates.

**Addressing Cash Flow** with a loan borrowing program to expedite asset renewal funding.

**Updating the Rating System** to increase revenue by $15m over the next 4 years, whilst creating a fairer rating system.

**Applying for a Special Rate Variation** with the Independent Pricing and Regulatory Tribunal (IPART) which would come into effect from 1 July 2023. Council is proposing two options, either a one off increase or increases over 4 years. The SRV will apply to all rate categories and the domestic waste charge transfer would occur in the 1st year.

**Move from a Base to a Minimum Rating System** will see a minimum rate for all ratepayers initially of $900 increasing to $1,200 over 4 years. Approx. 70% of ratepayers will only pay the minimum rate and DWMC.

## Protecting Our Future




## Read The Info Booklet

இதை மற்ற மொழிகளில் படியுங்கள் | 다른 언
로 이것을 읽으십시오 | 阅读其他语言版本

- Strathfield Council SRV Booklet (English) PDF (1.43 MB)
- Strathfield Council SRV Booklet (Chinese Simplified) PDF (154.36 KB)
- Strathfield Council SRV Booklet (Korean) PDF (276.13 KB)
- Strathfield Council SRV Booklet (Tamil) PDF (309.6 KB)

## Timeline

- Consultation begins
  7 December
- Main pop-up stalls and info sessions
  10 - 21 January
- Consultation closes
  31 January
- Council Extra-Ordinary Meeting
  28 February
  Council will review the consultation report and make the f decision on whether to apply to IPART for an SRV
- Deadline for submission of application to IPART

For 74% of ratepayers, the increase will be no more than 19.5% after 4 years. That's an extra $1.77 per week over 4 years.

## /hat Will Happen Without an SRV

thout a SRV application, Council will run out of cash in 2027, meaning that operating deficits will continue to increase, and local astructure assets will deteriorate.

ds to fix and repair roads, footpaths and public buildings will be affected. As well as the level of community services that will d to be reduced including street sweeping, cleansing of public areas, library and customer services.

uncil will need to identify other forms of revenue such as increasing parking meters throughout the LGA and increasing the cost our services and charges.

## /hat Will This Fund?



Renewing Roads & Footpaths



Improving Community Facilities



Pruning our Street Trees



Making our Town Centres Attractive



Improving Green Spaces



Making our Streetscapes Look Clean and Tidy

arn more about the condition of Council Assets

## Have Your Say

ouncil's community consultation for the proposed Special Rate Variation closed on 31 January 2023.

hank you to everyone who took time to submit their feedback for careful consideration.

ouncil will now collate all feedback and information and decide whether to apply for a special rate variation at a Council meeting n 28 February 2023. If an application is lodged and approved, it would come into effect on 1 July 2023.

| Feedback survey | Attend an Information Session | Attend a Pop-up Stall | Leave a Quick Comment | Send Feedback by Mail |
|---|---|---|---|---|
| Take the survey by 31 January 2023 | Attend one of 3 info sessions | There will be 4 pop-up stalls around the LGA | Let us know what you think | Send by post or email |
| Survey Now Closed | Info Sessions now closed | Pop up stalls now closed | Feedback now closed | Feedback now closed |

Should the application go ahead

IPART consultation takes place
3 March - 9 June
Should the application go ahead

Determination made by IPART
9 June
Should the application go ahead

New rating system will apply
1 July
Should the application be successful

See less

## Resources

- Strathfield Council SRV Booklet PDF (1.54 MB)
- Delivery Program 2022 PDF (3.97 MB)
- Long Term Financial Plan Report PDF (1.72 MB)
- SRV Background Paper PDF (320.03 KB)
- Draft Rating Classification Map PDF (1.26 MB)

See more

## Strathfield Connector Survey



The Strathfield Connector bus is under review for possible co savings. Community consultation for this has now closed.

Strathfield Connector

## Examples of New Rates Based on Land Value

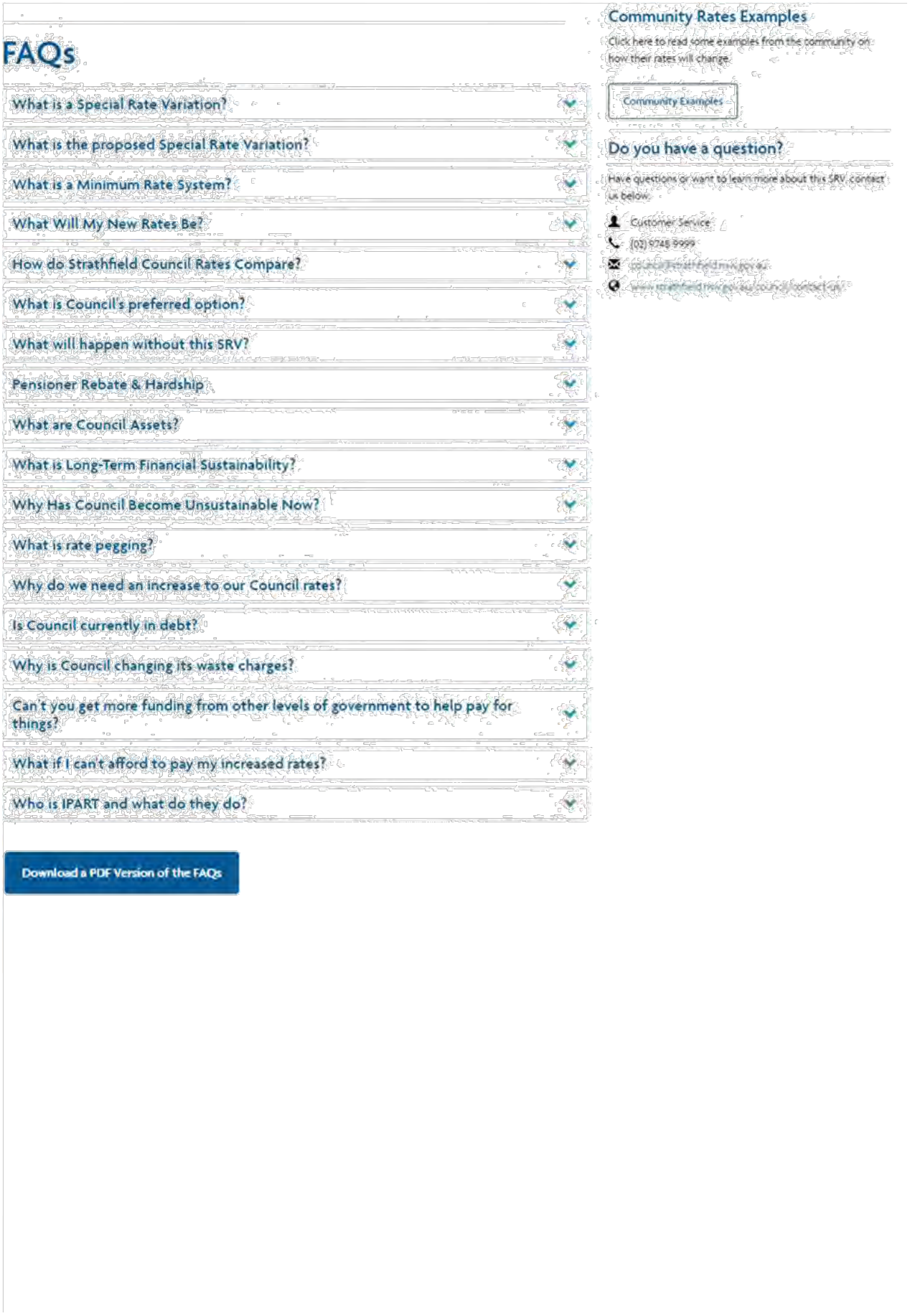
Click here to see a list of examples of new rates based on lan value.

Examples of New Rates

## Condition of Council Assets

Click here to learn about the condition of Council assets and their management framework.

Council Assets



# FAQs

- What is a Special Rate Variation?
- What is the proposed Special Rate Variation?
- What is a Minimum Rate System?
- What Will My New Rates Be?
- How do Strathfield Council Rates Compare?
- What is Council's preferred option?
- What will happen without this SRV?
- Pensioner Rebate & Hardship
- What are Council Assets?
- What is Long-Term Financial Sustainability?
- Why Has Council Become Unsustainable Now?
- What is rate pegging?
- Why do we need an increase to our Council rates?
- Is Council currently in debt?
- Why is Council changing its waste charges?
- Can't you get more funding from other levels of government to help pay for things?
- What if I can't afford to pay my increased rates?
- Who is IPART and what do they do?

Download a PDF Version of the FAQs

## Community Rates Examples

Click here to read some examples from the community on how their rates will change.

Community Examples

## Do you have a question?

Have questions or want to learn more about this SRV, contact us below.

Customer Service

(02) 9748 9999

# PROTECTING OUR FUTURE

**Council is seeking your feedback on a Special Rate Variation to ensure a financially sustainable and positive future for all residents.**

## INTRODUCTION

After reviewing our current financial situation, Council has found that it has been producing operating deficits over the past few years and has a significant funding backlog for the renewal of infrastructure assets such as roads, footpaths and buildings. The backlog has increased from $1.2 million to a current backlog of around $16.1 million.

These funding gaps have developed over many years, with previous councils not taking the required action earlier, when it would have prevented the current problem. This is the case for many local councils and for Strathfield in 2014 when the Council last considered this issue, they decided not to take action.

We are now in a difficult and confronting position, where a number of internal and external factors such as rate capping, high inflation, continued cost shifting from the State Government and many years of cost increases, exceed the increase in revenue. If no action is taken, Council will risk running out of money by 2027.

This requires urgent and immediate action to protect the future of Strathfield. We must ensure we are financially sustainable not only now, but long into the future so the current generation and future generations will be able to enjoy the Oasis in the West that is Strathfield Council.

Council has spent a significant amount of time considering how best to manage this problem with the least impact on residents and ratepayers, and is proposing several changes to allow us to maintain our assets and continue to provide quality services our community deserves.

The proposed changes include:

- **Reducing the Domestic Waste Charge** (DWMC) by $245 for every residential ratepayer ($4m total)
- **Savings and Productivity Improvements** initially resulting in $1.3 million annually, increasing to an improvement of $2.5 million by 2033. **Including a proposal to discontinue the Strathfield Connector Bus, which will include community consultation.**
- **Establishing Industrial Rating Sub-Categories** will increase industrial site rates, ensuring residential ratepayers pay a smaller percentage of the total rates.
- **Addressing Cash Flow** with a loan borrowing program to expedite asset renewal funding.
- **Updating the Rating System** to increase revenue by $15m over the next 4 years, whilst creating a fairer rating system.
- **Applying for a Special Rate Variation** with the Independent Pricing and Regulatory Tribunal (IPART) which would come into effect from 1 July 2023. Council is proposing two options, either a one-off increase or increases over 4 years. The SRV will apply to all rate categories and the domestic waste charge transfer would occur in the 1st year.
- **Moving from a Base to a Minimum Rating System will see a minimum rate for all ratepayers initially of $900 increasing to $1,200 over 4 years. Approx. 70% of ratepayers will only pay the minimum rate and DWMC.**

These changes are not about expanding services or building new assets, they will generate income to address funding gaps, renew assets and maintain services, allowing Council to stay financially sustainable into the future.

Feedback from residents and ratepayers is vital to this process. Scan the QR code for more information and have your say by **31 January 2023.**

**HAVE YOUR SAY**

www.haveyoursay.strathfield.nsw.gov.au/protectingourfuture

STRATHFIELD COUNCIL

Read this in other languages

இதை மற்ற மொழிகளில் படியுங்கள்

다른 언어로 이것을 읽으십시오

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@StrathfieldMC

@StrathfieldCouncil

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65 Homebush Road,
Strathfield NSW 2135

# Proposed Special Rate Variation

The tables below show the percentage increase of rates for the *whole of Council* with the proposed 1 year plan, the proposed 4 year plan, the domestic waste charge transfer, and the predicated rate peg.

**Reducing the Domestic Waste Charge** will lower the cost for every residential ratepayer by $245 pa.

## OPTION 1: Single Year SRV

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste charge transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 1: Single year SRV (excluding domestic waste transfer & rate peg) | 50.0% | n/a | n/a | n/a | 50.0% |
| **Option 1: Total single year SRV** | 74% | n/a | n/a | n/a | **74.0%** (88.3% if years 2-4 rate pegs are included) |

*Table 1a: Proposed SRV increases – Option 1*

## OPTION 2: 4 Year Option SRV

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste charge transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 2: Multi-year SRV (excluding domestic waste transfer & rate peg) | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| **Option 2: Total Multi-year SRV** | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

*Table 1b: Proposed SRV increases – Option 2*

In the first year of the proposed SRV's, Council intends to allocate all the domestic waste charge transfer, 20.3%, to the residential rate category, and for Council's preferred four year option, 10% to the business categories and subcategories. For years 2 - 4 the proposed SRV will be distributed evenly across the rating categories.

# How do Strathfield Council Rates Compare?

| Council | Residential Rate Average 2022/23 | Domestic Waste Charge (DWMC) 2022/23 | TOTAL Residential Rate Average + DWMC 2022/23 | Business Average Rates 2022/23 |
|---|---|---|---|---|
| **Strathfield** | **$845** | **$795** | **$1,640** | **$4,116** |
| Inner West | $1,246 | $475 | $1,721 | $5,134 |
| Lane Cove | $1,359 | $475 | $1,834 | $3,354 |
| Canterbury-Bankstown | $1,255 | $585 | $1,840 | $6,434 |
| Burwood | $1,465 | $434 | $1,899 | $6,861 |
| Woollahra | $1,497 | $590 | $2,087 | $6,545 |
| Mosman | $1,552 | $649 | $2,201 | $3,830 |
| Hunters Hill | $2,374 | $600 | $2,974 | $1,351 |

*Table 2: Council rate comparisons*

**Have Your Say**

Visit the website for more detailed information, timelines and how you can make your voice heard
Visit www.haveyoursay/strathfield.nsw.gov.au/protectingourfuture

## How Does This Affect You?

The following table provides an indication for residential and business rating categories. The residential table shows the increase of rates for the next 4 years for the average ratepayer, as well as those paying the minimum rate (70% of ratepayers).

The domestic waste charge (DWMC) decrease is also included to show the full rate amount.

The impact on an individual's rates will differ depending on the unimproved land value (LV) of their property. From 1 July 2023, changes because of the general revaluation of land undertaken by the Valuer General will also come into effect.

### PENSIONER REBATE & HARDSHIP

Council offers a $250 pensioner concession on rates if you hold a pensioner concession card and your property is your sole or principal residence. Council will also continue its Financial Hardship Policy, which sets out how we can assist ratepayers who are experiencing difficulty of paying rates on time. You can find the Policy on the website.

| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Residential Rates | Annual Rates | $845 | $1,119 | $1,218 | $1,443 | $1,708 | $863 |
| | Annual Increase | | $273 | $99 | $225 | $266 | $216 |
| | Weekly Increase | | $5.24 | $1.90 | $4.31 | $5.10 | $4.14 |
| | Add DWMC Current Charge | $795 | $550 | $550 | $550 | $550 | -$245 |
| | Annual Rates (with DWMC) | $1,640 | $1,669 | $1,768 | $1,993 | $2,258 | $618 |
| | Annual Increase (with DWMC) | | $28 | $99 | $225 | $266 | $155 |
| | Weekly Increase (with DWMC) | | $0.54 | $1.90 | $4.31 | $5.10 | $2.97 |
| Minimum Rates (70% of Ratepayers) | Minimum Rates | $584* | $900 | $1,000 | $1,100 | $1,200 | $616 |
| | Annual Increase | | $316 | $100 | $100 | $100 | $154 |
| | Weekly Increase | | $6.08 | $1.92 | $1.92 | $1.92 | $2.96 |
| | Add DWMC Current Charge | $795 | $550 | $550 | $550 | $550 | -$245 |
| | Minimum Rates (with DWMC) | $1,379 | $1,450 | $1,550 | $1,650 | $1,750 | $371 |
| | Annual Increase (with DWMC) | | $71 | $100 | $100 | $100 | $93 |
| | Weekly Increase (with DWMC) | | $1.36 | $1.92 | $1.92 | $1.92 | $1.78 |

*Table 3: Impact on Residential ratepayers, 4 year option*

**This is the average rate for those ratepayers who are on a minimum using the current base rate structure.*

*The Domestic Waste Charge will be reduced from $795 to $550 annually, therefore offsetting some of the increase in rates by $245 for every residential ratepayer.*

| BUSINESS (ALL) | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Rates | Annual Rates | $4,116 | $5,683 | $6,138 | $7,212 | $8,474 | $4,358 |
| | Annual Increase | | $1,567 | $455 | $1,074 | $1,262 | $1,090 |
| | Weekly Increase | | $30.05 | $8.73 | $20.60 | $24.20 | $20.90 |

*Table 4: Impact on Business (all) ratepayers, 4 year option.*

| BUSINESS - INDUSTRIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Rates | Annual | $3,910 | $6,327 | $6,833 | $8,029 | $9,434 | $5,524 |
| | Annual Increase | | $2,417 | $506 | $1,196 | $1,405 | $1,381 |
| | Weekly Increase | | $46.36 | $9.71 | $22.93 | $26.95 | $26.49 |

*Table 5: Impact on Business - Industrial ratepayers, 4 year option.*

## Minimum Rate Application

Part of this application seeks to replace Council's base rate structure with a minimum rate structure, which will allow the Council to transition to a fairer rates system.

The table below shows the proposed increase in the minimum rate for the next 4 years. The rate peg increase will not be applied during these transition years.

| Year | Minimum Rate |
|---|---|
| 2023-2024 | $900 |
| 2024-2025 | $1,000 |
| 2025-2026 | $1,100 |
| 2026-2027 | $1,200 |

*Table 6: Proposed Minimum rates*

**For** approximately 70% of residential ratepayers, the minimum rate and domestic waste charge is all you will pay.

## What Will Happen Without an SRV

Without an SRV, and providing the current service levels, Council will run out of cash in 2027, operating deficits will continue to increase, and local infrastructure assets will deteriorate. There will be inadequate funds to fix and repair roads, footpaths and public buildings. The level of services will be reduced, including street sweeping and cleansing. Council will need to increase other revenues including parking and the cost of our services and charges.

### WHAT WILL THIS FUND?




## HAVE YOUR SAY

**Share your feedback by 31 January 2023**

Following a 6-week community engagement period in December 2022 – January 2023, Council will collate all feedback and information and decide whether to apply for a special rate variation at a Council meeting on 28 February 2023. If an application is lodged and approved, it would come into effect on 1 July 2023.

### POP UP STALLS (10am-12pm)

**Saturday 10 December: Homebush** (corner Rochester Rd and Burlington Rd)
**Tuesday 13 December: Strathfield Plaza** (outside Oporto)
**Saturday 17 December: Community Room, Cooke Park**
**Saturday 21 January: Strathfield Council Library and Innovation Hub**

### INFO SESSIONS (6pm-7pm, Strathfield Town Hall)

**Monday 12 December**
**Wednesday 14 December**
**Thursday 15 December** (online)

### WEBSITE

Visit www.haveyoursay.strathfield.nsw.gov.au/protectingourfuture or scan the QR code on the front page.

## CONSULTATION TIMELINE

| | | | Should the application go ahead | Should the application be successful |
|---|---|---|---|---|
| 2022 | **7 December** Council consultation begins | **31 January** Council consultation closes | **3 March** Deadline for submission of application to IPART. | **1 July** The new rating system will apply from this date onwards. |
| 2023 | **10 December - 21 January** Main pop-up stalls and info sessions | **28 February** Council Extra-Ordinary Meeting to review consultation report and make final decision on whether to apply to IPART for an SRV. | **3 March - 9 June** IPART consultation takes place. | **9 June** Application determination made by IPART. |

@StrathfieldCouncil @StrathfieldMC @StrathfieldCouncil

# 保障我们的未来

市议会现正征求大家对“特殊税率调整”(Special Rate Variation)的意见，以确保市府财政稳续，保障全体市民未来福祉。

## 简介

市议会在审查当前财务情况后发现，过去几年长期处于赤字状态，一大笔养护道路、人行道、建筑物等基础设施的资金尚无着落。资金缺口从之前的120万澳元扩大到现在的1,610万澳元左右。

由于前几届市议会没有及时采取必要的措施，本可防患于未然的问题积少成多，年复一年造成了如今的资金缺口。不少地方议会都是如此。2014年，Strathfield市议会讨论过这个问题，但时任市府决定不采取措施。

眼下，我们面临着棘手的处境。税率上限、高通胀、州政府不断转嫁开支，加上多年来公共支出持续增加等等内外因素，让本市财政入不敷出。再不行动，市议会将在2027年前耗尽府库。

为了保障Strathfield的未来，采取措施迫在眉睫。我们必须保障的不仅是现在，而且是未来的长期可持续财政收支。这样，我们这一代和子孙后代才能在Strathfield市议会辖区这片“西部绿洲”安居乐业。

市议会对如何在尽量减少对居民和纳税人的影响下妥善处理这个问题进行了深思熟虑，提出若干调整措施，以便在维护本市公共资产的基础上，继续为社区提供优质服务。

提出的措施有：

- **减免生活垃圾处理费**（DWMC）每户纳税人减免245澳元（总计400万澳元）
- **降本增效**初期每年可节省130万澳元，到2033年达到250万澳元。**具体包括停运免费的 Strathfield Connector Bus，对此将先进行社区咨询。**
- **建立工商业税收估值子类将**提高工商业用地税率，降低住宅纳税人在总税收中的纳税百分比。
- **解决现金周转问题，**通过借贷加快公共资产养护融资。
- **调整税收估值体系，**未来4年增收1500万澳元，同时建立一个更公平的税收估值体系。
- **申请特殊税率调整（SRV），**向独立定价与监管法庭（IPART）申请于2023年7月1日生效的这项税率调整。市议会提出两套增税方案，即一次性增加或分4年逐步增加。SRV将适用于所有税种，实施后第一年首先调整生活垃圾处理费。
- **从基本税收制过渡到最低税收制，**所有纳税人开始缴纳最低税额900澳元，然后在4年内逐步增加到1,200澳元。约70%的纳税人只需支付最低税额和生活垃圾处理费。

上述调整不涉及扩大公共服务或新建公共资产，相关财政收入只用于填补决资金缺口、养护公共资产和维持公共服务，让市议会在今后保持财政收支平衡。

市民和纳税人对此的反馈意见极其重要。扫描二维码了解详情，并最迟在**2023年1月31日提交意见。**

**发表你的意见**

www.haveyoursay.strathfield.nsw.gov.au/protectingourfuture

STRATHFIELD COUNCIL

Read this in other languages
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다른 언어로 이것을 읽으십시오
阅读其他语言版本

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# 提议的特殊税率调整

下表为市议会总体税上涨的百分比，包括提议的1年期计划、4年期计划、生活垃圾处理费减免和预计的税率挂钩。

**减免生活垃圾处理费，每户住宅纳税人每年可少缴245澳元。**

## 方案1：1年期SRV

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 复合计算 |
|---|---|---|---|---|---|
| 预计税率挂钩 | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| 生活垃圾处理费减免 | 20.3% | 不适用 | 不适用 | 不适用 | 20.3% |
| 方案1：1年期SRV（不含生活垃圾处理费减免和税率挂钩） | 50.0% | 不适用 | 不适用 | 不适用 | 50.0% |
| **方案1：1年期SRV合计** | 74% | 不适用 | 不适用 | 不适用 | **74.0%**（如果计入第2到第4年税率挂钩，则为88.3%） |

*表1a：提议的SRV增加 - 方案1*

## 方案2：4年期SRV选项

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 复合计算 |
|---|---|---|---|---|---|
| 预计税率挂钩 | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| 生活垃圾处理费减免 | 20.3% | 不适用 | 不适用 | 不适用 | 20.3% |
| 方案 2：多年期SRV（不含生活垃圾处理费减免和税率挂钩） | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| **方案2：多年期SRV合计** | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

*表1b：提议的SRV增加 - 方案2*

在提议的SRV的第一年中，市议会打算将生活垃圾处理费减免（20.3%）全部分配给住宅税类；对于市议会首选的四年期方案，则将10%分配给商业税类及其子类。对于第2到第4年，各税收估值类别平均分摊提议的SRV。

# Strathfield市议会其与它各地税率的对比如何?

| 地区议会 | 2022/23年度平均住宅税 | 2022/23年度生活垃圾处理费 | 2022/23年度平均住宅税 + DWMC 合计 | 2022/23年度平均商业税 |
|---|---|---|---|---|
| **Strathfield** | **$845** | **$795** | **$1,640** | **$4,116** |
| Inner West | $1,246 | $475 | $1,721 | $5,134 |
| Lane Cove | $1,359 | $475 | $1,834 | $3,354 |
| Canterbury-Bankstown | $1,255 | $585 | $1,840 | $6,434 |
| Burwood | $1,465 | $434 | $1,899 | $6,861 |
| Woollahra | $1,497 | $590 | $2,087 | $6,545 |
| Mosman | $1,552 | $649 | $2,201 | $3,830 |
| Hunters Hill | $2,374 | $600 | $2,974 | $1,351 |

*表2：市议会税率比较*

**发表您的意见**

访问网站查看详情、时间表和反馈方式。

网址 www.haveyoursay/strathfield.nsw.gov.au/protectingourfuture

## 对你有何影响?

下表为住宅和商业税收估值类别。住宅税表显示了一般纳税人和最低税纳税人（70%的纳税人）未来4年的增税情况。

生活垃圾处理费（DWMC）减免包含在内，以显示纳税总额。
对个人税率的影响因其物业的“未改造土地的价值”而异。总估价师（Valuer General）对土地价值进行全面重估后产生的税费变化也将于2023年7月1日起生效。

### 养老金领取人退款和纾困政策

持养老金领取人优惠卡，且个人物业是唯一或主要住所的人，可享受市议会250澳元的养老金领取人优惠。市议会还将继续推行《纾困政策》（Financial HardshipPolicy），按其中办法对无法按时缴税者予以援助。可在本市官方网站查看该政策。

| 住宅税 | | 当前 2022/23 | 提议 2023/24 | 提议 2024/25 | 提议 2025/26 | 提议 2026/27 | 总增幅/平均增幅 |
|---|---|---|---|---|---|---|---|
| 平均住宅税 | 年税额 | $845 | $1,119 | $1,218 | $1,443 | $1,708 | $863 |
| | 年增幅 | | $273 | $99 | $225 | $266 | $216 |
| | 周增幅 | | $5.24 | $1.90 | $4.31 | $5.10 | $4.14 |
| | 含DWMC的当前收费 | $795 | $550 | $550 | $550 | $550 | -$245 |
| | 年税额（含DWMC） | $1,640 | $1,669 | $1,768 | $1,993 | $2,258 | $618 |
| | 年增幅（含DWMC） | | $28 | $99 | $225 | $266 | $155 |
| | 周增幅（含DWMC） | | $0.54 | $1.90 | $4.31 | $5.10 | $2.97 |
| 最低税额(70%纳税人) | 最低税额 | $584* | $900 | $1,000 | $1,100 | $1,200 | $616 |
| | 年增幅 | | $316 | $100 | $100 | $100 | $154 |
| | 周增幅 | | $6.08 | $1.92 | $1.92 | $1.92 | $2.96 |
| | 含DWMC的当前收费 | $795 | $550 | $550 | $550 | $550 | -$245 |
| | 最低税额（含DWMC） | $1,379 | $1,450 | $1,550 | $1,650 | $1,750 | $371 |
| | 年增幅（含DWMC） | | $71 | $100 | $100 | $100 | $93 |
| | 周增幅（含DWMC） | | $1.36 | $1.92 | $1.92 | $1.92 | $1.78 |

*表3：4年期方案对住宅纳税人的影响*

**这是当前基本税收结构下最低税纳税人的平均税额。*

*生活垃圾处理费由每年795澳元减至550澳元，因此，每位住宅纳税人可获得245澳元以抵消部分税额增长。*

| 商业税（全部） | | 当前 2022/23 | 提议 2023/24 | 提议 2024/25 | 提议 2025/26 | 提议 2026/27 | 总增幅/平均增幅 |
|---|---|---|---|---|---|---|---|
| 平均税额 | 年税额 | $4,116 | $5,683 | $6,138 | $7,212 | $8,474 | $4,358 |
| | 年增幅 | | $1,567 | $455 | $1,074 | $1,262 | $1,090 |
| | 周增幅 | | $30.05 | $8.73 | $20.60 | $24.20 | $20.90 |

*表4：4年期方案对商业（全部）纳税人的影响。*

| 工商业税 | | 当前 2022/23 | 提议 2023/24 | 提议 2024/25 | 提议 2025/26 | 提议 2026/27 | 总增幅/平均增幅 |
|---|---|---|---|---|---|---|---|
| 平均税额 | 年税额 | $3,910 | $6,327 | $6,833 | $8,029 | $9,434 | $5,524 |
| | 年增幅 | | $2,417 | $506 | $1,196 | $1,405 | $1,381 |
| | 周增幅 | | $46.36 | $9.71 | $22.93 | $26.95 | $26.49 |

*表5：4年期方案对工商业纳税人的影响。*

## 实行最低税收

实施该税制的部分目的在于谋求以最低税收架构取代基本税收架构，以此促进市议会过渡到更公平的税务体系。

下表为未来4年最低税额的提议增幅。在这些过渡年份中不采用税率挂钩上涨。

| 年份 | 最低税额 |
|---|---|
| 2023-2024 | $900 |
| 2024-2025 | $1,000 |
| 2025-2026 | $1,100 |
| 2026-2027 | $1,200 |

*表6：提议的最低税额*

约70%的住宅纳税人只需支付最低税额和生活垃圾处理费。

## 不实施SRV会如何

如果不实施SRV，按照当前服务水平，市议会将在2027年耗尽资金，运营赤字持续增加，地方基础设施因无钱维护而不断老化变差。另外，也没有足够资金维修道路、人行道和公共建筑；街道清扫等公共服务水平将下降。市议会只能从其他渠道增收，比如提高停车费、服务费等政府收费。




## 发表你的意见

**请最迟在2023年1月31日提交反馈**

2022年12月至2023年1月，市议会将开展为期6周的公众咨询活动，之后将在2023年2月28日例会上讨论汇总的反馈意见和信息，研判是否申请特殊税率调整。如果提出申请并得到批准，将于2023年7月1日生效。

### 意见征集站（上午10:00-下午12:00）

**12月10日（周六）：Homebush**
(Rochester Rd 和 Burlington Rd 交汇处)
**12月13日（周二）：Strathfield Plaza**（Oporto 外）
**12月17日（周六）：Cooke Park 社区活动室**
**1月21日（周六）：Strathfield市议会图书馆与创新中心**

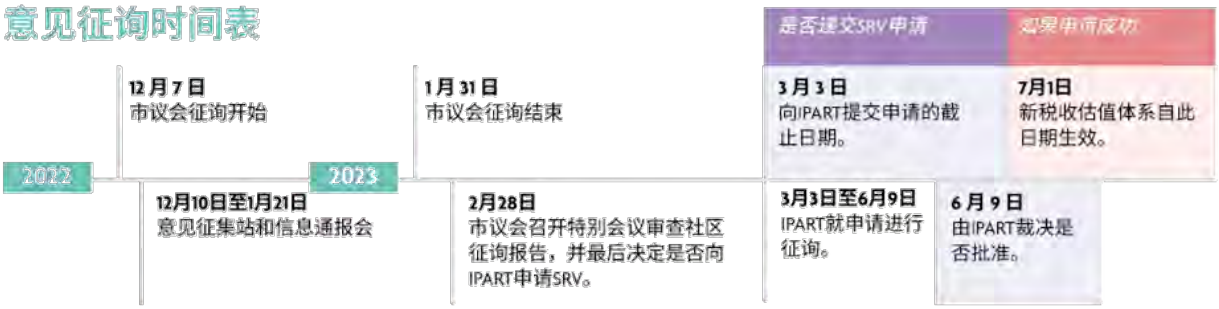
### 信息通报会（下午6:00-晚上7:00，Strathfield 市政厅）

**12月12日（周一）**
**12月14日（周三）**
**12月15日（周四）**（在线）

### 网站

访问 www.haveyoursay.strathfield.nsw.gov.au/protectingourfuture
或扫描首页上的二维码查看详情。

## 意见征询时间表




@StrathfieldCouncil @StrathfieldMC @StrathfieldCouncil

# நம்முடைய எதிர்காலத்தைப் பாதுகாத்தல்

அனைத்து குடியிருப்பாளர்களுக்கும் நிதி ரீதியாக நிலையான மற்றும் சாதகமான எதிர்காலத்தை உறுதி செய்வதற்காகச் சிறப்புக் கட்டண மாற்றம் குறித்த உங்களுடைய கருத்தை மன்றம் கோருகிறது.

## அறிமுகம்

நமது தற்போதைய நிதி நிலைமையை மதிப்பாய்வு செய்த பிறகு, கடந்த சில ஆண்டுகளாக அது செயல்பாட்டு பற்றாக்குறையை உருவாக்கி வருவதையும், சாலைகள், நடைபாதைகள் மற்றும் கட்டிடங்கள் போன்ற உள்கட்டமைப்புச் சொத்துகளை புதுப்பிப்பதில் குறிப்பிடத்தக்க நிதி பின்னடைவைக் கொண்டிருப்பதையும் மன்றம் கண்டறிந்துள்ளது. இந்தப் பின்னடைவு $1.2 மில்லியனிலிருந்து $16.1 மில்லியனாக தற்போது அதிகரித்திருக்கிறது.

இந்த நிதி இடைவெளிகள் பல ஆண்டுகளாக உருவாகியுள்ளன. முந்தைய நகர் மன்றங்கள் தேவையான எந்த ஆரம்பகால முயற்சிகளையும் எடுக்காமல் விட்டிருக்கின்றன. பல உள்ளூராட்சி மன்றங்களுக்கு இது தான் நிலை. ஸ்ட்ராத்ஃபீல்ட் நகர் மன்றம் இந்தப் பிரச்சினையை கடைசியாக 2014-ல் பரிசீலித்தபோது, அவர்கள் நடவடிக்கை எடுக்க வேண்டாம் என்று முடிவு செய்தனர்.

கட்டண வரம்பு, உயர் பணவீக்கம், மாநில அரசிடமிருந்து தொடர்ச்சியான செலவு மாற்றல் மற்றும் பல ஆண்டுகால செலவு அதிகரிப்பு போன்ற பல உள் மற்றும் வெளிப்புற காரணிகள் வருவாயை விட அதிகமாகி இப்போது நாம் கடினமான சூழ்நிலையில் இருக்கிறோம். எந்த நடவடிக்கையும் எடுக்கப்படாவிட்டால், 2027-க்குள் மன்றத்திடம் பணமே இல்லாத சூழல் உருவாகிவிடும்.

இதனால், ஸ்ட்ராத்ஃபீல்டின் எதிர்காலத்தைப் பாதுகாக்க உடனடியாகவும் அவசரமாகவும் சில நடவடிக்கைகளை எடுக்க வேண்டியதிருக்கிறது. நாம் இப்போது மட்டுமல்ல, எதிர்காலத்திலும் நிதி ரீதியாக நிலையானவர்களாக இருப்பதை உறுதி செய்ய வேண்டும், அதனால் தற்போதைய தலைமுறையும் மற்றும் வருங்கால சந்ததியினரும் மேற்கு நாடுகளில் உள்ள ஸ்ட்ராத்ஃபீல்ட் மன்றம் என்ற பாலைவனச் சோலையை அனுபவிக்க முடியும்.

குடியிருப்பாளர்கள் மற்றும் கட்டணம் செலுத்துவோர் மீது குறைந்த பாதிப்பை ஏற்படுத்தும் வகையில் இந்தச் சிக்கலை எவ்வாறு சிறப்பாக நிர்வகிப்பது என்பதைக் கருத்தில் கொண்டு மன்றம் கணிசமான நேரத்தைச் செலவிட்டுள்ளது, மேலும் நம்முடைய சொத்துகளை பராமரிக்கவும், நமது சமூகத்திற்குத் தகுதியான தரமான சேவைகளைத் தொடர்ந்து வழங்கவும் பல மாற்றங்களை முன்மொழிகிறது.

முன்மொழியப்பட்ட மாற்றங்களில் அடங்குவன:

- **வீட்டுக்கழிவு கட்டணத்தைக் குறைத்தல்** (DWMC) ஒவ்வொரு குடியிருப்பு கட்டணம் செலுத்துவொருக்கும் $245 வரை ($4m மொத்தம்)
- **சேமிப்பு மற்றும் உற்பத்தி மேம்பாடுகள்** ஆண்டுக்கு தொடக்கத்தில் $1.3 மில்லியன், இது 2033-க்குள் $2.5 மில்லியனாக உயர்த்தப்படும். **ஸ்ட்ராத்ஃபீல்ட் கனெக்டர் பஸ்ஸை நிறுத்துவதற்கான முன்மொழிவு உட்பட, இதில் சமூக ஆலோசனையும் அடங்கும்.**
- **தொழில்துறை மதிப்பீடு துணை வகைகளை நிறுவுதல்** தொழில்துறை தள கட்டணங்களை அதிகரிக்கும், இதனால், குடியிருப்பு கட்டணம் செலுத்துவோர் மொத்த கட்டணத்தில் சிறிய விழுக்காட்டினைச் செலுத்துவதை உறுதி செய்யும்.
- **பணப்புழக்கப் பிரச்சனையை தீர்த்தல்** சொத்து புதுப்பிப்பு நிதியை விரைவுபடுத்த கடன் வாங்கும் திட்டத்தைக்கொண்டு.
- **கட்டண அமைப்பை இற்றைப்படுத்தல்** நியாயமான கட்டண அமைப்பை உருவாக்கும் அதே வேளையில் அடுத்த 4 ஆண்டுகளில் வருவாயை $15 மி. அளவுக்கு உயர்த்துவதற்கு.
- **சிறப்பு கட்டண மாறுபாட்டிற்கு விண்ணப்பித்தல்** ஜூலை 1, 2023 முதல் நடைமுறைக்கு வரும் தனித்த விலை மற்றும் ஒழுங்குமுறை தீர்ப்பாயத்திடம் (IPART) மன்றம் இரு விருப்பத்தேர்வுகளை முன்மொழிகிறது, அதாவது ஒரே நேரத்தில் அதிகரிக்கலாம் அல்லது தொடர்ந்து 4 ஆண்டுகள் சிறிது சிறிதாக அதிகரிக்கலாம். இந்த எஸ்.ஆர்.வி எல்லா கட்டண வகைப்பாடுகளுக்கும் பொருந்தும். வீட்டுக்கழிவு கட்டண மாற்றம் 1-வது ஆண்டில் செயல்படுத்தப்படும்.
- **அடிப்படை கட்டண அமைப்பிலிருந்து ஒரு குறைந்தபட்ச கட்டண அமைப்பிற்கு மாறுதல்** **அனைத்து கட்டணம் செலுத்துபவர்களுக்கும் உரிய குறைந்தபட்சக் கட்டணம் $900-ஆக இருக்கும். இது படிப்படியாக அடுத்த 4 ஆண்டுகளில் $1,200-ஆக உயர்த்தப்படும். கட்டணம் செலுத்துவோரில் தோராயமாக 70% குறைந்தபட்ச கட்டணத்தையும் DWMC-யையுமே செலுத்துவார்கள்.**

இந்த மாற்றங்கள் சேவைகளை விரிவுபடுத்துவதற்கோ அல்லது புதிய சொத்துகளை உருவாக்குவதற்கோ அல்ல, அவை நிதி இடைவெளிகளை நிவர்த்தி செய்வதற்கும், சொத்துகளை புதுப்பிப்பதற்கும் மற்றும் சேவைகளை பராமரிப்பதற்கும் வருமானத்தை உருவாக்கி எதிர்காலத்தில் மன்றம் நிதி ரீதியாக நிலையானதாக இருக்க அனுமதிப்பதற்கு மட்டுமே.

இதில் குடியிருப்போர் மற்றும் கட்டணம் செலுத்துவோரின் பின்னூட்டம் மிக முக்கியமானவை. கூடுதல் விவரங்களுக்கு இந்த QR குறியீட்டை ஸ்கேன் செய்து 31 ஜனவரி 2023-க்குள் உங்களுடைய கருத்துக்களைத் தெரிவிக்கலாம்.

**உங்களுடைய கருத்துகளைத் தெரிவியுங்கள்**

www.haveyoursay.strathfield.nsw.gov.au/protectingourfuture

STRATHFIELD COUNCIL

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இதை மற்ற மொழிகளில் படியுங்கள்
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# முன்மொழியப்பட்டுள்ள சிறப்பு கட்டண மாறுபாடு

முன்மொழியப்பட்ட 1-ஆண்டுத் திட்டம், முன்மொழியப்பட்ட 4 ஆண்டுத் திட்டம், வீட்டுக் கழிவுக் கட்டணப் பரிமாற்றம் மற்றும் முன்கணிக்கப்பட்ட கட்டண பெக் (வளர்ச்சிக்கு விலை/வருவாய் விகிதம்) ஆகியவற்றுடன் கவுன்சில் முழுவதிலும் உள்ள கட்டணங்களின் விழுக்காட்டு அதிகரிப்பை கீழே உள்ள அட்டவணைகள் காட்டுகின்றன.

வீட்டுக்கழிவு கட்டணத்தைக் குறைத்தல் ஒவ்வொரு குடியிருப்பு கட்டணம் செலுத்துவொருக்கும் ஆண்டுக்கு $245-வரை செலவைக் குறைக்கும்.

## விருப்பத்தேர்வு 1: ஒற்றை ஆண்டு எஸ்ஆர்வி

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | கூட்டுத்தொகை |
|---|---|---|---|---|---|
| முன்கணிப்பு கட்டண பெக் | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| வீட்டுக்கழிவு கட்டணப் பரிமாற்றம் | 20.3% | n/a | n/a | n/a | 20.3% |
| தெரிவு 1: ஒற்றை ஆண்டு எஸ்ஆர்வி (வீட்டுக்கழிவு கட்டணப் பரிமாற்றம் அத்துடன் கட்டண பெக்-ஐ தவிர்த்து) | 50.0% | n/a | n/a | n/a | 50.0% |
| **விருப்பத்தேர்வு 1: மொத்த ஒற்றை ஆண்டு எஸ்ஆர்வி** | 74% | n/a | n/a | n/a | **74.0%** (2-4 ஆண்டுகளின் கட்டண பெக்ஸ் சேர்க்கப்பட்டால் 88.3%) |

*அட்டவணை 1a: முன்மொழியப்பட்ட எஸ்ஆர்வி அதிகரிப்புகள் - தெரிவு 1*

## விருப்பத்தேர்வு 2: 4 ஆண்டு எஸ்ஆர்வி

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | கூட்டுத்தொகை |
|---|---|---|---|---|---|
| முன்கணிப்பு கட்டண பெக் | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| வீட்டுக்கழிவு கட்டணப் பரிமாற்றம் | 20.3% | n/a | n/a | n/a | 20.3% |
| விருப்பத்தேர்வு 2: பல ஆண்டு எஸ்ஆர்வி (விருப்பத்தேர்வு 2: மொத்த பல ஆண்டு எஸ்ஆர்வி | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| **விருப்பத்தேர்வு 2: மொத்த பல ஆண்டு எஸ்ஆர்வி** | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

*அட்டவணை 1b: முன்மொழியப்பட்ட எஸ்ஆர்வி அதிகரிப்புகள் – தெரிவு 2*

முன்மொழியப்பட்ட எஸ்ஆர்வி-களின் முதல் ஆண்டில், அனைத்து வீட்டுக் கழிவுக் கட்டணப் பரிமாற்றத்தையும், 20.3%, குடியிருப்பு கட்டண வகைக்கும், மன்றத்தின் விருப்பமான நான்கு ஆண்டு விருப்பத்திற்கு, 10% வணிகப் பிரிவுகள் மற்றும் துணைப்பிரிவுகளுக்கும் ஒதுக்கீடு செய்ய மன்றம் கருதியுள்ளது. 2-4 ஆண்டுகளுக்கு முன்மொழியப்பட்ட எஸ்ஆர்வி கட்டண வகைகளில் சமமாக விநியோகிக்கப்படும்.

# ஸ்ட்ராத்ஃபீல்ட் மன்றத்தின் விகிதங்கள் எவ்வாறு ஒப்பிடப்படுகின்றன?

| மன்றம் | குடியிருப்பு கட்டணச் சராசரி 2022/23 | வீட்டுக்கழிவு கட்டணம் (DWMC) 2022/23 | மொத்த குடியிருப்பு கட்டண சராசரி + DWMC 2022/23 | தொழில் சராசரி கட்டணங்கள் 2022/23 |
|---|---|---|---|---|
| **Strathfield** | **$845** | **$795** | **$1,640** | **$4,116** |
| Inner West | $1,246 | $475 | $1,721 | $5,134 |
| Lane Cove | $1,359 | $475 | $1,834 | $3,354 |
| Canterbury-Bankstown | $1,255 | $585 | $1,840 | $6,434 |
| Burwood | $1,465 | $434 | $1,899 | $6,861 |
| Woollahra | $1,497 | $590 | $2,087 | $6,545 |
| Mosman | $1,552 | $649 | $2,201 | $3,830 |
| Hunters Hill | $2,374 | $600 | $2,974 | $1,351 |

*அட்டவணை 2: மன்ற கட்டண ஒப்பீடுகள்*

**உங்களுடைய கருத்துகளைத் தெரிவியுங்கள்**

கூடுதல் விவரங்களுக்கும், கால அளவுகளுக்கும், உங்களுடைய கருத்துகளை எப்படித் தெரிவிக்கலாம் எனபது பற்றிய தகவல்களுக்கும் எமது வலைத்தளத்தைப் பார்க்கவும்.
வலைத்தளத்தைப் பார்க்கவும்: www.haveyoursay/strathfield.nsw.gov.au/protectingourfuture

# இது உங்களை எப்படிப் பாதிக்கிறது?

குடியிருப்பு மற்றும் வர்த்தக கட்டண வகைகளுக்கான ஒரு குறிப்பை கீழ்க்காணும் அட்டவணை வழங்குகிறது. அடுத்த 4 ஆண்டுகளுக்கு சராசரி கட்டணம் செலுத்துபவர்களுக்கான, மற்றும் குறைந்தபட்ச கட்டணங்களைச் செலுத்துபவர்களுக்கான (கட்டணம் செலுத்துபவர்களில் 70% பேர்) கட்டண அதிகரிப்பினை குடியிருப்போருக்கான அட்டவணை காட்டுகிறது.

முழுக் கட்டணத் தொகையைக் காட்டுவதற்காக வீட்டுக்கழிவுக் கட்டண (DWMC) குறைப்பும் சேர்க்கப்பட்டிருக்கிறது.

தங்களுடைய சொத்தின் மேம்படுத்தப்படாத நில மதிப்பினைப் (LV) பொறுத்து தனிநபர்களின் கட்டணங்களின்மீதுள்ள தாக்கம் வேறுபடும். 1 ஜூலை 2023 முதல், பொது மதிப்பீட்டாளரின் (Valuer General) நில பொது மறுமதிப்பீட்டினால் ஏற்படும் மாற்றங்களும் நடைமுறைக்கு வரும்.

## ஓய்வூதியதாரர் தள்ளுபடியும் இன்னலும்

உங்களிடம் ஓய்வூதியதாரர் சலுகை அட்டை இருந்தால், உங்களுடைய சொத்து உங்களுடைய தனிப்பட்ட சொத்தாக அல்லது முதன்மை குடியிருப்பாக இருந்தால், கட்டணத்தில் $250 ஓய்வூதியதாரர் சலுகையை மன்றம் வழங்குகிறது. குறிப்பிட்ட நேரத்தில் கட்டணங்களைச் செலுத்துவதில் சிரமத்தை அனுபவிக்கும் கட்டணம் செலுத்துவோருக்கு உதவுவதற்கான தன்னுடைய நிதிக் கஷ்ட கொள்கையையும் (Financial Hardship Policy) மன்றம் தொடரும். அந்தக் கொள்கையை நீங்கள் வலைத்தளத்தில் காணலாம்.

| குடியிருப்பு | | நடப்பு 2022/23 | முன்மொழியப்பட்டது 2023/24 | முன்மொழியப்பட்டது 2024/25 | முன்மொழியப்பட்டது 2025/26 | முன்மொழியப்பட்டது 2026/27 | மொத்த / சராசரி அதிகரிப்பு |
|---|---|---|---|---|---|---|---|
| சராசரி குடியிருப்பு கட்டணங்கள் | வருடாந்திர கட்டணங்கள் | $845 | $1,119 | $1,218 | $1,443 | $1,708 | $863 |
| | வருடாந்திர அதிகரிப்பு | | $273 | $99 | $225 | $266 | $216 |
| | வாராந்திர அதிகரிப்பு | | $5.24 | $1.90 | $4.31 | $5.10 | $4.14 |
| | DWMC நடப்பு கட்டணத்தைச் சேர்க்கவும் | $795 | $550 | $550 | $550 | $550 | -$245 |
| | வருடாந்திர கட்டணங்கள் (DWMC-யுடன்) | $1,640 | $1,669 | $1,768 | $1,993 | $2,258 | $618 |
| | வருடாந்திர அதிகரிப்பு (DWMC-யுடன்) | | $28 | $99 | $225 | $266 | $155 |
| | வாராந்திர அதிகரிப்பு (DWMC-யுடன்) | | $0.54 | $1.90 | $4.31 | $5.10 | $2.97 |
| குறைந்தபட்ச கட்டணங்கள் (கட்டணம் வரிசெலுத்துபவர்களில் 70%) | குறைந்தபட்ச கட்டணங்கள் | $584* | $900 | $1,000 | $1,100 | $1,200 | $616 |
| | வருடாந்திர அதிகரிப்பு | | $316 | $100 | $100 | $100 | $154 |
| | வாராந்திர அதிகரிப்பு | | $6.08 | $1.92 | $1.92 | $1.92 | $2.96 |
| | DWMC நடப்புக் கட்டணத்தை சேர்க்கவும் | $795 | $550 | $550 | $550 | $550 | -$245 |
| | குறைந்தபட்சக் கட்டணங்கள் (DWMC-யுடன்) | $1,379 | $1,450 | $1,550 | $1,650 | $1,750 | $371 |
| | வருடாந்திர அதிகரிப்பு (DWMC-யுடன்) | | $71 | $100 | $100 | $100 | $93 |
| | வாராந்திர அதிகரிப்பு (DWMC-யுடன்) | | $1.36 | $1.92 | $1.92 | $1.92 | $1.78 |

*அட்டவணை 3: குடியிருப்புக் கட்டணம் செலுத்துபவர்களின்மீதான தாக்கம், 4 ஆண்டு விருப்பத்தேர்வு*

**குறைந்தபட்சம் நடப்பு அடிப்படைக் கட்டண கட்டமைப்பைப் பயன்படுத்தும் கட்டணம் செலுத்துபவர்களுக்கான சராசரி மீதம் இது.*

*வீட்டுக் கழிவுக் கட்டணம் ஆண்டுதோறும் $795-ல் இருந்து $550-ஆகக் குறைக்கப்படும், எனவே ஒவ்வொரு குடியிருப்புக் கட்டணம் செலுத்துபவருக்கும் சில கட்டணங்கள் $245 ஆக உயர்த்தப்படும்.*

| வர்த்தகம் (அனைத்தும்) | | நடப்பு 2022/23 | முன்மொழியப்பட்டது 2023/24 | முன்மொழியப்பட்டது 2024/25 | முன்மொழியப்பட்டது 2025/26 | முன்மொழியப்பட்டது 2026/27 | மொத்த / சராசரி அதிகரிப்பு |
|---|---|---|---|---|---|---|---|
| சராசரிக் கட்டணங்கள் | வருடாந்திர கட்டணங்கள் | $4,116 | $5,683 | $6,138 | $7,212 | $8,474 | $4,358 |
| | வருடாந்திர அதிகரிப்பு | | $1,567 | $455 | $1,074 | $1,262 | $1,090 |
| | வாராந்திர அதிகரிப்பு | | $30.05 | $8.73 | $20.60 | $24.20 | $20.90 |

*அட்டவணை 4: வர்த்தகம் (அனைத்தும்) கட்டணம் செலுத்துவோரின்மீது ஏற்படும் தாக்கம், 4 ஆண்டு விருப்பத்தேர்வு.*

| வர்த்தகம் - தொழில் | | நடப்பு 2022/23 | முன்மொழியப்பட்டது 2023/24 | முன்மொழியப்பட்டது 2024/25 | முன்மொழியப்பட்டது 2025/26 | முன்மொழியப்பட்டது 2026/27 | மொத்த / சராசரி அதிகரிப்பு |
|---|---|---|---|---|---|---|---|
| சராசரிக் கட்டணங்கள் | வருடாந்திரம் | $3,910 | $6,327 | $6,833 | $8,029 | $9,434 | $5,524 |
| | வருடாந்திர அதிகரிப்பு வருடாந்திர அதிகரிப்பு | | $2,417 | $506 | $1,196 | $1,405 | $1,381 |
| | வாராந்திர அதிகரிப்பு | | $46.36 | $9.71 | $22.93 | $26.95 | $26.49 |

*அட்டவணை 5: வர்த்தகம்-தொழில் கட்டணம் செலுத்துவோரின்மீது ஏற்படும் தாக்கம், 4 ஆண்டு விருப்பத்தேர்வு.*

## குறைந்தபட்சக் கட்டண விண்ணப்பம்

இந்த விண்ணப்பத்தின் ஒரு பகுதி மன்றத்தின் அடிப்படை விகிதக் கட்டமைப்பை குறைந்தபட்ச விகிதக் கட்டமைப்பாக மாற்ற முயல்கிறது, இதனால் மன்றம் நியாயமான கட்டண முறைக்கு மாற முடியும்.

அடுத்த 4 ஆண்டுகளுக்கு குறைந்தபட்ச கட்டணத்தில் முன்மொழியப்பட்ட அதிகரிப்பை கீழே உள்ள அட்டவணை காட்டுகிறது. இந்த நடைமுறை மாற்றம் செய்யப்படும் ஆண்டுகளில் கட்டண பெக் அதிகரிப்பு பயன்படுத்தப்படாது.

| ஆண்டு | குறைந்தபட்ச கட்டணம் |
|---|---|
| 2023-2024 | $900 |
| 2024-2025 | $1,000 |
| 2025-2026 | $1,100 |
| 2026-2027 | $1,200 |

ஏறக்குறைய 70% வீட்டுக் கட்டணம் செலுத்துபவர்களைப் பொறுத்தவரை, குறைந்தபட்ச கட்டணம் மற்றும் வீட்டுக் கழிவுக் கட்டணம் மட்டுமே நீங்கள் செலுத்த வேண்டும்.

*அட்டவணை 6: முன்மொழியப்பட்ட குறைந்தபட்சக் கட்டணங்கள்*

## எஸ்ஆர்வி இல்லாமல் என்ன நடக்கும்

எஸ்ஆர்வி இல்லாமல், தற்போதைய சேவைகளை அதே அளவில் வழங்கினால், 2027-ல் மன்றத்தின் பணம் தீர்ந்துவிடும், செயல்பாட்டு பற்றாக்குறைகள் தொடர்ந்து அதிகரிக்கும், மேலும் உள்ளூர் உள்கட்டமைப்பு சொத்துகள் மோசமடையும். சாலைகள், நடைபாதைகள் மற்றும் பொது கட்டிடங்களை சரிசெய்யவும், பழுதுநீக்கவும் போதுமான நிதி இருக்காது. தெருவைக் கூட்டுதல் மற்றும் சுத்தம் செய்தல் உள்ளிட்ட சேவைகளின் அளவு குறைக்கப்படும். பார்க்கிங் மற்றும் எங்கள் சேவைகள் மற்றும் கட்டணங்கள் உள்ளிட்ட பிற வருவாய்களை மன்றம் அதிகரிக்க வேண்டும்.




## உங்களுடைய கருத்துகளைத் தெரிவியுங்கள்

**31 ஜனவரி 2023-க்குள் உங்களுடைய கருத்துகளைப் பகிரவும்**

டிசம்பர் 2022-ஜனவரி 2023 இல் 6 வார சமூக ஈடுபாட்டிற்குப் பிறகு, மன்றம் அனைத்து கருத்துகளையும் தகவல்களையும் தொகுத்து, 28 பிப்ரவரி 2023 அன்று மன்றக் கூட்டத்தில் சிறப்பு கட்டண மாறுபாட்டிற்கு விண்ணப்பிக்க வேண்டுமா என்பதை முடிவு செய்யும். ஒரு விண்ணப்பம் பதிவு செய்யப்பட்டு அங்கீகரிக்கப்பட்டால், அது ஜூலை 1, 2023 முதல் நடைமுறைக்கு வரும்.

### பாப் அப் ஸ்டால்கள் (காலை 10 - நண்பகல் 12)

**சனி 10 டிசம்பர்: ஹோம்புஷ்**
(கார்னர் ரோசெஸ்டர் சாலை மற்றும் பர்லிங்டன் சாலை)

**செவ்வாய் 13 டிசம்பர்: ஸ்டிராத்ஃபீல்ட் பிளாஸா**
**(ஓபோர்ட்டோவுக்கு வெளியில்)**

**சனி 17 டிசம்பர்: கம்யூனிட்டி ரூம், குக் பார்க்**

**சனி 21 ஜனவரி: ஸ்டிராத்ஃபீல் ட் கவுன்சில் நூலகம் மற்றும் இன்னோவேஷன் ஹப்**

### தகவல் அமர்வுகள் (மாலை 6 - 7, ஸ்டிராத்ஃபீல்ட் டவுன் ஹால்)

**திங்கள் 12 டிசம்பர்**

**புதன் 14 டிசம்பர்**

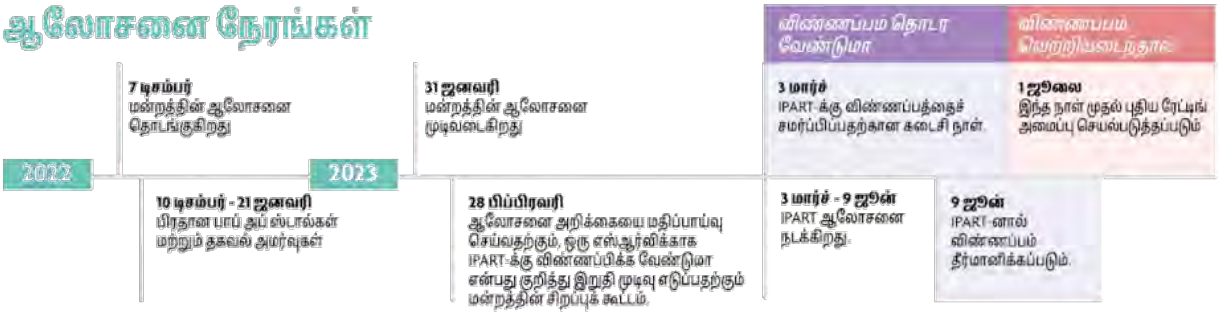
**வியாழன் 15 டிசம்பர்** (நிகழ்நிலை)

### வலைதளம்

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வலைத்தளத்தைப் பார்க்கவும் அல்லது முகப்புப் பக்கத்தில் உள்ள QR குறியீட்டை ஸ்கேன் செய்யவும்.

## ஆலோசனை நேரங்கள்




@StrathfieldCouncil @StrathfieldMC @StrathfieldCouncil

# 미래를 보호하는 대책

카운슬은 모든 주민에게 재정적으로 지속 가능하고 긍정적인 미래를 보장하기 위해 특별 세율 변경에 대한 의견을 수렴하고자 합니다.

## 개요

현재 재정 상황을 검토한 카운슬은 지난 몇 년 동안 운영 적자를 내면서 도로와 보도, 건물 등과 같은 기반 시설 자산을 개보수하는 예산이 상당히 부족하다는 것을 파악했습니다. 예산 부족분이 $120만 달러에서 현재 약 $1,610만 달러로 증가했습니다.

이러한 예산 부족은 수년에 걸쳐 이루어져 왔으며, 이전 카운슬들은 지금의 문제를 예방할 수 있는 필요한 조치를 조기에 취하지 않았습니다. 여러 지역 카운슬이 이러한 상황에 해당하며, 스트라스필드 카운슬도 2014년에 이 문제를 마지막으로 고려했을 때 조처하지 않기로 결정했습니다.

카운슬은 현재 세액 상한, 높은 인플레이션, 주 정부로부터 지속적인 비용 이전, 수년간의 비용 증가 등과 같은 많은 내외부 요인으로 지출이 세입의 증가를 초과하는 어려운 상황에 직면하고 있습니다. 아무런 조치를 취하지 않으면, 카운슬은 2027년에 예산이 바닥날 위험에 처하게 됩니다.

그러므로 스트라스필드의 미래를 보호하기 위해 긴급하고 즉각적인 조치가 필요합니다. 현재 세대와 미래 세대가 스트라스필드 카운슬이라는 서부의 오아시스를 향유할 수 있도록 현재뿐만 아니라 미래에도 지속 가능한 재정이 유지되도록 해야 합니다.

카운슬은 상당한 시간을 들여 어떻게 하면 주민과 납세자에게 미치는 영향을 최소화하면서 이 문제에 대처할 수 있을지 최선의 방법을 고민했습니다. 카운슬의 자산을 유지하고 지역사회가 마땅히 받아야 할 양질의 서비스를 지속해서 제공할 수 있도록 몇 가지 변경사항을 제안합니다.

제안된 변경사항:

- **생활 폐기물 부담금 (DWMC) 인하** 주거용 납세자 일 인당 $245(총 $400만) 달러가 줄어듭니다.
- **비용 절감 및 생산성 개선** 절감 및 개선 효과는 연간 $130만 달러에서 시작하여 2033년까지 $250만 달러로 증대됩니다. **지역사회 협의 과정에서 다룰 스트라스필드 커넥터 버스 운행 중단 제안 포함.**
- **산업 과세 하위 범주 수립** 산업 부문 과세를 증액하여 전체 세액에서 주거용 납세자가 부담하는 비율이 더 낮도록 보장합니다.
- **현금 흐름 해소** 대출금 차입 프로그램을 통해 자산 개보수 예산을 더욱 신속하게 처리합니다.
- **과세 제도 개선** 더욱 공정한 과세 제도를 수립하여 향후 4년 동안 $1,500만 달러의 세입이 늘어납니다.
- **특별 세율 변경 신청** 독립물가규제위원회(IPART)의 승인을 거치면 2023년 7월 1일부터 시행됩니다. 카운슬은 일회 증액 또는 4년에 걸친 증액, 두 가지 방안을 제안하고 있습니다. 특별 세율 변경(SRV)은 모든 과세 범주에 적용되며 생활 폐기물 부담금 이전은 첫해에 시행될 것입니다.
- **기본 과세에서 최저 과세 제도로 변환** 모든 납세자의 최저 세액이 애초 $900 달러에서 4년에 걸쳐 $1,200 달러까지 증가합니다. 납세자의 약 70%는 최저 세액과 DWMC만 내면 됩니다.

이러한 변화는 서비스 확대나 새로운 자산 구축을 위한 것이 아니라 예산 부족 해결, 자산 재개발, 서비스 유지 등을 위한 수입을 창출하여 카운슬이 미래에도 지속 가능한 재정을 유지할 수 있도록 하기 위함입니다.

이 과정에서 주민과 납세자의 의견이 매우 중요합니다. QR 코드를 스캔하여 자세한 내용을 살펴보시고 **2023년 1월 31일**까지 의견을 개진해 주십시오.

**의견을 개진하세요**

www.haveyoursay.strathfield.nsw.gov.au/protectingourfuture

STRATHFIELD COUNCIL

Read this in other language

இதை மற்ற மொழிகளில் படியுங்கள்

다른 언어로 읽으실 수 있습니다

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# 제안된 특별 세율 변경

아래 표는 제안된 1년 계획, 4년 계획, 생활 폐기물 부담금 이전, 예상 고정 세율 등 *카운슬 전체*에 대한 세액 인상률을 나타냅니다.

**생활 폐기물 부담금 인하**로 주거용 납세자 일 인당 비용이 연간 $245 달러가 줄어듭니다.

## 방안 1: 단년도 SRV

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 복리 |
|---|---|---|---|---|---|
| 예상 고정 세율 | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| 생활 폐기물 부담금 이전 | 20.3% | n/a | n/a | n/a | 20.3% |
| 방안 1: 단년도 SRV (생활 폐기물 부담금 이전 및 고정 세율 제외) | 50.0% | n/a | n/a | n/a | 50.0% |
| **방안 1: 총 단년도 SRV** | 74% | n/a | n/a | n/a | **74.0%** (2-4년 고정 세율이 포함될 경우 88.3%) |

*표 1a: 제안된 SRV 인상 - 방안 1*

## 방안 2: 4개년도 SRV

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 복리 |
|---|---|---|---|---|---|
| 예상 고정 세율 | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| 생활 폐기물 부담금 이전 | 20.3% | n/a | n/a | n/a | 20.3% |
| 방안 2: 다년도 SRV (생활 폐기물 부담금 이전 및 고정 세율 제외) | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| **방안 2: 총 다년도 SRV** | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

*표 1b: 제안된 SRV 인상 - 방안 2*

제안된 SRV 첫해에 카운슬은 모든 생활 폐기물 부담금 이전의 20.3%를 주거용 과세 범주에 할당하고, 카운슬이 선호하는 4개년도 방안은 사업체 범주와 하위 범주에 10%를 할당하는 계획입니다. 제안된 SRV는 2-4년 동안 과세 범주에 걸쳐 균등하게 배분될 것입니다.

# 스트라스필드 카운슬 세액 비교

| 카운슬 | 2022/23년 주거용 평균 세액 | 2022/23년 생활 폐기물 부담금(DWMC) | 2022/23년 총 주거용 평균 세액 + DWMC | 2022/23년 사업체 평균 세액 |
|---|---|---|---|---|
| **Strathfield** | **$845** | **$795** | **$1,640** | **$4,116** |
| Inner West | $1,246 | $475 | $1,721 | $5,134 |
| Lane Cove | $1,359 | $475 | $1,834 | $3,354 |
| Canterbury-Bankstown | $1,255 | $585 | $1,840 | $6,434 |
| Burwood | $1,465 | $434 | $1,899 | $6,861 |
| Woollahra | $1,497 | $590 | $2,087 | $6,545 |
| Mosman | $1,552 | $649 | $2,201 | $3,830 |
| Hunters Hill | $2,374 | $600 | $2,974 | $1,351 |

*표 2: 카운슬 세액 비교*

**의견을 개진하세요**

자세한 내용과 일정 및 의견을 개진하는 방법 등은 웹사이트를 참조하십시오.
웹사이트 www.haveyoursay/strathfield.nsw.gov.au/protectingourfuture

# 개인에게 미치는 영향

아래 표는 주거용 및 사업체 과세 범주에 따른 변경사항을 나타냅니다. 주거용 표는 평균 납세자와 최저 세액을 내는 납세자(납세자의 70%)에 대해 향후 4년 동안 세액의 증가세를 보여줍니다.

전체 세액을 표시하기 위해 생활 폐기물 부담금(DWMC) 인하도 포함되었습니다.

개인의 세액에 미치는 영향은 해당 부동산의 미개발 토지 가치(LV)에 따라 다릅니다. 감정평가원이 실시한 일반적인 토지 재평가로 인한 변경사항도 2023년 7월 1일부터 시행됩니다.

## 연금 수급자 할인 및 금융 지원

카운슬은 연금 수급자 할인 카드를 소지하고 소유한 부동산이 하나뿐이거나 주 거주지인 경우 해당 세액에 $250 달러의 연금 수급자 할인 혜택을 제공합니다. 또한 카운슬은 세금을 제때 납부하는 데 어려움을 겪는 납세자를 돕는 방법을 명시한 금융 지원 정책도 계속 시행할 것입니다. 해당 정책은 웹사이트에서 확인할 수 있습니다.

| 주거용 | | 현행 2022/23 | 제안 2023/24 | 제안 2024/25 | 제안 2025/26 | 제안 2026/27 | 총/평균 증액 |
|---|---|---|---|---|---|---|---|
| 주거용 평균 세액 | 연간 세액 | $845 | $1,119 | $1,218 | $1,443 | $1,708 | $863 |
| | 연간 증액 | | $273 | $99 | $225 | $266 | $216 |
| | 주당 증액 | | $5.24 | $1.90 | $4.31 | $5.10 | $4.14 |
| | DWMC 현행 금액 가산 | $795 | $550 | $550 | $550 | $550 | -$245 |
| | 연간 세액 (DWMC 포함) | $1,640 | $1,669 | $1,768 | $1,993 | $2,258 | $618 |
| | 연간 증액 (DWMC 포함) | | $28 | $99 | $225 | $266 | $155 |
| | 주당 증액 (DWMC 포함) | | $0.54 | $1.90 | $4.31 | $5.10 | $2.97 |
| 최저 세액 (납세자의 70%) | 최저 세액 | $584* | $900 | $1,000 | $1,100 | $1,200 | $616 |
| | 연간 증액 | | $316 | $100 | $100 | $100 | $154 |
| | 주당 증액 | | $6.08 | $1.92 | $1.92 | $1.92 | $2.96 |
| | DWMC 현행 금액 가산 | $795 | $550 | $550 | $550 | $550 | -$245 |
| | 최저 세액 (DWMC 포함) | $1,379 | $1,450 | $1,550 | $1,650 | $1,750 | $371 |
| | 연간 증액 (DWMC 포함) | | $71 | $100 | $100 | $100 | $93 |
| | 주당 증액 (DWMC 포함) | | $1.36 | $1.92 | $1.92 | $1.92 | $1.78 |

*표 3: 주거용 납세자에 미치는 영향, 4개년도 방안*

**현행 기본 과세 체계로 최저 세액을 내는 납세자에 대한 평균 세액입니다.*

*생활 폐기물 부담금은 연간 $795 달러에서 $550 달러로 인하되어 주거용 납세자 일 인당 세금 증가액이 $245 달러만큼 일부 공제됩니다.*

| 사업체 (전체) | | 현행 2022/23 | 제안 2023/24 | 제안 2024/25 | 제안 2025/26 | 제안 2026/27 | 총/평균 증액 |
|---|---|---|---|---|---|---|---|
| 평균 세액 | 연간 세액 | $4,116 | $5,683 | $6,138 | $7,212 | $8,474 | $4,358 |
| | 연간 증액 | | $1,567 | $455 | $1,074 | $1,262 | $1,090 |
| | 주당 증액 | | $30.05 | $8.73 | $20.60 | $24.20 | $20.90 |

*표 4: 사업체 (전체) 납세자에 미치는 영향, 4개년도 방안*

| 사업체 - 산업 | | 현행 2022/23 | 제안 2023/24 | 제안 2024/25 | 제안 2025/26 | 제안 2026/27 | 총/평균 증액 |
|---|---|---|---|---|---|---|---|
| 평균 세액 | 연간 | $3,910 | $6,327 | $6,833 | $8,029 | $9,434 | $5,524 |
| | 연간 증액 | | $2,417 | $506 | $1,196 | $1,405 | $1,381 |
| | 주당 증액 | | $46.36 | $9.71 | $22.93 | $26.95 | $26.49 |

*표 5: 사업체에 미치는 영향 - 산업 납세자, 4개년도 방안*

## 최저 세율 신청

이 신청의 일부는 카운슬의 기본 과세 체계를 최저 과세 체계로 대체하여 카운슬이 더욱 공정한 과세 제도로 전환할 수 있도록 합니다.

아래 표는 제안된 향후 4년 동안 최저 세액의 증액을 보여줍니다. 이러한 전환 기간에 고정 세율 인상은 적용되지 않습니다.

| 연도 | 최저 세액 |
|---|---|
| 2023-2024 | $900 |
| 2024-2025 | $1,000 |
| 2025-2026 | $1,100 |
| 2026-2027 | $1,200 |

*표 6: 제안된 최저 세액*

주거용 납세자의 약 70%는 최저 세액과 생활 폐기물 부담금만 납부하면 됩니다.

## SRV가 없을 경우

특별 세율 변경(SRV) 없이 현재 서비스 수준을 제공하면, 카운슬은 2027년에 예산이 고갈되어 운영 적자는 계속 늘어나고 지역의 기반 시설 자산은 악화될 것입니다. 도로와 보도, 공공건물 등을 고치고 보수할 예산이 부족해집니다. 거리 청소와 정돈을 포함하여 서비스의 수준도 저하됩니다. 카운슬은 주차와 각종 서비스 비용 및 요금 등을 포함한 다른 수입을 늘려야 합니다.




## 의견 개진

**2023년 1월 31일까지 의견 제출**

2022년 12월 ~ 2023년 1월까지 6주간의 지역사회 참여 기간을 거쳐 카운슬은 모든 의견과 정보를 수집한 후 2023년 2월 28일 카운슬 회의에서 특별 세율 변경을 신청할지 여부를 결정합니다. 신청서를 제출하고 승인이 나면 2023년 7월 1일부터 시행됩니다.

### 간이 안내소 (오전 10시 ~ 정오 12시)

**12월 10일 토요일: 홈부쉬**
(Rochester Rd 및 Burlington Rd 모퉁이)
**12월 13일 화요일: 스트라스필드 플라자**
(Oporto 바깥쪽)
**12월 17일 토요일: Community Room, Cooke Park**
**1월 21일 토요일: 스트라스필드 카운슬 도서관 및 혁신 허브**

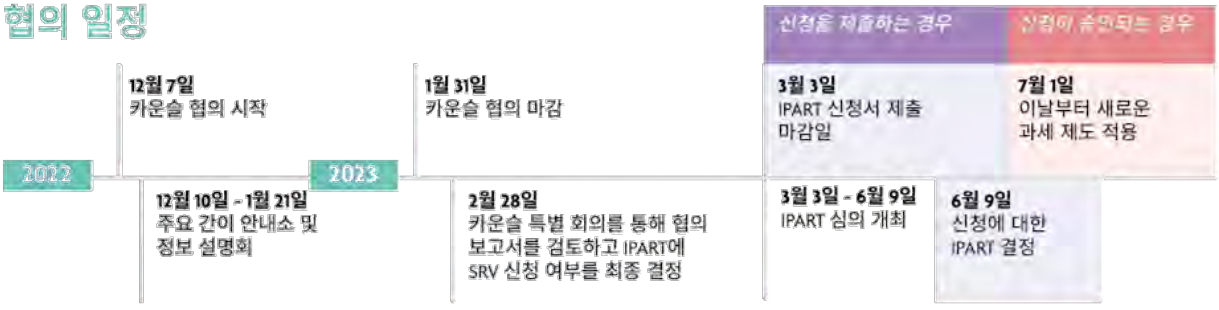
### 정보 설명회 (오후 6시 ~ 7시, 스트라스필드 타운 홀)

**12월 12일 월요일**
**12월 14일 수요일**
**12월 15일 목요일** (온라인)

### 웹사이트

www.haveyoursay.strathfield.nsw.gov.au/protectingourfuture 참조 또는 맨 앞면의 QR 코드 스캔

## 협의 일정



# FROM THE MAYOR'S OFFICE

STRATHFIELD COUNCIL

65 Homebush Road, Strathfield NSW 2135
PO Box 120, Strathfield NSW 2135 | **P** 02 9748 9999 | **F** 02 9764 1034
**E** council@strathfield.nsw.gov.au | **www.strathfield.nsw.gov.au** | ABN 52 719 940 263

Monday 9 January 2023

**PROTECTING OUR FUTURE**

Dear Resident,

You should have received an information booklet we sent out in the mail in December regarding a plan for Council's long term financial sustainability.

You elected the new Councillors in 2021 to manage the Council responsibly and to improve the quality of our local area and services, with transparency and accountability. We have done our due diligence and reviewed our finances and assets and we have discovered a situation that is worse than anticipated.

The current Council has inherited a legacy of issues from the previous administration, who were not always transparent in sharing information. This has prevented Councillors from making decisions that were fiscally sound in the past. The reality is that Council has posted deficits for the past few years and has an asset renewal backlog of $16.5 million. This means there are insufficient funds to maintain or renew assets such as roads, footpaths, parks and community buildings. The longer we leave this, the worse the problem will become. Leadership is about making tough decisions not popular ones and we need to act now to protect our future.

We have already made some hard decisions and implemented a number of changes to decrease spending and are looking at more efficiency measures into the future. This includes reviewing the Strathfield Connector Bus which costs over $1.3 million or about $83 per residential ratepayer per year; we have also decided to not proceed with the proposed leisure centre, which would have cost ratepayers a minimum of $1.5 million in losses per year, and required Council to take on a loan of up to $30 million. Additionally, we have significantly reduced our staffing costs and have shifted our focus on only the delivery of essential services.

We understand the current economic climate and pressures we are all facing, so we are doing everything we can to minimise any impact on our residential ratepayers including decreasing your domestic waste charge by $245; introducing an industrial rating category which will be charged at a substantially higher rate to ease the burden on residential ratepayers; and introducing a minimum rating system to ensure we capture more rates revenue from unit developments. Because there are multiple changes that need to occur, it may all seem overwhelming. Put simply, what all these actions mean, is that for 74% of ratepayers, any increase will be no more than 19.4% or about $1.77 per week by 2027.

I am counting on your frank and honest feedback by **31 January 2023**. Please visit our comprehensive website for more information at https://haveyoursay.strathfield.nsw.gov.au/.

Our aim is to provide the highest quality services for our residents to ensure our streets are clean, our roads and footpaths are in good condition, our street trees are pruned and our property values are maintained.

Our community has been through some big fights over the years and we have always come out on top. I love this area and I am confident in the strength and spirit of our community. If we work together we can do what it takes to protect our future and protect Strathfield.

Councillor Matthew Blackmore
Mayor of Strathfield

# Strathfield Council
# The Special Rate Variation
# Background Paper

## Part A Overview

The Strathfield Council ('Council') financial position is unsustainable at the current levels of expenditure and income. This has occurred for a number of reasons discussed in this background paper.

Previous Councils' have made decisions on assets, services and rating options in the best interests of their communities. However, the time when combined with other external influences and legislative restrictions has gradually led to declining financial sustainability. This is a problem which Council must now address this year.

Council's 2022-2032 Long Term Financial Plan (LTFP) forecasts consolidated operating deficits to 2033. The average operating deficit for the 10 year forecast period is estimated at $12.4 million per annum. Ongoing core costs and externally imposed obligations on local governments are outpacing revenue growth and placing council budgets under increasing pressure. Unless current levels of income are increased, Council will be unable to resource renewal of assets and maintain current services. Strathfield Council is not alone; 74 NSW councils reported operating deficits in their General Fund in 2020/2021.

### Why does Council need to be sustainable?

The Local Government Act requires councils to apply sound financial management principles and to develop Long Term Financial Plans that maintain financial sustainability into the future. The financial sustainability objectives that support service delivery are:

- Responsible and sustainable spending
- Adequate cash reserves and use of borrowings
- Responsible and sustainable infrastructure investment
- To explore options to improve financial sustainability to achieve a fully funded operating position.

These objectives are the foundation for sound financial management and are not negotiable. If a council fails to meet these principles, then the government may intervene in council operations. We only have to look at the recent government interventions of the Central Coast Council as an example, where there was a shortfall in cash for General Fund operations.

A financially sustainable council has the financial capacity to maintain assets and deliver services to its community over the long term.

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## Why has Council become unsustainable now?

All councils face financial sustainability challenges on a cyclic basis; this is caused by the constraints and influences on local government. Cost increases have exceeded rate increases and typically reduce spending on key services like asset maintenance and renewals to keep service going and meet new costs.

There are a number of contributors to this growing financial sustainability gap, some of which are outside of Council's control and others which Council has some influence over.

**Rate capping is a contributor.** The Independent Pricing and Regulatory Tribunal (IPART) has set the rate peg for NSW councils by taking the increase in the Local Government Cost Index (LGCI) and applying productivity gains or allowances for one-off events. This LGCI is like the Consumer Price Index but calculated based on the change in cost of the type of goods councils buy, like bitumen and fuel, rather than fruit and vegetables. The LGCI does not recognise some cost increases councils experience nor that some councils will experience cost increases higher than the average due to location or other events. Over time small shortfalls accumulate, and councils generally respond by spending less on asset renewals and maintenance and services until they reach a point approaching failure.

**Cost Shifting**. Cost shifting comes in two main forms, the transfer of responsibilities and increased compliance costs and responsibilities imposed on local government by State Government.

Over the last decade, the NSW State Government, and to a lesser extent, the Australian Government have transferred costs to local government without sufficient recompense. Major types of cost shifting include the withdrawal of financial support once a program is established, the transfer of assets without appropriate funding support, the requirement to provide concessions and rebates without compensation payments, increased regulatory and compliance arrangements and failure to provide for indexation of fees and charges for services prescribed under state legislation or regulation. Key impacts on Strathfield have included:

- ARIC - internal audit program using external/internal resources
- Emergency Service Levy increases.
- Cyber security/modernise systems/fraud prevention
- Crown Land, Plans of Management, Compliance reporting.

**New assets** are important for any community, especially when provided through Federal and State Government grant programs and developer contributions. Grants are often discretionary as Council is generally not compelled to apply for or accept grant funding even though it means valuable community infrastructure is funded by government. All new infrastructure generally carries hidden costs. The rate cap does not allow for the new costs associated with the operation, maintenance, renewal and depreciation of new assets, and Council has to fund these additional costs through its existing budget. Over time these costs eat into Council's sustainability as it funds more and more new asset costs from its existing budget.

**Service level improvements** or high service levels also contribute to the decline of financial sustainability. Over time service levels have increased, and while some service level changes have delivered net benefit, the great majority have imposed additional costs.

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In the five years to 2020/21, the average operating performance ratio of NSW councils has steadily declined from 9.8% in 2016/17, to -1.5% in 2020/21. On top of this steady decline, the economic climate has changed post COVID-19. The high level of inflation is impacting the cost of materials and contracts that Council purchases to deliver services. This means that Council can no longer keep expenditure contained within the levels forecast in the LTFP without significant impact on service delivery to the community.

The cost to maintain, repair, replace or improve community assets and infrastructure has dramatically risen, increasing Council's infrastructure backlog. Infrastructure backlog is the term given by council to the total amount or value of renewal works that need to be undertaken to bring council's asset up to an acceptable standard. Council's backlog has increased from $0.6 million in 2019 to $16 million in 2022, which is a backlog ratio of 4.2%, above the industry target of 2%. Assets will continue to deteriorate, and the backlog will increase further without additional funding.

## Looking forward, the financial sustainability challenge will only increase

The tight labour market means that Council must plan for an increase in wages, particularly to attract staff in town planning, development assessment, compliance and engineering.

A high inflation environment, low rate increases, and increased costs for materials and logistics will continue to impact financial sustainability.

Council's Community Strategic Plan and Delivery Program identify several actions to deliver community aspirations that will enhance the liveability of the Strathfield LGA.

Population growth also has a significant influence on asset provision and long-term financial sustainability. Profile ID forecast average population increase of 1% annually, with the population expected to increase from 45,930 in 20/21 to 48,649 in 2026/27. Council does not have the revenue to service this population growth and the associated demands on Council assets and services.

By way of example, some initiatives are funded by state and federal government grants; however, these grants do not include the ongoing renewal, operation and maintenance costs that will need to be met by Council and are included in the long-term financial plan.

Westinvest Funded Projects - total estimated value is $21,815,000:

- Hudson Park East Project – new stage 3 construction, new pump track, new junior mountain bike track, new car park extension, Arthur Street Traffic improvements
- Airey Park – new pathway around the oval with landscaping
- Begnell Field – new passive recreation
- Strathfield Park – new storage.

## What has Council done to address financial sustainability challenges?

In 2022 Council undertook a complete review of Council's long term financial sustainability and conducted an organisation wide service review. This identified a range of productivity improvements, resource needs, cost savings and income increases to substantially improve Council's long term financial sustainability.

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The organisational service review and improvement plan identified over 36 operational improvements to reduce expenses and improve efficiency, including the proposal to cease the operation of the Strathfield Connector Bus service, improve income from the driving range and property leases, use new low-cost LED lighting and the introduction of a new monitoring system to control water and energy to generate savings.

These improvements are incorporated in the Council's new Long Term Financial Plan to reduce the size of the funding shortfall, with the initial net benefit of some $1.3m in 2023/24 increasing to an estimated $2.5 m over the 10 year forecast period.

Council wants to improve the equity of the current rating structure. In part, this has involved a review of the domestic waste management (DWM) charges that are currently $795 per household. The annual domestic waste charge is included with the annual rates bill. Council intends to restructure the waste charge and transfer $4 million of the waste income into general revenue. This will not reduce waste services provided to the community. To transfer these funds, Council will need to vary rates by 20.3%; however, this will be offset for the majority of ratepayers by a reduction of $245 from the waste charge. The proposed waste charge for 2023-2024, if approved, will be $550.

Secondly, Council has reviewed its rating structure and is proposing to include business subcategories for industrial areas and Strathfield CBD. The purpose of the revised structure is to ensure over the longer term that, all rate categories pay a fair and equitable share of rates.

Further Council has undertaken a review of its asset management strategy through the updating of its asset data for buildings, roads, bridges, footpaths and kerb and gutter. This review and analysis demonstrated that the asset condition has worsened, and since 2019, the backlog ratio has increased from 0.25% to 4.2%. To address the increasing backlog issue Council needs to spend more on renewing its assets. Council is planning to spend around $11.8 million per year to reduce the backlog to 3.1% and improve the safety and condition of the communities assets.

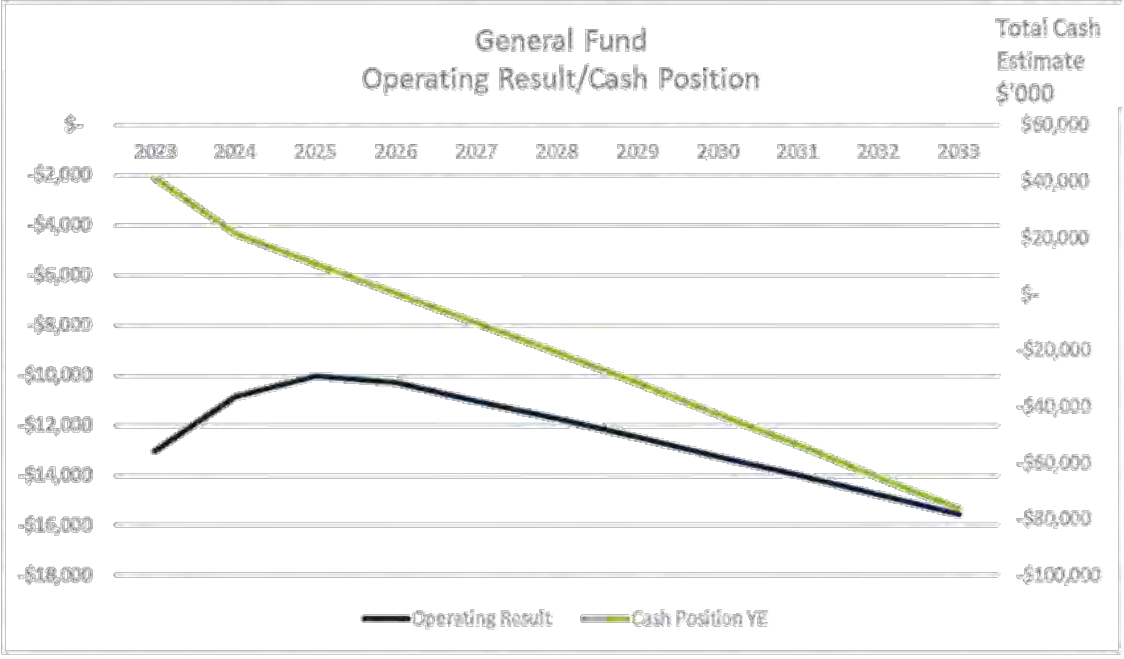
While these changes will lead to an improvement in sustainability alone, they will not be sufficient for Council to be financially sustainable.

## Council's Current Financial Situation

The base case or status quo outlines what would happen if Council did nothing apart from making the savings and transfer of DWM funds noted above. Doing nothing else would mean Council would have:

- An average operating deficit for 10 year forecast period is estimated at $12.4 million pa and shown in the graph on the following page
- Insufficient money to maintain current service levels and asset renewals
- Inadequate funding for infrastructure renewal
- Under funding for expected growth and expanded services.

The following graph illustrates the estimated operating deficit for 2032/33 is $15.6 million, with Council running out of cash in 2027.




It is clear that this situation is not sustainable, and Council would be negligent of its statutory obligations if it were to ignore this.

## Part B Proposed Special Rate Variation

Council believes that a special rate variation (SRV) is the most viable solution to the Council's financial sustainability challenges. Strathfield Council has not applied for an SRV since 1994. In the last 30 years, the population of the Strathfield LGA has increased by at least 20,000 people. Over 67% of dwellings are now home units, yet Council's rating system reflects a time when most dwellings were houses.

### What is a special rate variation?

With rate capping, almost all NSW councils will be faced with having to apply for a special rate variation at some point. Councils go through cycles of SRVs, largely for the reasons set out earlier in this paper.

There are two types of SRVs:

- a temporary SRV for a fixed amount over a fixed period of time
- a permanent SRV for a fixed amount over a fixed period that remains in the rate base.

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When a temporary SRV expires, rates return to the original level at the conclusion of the approval period and are usually approved to fund specific one-off projects like infrastructure renewal or reducing the infrastructure backlog. Strathfield Council's financial challenges are more general, and a temporary SRV would not solve the problem.

Permanent SRVs can be for a single year or every year for an approved period.

Council must apply to IPART for approval to increase rates through an SRV. Before doing so, Council must demonstrate that it has engaged the community about the possibility of an SRV and consider its views. IPART will also seek community feedback.

More information on SRVs can be found on IPART's website:
https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Special-Variations.

## What options are Council considering?

Council has begun the process of preparing two Special Rate Variation (SRV) applications to the Independent Pricing and Regulatory Tribunal (IPART) for discussion with the community. Both applications are proposed to come into effect from 1 July 2023.

**The first application** seeks to increase Council's rates income with a special variation.

Council is proposing two options for an SRV, either a one-off increase or increases over four years for community consultation. The SRV will apply to all rate categories and will generate income to address funding gaps, renew assets and maintain services. The SRV would be supported by a loan program in order to raise funds to commence asset backlog work.

**The second application** seeks to replace Council's Base Rate structure with a Minimum Rates structure. The second application to IPART is for a minimum rate structure that will allow Council to transition to a more equitable rates structure over the medium term.

## Special rate variation options

Having considered a number of options, Council's preferred option is the four-year option. Regardless of the option, the domestic waste transfer that represents a 20.3% SRV increase is included in the first year.

To achieve financial sustainability and to be able to deliver the current services and improvement to asset conditions, Council requires the proposed increases in accordance with the following table. The SRV increases are all in addition to the rate peg.

© Morrison Low

Table 1 Proposed SRV increases

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Cumulative |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 1: Single year SRV (excluding domestic waste transfer and rate peg) | 50.0% | n/a | n/a | n/a | 50.0% |
| Option 1: Single year SRV (total including domestic waste transfer and rate peg) | 74% | n/a | n/a | n/a | **74.0%** (88.3% if years 2-4 rate pegs are included) |
| Option 2: Multi-year SRV (excluding domestic waste transfer & rate peg) | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| Option 2: Multi-year SRV (total including domestic waste transfer and rate peg) | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

In the first year of the proposed SRV's, Council intends to allocate all the DWM transfers, 20.3% to the residential rate category, and for Council's preferred four year option, 10% to the business categories and subcategories. For years two to four, the proposed SRV will be distributed evenly across the rating categories.

## Minimum Rate Special rate variation

Council's goal is to improve the equity of the rates structure, and it aims to achieve this by introducing the minimum rate structure for all rating categories. The minimum rate will be the same for all rating categories starting at $900 and increasing to $1,200 by 2026/2027 as shown in the table below. The rate peg increase will not be applied during this transition period.

Table 2 Proposed Minimum rates

| Year | Minimum Rate |
|---|---|
| 2023-2024 | $900 |
| 2024-2025 | $1000 |
| 2025-2026 | $1100 |
| 2026-2027 | $1200 |

## What does this mean for ratepayers?

The impact on an individual's rates will be different depending on the unimproved land value of their property. From 1 July 2023, changes because of the general revaluation undertaken by the Valuer General will also come into effect.

The following table provides an indication of the annual and weekly increase likely to be experienced by the range of land value for each rating category for the Council's preferred four year option. The increases are in accordance with Table 1 above and are inclusive of the rate peg.

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Table 3 Impact on ratepayers: 4 year option

| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Ave Increases |
|---|---|---|---|---|---|---|---|
| Average rates | Annual Rates | 845 | 1,119 | 1,218 | 1,443 | 1,708 | 863 |
| | Annual increase | | 273 | 99 | 225 | 266 | 216 |
| | Weekly increase | | 5.24 | 1.90 | 4.31 | 5.10 | 4.14 |
| | | | | | | | |
| | Add DWM current charge | 795 | 550 | 550 | 550 | 550 | (245) |
| | | | | | | | |
| | Annual Rates (with DWM) | 1,640 | 1,669 | 1,768 | 1,993 | 2,258 | 618 |
| | Annual increase (with DWM) | | 28 | 99 | 225 | 266 | 155 |
| | Weekly increase (With DWM) | | 0.54 | 1.90 | 4.31 | 5.10 | 2.97 |
| | | | | | | | |
| Minimum rates (70% of ratepayers) | Minimum rates | 584[1] | 900 | 1000 | 1100 | 1200 | 616 |
| | Annual increase | | 316 | 100 | 100 | 100 | 154 |
| | Weekly increase | | 6.08 | 1.92 | 1.92 | 1.92 | 2.96 |
| | | | | | | | |
| | Add DWM current charge | 795 | 550 | 550 | 550 | 550 | -245 |
| | | | | | | | |
| | Minimum Rates (with DWM) | 1379 | 1450 | 1550 | 1650 | 1750 | 371 |

[1] The is the average of those rates assessments on the minimum charge under the current rating structure.

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| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Ave Increases |
|---|---|---|---|---|---|---|---|
| | Annual increase (with DWM) | | 71 | 100 | 100 | 100 | 93 |
| | Weekly increase (With DWM) | | 1.36 | 1.92 | 1.92 | 1.92 | 1.78 |
| | | | | | | | |
| **BUSINESS (ALL)** | | **Current 2022/23** | **Proposed 2023/24** | **Proposed 2024/25** | **Proposed 2025/26** | **Proposed 2026/27** | **Total/Ave Increases** |
| **Average rates** | Annual Rates | 4,116 | 5,683 | 6,138 | 7,212 | 8,474 | 4,358 |
| **Average rates** | Annual increase | | 1,567 | 455 | 1,074 | 1,262 | 1,090 |
| **Average rates** | Weekly increase | | 30.05 | 8.73 | 20.60 | 24.20 | 20.90 |
| | | | | | | | |
| | | | | | | | |
| **BUSINESS (INDUSTRIAL)** | | **Current 2022/23** | **Proposed 2023/24** | **Proposed 2024/25** | **Proposed 2025/26** | **Proposed 2026/27** | **Total/Ave Increases** |
| | Annual | 3,910 | 6,327.08 | 6,833.25 | 8,029.07 | 9,434.16 | 5,524.44 |
| | Annual increase | | 2,417.37 | 506.17 | 1,195.82 | 1,405.09 | 1,381.11 |
| | Weekly increase | | 46.36 | 9.71 | 22.93 | 26.95 | 26.49 |

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**How do my rates compare to other councils?**

The below table reflects the rates paid by residents of similar Councils in 2022/23 and estimated to 2026/27. When you compare rates paid by other like-size councils, Strathfield Council residential rates are currently clearly lower. However, with the move to minimums and the SRV, it aligns more with similar-sized metropolitan Councils. For the current average, business rates in Strathfield are at mid-point compared to other Councils and remain in a similar position in 026/27.

**Table 4 Average residential and business rates compared to other councils**

| Council | Residential Average 2022/23 | Residential Average 2026/27 | Business Average 2022/23 | Business Average 2026/27 |
|---|---|---|---|---|
| Strathfield | 845 | $1708 | 4116 | 7137 |
| Burwood | 1,465 | 1,649 | 6861 | 7721 |
| Canada Bay | 1000 | 1340 | 1932 | 2174 |
| Canterbury-Bankstown | 1255 | 1740 | 6434 | 8922 |
| Cumberland | 1041 | 1171 | 7776 | 8752 |
| Hunters Hill | 2374 | 2872 | 1351 | 1635 |
| Lane Cove | 1359 | 1529 | 5134 | 5778 |
| Mosman | 1,552 | 1,747 | 3354 | 3775 |
| Woollahra | 1,497 | 1,684 | 3830 | 4310 |
| Inner West | 1,246 | 1,403 | 6545 | 7365 |

## How does this improve Council's financial sustainability?

A combination of the improvement savings, transfer of DWM income and proposed special rate variation will enable Council to deliver current services and improve assets to the community, while becoming financially sustainable over the longer term. It will also enable Council to address its ongoing core deficits in the General Fund and its cash position, ensuring Council is more resilient and responsive to shocks and unexpected events in the future.

Council can deliver consolidated surpluses with the SRV and address the core deficits in the General Fund, which finances all services and infrastructure except for domestic waste operations. Without the rate increase, there will be a need to generate savings through service rationalisation to generate an operating surplus to fund an appropriate level of asset renewal expenditure.

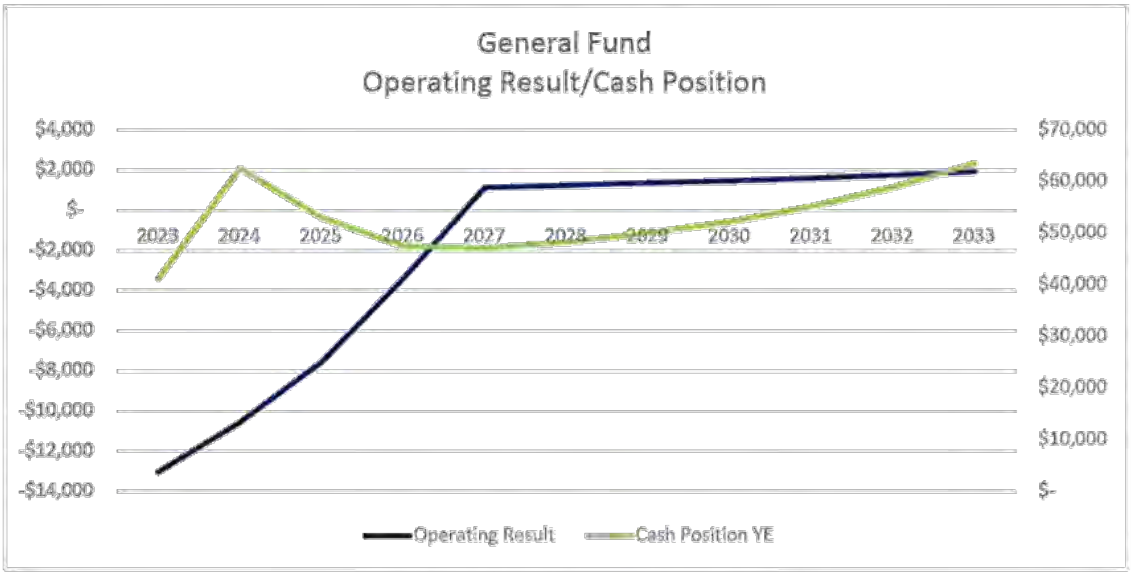
The special rate variation will ensure Council's ongoing financial sustainability with surpluses in the General Fund.

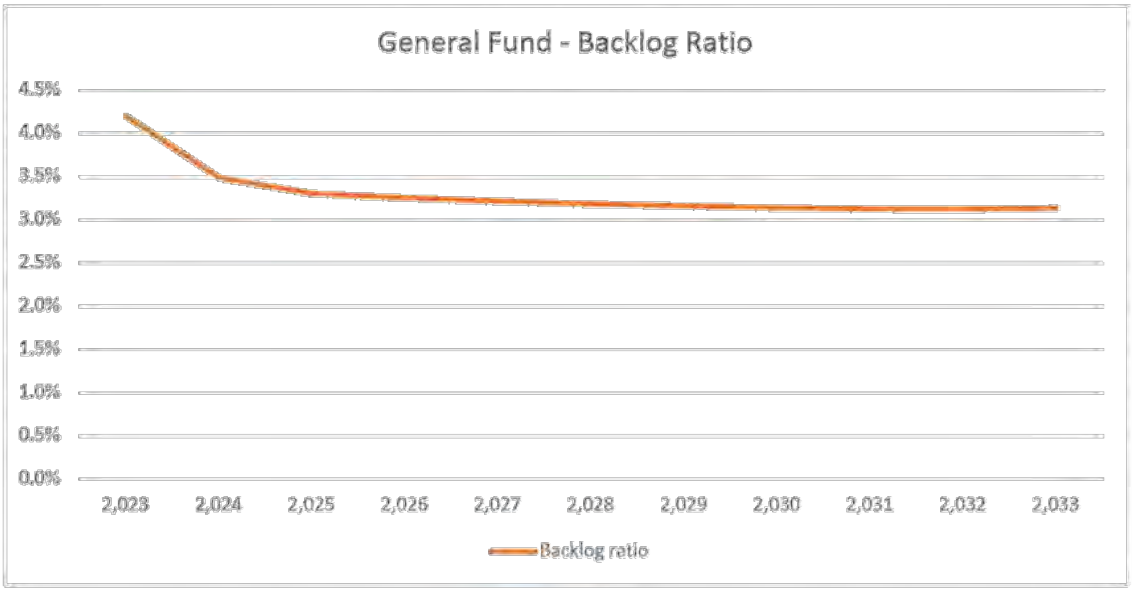
The impact of implementing Council's preferred SRV option will enable Council to meet the following objectives:

- Maintain and improve council assets
- Achieve sufficient cash reserves
- Achieve a fully funded operating position
- Secure continued service delivery.

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This is illustrated in the following graphs:



## Part C - How can I have my say?

The Council must apply to IPART for approval to increase rates through an SRV. Before doing so, Council must demonstrate that it has engaged the community about the possibility of an SRV and has considered its views. This does not mean a majority for or against the proposal will determine whether an application proceeds or not, as the obligation still remains on Council to be financially responsible and sustainable. Your views, however, are an important part of the process and Council values all feedback.

The first stage of the consultation process will occur over December 2022 and January 2023 to meet the IPART timeframe. We understand that this is a busy time for many; however, this will not be your only chance to have a say. Consultation will be ongoing until June 2023. We invite you to participate in the consultative process by attending meetings or pop-up stalls, completing a survey, sending a letter or email or simply calling us.

If after considering this feedback Council elects to proceed with an SRV application, IPART will also seek community feedback in the first half of 2023.

### Where can I get more information?

We want to hear your views. Council's website at www.strathfield.nsw.gov.au/projects/srv contains more information and is being regularly updated.

Or Scan the QR code

More information on SRVs can be found on IPART's website:
https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Special-Variations.

At Council information sessions between 6pm and 7pm at the Town Hall on:

- Mon 12 December 2022
- Wed 14 December 2022
- Thur 15 December 2022 (online)

Council is also running a number of pop-up stalls between 10am and 12pm where you can get more information. These stalls will be held on

- Sat 10 December 2022: Library
- Tues 13 December 2022: Strathfield Plaza (outside entry to Woolworths)
- Sat 17 December 2022: Homebush (cnr Rochester and Burlington)
- Sat 14 January 2023: Library

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## How do I make a submission?

Council will seek feedback from the community on the SRV and its updated Long Term Financial Plan from 9 December 2022 to 31 January 2023. The community is encouraged to provide feedback to Council in any of the following ways:

**ELECTRONICALLY:** Complete the survey on Council's online engagement portal at

www.strathfield.nsw.gov.au/projects/srv

**BY EMAIL TO:** council@strathfield.nsw.gov.au

**BY LETTER:** Address to the General Manager, 65 Homebush Road Strathfield NSW 2125

**BY PHONE:** Call Strathfield Council on 97489999

Submissions must be received by Council by 5pm on 31 January 2023.

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STRATHFIELD COUNCIL

# Protecting Our Future

# Proposed Special Rate Variation

# FAQs

STRATHFIELD COUNCIL




## What is a Special Rate Variation?

Councils are only permitted to increase their rates by a limit that is determined by the Independent Pricing and Regulatory Tribunal (IPART). This is called rate pegging.

A Special Rate Variation (SRV) allows Council to increase its general income above the rate peg. An application must be submitted to IPART and include evidence of the requirement of an SRV as well as extensive community feedback. An SRV can help Council continue to provide uninterrupted services and maintain facilities, which it may otherwise be unable to fund.

Strathfield Council is not alone in seeking an SRV. Several Sydney metro councils have indicated their intention to submit applications including Woollahra Council, City of Canada Bay, and Hornsby Shire Council.

## What is the proposed Special Rate Variation?

Council has begun the process to prepare two Special Rate Variation (SRV) options for discussion with the community and submission to IPART. The first application relates to applying for an SRV, and the second application relates to changing to a minimum rating system. Both applications are proposed to come into effect from 1 July 2023.

*For 74% of ratepayers, the increase will be no more than 19.5% after 4 years. That's an extra $1.77 per week over 4 years.*

### Special Rate Variation Options

The first application seeks to increase Council's rates income with a permanent SRV.

Council is proposing two options, either a one-off increase or increases over four years. The SRV will apply to all rate categories and will generate income to address funding gaps, renew assets and maintain services. The SRV would be supported by a loan program in order to raise funds to start asset renewal projects immediately.

Councils preferred option is over four years. The additional SRV increases represents a 52.7% increase, as 20.3% represents the domestic waste income transfer and the normal rate peg increase is estimated at 12.2% over the four year period.

### What about the Domestic Waste Charge transfer?

Regardless of the option, the domestic waste charge transfer that represents a 20.3% SRV increase is included in the first year.




### OPTION 1: Single Year SRV

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste charge transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 1: Single year SRV (excluding domestic waste transfer & rate peg) | 50.0% | n/a | n/a | n/a | 50.0% |
| **Option 1: Total single year SRV** | 74% | n/a | n/a | n/a | **74.0%** (88.3% if years 2-4 rate pegs are included) |

*Table 1a: Proposed SRV increases – Option 1*

### OPTION 2: 4 Year Option SRV

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | COMPOUNDED |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste charge transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 2: Multi-year SRV (excluding domestic waste transfer & rate peg) | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| **Option 2: Total Multi-year SRV** | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

*Table 1b: Proposed SRV increases – Option 2*

In the first year of the proposed SRV's, Council intends to allocate all the domestic waste charge transfer, 20.3%, to the residential rate category, and for Council's preferred four year option, 10% to the business categories and subcategories. For years 2 - 4 the proposed SRV will be distributed evenly across the rating categories.

## Minimum Rate Application

Part of this application seeks to replace Council's base rate structure with a minimum rate structure, which will allow the Council to transition to a fairer rates system.

The table below shows the proposed increase in the minimum rate for the next 4 years. The rate peg increase will not be applied during these transition years.

| Year | Minimum Rate |
|---|---|
| 2023-2024 | $900 |
| 2024-2025 | $1,000 |
| 2025-2026 | $1,100 |
| 2026-2027 | $1,200 |

For approximately 70% of residential ratepayers, the minimum rate and domestic waste charge is all you will pay.

### What is a Minimum Rate System?

Council currently uses a base rating system with an additional ad valorem charge. This means all ratepayers are charged the same base amount, plus an additional amount based on their ad valorem.




Ad valorem is a charge based on the value of unimproved land (a ratepayers land value alone without any improvements, no house, no fences, no landscaping).

A minimum rate system is based on land value. Anyone whose land value is under a certain dollar amount threshold, pays the minimum rate. If a ratepayer's land value is over the threshold, they pay an amount based on the ad valorem.

This ensures that residents who live in units that have low land value, but use just as many Council services, are paying their fair share of rates.

## What Will My New Rates Be?

*For 74% of ratepayers, the increase will be no more than 19.5% after 4 years. That's an extra $1.77 per week over 4 years.*

You can work out what your proposed new rates are using the below tables, or the tables on the Example Rates Page.

Should you require help, please call Council on 9748 9999.

The following table provides an indication for residential and business rating categories. The residential table shows the increase of rates for the next 4 years for the average ratepayer, as well as those paying the minimum rate (70% of ratepayers).

The domestic waste charge (DWMC) decrease is also included to show the full rate amount.

The impact on an individual's rates will differ depending on the unimproved land value (LV) of their property. It should be noted that from 1 July 2023, the general revaluation of land undertaken by the Valuer General will also come into effect.




| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Residential Rates | Annual Rates | $845 | $1,119 | $1,218 | $1,443 | $1,708 | $863 |
| | Annual Increase | | $273 | $99 | $225 | $266 | $216 |
| | Weekly Increase | | $5.24 | $1.90 | $4.31 | $5.10 | $4.14 |
| | Add DWMC Current Charge | $795 | $550 | $550 | $550 | $550 | -$245 |
| | Annual Rates (with DWMC) | $1,640 | $1,669 | $1,768 | $1,993 | $2,258 | $618 |
| | Annual Increase (with DWMC) | | $28 | $99 | $225 | $266 | $155 |
| | Weekly Increase (with DWMC) | | $0.54 | $1.90 | $4.31 | $5.10 | $2.97 |
| Minimum Rates (70% of Ratepayers) | Minimum Rates | $584* | $900 | $1,000 | $1,100 | $1,200 | $616 |
| | Annual Increase | | $316 | $100 | $100 | $100 | $154 |
| | Weekly Increase | | $6.08 | $1.92 | $1.92 | $1.92 | $2.96 |
| | Add DWMC Current Charge | $795 | $550 | $550 | $550 | $550 | -$245 |
| | Minimum Rates (with DWMC) | $1,379 | $1,450 | $1,550 | $1,650 | $1,750 | $371 |
| | Annual Increase (with DWMC) | | $71 | $100 | $100 | $100 | $93 |
| | Weekly Increase (with DWMC) | | $1.36 | $1.92 | $1.92 | $1.92 | $1.78 |

*Table 3: Impact on Residential ratepayers, 4 year option*

**This is the average rate for those ratepayers who are on a minimum using the current base rate structure*

*The Domestic Waste Charge will be reduced from $795 to $550 annually, therefore offsetting some of the increase in rates by $245 for every residential ratepayer*

| BUSINESS (ALL) | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Rates | Annual Rates | $4,116 | $5,683 | $6,138 | $7,212 | $8,474 | $4,358 |
| | Annual Increase | | $1,567 | $455 | $1,074 | $1,262 | $1,090 |
| | Weekly Increase | | $30.05 | $8.73 | $20.60 | $24.20 | $20.90 |

*Table 4: Impact on Business (all) ratepayers, 4 year option*

| BUSINESS - INDUSTRIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Rates | Annual | $3,910 | $6,327 | $6,833 | $8,029 | $9,434 | $5,524 |
| | Annual Increase | | $2,417 | $506 | $1,196 | $1,405 | $1,381 |
| | Weekly Increase | | $46.36 | $9.71 | $22.93 | $26.95 | $26.49 |

*Table 5: Impact on Business - Industrial ratepayers, 4 year option*

## How do Strathfield Council Rates Compare?

| Council | Residential Rate Average 2022/23 | Domestic Waste Charge (DWMC) 2022/23 | TOTAL Residential Rate Average + DWMC 2022/23 | Business Average Rates 2022/23 |
|---|---|---|---|---|
| **Strathfield** | **$845** | **$795** | **$1,640** | **$4,116** |
| Inner West | $1,246 | $475 | $1,721 | $5,134 |
| Lane Cove | $1,359 | $475 | $1,834 | $3,354 |
| Canterbury-Bankstown | $1,255 | $585 | $1,840 | $6,434 |
| Burwood | $1,465 | $434 | $1,899 | $6,861 |
| Woollahra | $1,497 | $590 | $2,087 | $6,545 |
| Mosman | $1,552 | $649 | $2,201 | $3,830 |
| Hunters Hill | $2,374 | $600 | $2,974 | $1,351 |




### What is Council's preferred option?

Council's preferred option is the 4-year option, with the domestic waste charge transfer (20.3%) occurring in the 1st year.

### What will happen without this SRV?

Without an SRV application, Council is expected to run out of cash in 2027, due to continued operating deficits resulting in either a reduction in services and/or the deterioration of local infrastructure assets.

There will be limited funds to fix and repair roads, footpaths and public buildings will be affected. As well as the level of community services that will need to be reduced including street sweeping, cleansing of public areas, library and customer services.

Council will need to identify other forms of revenue such as increasing parking meters throughout the LGA and increasing the cost of our services and charges.

### Pensioner Rebate & Hardship

Council offers a $250 pensioner concession on rates if you hold a pensioner concession card and your property is your sole or principal residence. Council will also continue its Financial Hardship Policy, which sets out how we can assist ratepayers who are experiencing difficulty of paying rates on time. You can find the Policy on the website.

### What are Council Assets?

Assets are owned by Council and include roads, footpaths, stormwater drains, parks, playgrounds and community buildings.

Learn more about Council assets here.

### What is Long-Term Financial Sustainability?

Councils have an obligation to be financially sustainable under the Local Government Act, as well as practically and morally, to ensure residents receive the best possible services.

Securing long-term financial sustainability means Council:

- Has a fully funded operating position




- Maintains sufficient cash reserves
- Has responsible and sustainable infrastructure investment
- Replaces assets to keep them in a usable condition
- Has adequate resources to meet ongoing compliance obligations.

## Why Has Council Become Unsustainable Now?

All councils face financial sustainability challenges on a cyclic basis. Cost increases have exceeded rate increases and typically lead to reduced spending on key services like asset maintenance and renewal. There are a number of contributors to this growing financial sustainability gap, some of which are outside of Council's control and others which Council has some influence over.

**Rate capping** is a contributor. The Independent Pricing and Regulatory Tribunal (IPART) has set the rate peg for NSW councils by slowing the increase in the Local Government Cost Index (LGCI). There is a lag in this index of up to 2 years which doesn't reflect the current or near future cost movements. This, over time, creates a shortfall in income with Councils generally responding by spending less on asset renewals.

**Cost Shifting.** Over the last decade, the NSW State Government, and to a lesser extent, the Australian Government have transferred costs to local government without sufficient recompense. Major types of cost shifting include the withdrawal of financial support once a program is established, the transfer of assets, the requirement to provide concessions and rebates, increased regulatory and compliance arrangements and failure to provide for indexation of fees and charges for services prescribed under state legislation or regulation. Key impacts on Strathfield Council have included, ARIC - internal audit program using external/internal resources; Emergency Service Levy increases; Cyber security/modernising systems/fraud prevention; and Crown Land, Plans of Management, Compliance reporting.

**New assets** are important for any community, especially when provided through Federal and State Government grant programs and developer contributions. However, these grants do not come with funding for the new costs associated with the operation, maintenance, renewal and depreciation of new assets. Over time these costs eat into Council's sustainability as it funds more and more new asset costs from its existing budget.

**Service level improvements** or high service levels also contribute to the decline of financial sustainability. In the five years to 2020/21, the average operating performance ratio of NSW councils has steadily declined from 9.8% in 2016/17, to -1.5% in 2020/21. On top of this steady decline, the economic climate has changed post COVID-19, with the high level of inflation and cost of materials significantly impacting on service delivery to the community.

The cost to maintain community assets has dramatically risen, increasing Council's infrastructure backlog (the value of renewal works that need to be undertaken to bring Council's assets up to an acceptable standard). Council's backlog has increased from $0.6m in 2019 to $16m in 2022 which is a backlog ratio of 4.2%, above the industry target of 2%. Assets will continue to deteriorate, and the backlog will increase further without additional funding.

Learn more about Council Assets here.




## What is rate pegging?

In NSW all councils are bound by rate pegging, which is the maximum annual increase set by IPART. This amount ranges from 1.5% to 3.7%. The only way that Council can increase this amount is to make an application to IPART and to clearly outline all of the reasons why Council is needing to increase rates.

## Why do we need an increase to our Council rates?

After reviewing our current financial situation, Council has found that it has been producing operating deficits over the past few years and has a significant funding backlog for the renewal of infrastructure assets such as roads, footpaths and buildings. The backlog has increased from $1.2 million to a current backlog of around $16.5 million. Additionally, Council is facing an average annual operating deficit, over the next 10 years, of $12.4 million, in total that is a cash shortfall in excess of $120 million.

These funding gaps have developed over many years, with previous Councils not taking the required action earlier, when it would have prevented the current problem. This is the case for many local councils. Council last considered a SRV in 2014 but decided not to take action. Had action been taken the size of funding shortfall and asset backlog would be much smaller. The most recent SRV at Strathfield Council occurred in 1994.

Council is now in a difficult and confronting position, where a number of internal and external factors such as rate capping, high inflation, continued cost shifting from the State Government and many years of cost increases, exceed the increase in revenue. If no action is taken, Council will risk running out of money by 2027.

This requires urgent and immediate action to protect the future of Strathfield. We must ensure we are financially sustainable not only now, but long into the future so the current generation and future generations will be able to enjoy the Oasis in the West that is Strathfield Council.

## Is Council currently in debt?

Council currently has no loan programs and has a nil debt position. However, this is not a sustainable strategy. A properly managed loan program enables works to be done and ratepayers will contribute through repayment of loans over a longer term. It allows inter-generational funding and management of infrastructure instead of expecting the current community to pay entirely for new or renewal of infrastructure assets.

In the current proposal, Council intends to adopt a managed loan program to help fund asset renewals.




### Why is Council changing its waste charges?

Council has reviewed the Domestic Waste Management Charge (DWMC). In 2022-2023 they are currently $795 per household. The annual DWMC charge is included with the annual rates bill.

Council intends to restructure the waste charge and transfer $4 million of the waste income into general revenue. This will not reduce waste services provided to the community.

To transfer these funds, Council will need to vary rates by 20.3%, however this will be offset for the majority of ratepayers by a reduction of $245 from the waste charge. The proposed waste charge for 2023-2024, if approved, will be $550.

### Can't you get more funding from other levels of government to help pay for things?

Council applies for grants from the State Government and Federal Government to assist in defraying costs of building infrastructure and delivering programs. However, grants do not include the ongoing renewal, operation and maintenance costs that will need to be met by Council.

### What if I can't afford to pay my increased rates?

Council offers assistance to ratepayers who are experiencing genuine difficulties in paying their rates and charges under Council's Hardship Policy. Any ratepayer who is experiencing hardship should in the first instance contact Council on 9748 9999 or email council@strathfield.nsw.gov.au to discuss the situation.

More information about Council's hardship assistance can be found on Council's website.

### Who is IPART and what do they do?

IPART is the Independent Pricing and Regulatory Tribunal. Their role is to help NSW residents get safe and reliable services at a fair price. Although it is a NSW government agency, it operates independently of the government as the independent pricing regulator for water, energy, public transport and local government.

For local government, IPART determines the annual rate peg, which is the maximum amount councils can increase their rates by each year, unless they submit a Special Rate Variation application. IPART also assesses and determines any Special Rate Variation and minimum rate increase applications from councils. IPART will also undertake ad hoc reviews on a variety of local government matters as requested by the Office of Local Government or other NSW government department.

For more information about visit the IPART website.

9




# Feedback Survey – Special Rate Variation

**Name**: _____

**Email Address**: _____

**Suburb**: _____

**Are you a ratepayer to Strathfield Council?** Yes / No

**Do you support Strathfield Council remaining financially sustainable?** Yes / No

**Have you received or read information from Strathfield Council about a proposal to apply for a special rate variation to IPART for an increase in general rates above the rate cap?** Yes / No

**If yes, where you able to understand the information provided by Strathfield Council?** Yes / No

**Strathfield Council considered two special rate variation options; the full amount required applied over a single permanent increase and Councils preferred option, four smaller permanent increases over the next four years. Which option would you prefer?**

- The amount to be applied over one year
- The amount to be spread over four years
- Other (Please specify): _____

**Do you have any comments or suggestion on the proposal to apply for a special rate variation?**

_____

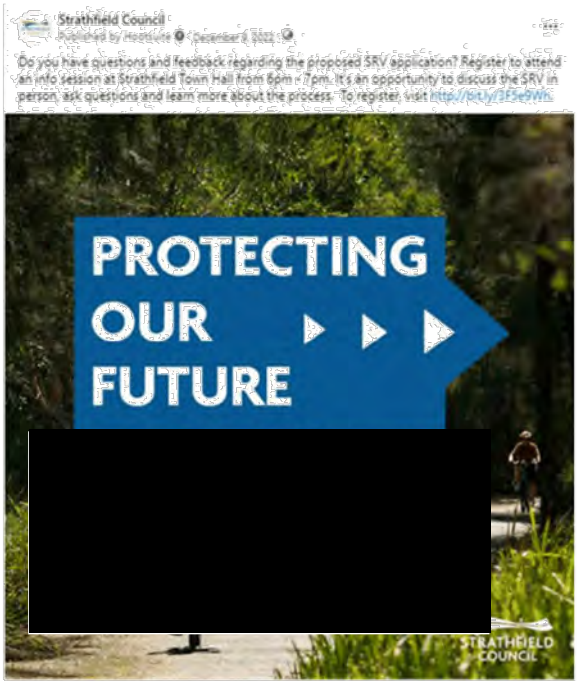
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## Social Media Posts - Facebook

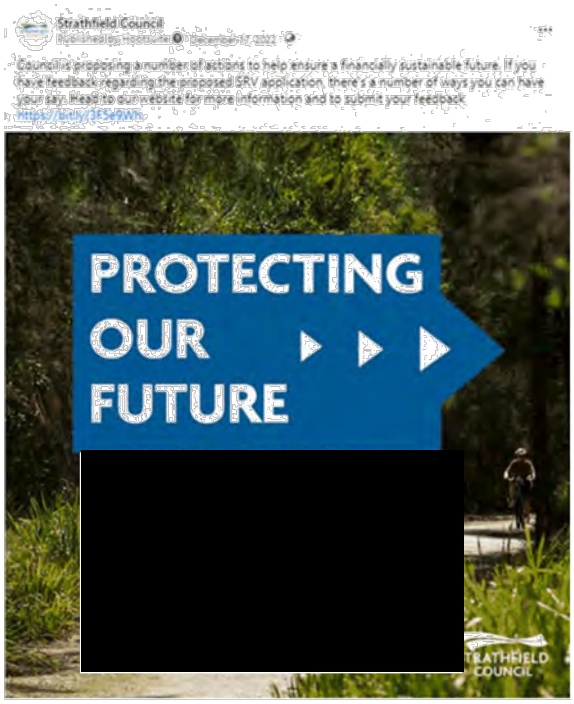






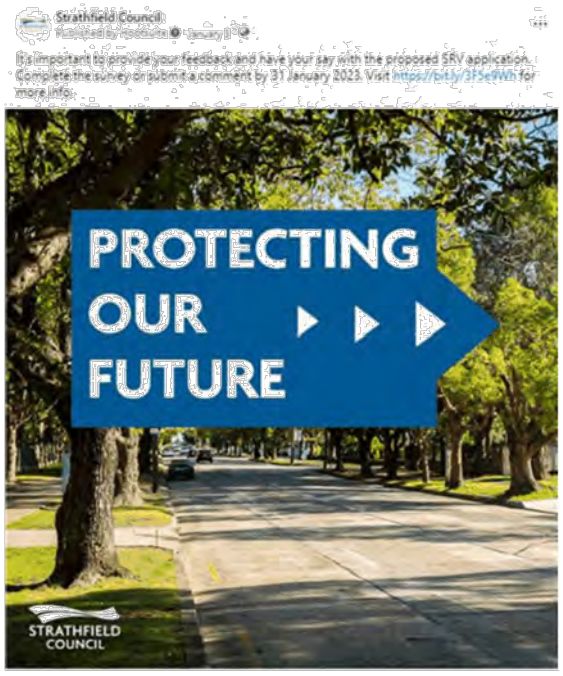



Strathfield Council
Council is proposing a number of actions to help ensure a financially sustainable future. If you have feedback regarding the proposed SRV application, there's a number of ways you can have your say. Head to our website for more information and to submit your feedback
https://bit.ly/3F5e9Wh
PROTECTING
OUR
FUTURE
STRATHFIELD
COUNCIL


Strathfield Council
Locals would have noticed our road teams out fixing potholes and resheeting roads. Above are before and after pictures of Cosgrove Rd, Strathfield South. The new road looks great, but there is much more to be done. Council is proposing a special rate variation to help fund asset renewal including roads and footpaths. Visit the website for more information. https://bit.ly/3F5e9Wh

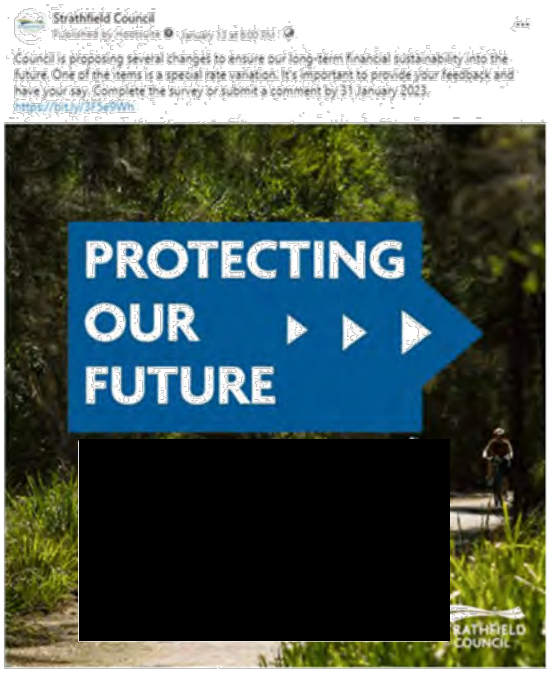

Strathfield Council
Council is committed to protecting our future by undertaking a review of our asset management and funding structure. Your feedback is a vital part of this process - head to our website for more information and to have your say. https://bit.ly/3F5e9Wh
PROTECTING
OUR
FUTURE
STRATHFIELD
COUNCIL

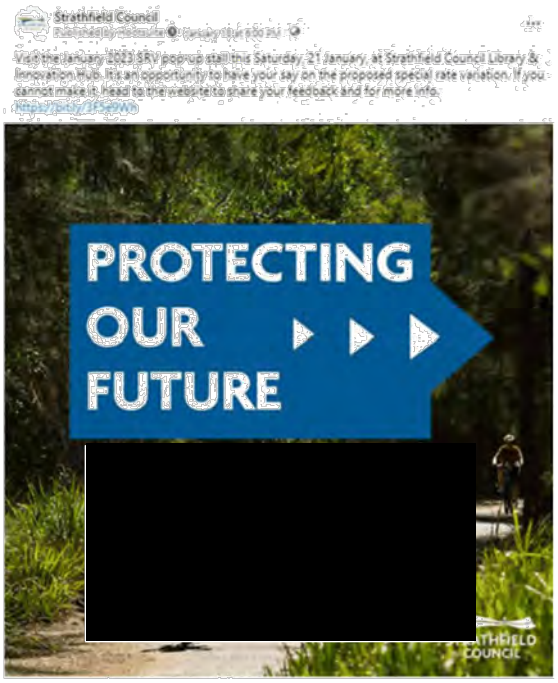

Strathfield Council
Council customer service is currently closed, but you can still have your say on the special rate variation on our website. Get your feedback in by Tuesday 31 January here
https://bit.ly/3F5e9Wh
PROTECTING
OUR
FUTURE
STRATHFIELD
COUNCIL


Strathfield Council
It's important to provide your feedback and have your say with the proposed SRV application. Complete the survey or submit a comment by 31 January 2023. Visit https://bit.ly/3FSe9Wh for more info.
PROTECTING
OUR
FUTURE
STRATHFIELD
COUNCIL


Strathfield Council
Council is proposing several changes to ensure our long term financial sustainability into the future. One of the items is a special rate variation. Your feedback is critical, visit the website for more information and to have your say. https://bit.ly/3FSe9Wh
PROTECTING
OUR
FUTURE


Strathfield Council
Be sure to have your say on the proposed special rate variation. There's a pop-up stall at Strathfield Library & Innovation Hub on Sat 21 Jan from 10am - 12pm. Can't make it? Head to the website for all the info and how you can share your feedback. https://bit.ly/3FSe9Wh
PROTECTING
OUR
FUTURE


Strathfield Council
Council is proposing several changes to ensure our long-term financial sustainability into the future. One of the items is a special rate variation. It's important to provide your feedback and have your say. Complete the survey or submit a comment by 31 January 2023.
https://bit.ly/3FSe9Wh
PROTECTING
OUR
FUTURE


Strathfield Council
Visit the January 2023 SRV popup stall this Saturday, 21 January, at Strathfield Council Library & Innovation Hub. It's an opportunity to have your say on the proposed special rate variation. If you cannot make it, head to the website to share your feedback and for more info.
PROTECTING
OUR
FUTURE


Strathfield Council
Council is proposing a number of actions to help ensure a financially sustainable future, one of them being a standard rate variation application. Your feedback is a vital part of this process - head to our website for more information and to have your say by 31 January.
PROTECTING
OUR
FUTURE

# eNews

8 December 2022



## Protecting Our Future

Council is committed to long term financial sustainability and ensuring we maintain our assets, including roads and footpaths, to the highest quality for our residents. In order to meet this goal, Council is a proposing a Special Rate Variation (SRV) application.

Your feedback is vital. You can find detailed information on the website, and how to Have Your Say, including surveys, information sessions and pop-up stalls. Please send your feedback by 31 January 2023.

For more information on dates and details, please visit the website below.

**Have Your Say**



## Have Your Say: Proposed Special Rate Variation

Make sure you have your say on the proposed special rate variation. There's an online info session tonight and a pop up stall at Cooke Park on Saturday. Can't make it? Head to the website for all the info and how you can share your feedback.

Read More




## Building Long Term Financial Sustainability

Council is proposing several changes to ensure our long term financial sustainability into the future. One of the items is a special rate variation. Your feedback is critical, visit the website for more information and to have your say.

Watch the video

Read More




## Have Your Say - Proposed Standard Rate Variation

Don't forget to have your say on the proposed special rate variation and share your feedback by 31 January 2023. For more information, please visit the website below.

Read More




## Have Your Say - Proposed Standard Rate Variation

Don't forget to have your say on the proposed special rate variation and share your feedback by 31 January 2023. There will be a pop-up stall at Strathfield Library and Innovation Hub this Saturday from 10am - 12pm. For more information, please visit the website below.

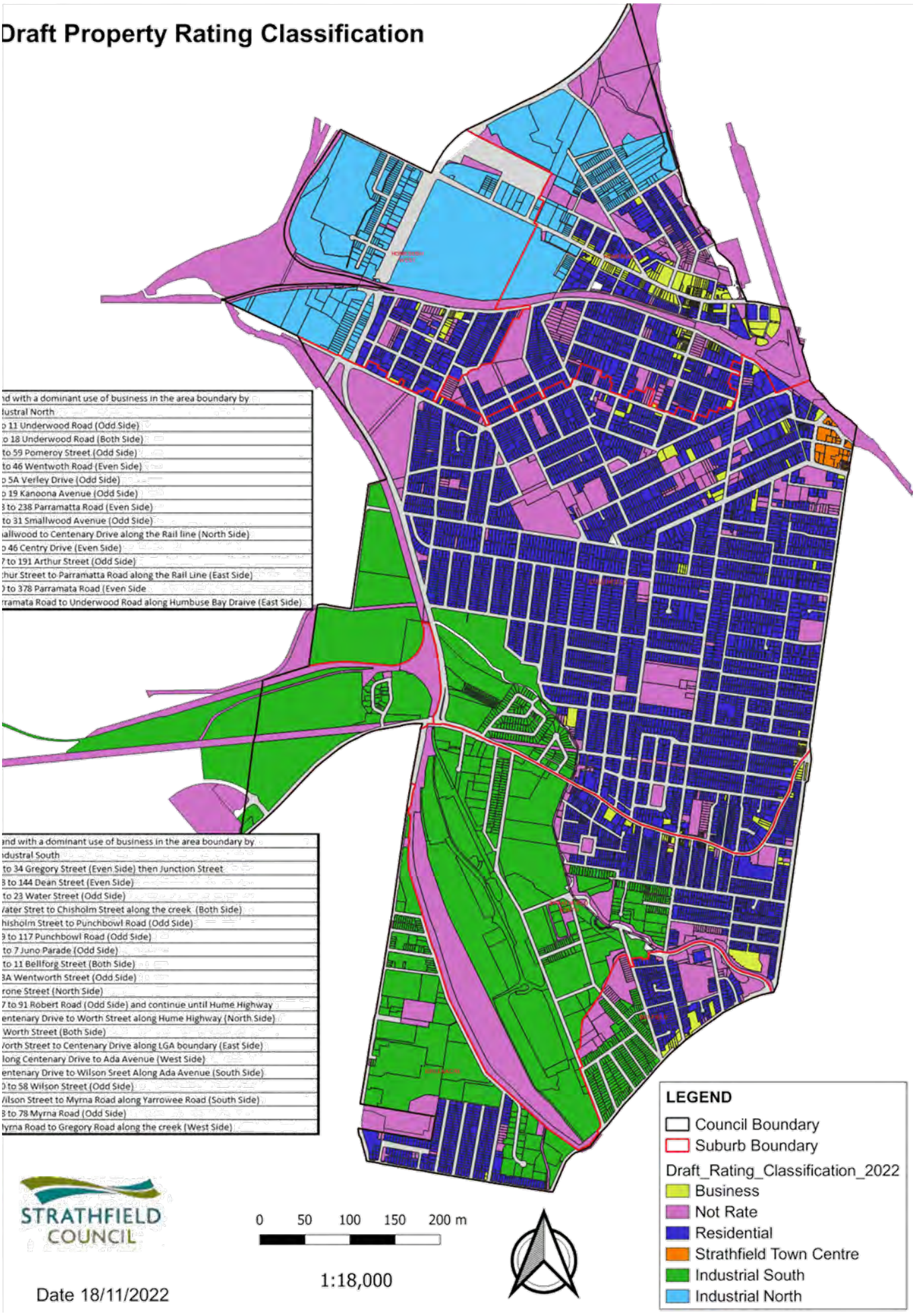
Read More




## 6 Days Left to Have Your Say

Be sure to share your feedback by 31 January 2023 for the proposed special rate variation. If you were unable to attend any of the sessions but would like to access the information, here is the link to the online information session. To provide feedback and have your say, visit the website below.

Read More


Draft Property Rating Classification
d with a dominant use of business in the area boundary by
lustral North
o 11 Underwood Road (Odd Side)
o 18 Underwood Road (Both Side)
to 59 Pomeroy Street (Odd Side)
to 46 Wentwoth Road (Even Side)
o 5A Verley Drive (Odd Side)
o 19 Kanoona Avenue (Odd Side)
3 to 238 Parramatta Road (Even Side)
to 31 Smallwood Avenue (Odd Side)
allwood to Centenary Drive along the Rail line (North Side)
o 46 Centry Drive (Even Side)
7 to 191 Arthur Street (Odd Side)
hur Street to Parramatta Road along the Rail Line (East Side)
) to 378 Parramata Road (Even Side
ramata Road to Underwood Road along Humbuse Bay Draive (East Side)
nd with a dominant use of business in the area boundary by
dustral South
to 34 Gregory Street (Even Side) then Junction Street
3 to 144 Dean Street (Even Side)
to 23 Water Street (Odd Side)
/ater Stret to Chisholm Street along the creek (Both Side)
hisholm Street to Punchbowl Road (Odd Side)
9 to 117 Punchbowl Road (Odd Side)
to 7 Juno Parade (Odd Side)
to 11 Bellforg Street (Both Side)
3A Wentworth Street (Odd Side)
rone Street (North Side)
7 to 91 Robert Road (Odd Side) and continue until Hume Highway
entenary Drive to Worth Street along Hume Highway (North Side)
Worth Street (Both Side)
/orth Street to Centenary Drive along LGA boundary (East Side)
long Centenary Drive to Ada Avenue (West Side)
entenary Drive to Wilson Sreet Along Ada Avenue (South Side)
) to 58 Wilson Street (Odd Side)
/ilson Street to Myrna Road along Yarrowee Road (South Side)
3 to 78 Myrna Road (Odd Side)
lyrna Road to Gregory Road along the creek (West Side)
LEGEND
Council Boundary
Suburb Boundary
Draft_Rating_Classification_2022
Business
Not Rate
Residential
Strathfield Town Centre
Industrial South
Industrial North
STRATHFIELD COUNCIL
0 50 100 150 200 m
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Date 18/11/2022

# xamples of New Rates Based on Land Value



+ Follow

ome Special Rate Variation Examples of New Rates Based on Land Value

he tables below show the proposed change in rates and annual charges based on land value

ease Note

- *Current annual charges* include the domestic waste charge ($795) and stormwater management charge ($25). The *proposed annual charges* include the reduced domestic waste charge ($55 and stormwater management charge ($25).
- These examples do not include rebates such as pensioner or hardship.
- These figures are indicative.

For 74% of ratepayers, the increase will be no more than 19.5% after 4 years. That's an extra $1.77 per week over 4 years.

## Land value: $0.5m

| Land Value: $0.5m | Indicative Rates Notice Amounts | | | | | $ Changes | | | | | % Changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Current 2022/23 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change |
| Total Rates | 744.06 | 900.00 | 1,000.00 | 1,100.00 | 1,200.00 | 155.94 | 100.00 | 100.00 | 100.00 | 455.94 | 21.0% | 11.1% | 10.0% | 9.1% | 61.3% |
| Total Annual Charges | 820.00 | 575.00 | 575.00 | 575.00 | 575.00 | -245.00 | - | - | - | -245.00 | -29.9% | 0.0% | 0.0% | 0.0% | -29.9% |
| Total Rates Notice Amount | 1,564.06 | 1,475.00 | 1,575.00 | 1,675.00 | 1,775.00 | -89.06 | 100.00 | 100.00 | 100.00 | 210.94 | -5.7% | 6.8% | 6.3% | 6.0% | 13.5% |

## Land value: $1m

| Land Value: $1.0m | Indicative Rates Notice Amounts | | | | | $ Changes | | | | | % Changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Current 2022/23 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change |
| Total Rates | 1,065.12 | 987.42 | 1,022.60 | 1,317.30 | 1,677.55 | -77.70 | 35.18 | 294.70 | 360.25 | 612.43 | -7.3% | 3.6% | 28.8% | 27.3% | 57.5% |
| Total Annual Charges | 820.00 | 575.00 | 575.00 | 575.00 | 575.00 | -245.00 | - | - | - | -245.00 | -29.9% | 0.0% | 0.0% | 0.0% | -29.9% |
| Total Rates Notice Amount | 1,885.12 | 1,562.42 | 1,597.60 | 1,892.30 | 2,252.55 | -322.70 | 35.18 | 294.70 | 360.25 | 367.43 | -17.1% | 2.3% | 18.4% | 19.0% | 19.5% |

## Land value: $1.5m

| Land Value: $1.5m | Indicative Rates Notice Amounts | | | | | $ Changes | | | | | % Changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Current 2022/23 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change |
| Total Rates | 1,386.18 | 1,481.13 | 1,533.90 | 1,975.95 | 2,516.32 | 94.95 | 52.77 | 442.05 | 540.37 | 1,130.14 | 6.8% | 3.6% | 28.8% | 27.3% | 81.5% |
| Total Annual Charges | 820.00 | 575.00 | 575.00 | 575.00 | 575.00 | -245.00 | - | - | - | -245.00 | -29.9% | 0.0% | 0.0% | 0.0% | -29.9% |
| Total Rates Notice Amount | 2,206.18 | 2,056.13 | 2,108.90 | 2,550.95 | 3,091.32 | -150.05 | 52.77 | 442.05 | 540.37 | 885.14 | -6.8% | 2.6% | 21.0% | 21.2% | 40.1% |

## Land value: $2m

| Land Value: $2.0m | Indicative Rates Notice Amounts | | | | | $ Changes | | | | | % Changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Current 2022/23 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change | Year 1 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 2026/27 | TOTAL Change |
| Total Rates | 1,707.24 | 1,974.84 | 2,045.20 | 2,634.60 | 3,355.09 | 267.60 | 70.36 | 589.40 | 720.49 | 1,647.85 | 15.7% | 3.6% | 28.8% | 27.3% | 96.5% |
| Total Annual Charges | 820.00 | 575.00 | 575.00 | 575.00 | 575.00 | -245.00 | - | - | - | -245.00 | -29.9% | 0.0% | 0.0% | 0.0% | -29.9% |
| Total Rates Notice Amount | 2,527.24 | 2,549.84 | 2,620.20 | 3,209.60 | 3,930.09 | 22.60 | 70.36 | 589.40 | 720.49 | 1,402.85 | 0.9% | 2.8% | 22.5% | 22.4% | 55.5% |

Land value: $3m

| Land Value: $3.0m | Indicative Rates Notice Amounts | | | | | $ Changes | | | | | % Changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Current | Year 1 | Year 2 | Year 3 | Year 4 | Year 1 | Year 2 | Year 3 | Year 4 | TOTAL | Year 1 | Year 2 | Year 3 | Year 4 | TOTAL |
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Change | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Change |
| Total Rates | 2,349.36 | 2,962.26 | 3,067.80 | 3,951.90 | 5,032.64 | 612.90 | 105.54 | 884.10 | 1,080.74 | 2,683.28 | 26.1% | 3.6% | 28.8% | 27.3% | 114.2% |
| Total Annual Charges | 820.00 | 575.00 | 575.00 | 575.00 | 575.00 | -245.00 | - | - | - | -245.00 | -29.9% | 0.0% | 0.0% | 0.0% | -29.9% |
| Total Rates Notice Amount | 3,169.36 | 3,537.26 | 3,642.80 | 4,526.90 | 5,607.64 | 367.90 | 105.54 | 884.10 | 1,080.74 | 2,438.28 | 11.6% | 3.0% | 24.3% | 23.9% | 76.9% |

Land value: $4.05m

| Land Value: $4.05m | Indicative Rates Notice Amounts | | | | | $ Changes | | | | | % Changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Current | Year 1 | Year 2 | Year 3 | Year 4 | Year 1 | Year 2 | Year 3 | Year 4 | TOTAL | Year 1 | Year 2 | Year 3 | Year 4 | TOTAL |
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Change | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Change |
| Total Rates | 3,023.59 | 3,999.06 | 4,141.54 | 5,335.06 | 6,794.06 | 975.47 | 142.48 | 1,193.52 | 1,459.00 | 3,770.47 | 32.3% | 3.6% | 28.8% | 27.3% | 124.7% |
| Total Annual Charges | 820.00 | 575.00 | 575.00 | 575.00 | 575.00 | -245.00 | - | - | - | -245.00 | -29.9% | 0.0% | 0.0% | 0.0% | -29.9% |
| Total Rates Notice Amount | 3,843.59 | 4,574.06 | 4,716.54 | 5,910.06 | 7,369.06 | 730.47 | 142.48 | 1,193.52 | 1,459.00 | 3,525.47 | 19.0% | 3.1% | 25.3% | 24.7% | 91.7% |

Land value: $5.01m

| Land Value: $5.01m | Indicative Rates Notice Amounts | | | | | $ Changes | | | | | % Changes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Current | Year 1 | Year 2 | Year 3 | Year 4 | Year 1 | Year 2 | Year 3 | Year 4 | TOTAL | Year 1 | Year 2 | Year 3 | Year 4 | TOTAL |
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Change | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Change |
| Total Rates | 3,640.02 | 4,946.98 | 5,123.23 | 6,599.67 | 8,404.51 | 1,306.96 | 176.25 | 1,476.44 | 1,804.84 | 4,764.49 | 35.9% | 3.6% | 28.8% | 27.3% | 130.9% |
| Total Annual Charges | 820.00 | 575.00 | 575.00 | 575.00 | 575.00 | -245.00 | - | - | - | -245.00 | -29.9% | 0.0% | 0.0% | 0.0% | -29.9% |
| Total Rates Notice Amount | 4,460.02 | 5,521.98 | 5,698.23 | 7,174.67 | 8,979.51 | 1,061.96 | 176.25 | 1,476.44 | 1,804.84 | 4,519.49 | 23.8% | 3.2% | 25.9% | 25.2% | 101.3% |

# Community Examples

**Here are some examples that show the changes the proposed SRV will have on residents.**

+ Follow

Home / Special Rate Variation / Community Examples



Zhiyan owns a unit in Hampstead Road, Homebush West. The land value of her unit is $500,000 and she pays $795 in waste charges. In 2022, she paid a total of $1,564. Under this proposal, it is estimated that Zhiyan will be charged $1,775 for rates and waste in 2026/27.

A difference of $211



James and Laura own a house in Broughton Road, Strathfield, where they live with their children. The land value of their house is $1.7 million and they pay $795 in waste charges. In 2022, they paid $2,335 for rates and annual charges. Under this proposal, it is estimated that James and Laura will be charged $3,427 for rates and waste in 2026/27.

A difference of $1,092



Park and Souyan are newlyweds and own a house in Belfield. The land value of their house is $1.5 million and they pay $795 in waste charges. In 2022, they paid $2,206 for rates and annual charges. Under this proposal, it is estimated that they will be charged $3,091 for rates and annual charges in 2026/27.

A difference of $885



Nellie owns a house in The Causeway, Strathfield South. The land value of her house is $1.3 million and she pays $795 in waste charges. In 2022, she paid $2,078 for rates and annual charges. Because Nellie is a pensioner, she is entitled to a $250 concession on her rates. Under this proposal, it is estimated that Nellie will be charged $2,756 for rates and annual charges in 2026/2027.

A difference of $428



Jackson owns a house in Wakeford Road, Strathfield, where he lives with is son Sam. The land value of their house is $3 million and Jackson pays $795 in waste charges. In 2022, he paid $3,169 for rates and annual charges. Under this proposal, it is estimated he will be charged $5,608 for rates and annual charges in 2026/27.

A difference of $2,439

For 74% of ratepayers, the increase will be no more than 19.5% after 4 years. That's an extra $1.77 per week over 4 years.

# Asset Renewal and Maintenance

**What is the current status of Council assets and how can fix it.**

+ Follow

ome / Special Rate Variation / Asset Renewal and Maintenance

Assets are owned by Council and include roads, footpaths, stormwater drainage, parks and community buildings.

e main area of Council works affected by the funding gaps, is asset maintenance and renewal. The proposed special rates riation (SRV) will enable Council to carry out much needed works on roads, footpaths and parks.

ould the SRV be adopted, Council will

## enew 50% of Roads







l Street, Strathfield South

## enew 100% of Footpaths







al Crescent, Strathfield

## laintain Parks and Community Buildings






n Davidson Oval, Airey Park, Strathfield Town Hall

## Downloadable Resources

Asset Management Policy and Strategy
PDF (279.03 KB)

## Current Asset Values

| Asset Class | Current Replace Cost ($'000 |
|---|---|
| Buildings | 68,6 |
| Roads | 127,4 |
| Bridges | 14,1 |
| Footpaths | 45,6 |
| Bulk Earthworks | 38,6 |
| Kerb & Gutter | 49,3 |
| Other Road Assets | 18,7 |
| Stormwater | 86,7 |
| Open Space & Recreation | 55,8 |
| TOTAL | 505,2 |

## Map of Roads in Conditions 4 and 5




## Contact Us

Have questions or want to learn more about a project, co
us below:

Name Customer Service
Phone 02 9748 9999
Email council@strathfield.nsw.gov.au
Website www.strathfield.nsw.gov.au/council/contact-u

# What is the Current Condition of Council Assets?

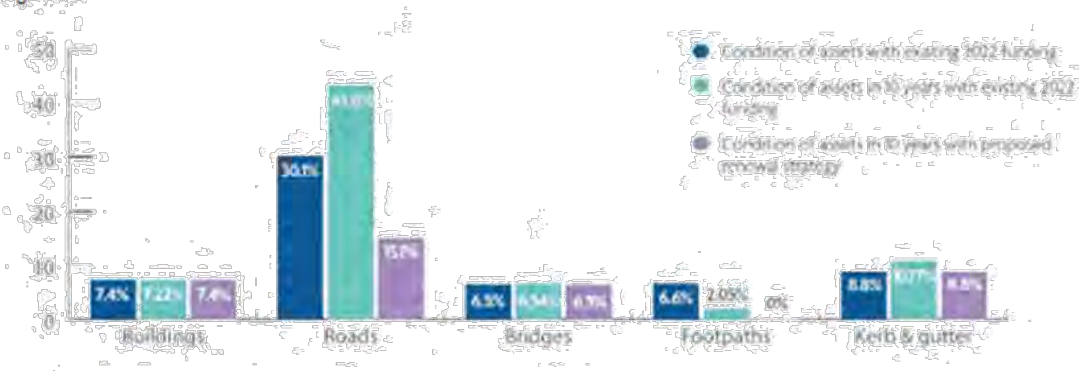
Assets are rated on a scale based on their current condition as follows:

- **Condition 1 - Very good**. Free of defects, only planned and/ or routine maintenance.
- **Condition 2 - Good**. Minor defects, increasing maintenance required plus planned maintenance.
- **Condition 3 - Fair**. Defects requiring regular and/ or significant maintenance to reinstate service.
- **Condition 4 - Poor**. Significant defects, higher order cost intervention likely. Significant renewal required.
- **Condition 5 - Very poor**. Physically unsound and/ or beyond rehabilitation, immediate action required. Asset requires replacement.




The cost to maintain community assets has dramatically risen, increasing Council's infrastructure backlog (the value of renewal works that need to be undertaken to bring Council's assets up to an acceptable standard). Council's backlog has increased from $0.6m in 2019 to $16m in 2022 which is a backlog ratio of 4.2%, above the industry target of 2%. Assets will continue to deteriorate, and the backlog will increase further without additional funding.

This graph shows the amount of Council assets that are in poor and very poor condition, and how Council's funding proposal will change this:




**Roads:**

- Currently, 30.1% of roads are in conditions 4 and 5. In 10 years with the existing level of funding, this will increase to 43.1%. However, in 10 years with the proposed renewal funding, it will decrease to 15.1%.

**Footpath:**

- Currently, 6.6% of footpaths are in conditions 4 and 5. In 10 years with the existing level of funding, this will decrease to 2.05%. However, in 10 years with the proposed renewal funding, it will decrease even further to 0%.

**Buildings:**

- Currently, 7.4% of buildings are in Condition 4 and 5. In the interests of prioritising roads and footpaths, the current condition rating will be maintained.

**Parks:**

- An audit on parks has not yet been finalised, however it is expected the current condition rating will be maintained.

Council's plan moving forward is to decrease the asset renewal backlog in total from 4.21% to 3.1%.

*Note: the industry benchmark for asset renewal is 2%.*

# Asset Management Framework

Strathfield Council is enhancing our asset management governance in line with the recommendations from a recent ISO55000/55001 maturity review. It is intended that the current framework outlined in this plan will be optimised to provide greater clarity and efficiencies.

The Asset Management Steering Committee oversees Strathfield Council's asset management framework. There are a number of objectives of the Committee, such as:

- Ensuring that all asset management activities are consistent with the objectives of the Community Strategic Plan and incorporate lifecycle asset management principles
- Ensuring compliance with the requirements of the Integrated Planning and Reporting Legislation and Guidelines and other infrastructure asset reporting
- Overseeing the development of Strathfield Council's Asset Management key strategy themes and projects

The Asset System Working Group is responsible for the delivery of system improvements, training, mapping, and integration to other systems, system maintenance and deliver process improvements.

To support this framework, Strathfield Council will prepare and adopt several Asset Management documents, including:

- Asset Management Policy
- Asset Management Strategy
- Risk Management Plans for the critical assets
- Detailed Asset Management Plans for discrete asset classes

## Asset Managment Policy

The purpose of the Asset Management Policy is to ensure that Strathfield Council has information, knowledge and understanding about the long-term and the cumulative consequences of being the custodian of public infrastructure.

This is achieved by ensuring that the systems and processes are in place to enable people to determine the most effective and efficient options for delivering infrastructure related services while controlling exposure to risk and loss.

The Asset Management Policy also provides the framework that together with the Community Strategic Plan enables the asset management strategy and specific asset management plans to be produced.

## Asset Management Strategy

This asset management strategy provides a summary of how the resources available in Strathfield Council's Resourcing Strategy will deliver the key objectives of the Community Strategic Plan Strathfield 2035 and the Delivery Program.

The Asset Management Strategy is a dynamic document that helps to guide the asset management activities and decision making of the organisation into the future. The initiatives are reviewed on a regular basis to ensure their relevance in a changing environment, and to also incorporate community feedback.

# APPENDIX D
# COMMUNITY
# PRESENTATION SLIDES


STRATHFIELD
COUNCIL
Community Meeting
inancial Sustainability through:
roposed Improvements and Special Rate Variation
MorrisonLow
PROTECTING OUR FUTURE

# Introduction

- Welcome
- Who is Morrison Low?
  - We are a local government-focused management consultancy with expertise in helping councils address sustainability challenges.
  - Morrison Low have independently reviewed Strathfield Council's financial position and modelled options to close the financial gap to become more sustainable.

# Introduction (cont.)

- Purpose for today:
  - To inform you of Council's financial sustainability challenges and solution options
  - Investment in improving asset condition
  - Operational improvements
  - Proposed Special Rate Variation (SRV)
  - To provide you with an opportunity to ask questions to understand the challenges facing Council and the reasons for these actions.
  - By the end of this meeting, you should be more informed to form and express your views on the options, including an SRV.

# Today's process

- Presentation on the Council's current financial position, the proposed improvements and SRV.
- Opportunity to ask questions at the end of the presentation.
- This forum will cover:
  - Council's current financial position.
  - Operational improvements and resource needs
  - Domestic waste income transfer
  - Proposed rate structure changes
  - The proposed Special Rate Variation (SRV) and what it will be used to fund.
  - Impact on average rates
  - The SRV process and next steps.

# Today's process (cont.)

- This forum is not intended to:
  - Review Council's Delivery Program or Community Strategic Plan
  - Make a decision on whether to apply for the SRV.

# Council must be financially sustainable

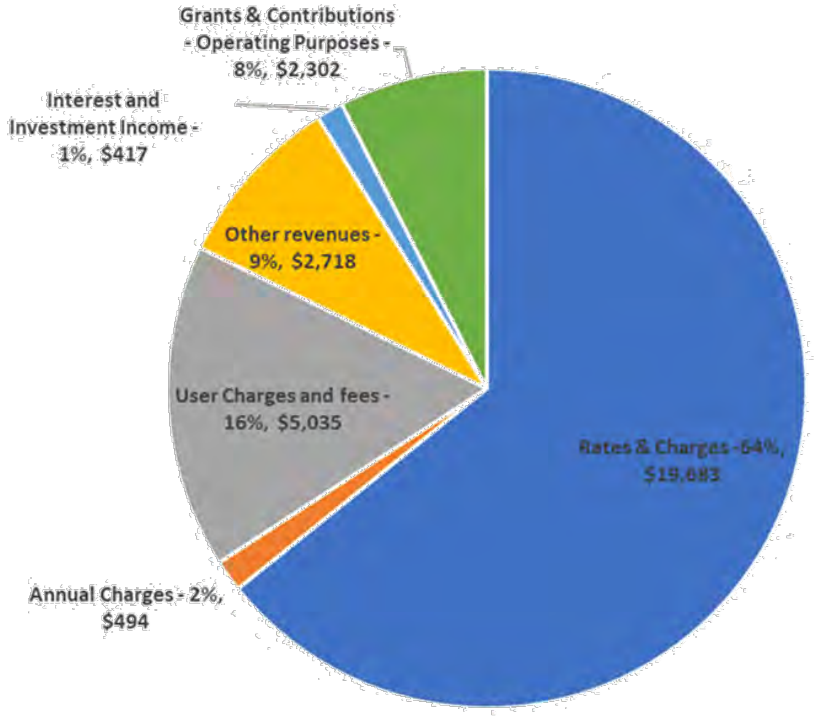
- The Local Government Act requires councils to apply sound financial management principles
  - S8(b) of the Act - Council spending should be responsible and sustainable, aligning general revenue and expenses.
- This includes:
  - achieving a **fully funded operating position**
  - **maintaining sufficient cash reserves**
  - having an appropriately **funded capital program**
  - **maintaining its asset base** 'fit for purpose'
  - having adequate resources to meet ongoing **compliance obligations**.
- **Not negotiable** - failure to meet these obligations can lead to NSW Office of Local Government intervention.

# Council objectives

For Council, sustainability means having the financial and resource capacity to maintain our assets in a good condition and provide services at their current levels. Council's objectives to become sustainable are:

- To minimise the impact on ratepayers
- Create fair and equitable rating and charging structures
- Ensuring assets are fit for purpose
- Delivering core services that are consistent
- Correct past three years of operating deficits.

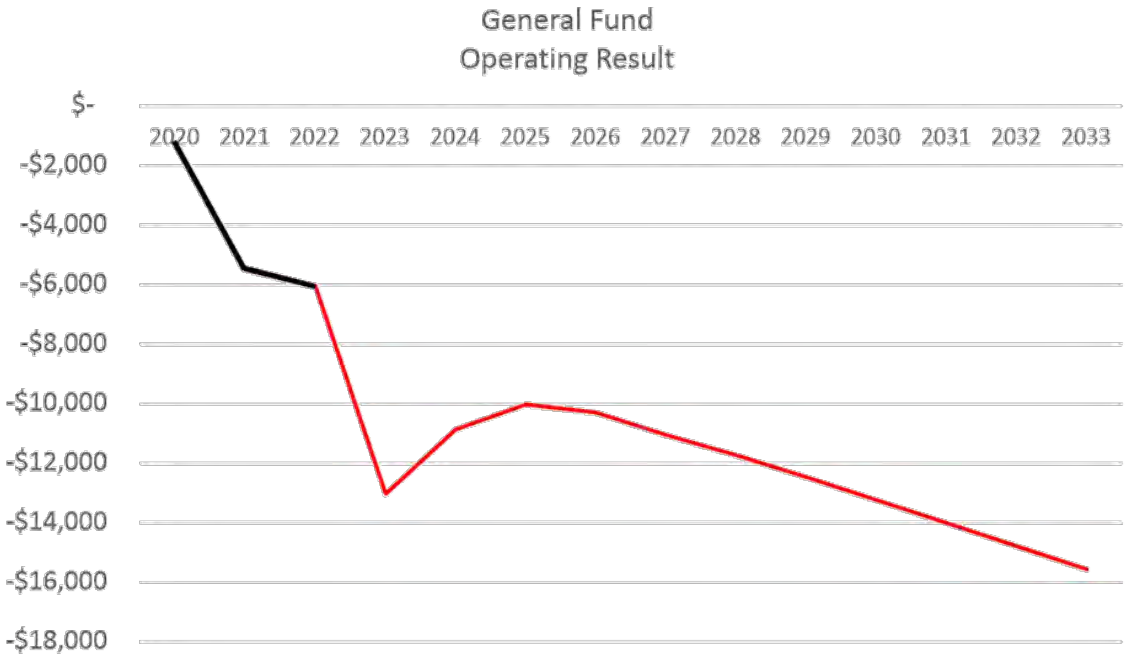
# General Fund is a $30m business with rates of $19.7m




Rates Income

- Residential $14.0m
- Business $ 5.7m

# Financial assessment
# General Fund is NOT sustainable



# Financial assessment
# General Fund is NOT sustainable (cont.)



# Why is Council not sustainable?

**Costs have outpaced revenue**

- **Rate peg for NSW Councils**
  - *Has not matched increase in expenses which sets Council behind.*
- **Cost shifting**
  - *Increased regulation and compliance costs and responsibilities imposed on local government by State Government*
    - *ARIC - internal audit program using external/internal resources*
    - *Emergency Service Levy increases.*
    - *Cyber security/modernise systems/fraud prevention*
    - *Crown Land, Plans of Management, Compliance reporting.*
- **Current environment**
  - *An operational and financial review has revealed*
    - *Significant funding backlog for the renewal of assets such as roads, footpaths and buildings ~ increased from $1.2m to a current backlog of around $16.1m*
    - *Forecast ongoing operating deficits*
  - *A high inflation environment, low rate increases, and increased costs of wages; materials, contracts and logistics will continue to impact financial sustainability.*

# Why is Council not sustainable? (cont.)

- **Increased/improved service levels**
  - *Local connector bus*
  - *Synthetic fields operating costs*

- **New/ Upgrade assets – *increases operational cost (maintenance & depreciation)***
  - Park upgrades Strathfield and Bressington Parks
  - Homebush West Community Centre
  - Driving Range
  - Upgraded playgrounds
  - Hudson Park East Project

# What has Council done ?

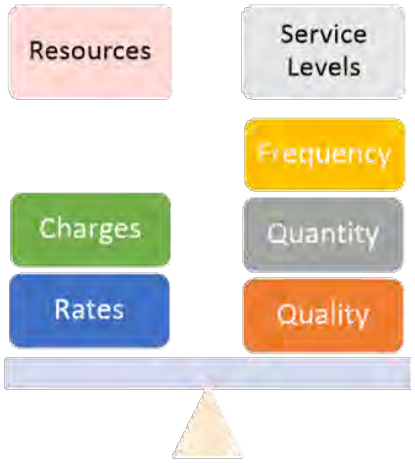
## > Operational and financial review




# What has Council considered?

# Considered SAVINGS through core service changes

**The community** through surveys and annual IP&R consultation have been satisfied with the current core service levels




- Community Plan details a progressive and attractive community
- Against the community expectations and ..... NO real savings without decreasing core services.



# We found SAVINGS and IMPROVEMENTS

From a comprehensive organisational service review we identified some 36 operational improvements to reduce expenses and improve efficiency, including:

- ✓ The proposal to review the operation of the Strathfield Connector Bus service
- ✓ Improve income from the driving range and property leases
- ✓ Review fleet and plant hire charges
- ✓ Use new low-cost LED lighting and the introduction of a new monitoring system to control water and energy to generate savings
- ✓ Off street parking review and extension.

These improvements are incorporated in the Council's new Long Term Financial Plan to reduce the size of the funding shortfall, with the initial net benefit of some $1.3m in 2023/24 increasing to an estimated $2.5 m over the 10 year forecast period.

***Council has decided not to progress the leisure centre project. Additional annual operating costs saved $1.5m pa PLUS loan repayments of $ 2.4m pa.***

# Domestic waste charges to be REDUCED

Reduce domestic waste management (DWM) charges from $795 to $550;
a saving of $245 per year.

**Waste services will NOT be reduced**

This means transferring $4 million of the waste income into general rates income.
As a result, Council will need to vary rates by 20.3%.

These rate increases will be offset for the majority of ratepayers by a reduction of $245 from the waste charge.

# More equitable rate structure

Improve the equity of the current rating structure

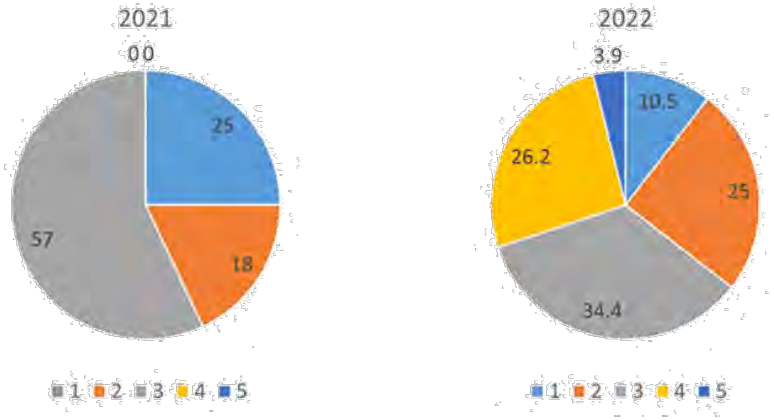
- Introduce minimum rates that better align to service levels provided and help rebalance the rate structure in terms of fairness
- Review of the domestic waste management (DWM) charge to better align services with income – Domestic Waste services will **NOT** be reduced
- Proposing to include business subcategories for industrial areas and Strathfield CBD – redistribution of cost burden.

The purpose of the revised structure is to ensure over the longer term that all rate categories pay a fair and equitable share of rates.

# Asset management condition review

The review found that the asset condition has worsened, and since 2019, the backlog ratio has increased from 0.25% to 4.2%.

**ROADS >**




Council needs to spend $11.8m per year to improve the asset conditions and reduce the backlog to 3.1%.



# STILL .....

Council is underspending on

asset renewals and needs to spend

$11.8 M per year

..... and forecasting operating deficits.

We need a further response.

# What is Council proposing?

- Implement improvement SAVINGS of $1.3m in year 1, increasing to $2.5m year 10
- Transferring $4m Domestic waste charges income to residential rates – Domestic waste charge decreases by $245 per year – offset by increase in rates - By law this requires an SRV of 20.3%, occurring in 2023/24
- $11.8m annual investment in asset renewals
- Minimum rates over four years starting at $900 in 2023/24, increasing by $100 pa to $1200 in 2026/27
- Introducing two industrial and one CBD business subcategory
- Proposing an additional SRV of **52.7%** over 4 years.

# What are Council's SRV options?

One Year permanent SRV Option

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Compound |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | 20.3% | n/a | n/a | n/a | 22.0% |
| Option 1: Single year SRV (excluding domestic waste transfer and rate peg) | 50.0% | n/a | n/a | n/a | 54.1% |
| Option 1: Single year SRV (total including domestic waste transfer and rate peg) | 74% | n/a | n/a | n/a | 88.3% (if years 2-4 rate pegs are applied) |

# What are Council's SRV options? (cont.)

Four Year permanent SRV Option – Council's preference

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Compound |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | **20.3%** | **n/a** | **n/a** | **n/a** | **30.3%** |
| Option 2: Multi-year SRV (excluding domestic waste transfer and rate peg) | **10.0%** | **5.0%** | **15.0%** | **15.0%** | **52.7%** |
| Option 2: Multi-year SRV (total including domestic waste transfer and rate peg) | 34.0% | 8.0% | 17.5% | 17.5% | 99.8% |

# How will this impact on my rates?

| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Residential Rates | Annual Rates | $845 | $1,119 | $1,218 | $1,443 | $1,708 | $863 |
| | Annual Increase | | $273 | $99 | $225 | $266 | $216 |
| | Weekly Increase | | $5.24 | $1.90 | $4.31 | $5.10 | $4.14 |
| | Add DWMC Current Charge | $795 | $550 | $550 | $550 | $550 | -$245 |
| | Annual Rates (with DWMC) | $1,640 | $1,669 | $1,768 | $1,993 | $2,258 | $618 |
| | Annual Increase (with DWMC) | | $28 | $99 | $225 | $266 | $155 |
| | Weekly Increase (with DWMC) | | $0.54 | $1.90 | $4.31 | $5.10 | $2.97 |
| Minimum Rates (70% of Ratepayers) | Minimum Rates | $584* | $900 | $1,000 | $1,100 | $1,200 | $616 |
| | Annual Increase | | $316 | $100 | $100 | $100 | $154 |
| | Weekly Increase | | $6.08 | $1.92 | $1.92 | $1.92 | $2.96 |
| | Add DWMC Current Charge | $795 | $550 | $550 | $550 | $550 | -$245 |
| | Minimum Rates (with DWMC) | $1,379 | $1,450 | $1,550 | $1,650 | $1,750 | $371 |
| | Annual Increase (with DWMC) | | $71 | $100 | $100 | $100 | $93 |
| | Weekly Increase (with DWMC) | | $1.36 | $1.92 | $1.92 | $1.92 | $1.78 |

*Table 3: Impact on Residential ratepayers, 4 year option*

**This is the average rate for those ratepayers who are on a minimum using the current base rate structure.*

*The Domestic Waste Charge will be reduced from $795 to $550 annually, therefore offsetting some of the increase in rates by $245 for every residential ratepayer.*

# How will this impact on my rates? (cont.)

| BUSINESS (ALL) | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Rates | Annual Rates | $4,116 | $5,683 | $6,138 | $7,212 | $8,474 | $4,358 |
| | Annual Increase | | $1,567 | $455 | $1,074 | $1,262 | $1,090 |
| | Weekly Increase | | $30.05 | $8.73 | $20.60 | $24.20 | $20.90 |

*Table 4: Impact on Business (all) ratepayers, 4 year option.*

| BUSINESS - INDUSTRIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Average Increase |
|---|---|---|---|---|---|---|---|
| Average Rates | Annual | $3,910 | $6,327 | $6,833 | $8,029 | $9,434 | $5,524 |
| | Annual Increase | | $2,417 | $506 | $1,196 | $1,405 | $1,381 |
| | Weekly Increase | | $46.36 | $9.71 | $22.93 | $26.95 | $26.49 |

*Table 5: Impact on Business - Industrial ratepayers, 4 year option.*

# Special rate variation increases, and domestic waste charge decreases

SRV increase show here


STRATHFIELD MUNICIPAL COUNCIL

STRATHFIELD COUNCIL

RATES AND CHARGES NOTICE
FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

16/07/2022 31/08/2022

RATEPAYER NAME
STREET ADDRESS
SUBURB NSW PC##

PROPERTY LOCATION AND DESCRIPTION
Property Address
Lot & DP Details

| PARTICULARS OF RATES AND CHARGES | | | AMOUNT |
|---|---|---|---|
| Ordinary Residential | 1 [illegible] | [illegible] | $68.46 |
| Residential Base Rate | 423.00 | 1.00 | [illegible] |
| Domestic Waste Mgmt | 795.00 | 1.00 | 1795.00 |
| Stormwater Residential | 12.50 | 1.00 | [illegible] |
| Arrears | | | $646.72 |

ARREARS ARE PAYABLE IMMEDIATELY. INTEREST IS CHARGED ON ALL OVERDUE RATES AND CHARGES AT 6% PER ANNUM, CALCULATED DAILY.

GO TO WWW.STRATHFIELD.NSW.GOV.AU TO REGISTER FOR ELECTRONIC DELIVERY OF NOTICES.

SHOULD YOU BE UNABLE TO MAKE PAYMENT BY THE DUE DATE, PLEASE CONTACT COUNCIL'S RATES SECTION ON 9748 9999 OR BY SENDING AN EMAIL TO council@strathfield.nsw.gov.au

COUNCIL HAS IMPLEMENTED A 0.7% SURCHARGE ON CREDIT CARD TRANSACTIONS.

| 1ST INSTALMENT | 2ND INSTALMENT | 3RD INSTALMENT | 4TH INSTALMENT | PLEASE DEDUCT ANY PAYMENTS SINCE | TOTAL AMOUNT DUE |
|---|---|---|---|---|---|
| $973.68 31/08/2022 | $324.00 30/11/2022 | $324.00 28/02/2023 | $324.00 31/05/2023 | 11/07/2022 | $ 1945.68 |

Credit Card Payments Telephone or Internet
Phone 1300 704 941 or log onto www.strathfield.nsw.gov.au
MasterCard & Visa only

AMOUNT PAID $

BANK STAMP

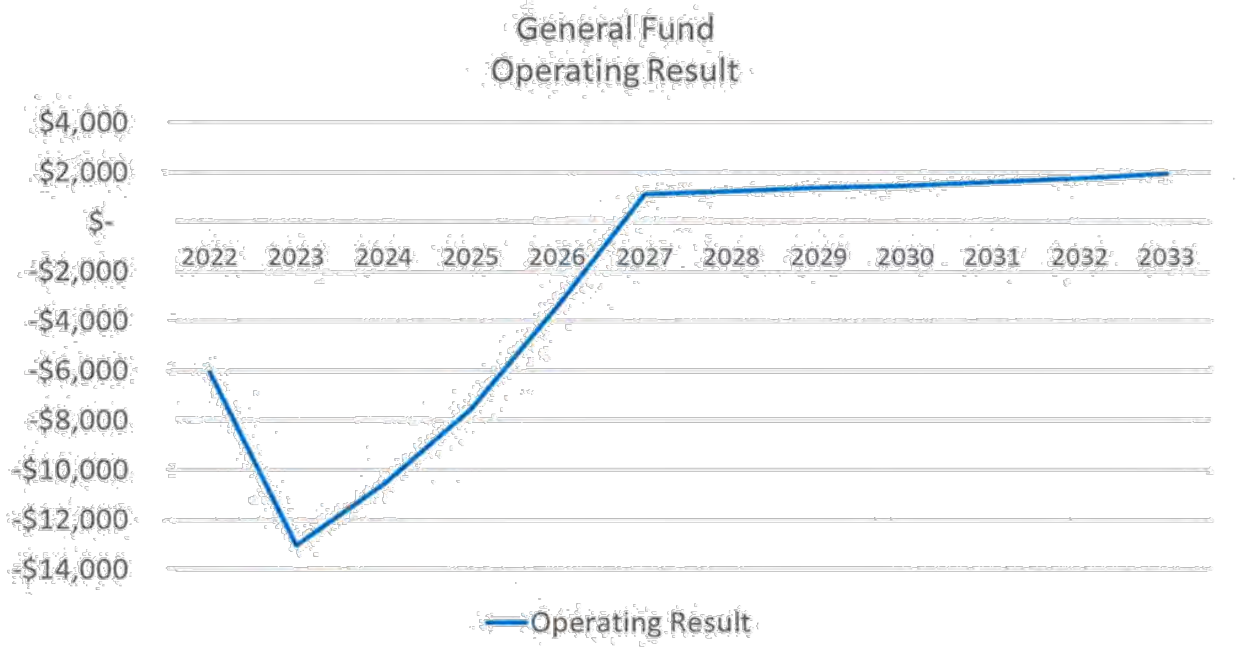
DATE OF PAYMENT

Domestic Waste reduce from $795 to $550: Reduce impact on ratepayers

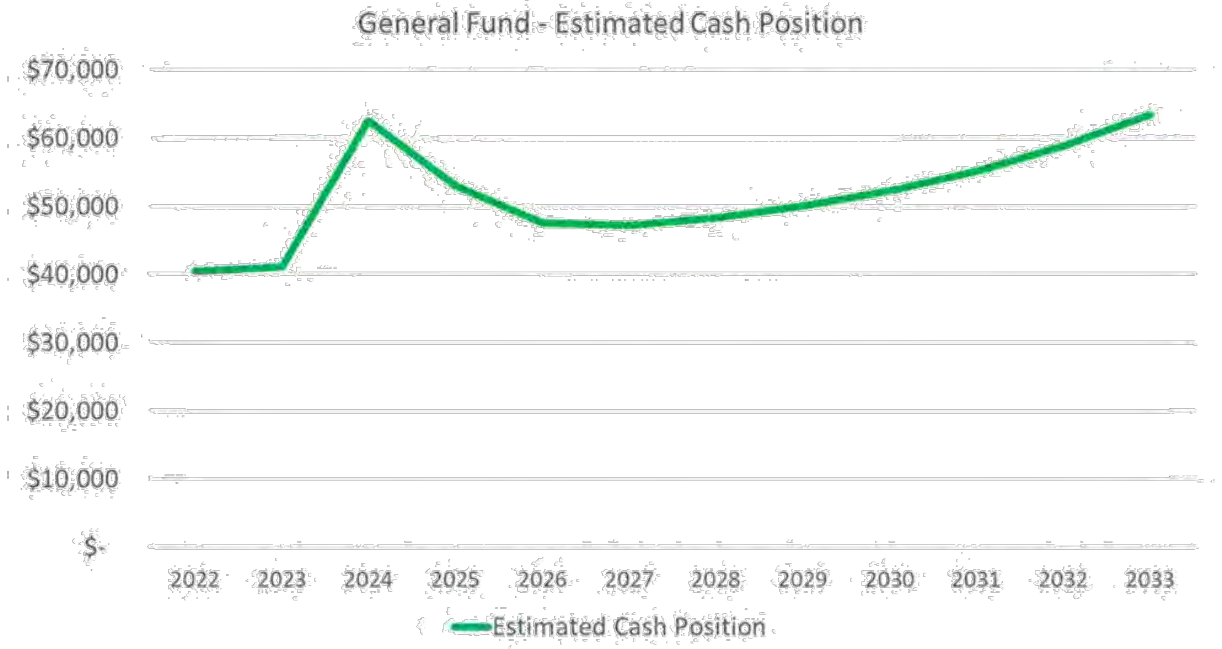
# How do we compare with other Councils?

| Council | Residential Rate Average 2022/23 | Domestic Waste Charge (DWMC) 2022/23 | TOTAL Residential Rate Average + DWMC 2022/23 | Business Average Rates 2022/23 |
|---|---|---|---|---|
| Strathfield | $845 | $795 | $1,640 | $4,116 |
| Inner West | $1,246 | $475 | $1,721 | $5,134 |
| Lane Cove | $1,359 | $475 | $1,834 | $3,354 |
| Canterbury-Bankstown | $1,255 | $585 | $1,840 | $6,434 |
| Burwood | $1,465 | $434 | $1,899 | $6,861 |
| Woollahra | $1,497 | $590 | $2,087 | $6,545 |
| Mosman | $1,552 | $649 | $2,201 | $3,830 |
| Hunters Hill | $2,374 | $600 | $2,974 | $1,351 |

# General Fund back in the black in 2027



# General Fund – Cash Position



# What will the money be spent on ?

**Maintaining and improving community assets**

- *Ensuring assets are in a satisfactory condition for community use*
- *Proposed annual asset renewal spend of $11.8m*

**Maintaining Current Core Service Levels**

- *Keep Strathfield attractive and well maintained*
- *Attract and support business*

**Achieve financial sustainability**

- *Sound cash position*

# Who will approve the proposed SRV?

**IPART – *Independent* Pricing & Regulatory Tribunal – makes the final decision**

**Criteria**

- Demonstrated need for higher increases to rates.
- Community consultation and awareness of Councils' plans.
- Processes to exhibit relevant council documents to the public.
- Reasonable impact on ratepayers.
- A history of well-documented council productivity improvements and cost containment strategies.

# What are the next steps?

- **Dec/Jan** Consult ratepayers on proposed SRV
- **Feb** Council reviews feedback and decides to apply or not





If proceeding,

- **Mar** Council makes application to IPART
- **Mar/Apr** IPART considers and consults further
- **May/June** IPART advises YES / NO

# How to have your say

## Feedback is important to Council

### Get the facts to understand

- Council's website at www.strathfield.nsw.gov.au/projects/srv contains more information and is being regularly updated.
- Information sessions – Monday 12 and Wednesday 14 at the Town Hall: 15 December Online
- Pop-up stalls between 10am and 12pm on
  - Sat 10 December 2022: Homebush (Corner Rochester and Burlington)
  - Tue 13 December 2022: Strathfield Plaza (outside entry to Oporto)
  - Sat 17 December 2022: Cooke Park Community Room
  - Sat 14 January 2023: Homebush Library

### Have your say

- Council's online engagement portal at www.strathfield.nsw.gov.au/projects/srv
- Write an email or letter

# THANK YOU

Questions Welcome



# ATTACHMENT 2







# Long Term Financial Plan Report

## Strathfield Council

**November 2022**

**Document status**

| Job # | Version | Written | Reviewed | Approved | Report Date |
|---|---|---|---|---|---|
| 7659 | 1.0 | F.Plesman | G.Smith | | November 2022 |
| | | | | | |

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# 1 Executive Summary

## 1.1 Who We Are

The Strathfield local government area is in the Inner West of Sydney about 10.5km from the Sydney CBD and halfway between Parramatta and the centre of Sydney.

The original people of Strathfield were the Wangal Aboriginal people who lived alongside the Parramatta River for at least 20,000 years. The Wangal people were among the first to encounter British settlers in 1788.

Strathfield is a very diverse local government area. Profile ID forecast population to increase from 45,930 in 20/21 to 48,649 in 2026/27. With 3.4% of the population identifying as Aboriginal; 11.7% of the population identify their country of origin as India, 9.8% China, 6.8% Nepal, 5.3% Korea, 2.7% from Sri Lanka and 36.2% born in Australia.

## 1.2 What Are the Challenges We Face

All councils are required to complete a Long Term Financial Plan (LTFP) as part of the Resourcing Strategy that informs the Delivery Program. Financial planning supports the delivery and realisation of Council's vision, as set out in the Community Strategic Plan, while ensuring Council's continued financial sustainability. The Long Term Financial Plan addresses challenging questions:

- How financially resilient are we?
- Can we afford what the community is asking for?
- What are the opportunities for new revenue and economic growth?
- How to phase delivery of strategic initiatives over time?

In the 5 years to 2020/21, the average operating performance ratio of NSW councils has steadily declined from 9.8% in 2016/17, to -1.5% in 2020/21. Councils have been faced with a range of natural disasters, COVID 19 and more recently low unemployment and a high inflationary economic environment. The high level of inflation is impacting the cost of wages, materials and contracts that Council purchases to deliver services. The cost to maintain, repair, replace or improve community assets and infrastructure has dramatically risen. Projected wages growth and increased regulatory demands on local government means that Council can no longer keep expenditure contained within the levels forecasted in the LTFP without significant impact on service delivery to the community.

## 1.3 What we know

Strathfield Council's ('Council') operates a General Fund and Domestic waste business. The General Fund financial position is unsustainable at the current levels of expenditure and income due to a range of issues. These include the long term impacts of rate capping with rates income capped and expenses uncapped driven by economic conditions: The annual inflation rate in Australia climbed from 6.1% to 7.3% in the third quarter of 2022, above market forecasts of 7.0%. In a July 2022 statement on the economy, Federal Treasurer Jim Chalmers said that *"inflation had already reached 6.1 per cent in June 2022 and was forecast to peak at 7.75% in the December quarter 2022"*.

Cost shifting from state government to local government, such as Internal Audit and Risk committee obligations and the emergency service levy, and more recently grant-funded construction of new assets, impose additional operating costs on councils.

These coupled with previous Councils' decisions on assets, services and rating options in the best interests of their communities, and legislative restrictions/changes, have gradually led to declining financial sustainability. This is a problem which Council must now address.

Council's consolidated operating results for 2019/20, 2020/21 and 2021/22 have been deficits of $1.3m, $5.5m and $5.9m respectively. For 2021/22 General Fund estimated operating deficit was $6.286m.

Council has made efforts to address the operating deficit position with a comprehensive organisational review of services and operations. This work identified significant savings that have been implemented along with a further $1.3m savings a year. Council also recognised the need to transfer a portion of Domestic Waste Management (DWM) income of $4.0m to the General Fund.

As part of this review Council also undertook asset data collection and analysis to validate the current condition of assets. Unfortunately, the asset condition has worsened since 2019 with the backlog ratio increasing from 0.25% to 4.21%. The backlog ratio is the cost to bring all assets to a satisfactory condition as a proportion of the total asset value. The Office of Local Government has set a benchmark for this ratio at less than 2%. This means Council needs to spend more on renewing its assets. Council is planning to spend around $11.8m per year to reduce the backlog to 3.1% over the next 10 years and improve the safety and condition of assets.

While these changes will lead to an improvement in sustainability, alone they will not be sufficient for Council to be financially sustainable. In simple terms, Council is not collecting enough money each year to adequately cover the increasing cost of normal operations and maintain community infrastructure. Council's revised business as usual 2022-2033 Long Term Financial Plan (LTFP) forecasts year on year operating deficits to 2033. The LTFP analysis forecasts:

- An average operating general fund deficit for a 10 year forecast period of $12.4 million pa
- The current General Fund Base Case has insufficient money to maintain current service levels and asset renewals
- A negative cash position by 2027
- Under funding for expected growth and expanded services.

## 1.4 What are our scenarios

Council has considered two scenarios as part of completing the revised Resourcing Strategy and Long Term Financial Plan 2023-2033:

**Scenario 1 – Business as usual**

Continue providing a level of service within the existing budget allocation, including:

- Continuing with infrastructure and asset maintenance improvement
- Implementing the savings identified in Council's Improvement Program
- Transferring a portion of Domestic Waste Management (DWM) income to the General Fund.

This scenario results in annual operating deficits for the 10 year forecast period. In effect, this scenario is not a sustainable option as it requires a reduction in service delivery to generate a break-even operating position.

**Scenario 2 – Long term sustainability**

To achieve long term sustainability requires a combination of improvement savings identified in Council's Improvement Program, transfer of a portion of Domestic Waste Management (DWM) income to the General Fund, increased renewal spend and a Special Rate Variation (SRV). This will enable Council to deliver current services, improve asset condition and have adequate resources to become operational and financially sustainable over the longer-term. This scenario addresses Council's ongoing core deficits in the General Fund and its cash position, ensuring Council is more resilient and responsive to shocks and unexpected events in the future.

## 1.5 What is the proposed approach

Council proposes to implement Scenario 2 – Long Term Financial Sustainability in order to implement the Delivery Program 2022-2026. Under this scenario the following actions will need to be taken:

- Implement the recommendations from Council's Organisation Service Review and Improvement Program. These improvements will reduce the size of the funding shortfall with the initial net benefit of some $1.3 million in 2023/24 increasing to an estimated $2.5 million by 2033.
- Improve the equity of the current rating structure through the following actions:
  - Transfer $4 million of Council's Domestic Waste Management (DWM) revenue into general revenue. This will see the current waste charge of $795 reduce by $245 to $550 for 2023/24, if approved.
  - Introduce business rate subcategories for industrial areas and the Strathfield CBD.
- Improve the safety and condition of Council assets through the allocation of $11.8 million per year for the asset renewal program.
- Apply to the Independent Pricing and Regulatory Tribunal for:
  - a permanent continuing special rate increase, two options one or four years; and
  - replace Council's Base Rate structure with a Minimum Rates structure. The minimum rate of $1,200 would be introduced incrementally over a four year period.

Councils preferred option is a four year SRV as detailed in the following table.

**Table 1 Proposed four year SRV**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Compound |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 2: Multi-year SRV (excluding domestic waste transfer and rate peg) | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| Option 2: Multi-year SRV (total including domestic waste transfer and rate peg) | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

In order to fast-track its asset renewal program, Council plans to supplement the SRV by borrowing up to $42 million. This will enable Council to get on top of its asset backlog faster and ensure assets are fit for purpose for community use.

A key outcome of this financial strategy is to improve Council's financial sustainability, in terms of operating result and cash position, fit for purpose assets, productivity and efficiency process gains, and a more equitable rating structure.

## 2 Introduction

The NSW Local Government Act requires councils to have:

- a Community Strategic Plan (of at least ten years)
- a Delivery Program (four years)
- an Operational Plan (one year)
- a Resourcing Strategy containing:
  - Long-Term Financial Plan (LTFP, 10 years)
  - Workforce Management Plan
  - Asset Management Strategy.

The Resourcing Strategy details how Council will provide the financial, human and infrastructure resources needed to achieve the objectives of the Community Strategic Plan and Delivery Program. The Delivery Program sets out the activities that Council will undertake in this term of Council to meet the community aspirations detailed in the Community Strategic Plan. The Operational Plan incorporates all the actions Council will undertake in the financial year, includes an overview of the responsible Council business unit, and details how the delivery of these actions will be measured.

Annual and quarterly reports will be prepared by Council to measure its performance against targets set out in the Delivery Program, along with an End of Term Report at the end of Council's term of office. This report will focus on the outcomes of the strategies implemented by the Community Strategic Plan.

The Long Term Financial Plan (LTFP) spans ten years from 2022-2023 to 2032-2033, providing a consolidated and General Fund position, being the funding for the 2022-2023 Operational Plan and 2022-2026 Delivery Program.

The LTFP must be for a minimum of ten years and include the following:

- the planning assumptions used to develop the plan
- projected income and expenditure statement, Balance Sheet and cash-flow statement
- sensitivity analysis and testing
- financial modelling for different scenarios
- methods of monitoring financial performance.

The LTFP forecasts must be updated annually, together with preparation of the Operational Plan. On adoption of a revised Community Strategic Plan and new Delivery Program every four years, a detailed review of the LTFP should be undertaken.

## 2.1 Our Future 2035

The 'Strathfield 2035' Community Strategic plan was developed in consultation with the community. It focuses on five themes that were identified by the community as important to the future of Strathfield. The five themes are:

1. connectivity
2. community wellbeing
3. celebrating culture and place
4. liveable neighbourhoods
5. responsible leadership.

*Strathfield 2035* was informed by assessing the many challenges facing the Strathfield Local Government Area (LGA). There have been many changes in regional and local plans in response to the NSW Government's targets for increasing population and housing. Some of the major challenges for the Strathfield LGA include population and housing growth, changing environment and climate change, transport and the social cohesiveness of an increasingly diverse community.

The draft Community Strategic Plan was placed on public exhibition from 5 May to 2 June 2022 and adopted by Council on 7 June 2022.

## 2.2 Purpose of the LTFP

The LTFP acts as a tool for Council and the community to use in deciding what resources Council needs to apply to deliver on the outcomes contained in *Strathfield 2035*, through its Delivery Program. The LTFP seeks to answer the following questions:

- Can we survive the financial pressures of the future?
- What are the opportunities for future income and economic growth?
- Can we afford what the community wants?
- How can we go about achieving these outcomes?

This plan will model the financial implications of the *Strathfield 2035* strategies, along with the ability to maintain existing facilities and infrastructure based on a range of assumptions and within any known constraints.

## 2.3 Long Term Financial Plan (LTFP)

Council has a long term financial forecasting model. This provides a budgetary projection (from a profit and loss perspective) for a ten year period for a Consolidated and General Position. The model was used to prepare this LTFP and will be reviewed on an annual basis.

The model has been informed by updated asset management planning documents and the Workforce Management Plan and by a range of assumptions based on the best available data to guide forward projections. This forms the basis for the ten year projections presented in this LTFP.

This LTFP has been reviewed and updated to align with the updated four year Delivery Program 2022-2026 for Strathfield Council.

# 3 Long Term Financial Sustainability

## 3.1 How do we define long term financial sustainability

A financially sustainable council is one that can fund ongoing service delivery and renew and replace assets without imposing excessive debt or rate increases on future generations. This definition has been translated into four key financial sustainability principles:

- Council must achieve a **fully funded operating position** reflecting that it collects enough revenue to fund operational expenditure, repayment of debt and depreciation.
- Council must **maintain sufficient cash reserves** to ensure it can meet its short term working capital requirements.
- Council must have a **fully funded capital program**, where the source of funding is identified and secured for both capital renewal and new capital works.
- Council must **maintain its asset base**, by renewing identified ageing infrastructure, and ensuring cash reserves are set aside for those works yet to be identified.

## 3.2 How financially sustainable is council currently

The most recent Audited Consolidated Financial Statements, as at 30 June 2022, resulted in a $5.921m operating deficit which excludes capital income. The General Fund estimated operating deficit was $6.286m

The following performance indicators reported in the Annual Statements as at 30 June 2022 measure Council's broader financial performance and position. These indicators have been used to review Council's LTFP forecasts as part of assessing the long term financial health of the organisation and its capacity to fund the delivery program.

**Table 2 2021/22 Performance Indicators**

| Ratio | Calculation | What is being measured | Benchmark | 2021/22 actual ratio |
|---|---|---|---|---|
| Operating performance ratio | Total operating revenue less revenue for capital purposes less total operating expenditure | Is the council sustainable in terms of its operating result? | >0% | -8.4% |
| Own source operating revenue | Total continuing operating revenue excluding all grants and contributions divided by Total continuing operating revenue inclusive of all grants and contributions. | The 'own source operating revenue ratio' measures a council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions | >60% | 81% |
| Unrestricted current ratio | Current assets less external restrictions divided by current liabilities | How much unrestricted current assets are available | >1.5 | 3.0 |

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| Ratio | Calculation | What is being measured | Benchmark | 2021/22 actual ratio |
|---|---|---|---|---|
| | | to cover current liabilities | | |
| Cash expense cover ratio | Current year's cash and cash equivalents plus term deposits divided by monthly payments from cash flow operating and financing activities | How many months' worth of cash is at hand to cover monthly payments | >3 months | 13.7 |
| Debt service cover ratio | Operating result before capital excluding interest and depreciating/impairment/amortisation divided by principal repayments plus borrowing costs | Whether there is sufficient funds to cover debt servicing obligations | >2x | 0.0 |
| Asset renewal ratio (buildings and infrastructure) | Asset renewal expenditure divided by depreciation | Is asset renewal expenditure sufficient to maintain assets in the long term? | >=100% | 70.2% |
| Infrastructure backlog ratio | Estimated cost to bring assets to satisfactory condition divided by net carrying amount of infrastructure assets | Measures ratio of renewal backlog against net carrying value of assets and reflects success of strategy to invest in asset renewals | <2% | 4.21% |
| Asset maintenance ratio | Actual maintenance costs divided by required maintenance costs | Measures the level of maintenance required to maintain current assets | >100% | 126.1% |

# 4 Financial Management in Council

## 4.1 Regulatory environment

Council operates in a highly regulated environment driven by legislation and state strategies such as:

- Local Government Act 1993
  - The Act defines the scope and boundaries of Council's role and the way it must conduct its business.
- NSW State Plan
  - The State Plan: A new direction for NSW which defines the overarching goals and outcomes that the NSW Government has set for the state and which should shape public policy.
- A Metropolis of Three Cities – the Greater Sydney Region Plan
  - The plan sets out a long-term future for the Sydney Metropolitan Region, aligning land use, transport and infrastructure planning to reshape Greater Sydney as three unique but connected cities.

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## 4.2 Financial environment – rate pegging

Council's ability to align rating revenues with the increased cost of providing local government services has been restrained by rate pegging since the 1970's, a legislative instrument whereby the maximum increase in rating revenues is set by IPART NSW.

IPART has set the 2023/24 base rate peg for NSW councils at **3.7%**. There is also an allowance for the level of population growth, meaning some councils will have rate pegs of up to 6.8% pa, with Strathfield being 0% for 2023/24.

## 4.3 Financial environment – the state of Council's finances

Council's consolidated operating results for 2019/20, 2020/21 and 2021/22 have been deficits of $1.3m, $5.5m and $5.9m respectively.

As at 30 June 2022, Council had no external borrowings and cash reserves of $43.7 million. Total carrying value of infrastructure and land assets was $514.4 million, while the total liabilities were only $28.2 million.

Most of the key financial ratios outlined in Table 2 are within industry benchmarks, however Council is below the benchmark for the operating performance, asset renewal and backlog ratios. These are the most critical ratios and will need to be addressed as part of becoming a sustainable council.

Council has a sound base and an ability to borrow for key infrastructure if required. The fundamental issue faced by Strathfield and other NSW councils is the restriction on the rate at which revenue can be increased. While Council is able to borrow to fund new works and asset renewal backlog, it is only able to increase revenues to service the additional debt or increase services to community by applying for an SRV.

Council also faces a fundamental imbalance between its annual operating revenues and the annual operating costs, inclusive of depreciation. This imbalance is projected to grow over the term of this LTFP.

## 4.4 Financial environment – balancing the budget

A combination of the improvement savings and a transfer of DWM income is not sufficient for Council to become financially sustainable over the longer term as it does not fully address the ongoing core deficits in the General Fund.

Factors impacting budget management include employee costs, inflation, cost shifting, growth in regulatory and compliance requirements and impacts from climate change. Utilities including electricity, street lighting and water/sewerage have been increased primarily by CPI. Where previously approved by Council, other items of expenditure in this category, including contributions to other level of governments and authorities and sporting groups, have been indexed annually by the Local Government Cost Index (LGCI).

Employee costs are a significant area of expenditure each year, with approximately 197 full-time equivalent staff. The staff establishment is 204 positions. This LTFP has factored in known and predicted award increases and continued increased superannuation contributions, the impact of Worker's Compensation, employee leave entitlements and staff progressing through the salary system.

Council's Community Strategic Plan and Delivery Program identifies several actions to deliver community aspirations that will enhance the liveability of the Strathfield LGA.

Population growth also has a significant influence on the funding of additional services and asset provision.

Council does not have the revenue to service this population growth and the associated demands on Council assets and services.

Some initiatives are funded by state and federal government grants; however, these grants do not include the ongoing renewal, operation and maintenance costs which will need to be met by council and are included in the LTFP.

## 4.5 Financial management principles

The updated 2023-33 LTFP, is underpinned by the following principles:

- Council must achieve a **fully funded operating position** reflecting that it collects enough revenue to fund operational expenditure, repayment of debt and depreciation.
- Council must **maintain sufficient cash reserves** to ensure it can meet its short-term working capital requirements.
- Council must have a **fully funded capital program**, where the source of funding is identified and secured for both capital renewal and new capital works.
- Council must **maintain its asset base**, by renewing identified ageing infrastructure, and ensuring cash reserves are set aside for those works yet to be identified.

Councils' objectives for a sustainable council are:

- to maintain its existing service levels to residents.
- to ensure community assets are fit for purpose with a timely asset renewal program.
- to continually look for ways to structurally realign resources and/or increase income and efficiency opportunities.
- to achieve financial capacity to fund recurrent operations, asset renewals and unexpected events.

In conjunction with these principles and objectives, Council's LTFP is guided by several policies and strategies that are outlined below.

## 4.6 Rating income strategy

Rating income is generated by a levy on properties within the council area in order to provide local government services. Council continually reviews its rating structure to ensure it is fair, equitable, simple and efficient, where each rating category and property will contribute to the rate levy according to the demands placed on Council's limited resources.

With rate capping, almost all NSW councils will be faced with having to apply for a special rate variation at some point. Councils go through cycles of SRVs, largely for the reasons set out earlier in this paper.

There are two types of SRVs:

- a temporary SRV for a fixed amount over a fixed period of time
- a permanent SRV for a fixed amount over a fixed period that remains in the rate base.

When a temporary SRV expires, rates return to the original level at the conclusion of the approval period and are usually approved to fund specific one-off projects like infrastructure renewal or reducing the infrastructure backlog. Strathfield Council's financial challenges are more general, and a temporary SRV would not solve the problem.

Permanent SRVs can be for a single year or every year for an approved period.

Council must apply to IPART for approval to increase rates through an SRV. Before doing so, Council must demonstrate that it has engaged the community about the possibility of an SRV and consider its views. IPART will also seek community feedback.

Council has reviewed its rating structure and is proposing to introduce a minimum structure and include business subcategories for industrial areas and Strathfield CBD. The purpose of the revised structure is to ensure over the longer term that all rate categories pay a fair and equitable share of rates.

The minimum rate will be the same for all rating categories starting at $900 in 2023/24 and increasing to $1,200 by 2026/2027 as shown in the table below. The rate peg increase will not be applied during this transition period.

**Table 3 Proposed Minimum rates**

| Year | Minimum Rate |
|---|---|
| 2023-2024 | $900 |
| 2024-2025 | $1000 |
| 2025-2026 | $1100 |
| 2026-2027 | $1200 |

Council's proposed rates structure is:

- Ordinary residential rate
  - Minimum amount per separate residential parcel of land for 2023/24 being $900.
- Ordinary business general rate
  - Minimum amount per separate business parcel of land for 2023/24 being $900.
- Business Industrial South
  - Minimum amount per separate business parcel of land for 2023/24 being $900.
- Business Industrial North
  - Minimum amount per separate business parcel of land for 2023/24 being $900.
- Business Strathfield CDB
  - Minimum amount per separate business parcel of land for 2023/24 being $900.
- Stormwater Management Service Charge for residential and business is $25.00.

Council's rates base for the current year 2022/23 is $19.9m, comprised of:

- Residential rates with a yield of $14.0m.
- Business rates with a yield of $5.9m

In preparing this LTFP, Council has included two SRV options – a one year and four years as detailed in the following tables. Councils preferred option is the four year SRV and regardless of the option, the domestic waste transfer that represents a 20.3% SRV increase is included in the first year.

**Table 4 Proposed one year SRV option**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Compound |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 1: Single year SRV (excluding domestic waste transfer and rate peg) | 50.0% | n/a | n/a | n/a | 50.0% |
| Option 1: Single year SRV (total including domestic waste transfer and rate peg) | 74% | n/a | n/a | n/a | **74.0%** (88.3% if years 2-4 rate pegs are included) |

**Table 5 Proposed four year SRV option**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Compound |
|---|---|---|---|---|---|
| Forecast rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 12.2% |
| Domestic waste transfer | 20.3% | n/a | n/a | n/a | 20.3% |
| Option 2: Multi-year SRV (excluding domestic waste transfer and rate peg) | 10.0% | 5.0% | 15.0% | 15.0% | 52.7% |
| Option 2: Multi-year SRV (total including domestic waste transfer and rate peg) | 34.0% | 8.0% | 17.5% | 17.5% | **99.8%** |

In the first year of the proposed SRV's, Council intends to allocate all the DWM transfers, 20.3% to the residential rate category, and for Council's preferred four year option, 10% SRV to the business categories and subcategories. For years two to four, the proposed SRV will be distributed evenly across the rating categories.

The following tables summarise the rate increases under the one and four year options for the average ratepayer for each of the rating categories, based on the SRV allocation detailed immediately above. It should be noted that the periodic land re-valuation currently being undertaken by the Valuer General will not impact the overall value of rates Council may generate.

**Table 6 Proposed One Year SRV ratepayer impact**

| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Ave Increases |
|---|---|---|---|---|---|---|---|
| Average rates | Annual | 845 | 1,541 | 1,597 | 1,647 | 1,700 | 854 |
| Average rates | Annual increase | | 696 | 55 | 50 | 53 | 214 |
| Average rates | Weekly increase | | 13.35 | 1.06 | 0.96 | 1.01 | 4.10 |
| Add DWM charge | DWM | 795 | 550 | 550 | 550 | 550 | (245) |
| Average rates incl DWM | Annual | 1,640 | 2,091 | 2,147 | 2,197 | 2,250 | 609 |
| Average rates incl DWM | Annual increase | | 451 | 55 | 50 | 53 | 152 |
| Average rates incl DWM | Weekly increase | | 8.65 | 1.06 | 0.96 | 1.01 | 2.92 |
| **BUSINESS (ALL)** | | **Current 2022/23** | **Proposed 2023/24** | **Proposed 2024/25** | **Proposed 2025/26** | **Proposed 2026/27** | **Total/ Ave Increases** |
| Average rates | Annual | 4,116 | 6,359 | 6,550 | 6,713 | 6,881 | 2,765 |
| Average rates | Annual increase | | 2,243 | 191 | 164 | 168 | 691 |
| Average rates | Weekly increase | | 43.02 | 3.66 | 3.14 | 3.22 | 13.26 |

**Table 7 Proposed Four Year SRV ratepayer impact**

| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Ave Increases |
|---|---|---|---|---|---|---|---|
| Average rates | Annual Rates | 845 | 1,119 | 1,218 | 1,443 | 1,708 | 863 |
| | Annual increase | | 273 | 99 | 225 | 266 | 216 |
| | Weekly increase | | 5.24 | 1.90 | 4.31 | 5.10 | 4.14 |
| | | | | | | | |
| | Add DWM current charge | 795 | 550 | 550 | 550 | 550 | (245) |
| | | | | | | | |
| | Annual Rates (with DWM) | 1,640 | 1,669 | 1,768 | 1,993 | 2,258 | 618 |
| | Annual increase (with DWM) | | 28 | 99 | 225 | 266 | 155 |
| | Weekly increase (With DWM) | | 0.54 | 1.90 | 4.31 | 5.10 | 2.97 |
| | | | | | | | |
| Minimum rates (70% of Ratepayers) | Minimum rates | 584 | 900 | 1000 | 1100 | 1200 | 616 |
| | Annual increase | | 316 | 100 | 100 | 100 | 154 |
| | Weekly increase | | 6.08 | 1.92 | 1.92 | 1.92 | 2.96 |
| | | | | | | | |
| | Add DWM current charge | 795 | 550 | 550 | 550 | 550 | -245 |

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| RESIDENTIAL | | Current 2022/23 | Proposed 2023/24 | Proposed 2024/25 | Proposed 2025/26 | Proposed 2026/27 | Total/ Ave Increases |
|---|---|---|---|---|---|---|---|
| | Minimum Rates (with DWM) | 1379 | 1450 | 1550 | 1650 | 1750 | 371 |
| | Annual increase (with DWM) | | 71 | 100 | 100 | 100 | 93 |
| | Weekly increase (With DWM) | | 1.36 | 1.92 | 1.92 | 1.92 | 1.78 |
| **BUSINESS (ALL)** | | **Current 2022/23** | **Proposed 2023/24** | **Proposed 2024/25** | **Proposed 2025/26** | **Proposed 2026/27** | **Total/Ave Increases** |
| Average rates | Annual Rates | 4,116 | 5,683 | 6,138 | 7,212 | 8,474 | 4,358 |
| Average rates | Annual increase | | 1,567 | 455 | 1,074 | 1,262 | 1,090 |
| Average rates | Weekly increase | | 30.05 | 8.73 | 20.60 | 24.20 | 20.90 |
| **BUSINESS (INDUSTRIAL)** | | **Current 2022/23** | **Proposed 2023/24** | **Proposed 2024/25** | **Proposed 2025/26** | **Proposed 2026/27** | **Total/Ave Increases** |
| | Annual | 3,910 | 6,327.08 | 6,833.25 | 8,029.07 | 9,434.16 | 5,524.44 |
| | Annual increase | | 2,417.37 | 506.17 | 1,195.82 | 1,405.09 | 1,381.11 |
| | Weekly increase | | 46.36 | 9.71 | 22.93 | 26.95 | 26.49 |

## 4.7 Domestic Waste Management Charges

Council charges a Domestic Waste Management charge to owners of rateable properties. This covers the cost of general garbage, recycling and household clean-up and includes the full cost of administration, service provision, state government charges and tipping fees.

Council has reviewed the Domestic Waste Management (DWM) charges which are currently $795 per household. The annual domestic waste charge is included with the annual rates bill. Council intends to restructure the waste charge and transfer $4 million of the waste income into general revenue. This will not reduce waste services provided to the community. To transfer these funds, Council will need to vary rates by 20.3%; however, this will be offset for the majority of ratepayers by a reduction of $245 from the waste charge. The proposed waste charge for 2023/24, if approved, will be $550.

## 4.8 Investment principles

All council investment must comply with Council's Investment Policy objectives and strategies.

Council's policy objectives are:

- to ensure the security of Council funds by adopting appropriate credit risk and diversification limits
- to ensure that Council's investments comply with legislative guidelines
- to maximise earnings subject to those limits, Council's liquidity requirements and its investment time horizon.

Council's strategies in relation to its investments are:

- to meet Council's cash flow expectations
- to maximise the returns of Council's investments within Investment Policy constraints and otherwise acceptable risk tolerances
- to set medium/long term strategic asset allocations for the investment portfolio
- to identify the most appropriate funds/investments for the investment portfolio
- to be able to measure the performance of individual investment relative to appropriate benchmarks
- to improve reporting on Council's investments and their performance.

Council has control over the interest it earns on General Fund revenues and reserves, but developer contribution interest on investments must be used for the purpose to which the contribution relates. The interest Council earns on General Fund revenue is untied and forms part of Council's consolidated revenue for distribution across services that are not funded by restricted funds.

## 4.9 Loan borrowings

Council has no debt. In order to address the backlog issue, new borrowings of up to $42 million are proposed in the LTFP.

## 4.10 Cash reserves and restrictions

Council has a number of cash reserves that are either a legislative requirement (externally restricted) or were made through a Council decision (internally restricted).

Establishing cash reserves is a financial management strategy to provide funds for future expenditures that could not otherwise be financed during a single year without having a material impact on the budget. For example, local government elections occur every four years, so Council sets aside one quarter of the estimated cost of this activity each financial year.

The balance of cash reserves as at 30 June 2022 is $43,680,000 comprising:

- externally restricted reserves $22,582,000
- internally restricted reserves $17,374,000
- unrestricted cash $ 3,324,000

Council's external reserves are made up of unexpended loans, developer contributions, stormwater and domestic waste management.

Council's internal reserves are Plant and Vehicle replacement, employees leave entitlements, deposits, retentions and bonds, bus shelters, election, future major expenditure, park scape improvements, risk management, technology and Financial Assistance Grant – paid in advance.

## 4.11 Developer contributions

The Environmental Planning and Assessment Act (1979) enables Council to levy contributions for public amenities and services required because of development.

Council's adopted Developer Contributions Plan (section 7.11 and 7.12 Developer Contribution Plan) provides funds for council-wide application in the areas of:

- roads
- parking
- open space
- community facilities.

The Contributions Plan contains detailed schedules of works for which development contributions are required. The plan estimates projected future contributions of approximately $5.6 million over the 10 year life of the plans to fund new and upgraded facilities projects. A balance of $11.27 million is held, as at 30 June 2022.

### 4.12 Discretionary and regulatory fees and charges

Council can raise revenues by adopting a fee or charge for services or facilities. Fees and charges are reviewed on an annual basis in conjunction with the preparation of the annual budget.

The fees and charges which Council can charge can be split into two categories:

1. Regulatory fees – these fees are generally determined by state government legislation, and primarily relate to building, development or compliance activities. Council has no control over the calculation or any annual increases of these fees and charges.
2. Discretionary fees – Council has the capacity to determine the charge or fee for discretionary works or services such as the use of community facilities and access to community services.

### 4.13 Disposal of Council assets policy

All asset disposal is required to comply with the Disposal of Council Assets Policy. Prior to disposal, assessment needs to be made to ensure no other section of Council has a need for the asset and there is no legal requirement to maintain the asset. Items of historical or cultural significance should be retained and properly archived.

### 4.14 Asset management

Strathfield Council is the custodian of assets with a gross replacement value of $658.9 million and a depreciated value of approximately $144.5 million, as at 30 June 2022.

As custodian of these assets, Council is responsible for establishing and implementing optimal asset management strategies and practices in line with Council's Policy and Procedures, that enable the assets to be sustained and related levels of service acceptable to the community to be provided at the minimal Life Cycle Cost (LCC) whilst controlling exposure to risk and loss.

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Table 8 Asset values and annual depreciation as at 30 June 2022

| Asset Class | Current Gross Replacement Cost ($'000) | Net Replacement Costs $,000 | Annual Depreciation ($'000) |
|---|---|---|---|
| Buildings | 68,616 | 47,085 | 703 |
| Roads | 195,617 | 153,388 | 2822 |
| Bridges | 14,181 | 9760 | 129 |
| Footpaths | 45,615 | 36,161 | 568 |
| Bulk earthworks | 38,640 | 38,641 | 0 |
| Stormwater | 86,729 | 50,017 | 865 |
| Open space and recreation | 55,825 | 39,774 | 1839 |
| Non-infrastructure assets | 153,696 | 139,530 | 2842 |
| TOTAL | 658,9149 | 514,356 | 9,768 |

As part of Council's sustainability review, the asset management strategy was reviewed through the updating of its asset data for buildings, roads, bridges, footpaths and kerb and gutter. This review and analysis demonstrated that the asset condition has worsened since 2019, with the backlog ratio increasing from 0.25% to 4.21%. To address the increasing backlog issue, Council needs to spend more on renewing its assets. Council is planning to spend around $11.8m per year to reduce the backlog to 3.1% over the 10 year LTFP planning period and improve the safety and condition of the community's assets.

## 4.15 Workforce Plan

*Our One Team, One Council, Moving Forward* is Council's Workforce Management Plan. This supports Council's values and key directions and assists Council in achieving its community vision.

This LTFP caters for the proposed restructure with the additional workforce costs included. Currently, 7.2% of the workforce have been employed for 20 years or more, 76% of staff have been employed for less than five years. The average employee tenure is six years.

## 4.16 Long Term Financial Plan Assumptions

The long term financial model requires Council to identify all material items of revenue and expenditure and determine the external and internal influences that could significantly impact on Council's finances.

In preparing the LTFP, the following underpinning principles have been adopted:

- Population growth
- Increase in inflation
- Interest rate movements
- Revenue and expenditure
- Improvements – cost reductions, income increases, new resources and efficiency improvements.

### 4.16.1 Population forecasts

Population growth also has a significant influence on asset provision and long term financial sustainability. Profile ID forecast average population increase of 1% annually, with the population expected to increase from 45,930 in 20/21 to 48,649 in 2026/27.

### 4.16.2 Inflation

The annual inflation rate is 7.3%, above the market forecast of 7.0%. On a quarterly basis consumer prices went up 1.8% in 2022. Inflation should moderate to around 5.5% in the middle of 2023, before falling to 3.5% by the end of 2023. By the middle of 2024, inflation is forecast to "normalise" to 2.75%, which is inside the RBA's 2-3% target range.

The LTFP has modelled an inflation in accordance with the following table.

**Table 9 Inflation**

| Year | 2023-24 | 2024-25 | 2025-26 | 2026-27 onwards |
|---|---|---|---|---|
| CPI | 4.0% | 3.5% | 2.5% | 2.5% |

### 4.16.3 Interest rate movements

The current Reserve Bank of Australia (RBA) cash rate is **2.85%.**

Council has used an average of 2.8% as the investment interest rate over the life of this LTFP. Interest rates have been historically low, with an 0.8% interest rate assumption in 2022/23. However, as the RBA moves to keep inflation under control, interest rates are expected to rise. New debt has been modelled above current loan interest rates at 4% pa.

### 4.16.4 Revenue and expenditure assumptions

The following table outlines Council's planning assumptions by revenue and expenditure types. These assumptions have been reviewed by a lending authority to ensure reliability for capacity to repay new borrowings.

Note: The assumptions included in the following tables are those which could have a material impact on Council's finances.

**Table 10 Revenue and expenditure assumptions for all scenarios**

| Year | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 onwards |
|---|---|---|---|---|---|
| Rate peg | 3.7% | 3.0% | 2.5% | 2.5% | 2.5% |
| Annual charges | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Fees and charges | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |
| Employee benefits and costs | 4.0% | 3.75% | 3.5% | 3.0% | 2.5% |
| Materials and contracts | 4.0% | 3.5% | 2.5% | 2.5% | 2.5% |
| Other expenditure | 10.0%[1] | 4.00% | 3.05 | 2.5% | 2.5% |

### 4.16.5 Improvements

Council has completed an organisational service review to identify improvement opportunities that can guide Council with a productivity improvement plan and cost savings and/or increased income.

The organisational service review forms one of the key elements to support a special rate variation (SRV) application to be implemented in 2023.

This organisational service review and improvement plan focus on cost containment strategies and productivity improvements that have been utilised by Council in the past and present, as well as opportunities for improvement in the future.

Council has identified and implemented past improvements with an estimated annual benefit of $2.2 million, which have been included in Councils income and costs structures and LTFP. Some of these improvements were the closure of High Street library and Hudson Park golf course, upgrade to golf driving range, closure of aged care centre.

In addition, Council has identified further net benefits of $1.3 million annually to be implemented as part of the SRV process and included in this revised LTFP. The following improvements include:

- review of community bus service – potentially stop service
- domestic waste management charge review – how much is it contributing to financial sustainability of organisation
- driving range business plan to improve return
- reduce ICT infrastructure hosting costs by rationalising resources and decommissioning unused and old systems

[1] Allowance for significant increases in energy and insurance costs for 2023/24

- review of rates structure (base amount to minimums) and industrial subcategories
- undertake off-street parking review to increase income generation
- maximise revenue from property portfolio.

Potential future improvements have also been identified; however, these require further research, analysis and consideration by Council. Some examples of these are a procurement review, review salary system, non-core service review, evaluation of environmental levy. Council will also create a comprehensive service review program that will drive further productivity and efficiency gains.

# 5 Scenario 1 – Base Case Business as Usual

Council operates two separate businesses General Fund and Domestic Waste. The following scenario information for 1 and 2 relate to General Fund operations.

## 5.1 Introduction

The base case scenario or business as usual outlines what would happen if Council did nothing apart from implement the Improvement Plan benefits, transfer Domestic Waste Management funds, rate category restructure and apply the revised annual renewal spend. The outcome means Council would have:

- An average operating deficit for 10 year forecast period is estimated at $12.4 million pa
- Insufficient money to maintain current service levels
- Inadequate funding for infrastructure renewal
- An underfunding for expected growth and expanded services
- Depleted general fund cash by 2027.

This scenario results in the need to reduce service delivery and will lead to an overall deterioration of the average asset portfolio, and forecasts consolidate operating deficits to 2033.

## 5.2 Components included in scenario

Under this scenario the following actions will be taken:

- Apply to the Independent Pricing and Regulatory Tribunal for:
  - a permanent continuing rate increase a one year 20.3% (Domestic waste transfer) above the rate peg or 24% including rate peg; and
  - replace Council's Base Rate structure with a Minimum Rates structure. The minimum rate of $1,200 would be introduced incrementally over a four year period.
- Implement the recommendations from Council's Organisation Service Review and Improvement Program. These improvements will reduce the size of the funding shortfall with the initial net benefit of some $1.3 million in 2023/24 increasing to an estimated $2.5 million over the 10 year forecast period.
- Improve the equity of the current rating structure through the following actions:
  - Transfer $4 million of Council's Domestic Waste Management (DWM) revenue into general revenue.

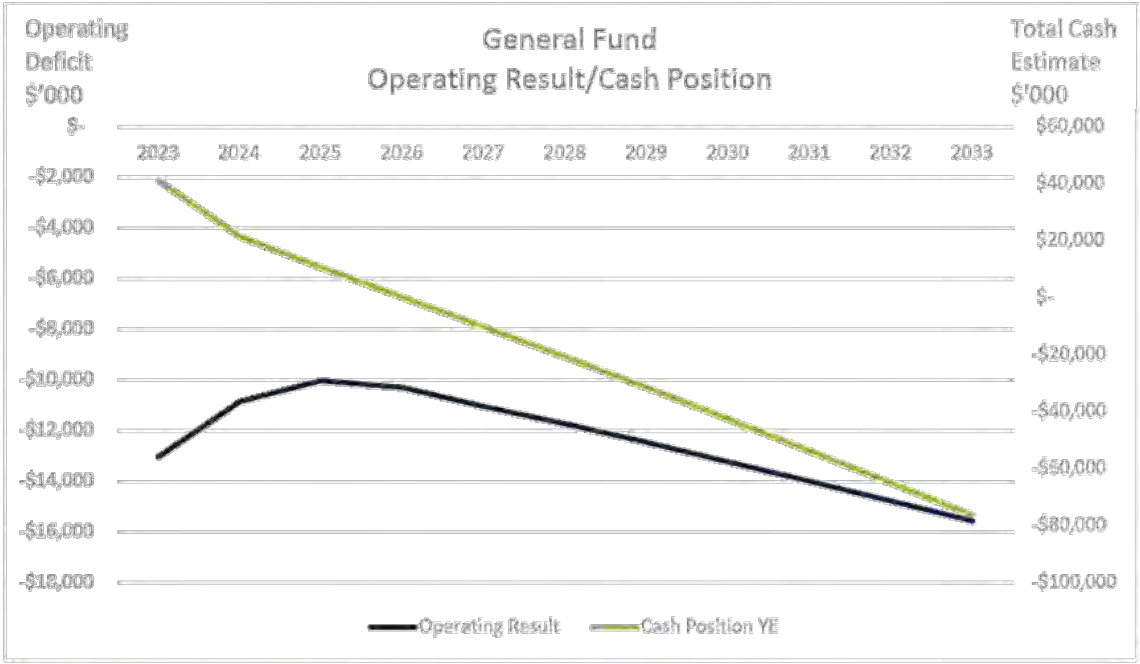
- Introduce business rate subcategories for industrial areas and the Strathfield CBD.

- Improve the safety and condition of Council assets through the allocation of $11.8 million per year.

## 5.3 Sustainability assessment

This scenario is not financially sustainable and not recommended.

The following graph illustrates that the estimated operating deficit for 2032/33 is $15.6 million with Council running out of cash in 2027.




## 5.4 Sensitivity analysis

The LTFP contains several assumptions based on various sources such as population growth, inflation and wage markets. Variations in these assumptions during the life of the plan may have a significant impact on Council's future financial plans. The assumptions in the Base Case scenario have been tested for sensitivity to both favourable and unfavourable fluctuations in revenues and expenditure, with particular reference to rates income and employee costs.

A 1% increase in total operating costs is $490,000 and this represents an increase in rates income of 2.3%.

# 6 Scenario 2 – Long Term Sustainability

## 6.1 Introduction

This scenario requires a combination of improvement savings identified in Council's Improvement Program, the transfer of Council's Domestic Waste Management (DWM) income to the General Fund and an application for a special rate variation to enable Council to deliver current services and improve assets to the community, while becoming financially sustainable over the longer term. This scenario will also enable Council to address its ongoing core deficits in the General Fund and its cash position, ensuring Council is more resilient and responsive to shocks and unexpected events in the future.

## 6.2 Components included in this scenario

Under this scenario the following actions will need to be taken:

- Apply to the Independent Pricing and Regulatory Tribunal for:
  - a permanent continuing rate increase over four years of 99.8%, including the rate peg; and
  - replace Council's Base Rate structure with a Minimum Rates structure. The minimum rate of $1,200 would be introduced incrementally over a four year period.
- Implement the recommendations from Council's Organisation Service Review and Improvement Program. These improvements will reduce the size of the funding shortfall, with the initial net benefit of some $1.3 million in 2023/24 increasing to an estimated $2.5 million over the 10 year forecast period.
- Improve the equity of the current rating structure through the following actions:
  - Transfer $4 million of Council's Domestic Waste Management (DWM) revenue into general revenue.
  - Introduce business rate subcategories for industrial areas and the Strathfield CBD.
- Improve the safety and condition of Council assets through the allocation of $11.8 million per year into the renewal and asset maintenance plan.
- Borrow up to $42 million to fund an element of the backlog issue to improve the condition of assets and maintain a positive unrestricted cash position for the life of the LTFP.

## 6.3 Sustainability assessment

Council can deliver consolidated surpluses with a special rate variation and address the core deficits in the General Fund, which finances all services and infrastructure except for domestic waste operations. Without the rate increase, there will be a need to generate savings through service rationalisation to create a fully funded operating position, enabling an appropriate level of fully funded asset renewal expenditure.

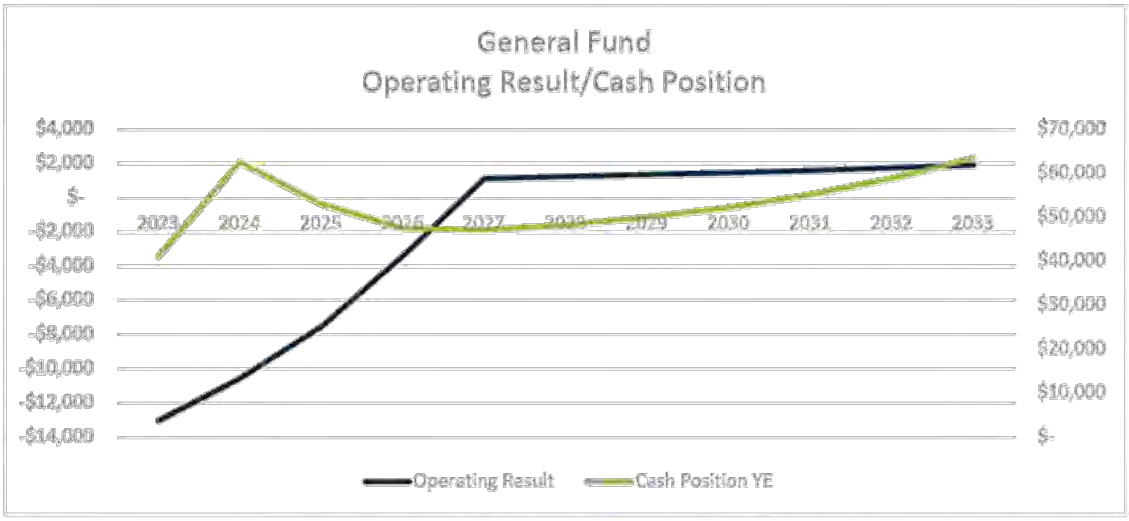
The special rate variation will ensure Council's ongoing financial sustainability with surpluses in the General Fund estimated from 2026/27.

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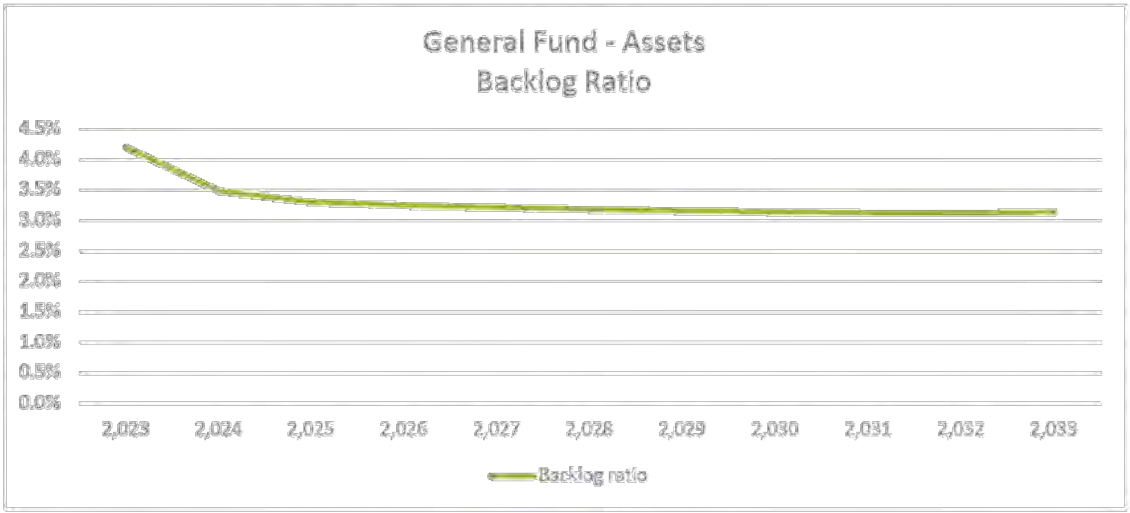
The impact of implementing Council's preferred four year SRV option, while addressing the rate structure equity issue, will enable Council to meet the following objectives:

- Maintain and improve council assets
- Achieve sufficient cash reserves
- Achieve a fully funded operating position
- Secure continued service delivery.

This is illustrated in the following graph where Council estimates operating surpluses and a positive sound cash position:




The annual investment of $11.8 million in the asset renewal program has a positive impact on the backlog log ratio as detailed in the following graph:



A key outcome of this financial strategy is to improve Council's financial sustainability, address the backlog issue, improve productivity, efficiency and introduce a more equitable rating structure.

### 6.4 Sensitivity analysis

There may be a number of risks associated with any long term financial planning predictions. Risk can be minimised by regular review of LTFP assumptions, incorporation of risk assessment in all Major Project reviews, and modelling of scenarios.

The following is a range of identified external risks that may also impact on the LTFP should they eventuate as they could result in a significant change in operating revenue or expenditure and the need to review service levels:

- Budget reductions in state and federal governments may impact future funding provisions of grants and contributions.
- Continued increased cost-shifting from other levels of government may adversely impact current expenditure levels of Council.
- Climate change and its effect on council assets (roads, drainage, footpaths).
- Global issues impacting cost and supply of materials.

## 7 Long-term financial sustainability

### 7.1 Conclusion

Council has begun the process to prepare two Special Rate Variation (SRV) applications to the Independent Pricing and Regulatory Tribunal (IPART) for discussion with the community. Both applications are proposed to come into effect from 1 July 2023.

**The first application** seeks to increase Council's rates income with a special variation.

Council is proposing two options for an SRV, either a one-off increase or increases over four years for community consultation. The SRV will apply to all rate categories and will generate income to address funding gaps, renew assets and maintain services. The SRV would be supported by a loan program to raise funds to commence asset backlog work.

**The second application** seeks to replace Council's Base Rate structure with a Minimum Rates structure. The second application to IPART is for a minimum rate structure that will allow the council to transition to a more equitable rates structure over the medium term.

Having considered a number of options, Council's preferred option is the four year option. Regardless of the option, the domestic waste transfer that represents a 20.3% SRV increase is included in the first year.

Council seeks to introduce these changes from 1 July 2023.

## 8 Financial Statements

Following are the 10 year financial forecasts for each scenario with regard to Councils consolidated and General Fund positions. This includes the Income and Cashflows Statements.

## 8.1 Scenario one - Base Case

Following are the income statements, balance sheets and cash flow statements for Council's consolidated position and general fund position for this scenario.

### 8.1.1 Consolidated Position

**Income Statement**

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Year Type | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| Rates & Charges | $19,683 | $20,804 | $26,074 | $27,185 | $28,344 | $29,365 | $30,443 | $31,456 | $32,511 | $33,551 | $34,603 |
| Special Rates | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Ordinary Rate SRV | $0 | $3,996 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Annual Charges | $13,804 | $14,492 | $15,236 | $15,963 | $16,725 | $17,412 | $18,139 | $18,834 | $19,561 | $20,285 | $21,023 |
| TOTAL RATES & ANNUAL CHARGES | $33,487 | $39,292 | $41,310 | $43,148 | $45,068 | $46,777 | $48,582 | $50,291 | $52,072 | $53,837 | $55,626 |
| User Charges and fees | $5,040 | $5,216 | $5,399 | $5,588 | $5,784 | $5,986 | $6,195 | $6,412 | $6,637 | $6,869 | $7,109 |
| Other revenues | $2,970 | $3,089 | $3,197 | $3,277 | $3,359 | $3,443 | $3,529 | $3,617 | $3,707 | $3,800 | $3,895 |
| Interest and Investment Income | $441 | $979 | $754 | $510 | $338 | $76 | -$177 | -$426 | -$675 | -$916 | -$1,149 |
| Other Income | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Revenue | $0 | -$3,108 | -$2,075 | -$2,129 | -$2,184 | -$2,239 | -$2,297 | -$2,355 | -$2,415 | -$2,477 | -$2,540 |
| TOTAL OWN SOURCE REVENUE | $41,938 | $45,469 | $48,585 | $50,394 | $52,365 | $54,043 | $55,832 | $57,539 | $59,326 | $61,113 | $62,942 |
| Grants & Contributions - Operating Purposes | $2,376 | $2,424 | $2,472 | $2,521 | $2,572 | $2,623 | $2,676 | $2,729 | $2,784 | $2,840 | $2,896 |
| Grants & Contributions for Capital Purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Income from Joint Ventures | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Gains from disposal assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Income excl Gains on Asset Disposal | $72,070 | $66,845 | $70,010 | $56,887 | $58,909 | $60,638 | $62,480 | $64,240 | $66,082 | $67,925 | $69,810 |
| TOTAL OPERATING INCOME (Excl. Capital) | $44,314 | $47,892 | $51,057 | $52,915 | $54,937 | $56,666 | $58,508 | $60,268 | $62,110 | $63,953 | $65,838 |
| Employee Benefits | $23,128 | $24,053 | $24,955 | $25,829 | $26,603 | $27,401 | $28,087 | $28,789 | $29,508 | $30,246 | $31,002 |
| Materials and Contracts | $18,965 | $19,993 | $20,999 | $21,789 | $22,610 | $23,356 | $24,139 | $24,888 | $25,665 | $26,438 | $27,222 |
| Borrowing Costs | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Depreciation & Amortisation | $10,334 | $11,528 | $12,649 | $13,360 | $14,073 | $14,786 | $15,502 | $16,221 | $16,941 | $17,662 | $18,383 |
| Other Expenses | $2 | $2 | $2 | $2 | $2 | $2 | $2 | $2 | $2 | $3 | $3 |
| Losses on disposal of assets | $300 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Internal Charges | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Expenses | $0 | $2,227 | $1,196 | $594 | $604 | $421 | $432 | $443 | $454 | $465 | $477 |
| TOTAL EXPENSES FROM CONTINUING OPERATIONS | $52,729 | $57,804 | $59,801 | $61,573 | $63,892 | $65,968 | $68,161 | $70,343 | $72,571 | $74,814 | $77,086 |
| OPERATING RESULT (Excl. Capital) | -$8,415 | -$9,911 | -$8,743 | -$8,658 | -$8,955 | -$9,302 | -$9,653 | -$10,075 | -$10,461 | -$10,861 | -$11,248 |
| OPERATING RESULT (Excl. Capital and Asset Sales) | -$8,115 | -$9,911 | -$8,743 | -$8,658 | -$8,955 | -$9,302 | -$9,653 | -$10,075 | -$10,461 | -$10,861 | -$11,248 |
| OPERATING RESULT (Incl. Capital) | $19,341 | $9,041 | $10,209 | -$4,686 | -$4,983 | -$5,330 | -$5,681 | -$6,103 | -$6,489 | -$6,889 | -$7,276 |

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Balance Sheet

## Balance Sheet

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash & Cash Equivalents | $11,973 | -$6,838 | -$18,607 | -$25,724 | -$34,459 | -$42,915 | -$51,202 | -$59,486 | -$67,526 | -$75,311 | -$82,724 |
| Investments - Current | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 |
| Receivables - Current | $3,719 | $4,667 | $4,794 | $5,077 | $5,280 | $5,452 | $5,671 | $5,855 | $6,049 | $6,247 | $6,442 |
| Right of Use and Contract Assets - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Current | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 |
| Other Current Assets | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 |
| Current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL CURRENT ASSETS** | **$53,197** | **$35,338** | **$25,695** | **$16,857** | **$8,325** | **$41** | **-$8,027** | **-$16,127** | **-$23,973** | **-$31,560** | **-$38,778** |
| Investments - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Infrastructure Property & Equip | $529,041 | $555,942 | $575,794 | $579,947 | $583,495 | $586,449 | $588,836 | $590,834 | $592,191 | $592,889 | $592,830 |
| Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investments (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Receivables - Non-Current | $2 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Right of Use and Contract Assets - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital Works in Progress | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Other Non-Current Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Non-current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL NON-CURRENT ASSETS** | **$529,042** | **$555,942** | **$575,794** | **$579,947** | **$583,495** | **$586,449** | **$588,836** | **$590,834** | **$592,191** | **$592,889** | **$592,830** |
| **TOTAL ASSETS** | **$582,239** | **$591,280** | **$601,490** | **$596,803** | **$591,820** | **$586,490** | **$580,810** | **$574,707** | **$568,218** | **$561,329** | **$554,052** |
| Payables - Current | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 |
| Contract Liabilities - Current | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 |
| Lease Liabilities - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Income Received in Advance | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 |
| Borrowings - current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Current | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 |
| **TOTAL CURRENT LIABILITIES** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** |
| Payables - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Contract Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Lease Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Borrowings - Non current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Non-Current | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 |
| **TOTAL NON-CURRENT LIABILITIES** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** |

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## Balance Sheet (continued)

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| TOTAL LIABILITIES | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 |
| NET ASSETS | $553,472 | $562,513 | $572,723 | $568,036 | $563,053 | $557,723 | $552,043 | $545,940 | $539,451 | $532,562 | $525,285 |
| Accumulated Surplus | $213,551 | $232,892 | $241,933 | $252,143 | $247,456 | $242,473 | $237,143 | $231,463 | $225,360 | $218,871 | $211,982 |
| Revaluation Reserves | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 |
| Other Reserves | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Council Interest Opening Balance** | **$534,131** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** |
| Non-Controlling Equity Interest | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL EQUITY OPENING BALANCE** | **$534,131** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** |
| Changes in Accounting Standards | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Correction of Prior Period Balance | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Restated Opening Balance** | **$534,131** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** |
| Net Operating Result for the Year | $19,341 | $9,041 | $10,209 | -$4,686 | -$4,983 | -$5,330 | -$5,681 | -$6,103 | -$6,489 | -$6,889 | -$7,276 |
| Gain / (Loss) on Reval of PP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Fair Value Movement on Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Other Total Comprehensive Income** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** |
| **Total Comprehensive Income** | **$19,341** | **$9,041** | **$10,209** | **-$4,686** | **-$4,983** | **-$5,330** | **-$5,681** | **-$6,103** | **-$6,489** | **-$6,889** | **-$7,276** |
| Transfers between Equity Items | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| TOTAL EQUITY CLOSING BALANCE | $553,472 | $562,513 | $572,723 | $568,036 | $563,053 | $557,723 | $552,043 | $545,940 | $539,451 | $532,562 | $525,285 |

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Cashflow Statement

## Cashflow Statement

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Own Source Revenue | $42,575 | $44,523 | $48,459 | $50,110 | $52,162 | $53,871 | $55,614 | $57,355 | $59,132 | $60,915 | $62,747 |
| Grants and Contributions | $2,376 | $2,424 | $2,472 | $2,521 | $2,572 | $2,623 | $2,676 | $2,729 | $2,784 | $2,840 | $2,896 |
| Other Income from Continuing Operations | $0 | -$0 | -$0 | $0 | -$0 | $0 | -$0 | -$0 | -$0 | -$0 | $0 |
| Employee Benefits | $23,128 | $24,053 | $24,955 | $25,829 | $26,603 | $27,401 | $28,087 | $28,789 | $29,508 | $30,246 | $31,002 |
| Materials and Contracts | $18,965 | $19,993 | $20,999 | $21,789 | $22,610 | $23,356 | $24,139 | $24,888 | $25,665 | $26,438 | $27,222 |
| Other Expenses from Continuing Operations | $302 | $2,229 | $1,198 | $596 | $608 | $424 | $434 | $445 | $456 | $468 | $479 |
| **CASHFLOW FROM OPERATIONS** | **$2,556** | **$671** | **$3,779** | **$4,419** | **$4,914** | **$5,313** | **$5,630** | **$5,963** | **$6,286** | **$6,603** | **$6,940** |
| Sale of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Securities (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of IPP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Real Estate Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Securities (equity method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of IPP&E | $25,018 | $38,430 | $32,501 | $17,512 | $17,621 | $17,740 | $17,888 | $18,219 | $18,298 | $18,360 | $18,325 |
| Purchase of Real Estate / Other | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| (Purchase) / Sale of CWIP | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM INVESTING** | **-$25,018** | **-$38,430** | **-$32,501** | **-$17,512** | **-$17,621** | **-$17,740** | **-$17,888** | **-$18,219** | **-$18,298** | **-$18,360** | **-$18,325** |
| Proceeds from Grants and Contributions - Capital purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Proceeds from Borrowings | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Loan repayments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Internal dividends paid | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM FINANCING** | **$27,756** | **$18,952** | **$18,952** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** |
| Opening Cash | $43,680 | $48,973 | $30,167 | $20,398 | $11,276 | $2,541 | -$5,915 | -$14,202 | -$22,486 | -$30,526 | -$38,311 |
| Change in Cash | $5,293 | -$18,806 | -$9,769 | -$9,122 | -$8,735 | -$8,456 | -$8,286 | -$8,285 | -$8,040 | -$7,785 | -$7,413 |
| **CLOSING CASH** | **$48,973** | **$30,167** | **$20,398** | **$11,276** | **$2,541** | **-$5,915** | **-$14,202** | **-$22,486** | **-$30,526** | **-$38,311** | **-$45,724** |
| TOTAL CASH AND LIQUID INVESTMENTS | $48,973 | $30,167 | $20,398 | $11,276 | $2,541 | -$5,915 | -$14,202 | -$22,486 | -$30,526 | -$38,311 | -$45,724 |
| Transfers to Reserves | $32,464 | $20,447 | $20,933 | $6,327 | $6,945 | $7,308 | $7,716 | $8,095 | $8,487 | $8,895 | $9,299 |
| Transfers from Reserves | $21,815 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Internally Restricted Cash | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 |
| Externally Restricted Cash | $35,127 | $36,622 | $38,602 | $40,957 | $43,931 | $47,266 | $51,011 | $54,506 | $59,021 | $63,298 | $67,978 |
| **Unrestricted Cash** | **-$3,559** | **-$23,860** | **-$35,610** | **-$47,086** | **-$58,795** | **-$70,586** | **-$82,617** | **-$94,398** | **-$106,953** | **-$119,014** | **-$131,107** |

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### 8.1.2 General Fund Position

**Income Statement**

## FINANCIAL STATEMENTS - Base case

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Year Type | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| Entity | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund |
| Entity Abv | GF | GF | GF | GF | GF | GF | GF | GF | GF | GF | GF |
| Rates & Charges | $19,683 | $20,804 | $26,074 | $27,185 | $28,344 | $29,365 | $30,443 | $31,456 | $32,511 | $33,551 | $34,603 |
| Special Rates | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Ordinary Rate SRV | $0 | $3,996 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Annual Charges | $494 | $519 | $545 | $571 | $599 | $623 | $649 | $674 | $700 | $726 | $752 |
| **TOTAL RATES & ANNUAL CHARGES** | **$20,177** | **$25,318** | **$26,619** | **$27,756** | **$28,942** | **$29,988** | **$31,092** | **$32,130** | **$33,211** | **$34,277** | **$35,355** |
| User Charges and fees | $5,035 | $5,211 | $5,394 | $5,582 | $5,778 | $5,980 | $6,189 | $6,406 | $6,630 | $6,862 | $7,102 |
| Other revenues | $2,718 | $2,827 | $2,926 | $2,999 | $3,074 | $3,151 | $3,229 | $3,310 | $3,393 | $3,478 | $3,565 |
| Interest and Investment Income | $417 | $823 | $535 | $259 | -$12 | -$337 | -$664 | -$997 | -$1,340 | -$1,688 | -$2,039 |
| Other Income | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Revenue | $0 | $1,008 | $2,165 | $2,238 | $2,314 | $2,393 | $2,475 | $2,559 | $2,647 | $2,737 | $2,831 |
| **TOTAL OWN SOURCE REVENUE** | **$28,347** | **$35,188** | **$37,638** | **$38,834** | **$40,095** | **$41,175** | **$42,322** | **$43,409** | **$44,540** | **$45,667** | **$46,814** |
| Grants & Contributions - Operating Purposes | $2,302 | $2,348 | $2,395 | $2,443 | $2,492 | $2,542 | $2,592 | $2,644 | $2,697 | $2,751 | $2,806 |
| Grants & Contributions for Capital Purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Income from Joint Ventures | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Gains from disposal assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Income excl Gains on Asset Disposal** | **$58,405** | **$56,488** | **$58,986** | **$45,249** | **$46,559** | **$47,688** | **$48,886** | **$50,025** | **$51,210** | **$52,390** | **$53,592** |
| **TOTAL OPERATING INCOME (Excl. Capital)** | **$30,649** | **$37,536** | **$40,033** | **$41,277** | **$42,587** | **$43,716** | **$44,914** | **$46,053** | **$47,238** | **$48,418** | **$49,620** |
| Employee Benefits | $21,858 | $22,732 | $23,585 | $24,410 | $25,143 | $25,897 | $26,544 | $27,208 | $27,888 | $28,585 | $29,300 |
| Materials and Contracts | $13,446 | $14,253 | $15,058 | $15,700 | $16,369 | $16,959 | $17,581 | $18,166 | $18,776 | $19,376 | $19,984 |
| Borrowing Costs | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Depreciation & Amortisation | $10,334 | $11,528 | $12,649 | $13,360 | $14,073 | $14,786 | $15,502 | $16,221 | $16,941 | $17,662 | $18,383 |
| Other Expenses | -$2,255 | -$2,345 | -$2,427 | -$2,488 | -$2,550 | -$2,614 | -$2,679 | -$2,746 | -$2,815 | -$2,885 | -$2,957 |
| Losses on disposal of assets | $300 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Internal Charges | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Expenses | $0 | $2,227 | $1,196 | $594 | $604 | $421 | $432 | $443 | $454 | $465 | $477 |
| **TOTAL EXPENSES FROM CONTINUING OPERATIONS** | **$43,683** | **$48,396** | **$50,060** | **$51,576** | **$53,638** | **$55,449** | **$57,380** | **$59,292** | **$61,244** | **$63,204** | **$65,186** |
| **OPERATING RESULT (Excl. Capital)** | **-$13,034** | **-$10,860** | **-$10,027** | **-$10,299** | **-$11,051** | **-$11,733** | **-$12,466** | **-$13,239** | **-$14,006** | **-$14,786** | **-$15,566** |
| **OPERATING RESULT (Excl. Capital and Asset Sales)** | **-$12,734** | **-$10,860** | **-$10,027** | **-$10,299** | **-$11,051** | **-$11,733** | **-$12,466** | **-$13,239** | **-$14,006** | **-$14,786** | **-$15,566** |
| **OPERATING RESULT (Incl. Capital)** | **$14,722** | **$8,093** | **$8,925** | **$6,327** | **-$7,079** | **-$7,761** | **-$8,493** | **-$9,267** | **-$10,034** | **-$10,814** | **-$11,594** |
| Income from Non-Controlling Interests | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

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Balance Sheet

## Balance Sheet

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Year Type | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| Cash & Cash Equivalents | $4,158 | -$15,596 | -$26,650 | -$37,413 | -$48,243 | -$59,130 | -$70,129 | -$81,678 | -$91,263 | -$104,973 | -$116,703 |
| Investments - Current | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 |
| Receivables - Current | $3,719 | $4,667 | $4,794 | $5,077 | $5,280 | $5,452 | $5,671 | $5,855 | $6,049 | $6,247 | $6,442 |
| Right of Use and Contract Assets - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Current | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 |
| Other Current Assets | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 |
| Current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL CURRENT ASSETS** | **45,382** | **26,575** | **15,648** | **5,168** | **-5,459** | **-16,174** | **-27,054** | **-38,319** | **-49,710** | **-61,222** | **-72,758** |
| Receivable Collection Days | $67 | $66 | $67 | $67 | $66 | $67 | $67 | $66 | $67 | $67 | $67 |
| Investments - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Infrastructure Property & Equip | $529,041 | $555,942 | $575,794 | $579,947 | $583,495 | $586,449 | $588,836 | $590,834 | $592,191 | $592,889 | $592,830 |
| Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investments (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Receivables - Non-Current | $2 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Right of Use and Contract Assets - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital Works in Progress | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investment Property | - | - | - | - | - | - | - | - | - | - | - |
| Other Non-Current Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Non-current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL NON-CURRENT ASSETS** | **$529,042** | **$555,942** | **$575,794** | **$579,947** | **$583,495** | **$586,449** | **$588,836** | **$590,834** | **$592,191** | **$592,889** | **$592,830** |
| **Inventory Days** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** |
| TOTAL ASSETS | $574,424 | $582,517 | $591,442 | $585,115 | $578,036 | $570,275 | $561,782 | $552,515 | $542,481 | $531,667 | $520,073 |
| Payables - Current | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 |
| Contract Liabilities - Current | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 |
| Lease Liabilities - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Income Received in Advance | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 |
| Borrowings - current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Current | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 |
| **TOTAL CURRENT LIABILITIES** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** |
| **Payables Days** | **$413** | **$572** | **$530** | **$505** | **$536** | **$524** | **$521** | **$527** | **$524** | **$524** | **$525** |
| Payables - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Contract Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Lease Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Borrowings - Non-current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Non-Current | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 |
| **TOTAL NON-CURRENT LIABILITIES** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** |
| TOTAL LIABILITIES | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 |
| NET ASSETS | $545,657 | $553,750 | $562,675 | $556,348 | $549,269 | $541,508 | $533,015 | $523,748 | $513,714 | $502,900 | $491,306 |

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## Balance Sheet (continued)

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Accumulated Surplus | $210,355 | $225,077 | $233,170 | $242,095 | $235,768 | $228,689 | $220,928 | $212,435 | $203,168 | $193,134 | $182,320 |
| Revaluation Reserves | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 |
| Other Reserves | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Council Interest Opening Balance** | **$530,935** | **$545,657** | **$553,750** | **$562,675** | **$556,348** | **$549,269** | **$541,508** | **$533,015** | **$523,748** | **$513,714** | **$502,900** |
| Non-Controlling Equity Interest | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL EQUITY OPENING BALANCE** | **$530,935** | **$545,657** | **$553,750** | **$562,675** | **$556,348** | **$549,269** | **$541,508** | **$533,015** | **$523,748** | **$513,714** | **$502,900** |
| Changes in Accounting Standards | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Correction of Prior Period Balance | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Restated Opening Balance** | **$530,935** | **$545,657** | **$553,750** | **$562,675** | **$556,348** | **$549,269** | **$541,508** | **$533,015** | **$523,748** | **$513,714** | **$502,900** |
| Net Operating Result for the Year | $14,722 | $8,093 | $8,925 | -$6,327 | -$7,079 | -$7,761 | -$8,494 | -$9,267 | -$10,034 | -$10,814 | -$11,594 |
| Gain / (Loss) on Reval of PP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Fair Value Movement on Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Other Total Comprehensive Income | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Total Comprehensive Income** | **$14,722** | **$8,093** | **$8,925** | **-$6,327** | **-$7,079** | **-$7,761** | **-$8,494** | **-$9,267** | **-$10,034** | **-$10,814** | **-$11,594** |
| Transfers between Equity Items | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL EQUITY CLOSING BALANCE** | **$545,657** | **$553,750** | **$562,675** | **$556,348** | **$549,269** | **$541,508** | **$533,015** | **$523,748** | **$513,714** | **$502,900** | **$491,306** |

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Cashflow

## Cashflow Statement

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Own Source Revenue | $28,984 | $34,242 | $37,512 | $38,550 | $39,892 | $41,003 | $42,103 | $43,225 | $44,346 | $45,459 | $46,619 |
| Grants and Contributions | $2,302 | $2,348 | $2,395 | $2,443 | $2,492 | $2,542 | $2,592 | $2,644 | $2,697 | $2,751 | $2,806 |
| Other Income from Continuing Operations | $0 | -$0 | -$0 | $0 | -$0 | $0 | $0 | -$0 | -$0 | -$0 | $0 |
| Employee Benefits | $21,858 | $22,732 | $23,585 | $24,410 | $25,143 | $25,897 | $26,544 | $27,208 | $27,888 | $28,585 | $29,300 |
| Materials and Contracts | $13,446 | $14,253 | $15,058 | $15,700 | $16,369 | $16,959 | $17,581 | $18,166 | $18,776 | $19,376 | $19,984 |
| Other Expenses from Continuing Operations | -$1,955 | -$118 | -$1,232 | -$1,894 | -$1,946 | -$2,193 | -$2,247 | -$2,304 | -$2,361 | -$2,420 | -$2,481 |
| **CASHFLOW FROM OPERATIONS** | **-$2,063** | **-$277** | **$2,496** | **$2,778** | **$2,819** | **$2,881** | **$2,817** | **$2,799** | **$2,741** | **$2,678** | **$2,622** |
| Sale of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Securities (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of IPP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Real Estate Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Securities (equity method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of IPP&E | $25,018 | $38,430 | $32,501 | $17,512 | $17,621 | $17,740 | $17,888 | $18,219 | $18,298 | $18,360 | $18,325 |
| Purchase of Real Estate / Other | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| (Purchase) / Sale of CWIP | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM INVESTING** | **-$25,018** | **-$38,430** | **-$32,501** | **-$17,512** | **-$17,621** | **-$17,740** | **-$17,888** | **-$18,219** | **-$18,298** | **-$18,360** | **-$18,325** |
| Proceeds from Grants and Contributions - Capital purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Proceeds from Borrowings | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Loan repayments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Internal dividends paid | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM FINANCING** | **$27,756** | **$18,952** | **$18,952** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** | **$3,972** |
| Opening Cash | $40,484 | $41,158 | $21,404 | $10,350 | -$413 | -$11,243 | -$22,130 | -$33,229 | -$44,678 | -$56,263 | -$67,973 |
| Change in Cash | $674 | -$19,755 | -$11,053 | -$10,763 | -$10,830 | -$10,887 | -$11,099 | -$11,448 | -$11,586 | -$11,709 | -$11,730 |
| **CLOSING CASH** | **$41,158** | **$21,404** | **$10,350** | **-$413** | **-$11,243** | **-$22,130** | **-$33,229** | **-$44,678** | **-$56,263** | **-$67,973** | **-$79,703** |
| TOTAL CASH AND LIQUID INVESTMENTS | $41,158 | $21,404 | $10,350 | -$413 | -$11,243 | -$22,130 | -$33,229 | -$44,678 | -$56,263 | -$67,973 | -$79,703 |
| Transfers to Reserves | $27,845 | $19,499 | $19,649 | $4,686 | $4,850 | $4,876 | $4,904 | $4,931 | $4,941 | $4,971 | $4,981 |
| Transfers from Reserves | $21,815 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Internally Restricted Cash | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 |
| Externally Restricted Cash | $27,312 | $27,859 | $28,555 | $29,269 | $30,147 | $31,051 | $31,983 | $32,315 | $33,284 | $33,636 | 33999.0151 |
| **Unrestricted Cash** | **-$3,559** | **-$23,860** | **-$35,610** | **-$47,086** | **-$58,795** | **-$70,586** | **-$82,617** | **-$94,398** | **-$106,953** | **-$119,014** | **-$131,107** |

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## 8.2 Scenario two – Long Term Sustainability

Following are the income statements, balance sheets and cash flow statements for Council's consolidated position and general fund position for this scenario.

### 8.2.1 Consolidated Position

Income Statement

**CONSOLIDATED FINANCIAL STATEMENTS - Scenario 2 Long Term Sustainability**

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Year Type | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| Rates & Charges | $19,683 | $20,804 | $28,143 | $30,427 | $36,125 | $42,156 | $43,703 | $45,158 | $46,672 | $48,166 | $49,675 |
| Special Rates | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Ordinary Rate SRV | $0 | $5,964 | $1,040 | $4,221 | $4,564 | $0 | $0 | $0 | $0 | $0 | $0 |
| Annual Charges | $13,804 | $14,492 | $15,236 | $15,983 | $16,725 | $17,412 | $18,139 | $18,834 | $19,561 | $20,285 | $21,023 |
| **TOTAL RATES & ANNUAL CHARGES** | **$33,487** | **$41,260** | **$44,420** | **$50,612** | **$57,414** | **$59,568** | **$61,843** | **$63,992** | **$66,233** | **$68,451** | **$70,698** |
| User Charges and fees | $5,040 | $5,216 | $5,399 | $5,588 | $5,784 | $5,986 | $6,195 | $6,412 | $6,637 | $6,869 | $7,109 |
| Other revenues | $2,970 | $3,089 | $3,197 | $3,277 | $3,359 | $3,443 | $3,529 | $3,617 | $3,707 | $3,800 | $3,895 |
| Interest and Investment Income | $441 | $979 | $1,784 | $1,577 | $1,778 | $1,830 | $1,937 | $2,075 | $2,237 | $2,432 | $2,662 |
| Other Income | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Revenue | $0 | -$3,108 | -$2,075 | -$2,129 | -$2,184 | -$2,239 | -$2,297 | -$2,355 | -$2,415 | -$2,477 | -$2,540 |
| **TOTAL OWN SOURCE REVENUE** | **$41,938** | **$47,437** | **$52,724** | **$58,925** | **$66,150** | **$68,587** | **$71,208** | **$73,741** | **$76,399** | **$79,076** | **$81,826** |
| Grants & Contributions - Operating Purposes | $2,376 | $2,424 | $2,472 | $2,521 | $2,572 | $2,623 | $2,676 | $2,729 | $2,784 | $2,840 | $2,896 |
| Grants & Contributions for Capital Purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Income from Joint Ventures | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Gains from disposal assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Income excl Gains on Asset Disposal** | **$72,070** | **$68,813** | **$74,149** | **$65,418** | **$72,694** | **$75,183** | **$77,855** | **$80,442** | **$83,154** | **$85,887** | **$88,694** |
| **TOTAL OPERATING INCOME (Excl. Capital)** | **$44,314** | **$49,861** | **$55,196** | **$61,446** | **$68,722** | **$71,211** | **$73,883** | **$76,470** | **$79,182** | **$81,915** | **$84,722** |
| Employee Benefits | $23,128 | $24,053 | $24,955 | $25,829 | $26,603 | $27,401 | $28,087 | $28,789 | $29,508 | $30,246 | $31,002 |
| Materials and Contracts | $18,965 | $19,993 | $20,999 | $21,789 | $22,610 | $23,356 | $24,139 | $24,888 | $25,665 | $26,438 | $27,222 |
| Borrowing Costs | $0 | $1,680 | $1,650 | $1,619 | $1,586 | $1,553 | $1,518 | $1,481 | $1,443 | $1,404 | $1,363 |
| Depreciation & Amortisation | $10,334 | $11,528 | $12,649 | $13,360 | $14,073 | $14,786 | $15,502 | $16,221 | $16,941 | $17,662 | $18,383 |
| Other Expenses | $2 | $2 | $2 | $2 | $2 | $2 | $2 | $2 | $2 | $3 | $3 |
| Losses on disposal of assets | $300 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Internal Charges | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Expenses | $0 | $2,227 | $1,196 | $594 | $604 | $421 | $432 | $443 | $454 | $465 | $477 |
| **TOTAL EXPENSES FROM CONTINUING OPERATIONS** | **$52,729** | **$59,484** | **$61,451** | **$63,192** | **$65,479** | **$67,520** | **$69,679** | **$71,824** | **$74,014** | **$76,218** | **$78,449** |
| **OPERATING RESULT (Excl. Capital)** | **-$8,415** | **-$9,623** | **-$6,254** | **-$1,746** | **$3,243** | **$3,690** | **$4,205** | **$4,646** | **$5,168** | **$5,697** | **$6,273** |
| **OPERATING RESULT (Excl. Capital and Asset Sales)** | **-$8,115** | **-$9,623** | **-$6,254** | **-$1,746** | **$3,243** | **$3,690** | **$4,205** | **$4,646** | **$5,168** | **$5,697** | **$6,273** |
| **OPERATING RESULT (Incl. Capital)** | **$19,341** | **$9,329** | **$12,698** | **$2,226** | **$7,215** | **$7,662** | **$8,177** | **$8,618** | **$9,140** | **$9,669** | **$10,245** |

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Balance Sheet

## Balance Sheet

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash & Cash Equivalents | $11,973 | -$5,227 | -$12,044 | -$14,394 | -$11,330 | -$6,375 | -$398 | $6,466 | $14,482 | $23,688 | $34,234 |
| Investments - Current | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 |
| Receivables - Current | $3,719 | $5,030 | $5,353 | $6,442 | $7,533 | $7,778 | $8,089 | $8,351 | $8,628 | $8,910 | $9,188 |
| Right of Use and Contract Assets - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Current | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 |
| Other Current Assets | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 |
| Current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL CURRENT ASSETS** | **$53,197** | **$37,306** | **$30,813** | **$29,553** | **$33,706** | **$38,907** | **$45,196** | **$52,321** | **$60,614** | **$70,102** | **$80,926** |
| Investments - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Infrastructure Property & Equip | $529,041 | $555,942 | $575,794 | $579,947 | $583,495 | $586,449 | $588,836 | $590,834 | $592,191 | $592,889 | $592,830 |
| Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investments (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Receivables - Non-Current | $2 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Right of Use and Contract Assets - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital Works in Progress | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Other Non-Current Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Non-current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL NON-CURRENT ASSETS** | **$529,042** | **$555,942** | **$575,794** | **$579,947** | **$583,495** | **$586,449** | **$588,836** | **$590,834** | **$592,191** | **$592,889** | **$592,830** |
| **TOTAL ASSETS** | **$582,239** | **$593,249** | **$606,608** | **$609,499** | **$617,201** | **$625,356** | **$634,032** | **$643,155** | **$652,806** | **$662,991** | **$673,757** |
| Payables - Current | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 |
| Contract Liabilities - Current | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 |
| Lease Liabilities - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Income Received in Advance | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 |
| Borrowings - current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Current | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 |
| **TOTAL CURRENT LIABILITIES** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** |
| Payables - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Contract Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Lease Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Borrowings - Non current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Non-Current | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 |
| **TOTAL NON-CURRENT LIABILITIES** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** |

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## Balance Sheet (continued)

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| TOTAL LIABILITIES | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 | $28,767 |
| NET ASSETS | $553,472 | $564,482 | $577,841 | $580,732 | $588,434 | $596,589 | $605,265 | $614,388 | $624,039 | $634,224 | $644,990 |
| Accumulated Surplus | $213,551 | $232,892 | $243,902 | $257,261 | $260,152 | $267,854 | $276,009 | $284,685 | $293,808 | $303,459 | $313,644 |
| Revaluation Reserves | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 |
| Other Reserves | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Council Interest Opening Balance** | **$534,131** | **$553,472** | **$564,482** | **$577,841** | **$580,732** | **$588,434** | **$596,589** | **$605,265** | **$614,388** | **$624,039** | **$634,224** |
| Non-Controlling Equity Interest | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL EQUITY OPENING BALANCE** | **$534,131** | **$553,472** | **$564,482** | **$577,841** | **$580,732** | **$588,434** | **$596,589** | **$605,265** | **$614,388** | **$624,039** | **$634,224** |
| Changes in Accounting Standards | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Correction of Prior Period Balance | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Restated Opening Balance** | **$534,131** | **$553,472** | **$564,482** | **$577,841** | **$580,732** | **$588,434** | **$596,589** | **$605,265** | **$614,388** | **$624,039** | **$634,224** |
| Net Operating Result for the Year | $19,341 | $11,009 | $13,359 | $2,892 | $7,702 | $8,155 | $8,676 | $9,123 | $9,651 | $10,185 | $10,766 |
| Gain / (Loss) on Reval of PP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Fair Value Movement on Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Other Total Comprehensive Income** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** |
| **Total Comprehensive Income** | **$19,341** | **$11,009** | **$13,359** | **$2,892** | **$7,702** | **$8,155** | **$8,676** | **$9,123** | **$9,651** | **$10,185** | **$10,766** |
| Transfers between Equity Items | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| TOTAL EQUITY CLOSING BALANCE | $553,472 | $564,482 | $577,841 | $580,732 | $588,434 | $596,589 | $605,265 | $614,388 | $624,039 | $634,224 | $644,990 |

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Cashflow Statement

## Cashflow Statement

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Own Source Revenue | $42,575 | $46,128 | $52,401 | $57,836 | $65,060 | $68,342 | $70,896 | $73,479 | $76,122 | $78,794 | $81,548 |
| Grants and Contributions | $2,376 | $2,424 | $2,472 | $2,521 | $2,572 | $2,623 | $2,676 | $2,729 | $2,784 | $2,840 | $2,896 |
| Other Income from Continuing Operations | $0 | $0 | $0 | $0 | -$0 | $0 | -$0 | $0 | -$0 | $0 | -$0 |
| Employee Benefits | $23,128 | $24,053 | $24,955 | $25,829 | $26,603 | $27,401 | $28,087 | $28,789 | $29,508 | $30,246 | $31,002 |
| Materials and Contracts | $18,965 | $19,993 | $20,999 | $21,789 | $22,610 | $23,356 | $24,139 | $24,888 | $25,665 | $26,438 | $27,222 |
| Other Expenses from Continuing Operations | $302 | $2,229 | $1,198 | $596 | $606 | $424 | $434 | $445 | $456 | $468 | $479 |
| **CASHFLOW FROM OPERATIONS** | **$2,556** | **$2,277** | **$7,721** | **$12,144** | **$17,812** | **$19,784** | **$20,912** | **$22,087** | **$23,276** | **$24,481** | **$25,741** |
| Sale of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Securities (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of IPP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Real Estate Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Securities (equity method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of IPP&E | $25,018 | $38,430 | $32,501 | $17,512 | $17,621 | $17,740 | $17,888 | $18,219 | $18,298 | $18,360 | $18,325 |
| Purchase of Real Estate / Other | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| (Purchase) / Sale of CWIP | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM INVESTING** | **-$25,018** | **-$38,430** | **-$32,501** | **-$17,512** | **-$17,621** | **-$17,740** | **-$17,888** | **-$18,219** | **-$18,298** | **-$18,360** | **-$18,325** |
| Proceeds from Grants and Contributions - Capital purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Proceeds from Borrowings | $0 | $42,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Loan repayments | $0 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 |
| Internal dividends paid | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM FINANCING** | **$27,756** | **$58,524** | **$16,524** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** |
| Opening Cash | $43,680 | $48,973 | $71,344 | $63,087 | $59,262 | $60,997 | $64,583 | $69,150 | $74,561 | $81,081 | $88,746 |
| Change in Cash | $5,293 | $22,370 | -$8,256 | -$3,825 | $1,734 | $3,587 | $4,567 | $5,411 | $6,521 | $7,665 | $8,959 |
| **CLOSING CASH** | **$48,973** | **$71,344** | **$63,087** | **$59,262** | **$60,997** | **$64,583** | **$69,150** | **$74,561** | **$81,081** | **$88,746** | **$97,706** |
| **TOTAL CASH AND LIQUID INVESTMENTS** | **$48,973** | **$71,344** | **$63,087** | **$59,262** | **$60,997** | **$64,583** | **$69,150** | **$74,561** | **$81,081** | **$88,746** | **$97,706** |
| Transfers to Reserves | $32,464 | $20,447 | $20,933 | $6,327 | $6,945 | $7,308 | $7,716 | $8,095 | $8,487 | $8,895 | $9,299 |
| Transfers from Reserves | $21,815 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Internally Restricted Cash | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 |
| Externally Restricted Cash | $35,127 | $36,622 | $38,602 | $40,957 | $43,931 | $47,266 | $51,011 | $54,506 | $59,021 | $63,298 | $67,978 |
| **Unrestricted Cash** | **-$3,559** | **$17,317** | **$7,080** | **$900** | **-$339** | **-$88** | **$734** | **$2,649** | **$4,655** | **$8,043** | **$12,322** |

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### 8.2.2 General Fund Position

**Income Statement**

## FINANCIAL STATEMENTS - Scenario 2 Long Term Sustainability

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Year Type | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| Entity | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund | General Fund |
| Entity Abv | GF | GF | GF | GF | GF | GF | GF | GF | GF | GF | GF |
| Rates & Charges | $19,683 | $20,804 | $28,143 | $30,427 | $36,125 | $42,158 | $43,703 | $45,158 | $46,672 | $48,166 | $49,675 |
| Special Rates | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Ordinary Rate SRV | $0 | $5,964 | $1,040 | $4,221 | $4,564 | $0 | $0 | $0 | $0 | $0 | $0 |
| Annual Charges | $494 | $519 | $545 | $571 | $599 | $623 | $649 | $674 | $700 | $726 | $752 |
| **TOTAL RATES & ANNUAL CHARGES** | **$20,177** | **$27,287** | **$29,729** | **$35,220** | **$41,288** | **$42,779** | **$44,353** | **$45,832** | **$47,372** | **$48,892** | **$50,428** |
| User Charges and fees | $5,035 | $5,211 | $5,394 | $5,582 | $5,778 | $5,980 | $6,189 | $6,406 | $6,630 | $6,862 | $7,102 |
| Other revenues | $2,718 | $2,827 | $2,926 | $2,999 | $3,074 | $3,151 | $3,229 | $3,310 | $3,393 | $3,478 | $3,565 |
| Interest and Investment Income | $417 | $823 | $1,565 | $1,326 | $1,427 | $1,416 | $1,451 | $1,504 | $1,571 | $1,660 | $1,773 |
| Other Income | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Revenue | $0 | $1,008 | $2,165 | $2,238 | $2,314 | $2,393 | $2,475 | $2,559 | $2,647 | $2,737 | $2,831 |
| **TOTAL OWN SOURCE REVENUE** | **$28,347** | **$37,156** | **$41,777** | **$47,365** | **$53,881** | **$55,719** | **$57,697** | **$59,611** | **$61,613** | **$63,629** | **$65,698** |
| Grants & Contributions - Operating Purposes | $2,302 | $2,348 | $2,395 | $2,443 | $2,492 | $2,542 | $2,592 | $2,644 | $2,697 | $2,751 | $2,806 |
| Grants & Contributions for Capital Purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Income from Joint Ventures | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Gains from disposal assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Income excl Gains on Asset Disposal** | **$58,405** | **$58,457** | **$63,125** | **$53,780** | **$60,344** | **$62,233** | **$64,261** | **$66,227** | **$68,282** | **$70,352** | **$72,476** |
| **TOTAL OPERATING INCOME (Excl. Capital)** | **$30,649** | **$39,504** | **$44,172** | **$49,808** | **$56,372** | **$58,261** | **$60,289** | **$62,255** | **$64,310** | **$66,380** | **$68,504** |
| Employee Benefits | $21,858 | $22,732 | $23,585 | $24,410 | $25,143 | $25,897 | $26,544 | $27,208 | $27,888 | $28,585 | $29,300 |
| Materials and Contracts | $13,446 | $14,253 | $15,058 | $15,700 | $16,369 | $16,959 | $17,581 | $18,166 | $18,776 | $19,376 | $19,984 |
| Borrowing Costs | $0 | $1,680 | $1,650 | $1,619 | $1,586 | $1,553 | $1,518 | $1,481 | $1,443 | $1,404 | $1,363 |
| Depreciation & Amortisation | $10,334 | $11,528 | $12,649 | $13,360 | $14,073 | $14,786 | $15,502 | $16,221 | $16,941 | $17,662 | $18,383 |
| Other Expenses | -$2,255 | -$2,345 | -$2,427 | -$2,488 | -$2,550 | -$2,614 | -$2,679 | -$2,746 | -$2,815 | -$2,885 | -$2,957 |
| Losses on disposal of assets | $300 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Internal Charges | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Initiatives Expenses | $0 | $2,227 | $1,196 | $594 | $604 | $421 | $432 | $443 | $454 | $465 | $477 |
| **TOTAL EXPENSES FROM CONTINUING OPERATIONS** | **$43,683** | **$50,076** | **$51,710** | **$53,195** | **$55,224** | **$57,002** | **$58,897** | **$60,773** | **$62,687** | **$64,608** | **$66,549** |
| **OPERATING RESULT (Excl. Capital)** | **$13,034** | **-$10,572** | **-$7,538** | **$3,387** | **$1,148** | **$1,259** | **$1,392** | **$1,482** | **$1,623** | **$1,772** | **$1,955** |
| **OPERATING RESULT (Excl. Capital and Asset Sales)** | **$12,734** | **-$10,572** | **-$7,538** | **$3,387** | **$1,148** | **$1,259** | **$1,392** | **$1,482** | **$1,623** | **$1,772** | **$1,955** |
| **OPERATING RESULT (Incl. Capital)** | **$14,722** | **$8,381** | **$11,414** | **$585** | **$5,120** | **$5,231** | **$5,364** | **$5,454** | **$5,595** | **$5,744** | **$5,927** |

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Balance Sheet

## Balance Sheet

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash & Cash Equivalents | $11,973 | -$6,833 | -$16,602 | -$25,724 | -$34,459 | -$42,915 | -$51,202 | -$59,486 | -$67,526 | -$75,311 | -$82,724 |
| Investments - Current | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 | $37,000 |
| Receivables - Current | $3,719 | $4,667 | $4,794 | $5,077 | $5,280 | $5,452 | $5,671 | $5,855 | $6,049 | $6,247 | $6,442 |
| Right of Use and Contract Assets - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Current | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 | $91 |
| Other Current Assets | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 | $413 |
| Current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL CURRENT ASSETS** | **$53,197** | **$35,338** | **$25,695** | **$16,857** | **$8,325** | **$41** | **-$8,027** | **-$16,127** | **-$23,973** | **-$31,560** | **-$38,778** |
| Investments - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Infrastructure Property & Equip | $529,041 | $555,942 | $575,794 | $579,947 | $583,495 | $586,449 | $588,836 | $590,834 | $592,191 | $592,889 | $592,830 |
| Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investments (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Receivables - Non-Current | $2 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Right of Use and Contract Assets - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Inventories - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital Works in Progress | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Other Non-Current Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Non-current Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL NON-CURRENT ASSETS** | **$529,042** | **$555,942** | **$575,794** | **$579,947** | **$583,495** | **$586,449** | **$588,836** | **$590,834** | **$592,191** | **$592,889** | **$592,830** |
| **TOTAL ASSETS** | **$582,239** | **$591,280** | **$601,490** | **$596,803** | **$591,820** | **$586,490** | **$580,810** | **$574,707** | **$568,218** | **$561,329** | **$554,052** |
| Payables - Current | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 | $15,221 |
| Contract Liabilities - Current | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 | $8,245 |
| Lease Liabilities - Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Income Received in Advance | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 | $481 |
| Borrowings - current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Current | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 | $4,604 |
| **TOTAL CURRENT LIABILITIES** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** | **$28,551** |
| Payables - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Contract Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Lease Liabilities - Non-Current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Borrowings - Non current | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Provisions - Non-Current | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 | $216 |
| **TOTAL NON-CURRENT LIABILITIES** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** | **$216** |
| **TOTAL LIABILITIES** | **$28,767** | **$28,767** | **$28,767** | **$28,767** | **$28,767** | **$28,767** | **$28,767** | **$28,767** | **$28,767** | **$28,767** | **$28,767** |
| **NET ASSETS** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** | **$525,285** |

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## Balance Sheet (continued)

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Accumulated Surplus | $213,551 | $232,892 | $241,933 | $252,143 | $247,456 | $242,473 | $237,143 | $231,463 | $225,360 | $218,871 | $211,982 |
| Revaluation Reserves | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 | $320,580 |
| Other Reserves | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Council Interest Opening Balance** | **$534,131** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** |
| Non-Controlling Equity Interest | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL EQUITY OPENING BALANCE** | **$534,131** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** |
| Changes in Accounting Standards | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Correction of Prior Period Balance | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Restated Opening Balance** | **$534,131** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** |
| Net Operating Result for the Year | $19,341 | $9,041 | $10,209 | -$4,686 | -$4,983 | -$5,330 | -$5,681 | -$6,103 | -$6,489 | -$6,889 | -$7,276 |
| Gain / (Loss) on Reval of PP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Fair Value Movement on Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Other Total Comprehensive Income** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** |
| **Total Comprehensive Income** | **$19,341** | **$9,041** | **$10,209** | **-$4,686** | **-$4,983** | **-$5,330** | **-$5,681** | **-$6,103** | **-$6,489** | **-$6,889** | **-$7,276** |
| Transfers between Equity Items | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **TOTAL EQUITY CLOSING BALANCE** | **$553,472** | **$562,513** | **$572,723** | **$568,036** | **$563,053** | **$557,723** | **$552,043** | **$545,940** | **$539,451** | **$532,562** | **$525,285** |

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Cashflow Statement

## Cashflow Statement

| Nominal Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Own Source Revenue | $28,984 | $35,847 | $41,453 | $46,276 | $52,790 | $55,474 | $57,385 | $59,349 | $61,336 | $63,347 | $65,420 |
| Grants and Contributions | $2,302 | $2,348 | $2,395 | $2,443 | $2,492 | $2,542 | $2,592 | $2,644 | $2,697 | $2,751 | $2,806 |
| Other Income from Continuing Operations | $0 | $0 | $0 | $0 | -$0 | $0 | $0 | $0 | -$0 | $0 | -$0 |
| Employee Benefits | $21,858 | $22,732 | $23,585 | $24,410 | $25,143 | $25,897 | $26,544 | $27,208 | $27,888 | $28,585 | $29,300 |
| Materials and Contracts | $13,446 | $14,253 | $15,058 | $15,700 | $16,369 | $16,959 | $17,581 | $18,166 | $18,776 | $19,376 | $19,984 |
| Other Expenses from Continuing Operations | -$1,955 | -$118 | -$1,232 | -$1,894 | -$1,946 | -$2,193 | -$2,247 | -$2,304 | -$2,361 | -$2,420 | -$2,481 |
| **CASHFLOW FROM OPERATIONS** | **-$2,063** | **$1,328** | **$6,437** | **$10,503** | **$15,717** | **$17,353** | **$18,100** | **$18,923** | **$19,731** | **$20,556** | **$21,424** |
| Sale of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Securities (Equity Method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of IPP&E | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Real Estate Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sale of Assets Held for Resale | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Current Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Long-Term Investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Securities (equity method) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Investment Property | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of IPP&E | $25,018 | $38,430 | $32,501 | $17,512 | $17,621 | $17,740 | $17,888 | $18,219 | $18,298 | $18,360 | $18,325 |
| Purchase of Real Estate / Other | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Purchase of Intangible Assets | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| (Purchase) / Sale of CWIP | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM INVESTING** | **-$25,018** | **-$38,430** | **-$32,501** | **-$17,512** | **-$17,621** | **-$17,740** | **-$17,888** | **-$18,219** | **-$18,298** | **-$18,360** | **-$18,325** |
| Proceeds from Grants and Contributions - Capital purposes | $27,756 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Proceeds from Borrowings | $0 | $42,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Loan repayments | $0 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 | $2,429 |
| Internal dividends paid | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **CASHFLOW FROM FINANCING** | **$27,756** | **$58,524** | **$16,524** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** | **$1,543** |
| Opening Cash | $40,484 | $41,158 | $62,580 | $53,040 | $47,574 | $47,213 | $48,368 | $50,122 | $52,369 | $55,344 | $59,084 |
| Change in Cash | $674 | $21,422 | -$9,540 | -$5,466 | -$361 | $1,155 | $1,754 | $2,247 | $2,975 | $3,740 | $4,642 |
| **CLOSING CASH** | **$41,158** | **$62,580** | **$53,040** | **$47,574** | **$47,213** | **$48,368** | **$50,122** | **$52,369** | **$55,344** | **$59,084** | **$63,726** |
| TOTAL CASH AND LIQUID INVESTMENTS | $41,158 | $62,580 | $53,040 | $47,574 | $47,213 | $48,368 | $50,122 | $52,369 | $55,344 | $59,084 | $63,726 |
| Transfers to Reserves | $27,845 | $19,499 | $19,649 | $4,686 | $4,850 | $4,876 | $4,904 | $4,931 | $4,941 | $4,971 | $4,981 |
| Transfers from Reserves | $21,815 | $18,952 | $18,952 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 | $3,972 |
| Internally Restricted Cash | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 | $17,405 |
| Externally Restricted Cash | $27,312 | $27,859 | $28,555 | $29,269 | $30,147 | $31,051 | $31,983 | $32,315 | $33,284 | $33,636 | 33999.0151 |
| **Unrestricted Cash** | **-$3,559** | **$17,317** | **$7,080** | **$900** | **-$339** | **-$88** | **$734** | **$2,649** | **$4,655** | **$8,043** | **$12,322** |

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# ATTACHMENT 3

# DRAFT WORKFORCE MANAGEMENT PLAN 2023-2026

# General Manager Message

Strathfield's Community Strategic Plan focuses on five priority areas to ensure Strathfield Council is attending to the community's priorities. These are:

- Connectivity
- Community Wellbeing
- Celebrating Culture and Place
- Liveable Neighbourhoods
- Responsible Leadership.

The strategies identified will enable Council to reach our goal to evolve towards a workforce that is adaptable and responsive to the Community's needs in the future resulting in improved infrastructure, service delivery and overall community satisfaction.

Our Workforce Management Plan will continue to adapt year on year to respond to the challenges Council faces with the emergence of new technology, an ageing workforce, skill and gender gaps and the need to attract and retain skilled leaders and employees.

Council can only succeed with the right people in the right jobs. We acknowledge and understand that to successfully deliver for the community a major focus needs to be on our people.

Michael Mamo
**General Manager**
February 2023

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# Introduction

The Integrated Planning and Reporting Framework requires Councils to review and develop strategies pertaining to financial, asset management and workforce planning which form the Council's Resourcing Strategy.

The Workforce Plan details priorities and actions to ensure we have a workforce capable of delivering the outcomes identified in the Strathfield Community Strategic Plan and Delivery Program.

The Workforce Plan has been developed to address the challenges the providing appropriately qualified and experienced staff today and in the future with four priority areas of focus being Leadership, Talent, Capability and Adaptive and Resilient Culture.

Council, its employees and the community will receive the following benefits from workforce planning:

- a diverse workforce is employed with the required skill sets to meet future workforce needs;
- Council is responsive and adaptable to changing business requirements, challenges and opportunities;
- workforce capacity, capability and resilience is built in the organization;
- staff turnover is reduced and talent retained to sustain a high performance workforce;
- corporate knowledge is retained and accessible;
- an agile, high-performance culture is enhanced linked directly to delivery of the Community Strategic Plan through the Delivery Program and Operational Plans.

**Workforce Strategy Priority Areas**

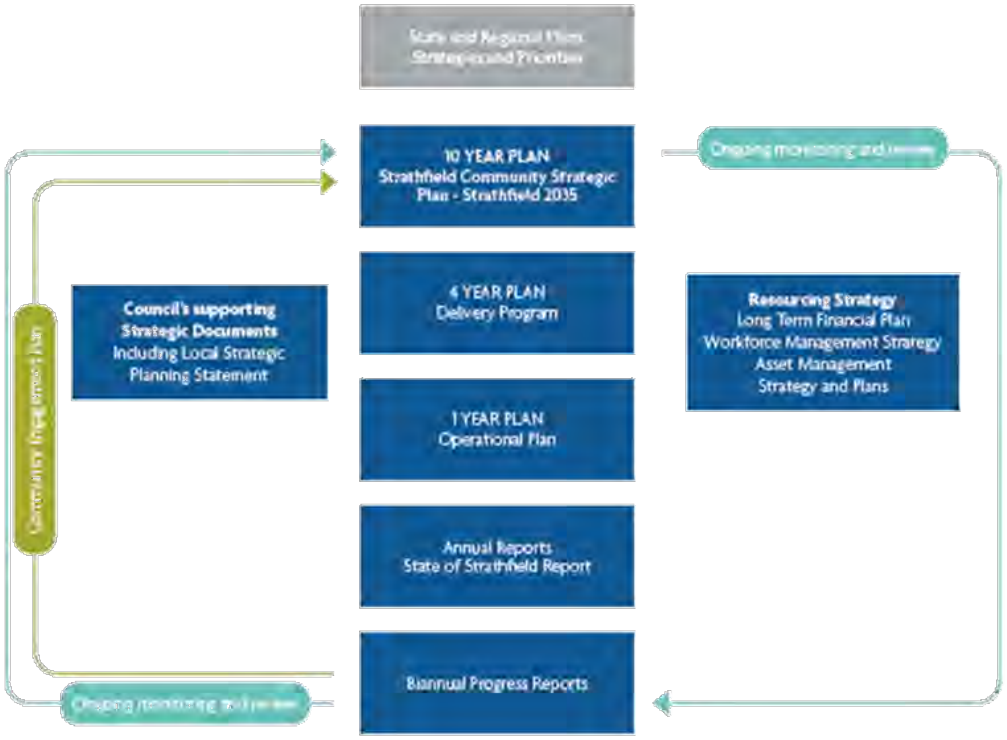
1. **Leadership** – encouraging open and honest communication among leaders and employees to enhance employee engagement and help drive high performance at Strathfield Council.
2. **Talent** - Having skilled individuals at all levels of the organisation is critical in creating and sustaining a high-performance workforce.
3. **Capability** - Developing leaders and employees is important to improve employee engagement, enhance Council's performance and position Council to serve the community of the future.
4. **Adaptive and Resilient Culture** - A best practice approach to leadership creates a sustainable, durable and high performing culture which contributes to engaging Council's staff and to best contribute to the organisation in a volatile and challenging social environment experiencing changes like climate change and the COVID-19 pandemic.

*Strathfield Council Workforce Management Plan (2023 - update)* *p4*

**Statement of desired workplace culture**

Council recognises the importance of organisational workforce culture in achieving the goals of the Community Strategic Plan and Delivery Program. Council is committed to the continuous development of our workplace culture, not only to maintain the already high level of achievement but also to be aiming for ever improving achievement through increased staff engagement with their roles and the community we serve.

An important initiative in this regard has been the constant focus and expenditure on training, education and development of the necessary skills and abilities of staff to take leadership roles in the workplace that build teamwork and encourage staff to go beyond expectations and do things differently to ensure the community receives best value from their rates.



**Purpose of the Workforce Management Plan and its place in the Integrated Planning and Reporting (IPR) process**

The Workforce Management Plan, Long Term Financial Plan and Asset Management Strategy and Plans make up the Resourcing Strategy, which supports and enables the implementation of goals and actions in the Delivery Program 2022-2026 and the annual Operational Plan, which operates under the auspice of the Community Strategic Plan. The relationship of these plans is shown in the IPR process diagram.

Workforce planning is a continual process of identifying the strengths and opportunities for enhancement of the workforce; identifying threats and risks posed by internal or external factors; identifying future workforce requirements; and reviewing the effectiveness of strategies that ultimately aim to enhance and develop the collective capacity and capability of the workforce to deliver services to the communities within the Strathfield Area. This current plan has been reviewed for delivery for the 2023 calendar year. A further review and update will be provided to our community in 2024.

**Review cycle**

The People and Culture Section monitors and reviews their activities to ensure that outcomes are on track. This enables the workforce to be flexible and adaptable to meet emerging challenges, with an annual review undertaken to establish whether the planned goals have been able to be met.

The following pages set out Council's structure; profiles the current workforce; identifies challenges that Council's workforce is projected to face in coming years; and specifies a series of strategies to enhance Strathfield Council's efficient, effective, adaptable and resilient workforce.

**Strathfield Council Functional Organisational Profile**

Council undertakes the full range of activities of other Local Governments in NSW. The diversity of undertakings, the skill sets, qualifications, certifications and licenses are as broad as any organisation operating in Australia today. The structure below aims to deliver those services optimally and is subject to ongoing review.

# Organisational Structure

**as at February 2023*

Council's administration is managed by the General Manager under the following organisational structure.



# Analysis of our Current Workforce

**Employees**

Strathfield Council's workforce consists of people employed on permanent, fixed term and casual basis, full time and part time and supplemented from time to time with contractors and consultants.

As of October 2022, Council had 177 employees (permanent and fixed term). The establishment for Council is 218 positions.

**Length of Service**

Approximately 8.5% of our staff have been employed by Council for more than 20 years, and 71.8% have been employed by Council for less than five years. Furthermore, 10.17% of employees have tenure of more than five years but less than ten years. The average employee tenure is six years.

| Length of service | % of staff |
|---|---|
| 0-5 years | 71.76% |
| 6-10 years | 10.17% |
| 11-15 years | 6.78% |
| 16-20 years | 2.83% |
| 21-25 years | 3.96% |
| 26+ years | 4.52% |

**Age**

Historically, the age profile of our workforce has remained relatively steady, consistent with other sectors and the general population. Our average employee age is 44 years old, with our largest group of employees aged between 36 and 45 years.

| Age groups | % of staff |
|---|---|
| 15 to 25 years | 6.22% |
| 26 to 35 years | 24.86% |
| 36 to 45 years | 25.99% |
| 46 to 55 years | 20.34% |
| 56 to 65 years | 18.08% |
| 65 or older years | 4.52% |

**Gender**

As at December 2022, our workforce is made up of 60 females and 117 males. Council has more female employees in frontline professional, managerial and operational positions, where the ratio of male to female employees has historically been higher. Council has also implemented more flexible working models, which have traditionally appealed more to female staff.

| | |
|---|---|
| Female employees | 60 |
| Male employees | 117 |
| Female employees at manager level and above | 8 |
| Male Employees at manager level and above | 7 |

**Employee Turnover**

In the 2021/2022 financial year, Council saw a voluntary turnover rate of 21%. This was an increase from 9% the previous year. A likely contributor to this increase is that employees are seeking roles with higher pay, which forces Council to compete on salary rather than traditionally relying on better benefits like flexible working arrangements. Another contributor is that Council underwent an organisational-wide restructure in March 2022.

**Living in the Strathfield LGA**

Eight percent of Council employees live in the Strathfield LGA while around another 16% live within 10 kms of Strathfield. The vast majority of staff travel for longer than 30 minutes each way to and from work.

## Strategic Issues and Risks facing Staff

This Workforce Management plan sets out our organisational needs, forward planning and resourcing requirements. Key trends and emerging issues considered in the development of our Workforce Management plan include:

- an increase in resident population and expectation of services
- difficulty attracting and retaining niche and/or in-demand skills
- knowledge loss when employees resign or retire
- improving Council's capacity for change.

**Understanding our workforce**
Council has recently experienced organisational structural changes, significant recruitment activity, and the promotion of internal staff, resulting in staff movements across the various sections of Council.

Metrics gathered across all areas of Council ensures that Council can:

- keep the number vacancy rates as low as possible
- ensure all employment arrangements are in line with Award and legislative requirements
- maintain adequate numbers of staff in prioritised areas of need
- monitor progress in relation to diversity employment numbers

**An ageing population**
Of Council's workforce, almost 23% is 55 years and over.

The challenges posed by an ageing workforce can include:

- ensuring knowledge and skills are maintained and transferred;
- work health and safety of staff;
- older workers feel valued;
- flexible work options are available to ease the transition into retirement;
- that replacement staff are recruited in a timely fashion to ensure a smooth transition.

**Gender diversity and equality**
Strathfield Council currently has a workforce made up of 60 females and 117 males, with males therefore making up a large majority of our workforce with a 66% share. Council has made progress in this regard and will continue to seek a balance in gender representation especially in the 'outdoor' areas of Council employment to better reflect the balance within the community we serve.

Executive management consists of 1 male and 3 female members. Senior managerial ranks contain 3 male and 6 female staff (noting, 3 roles are currently vacant within this level of leadership). In essence our ratio at our leadership levels is more so balanced towards females at this stage. Council aims to recruit and promote more females into all levels of Council's operations, to become part of our succession planning process, alongside other diversity objectives.

**Attraction and retention of qualified and skilled leaders and employees**

The current labour market is very competitive, in that people can pick and choose from a multitude of job opportunities that reflect the competition for jobs and the salary inflation associated with the need to compete for scarce resources. Extensive training and development opportunities are available to staff to upskill and retain our current workforce and it is through succession planning that we can plan our workforce for the future.

**Teamwork culture**

A collaborative and cooperative culture is a focus to ensure the organisation can move forward with a strong focus on teamwork and cohesion. This will be achieved through training and development activities, clearly defined purpose and goals, an alignment of values and improved productivity.

**Attracting, recruiting and retaining staff in the face of competition**

Council is especially focused on attracting, retaining, and developing staff to ensure we have a workforce with the right skills, qualifications and experience at any given time. Council faces competition with other Councils and the private sector when it comes to sourcing suitable candidates for employment. As a medium sized Council, we are competing with larger Councils who are able to offer more in terms of remuneration and benefits. In order to retain and recruit new talent, Council has many advantages to offer including:

- compressed working hours arrangements that allow for a four-day working week
- working from home options;
- health and wellbeing initiatives;
- salary sacrifice opportunities;
- generous Award leave entitlements;
- flexible and family-friendly work practices;
- learning and development opportunities;
- the opportunity to work in the public sector and make a difference in our LGA.

**Alignment of core business functions**

Council reviews the organisational structure regularly, making changes where necessary to ensure it is flexible, resilient, and that it promotes high performance and value in service delivery and customer experience. To use a time-proven definition of efficiency Council aims to have the right people, in the right places, with the right skills, doing the right jobs, at the right time. The structural review process focuses on:

- building on strengths where Council is recognised as doing well by the community;
- core service delivery at levels agreed by the community;
- collaborating and strengthening relationships and effective delivery across Council; and
- employee professional development and improvement.

**Changing position requirements**

Roles within Council are often impacted by legislative, social and technological factors. Council staff need to be agile and adaptable to ensure we move with the times in a seamless manner ensuring service levels are maintained or improved. Employees are therefore subject to skill enhancement activities both on and off the job while their tools and machinery are also upgraded and modernised. The Local Government Award provides for staff to undertake duties not specifically included in their Position Description as long as they have the competence in that role and this allows Council to be responsive to a changing workplace and environment.

**A culture of accountability and talent performance**

A lack of leadership skills and accountability across the organisation can create a negative culture and impact on team performance when poor conduct and performance is not managed. Council's focus on learning and development centres on leadership capability, with management at all levels tasked with creating, implementing and driving a high-performance, respectful culture.

## Workforce Plan

This Workforce Management Plan has been costed and factored into the Long Term Financial Plan across all areas of activity including recruitment and selection, on boarding, salary step increases, training and education, separation and termination.

The Local Government Award allows for around a pay increase each financial year, while it is expected that Council's Workers Compensation Insurance costs will increase this year by about 10%-20%, which will be challenging. Claims management and workplace safety will be areas of focus.

There are no major projects factored into the Operational Plan 2022-2023. In 2021, Council acquired an application to manage our Learning Management System, therefore this upcoming operational year is one of consolidation and expanding uses.

## Engagement

Staff consultation and engagement through the Joint Consultative Committee (including Work Health and Safety) facilitates and promotes informed decision making and constructive working relationships between Council, employees and unions.

Council recognises the benefits associated with maintaining and expanding a culture of consultation and engagement in the workplace, which include:

- a more productive workplace based on cooperation and collaboration;
- better and more informed decision-making and successful implementation of ideas;
- attraction and retention of skilled and positive staff;
- a workplace that is better able to cope with change;
- less grievances and less industrial action.

## Strategic Direction

**Supporting the Community Strategic Plan**
The Workforce Strategy is a key contributor to meeting the strategic objectives of the Community Strategic Plan, Delivery Program, Long Term Financial Plan and Asset Strategies and Plans.

The key areas of Council's plans which directly relate to the Workforce Management Plan include:

**Community Strategic Plan**
Theme/Priority Area: Responsible Leadership

- Strategy 5.2 Council effectively and responsibly manages and responds to community needs
    - Goal 5.2.1 Prepare and implement plans and strategies to deliver and resource efficient and accountable services, programs and infrastructure

**Delivery Program (2022-2026) and Operational Plan**
Delivery Program Strategy 5.2.1.3

- Ensure Council is properly resourced to meet challenges of implementing the Delivery Program
    - Operational Plan Action 5.2.1.3.1 - Prepare and implement Council's Workforce Plan including EEO Management Plan. Implement actions scheduled for 2022-2023.
    - Operational Plan Action 5.2.1.3.2 - Monitor and provide reporting on current and projected workforce data to plan and ensure Council has staff resources and skills to deliver effective programs and services

Delivery Program Strategy 5.2.2.2

- Promote organisational culture of safety, best practice and continuous quality improvement
    - Operational Plan Action 5.2.2.1.4 - Prepare and implement Work, Health and Safety programs to ensure compliance with statutory requirements. Manage Workers Compensation claims. Provide consultation with staff on WH&S.

**Long Term Financial Plan**
The LTFP considers the impact of employee costs in the plans expenditure forecasts, sensitivity analysis and current and forward financial statement estimates.

## Objectives and strategies

Through research and in consultation with the leadership team, four main areas of focus have been identified to ensure we have a strong workforce that performs and meets the expectations of the community that we serve. Our four main strategic priorities include:

- Leadership and Culture
- Talent
- Capability.

Actions have been developed for each Key Improvement Area.

## 1. Leadership and Culture

Strong leaders influence and drive their staff to maximise productivity, efficiency and achieve the goals of Council. A strategic focus is to support and develop the leaders within Council to encourage and guide their staff to achieve great results for the community.

| Key improvement area for 2023 | Priority | Action | Measurement | Timeframe |
|---|---|---|---|---|
| Internally led leadership and culture program | Communication | Develop a leadership and culture program that all staff can participate and learn in. This program will contribute to our continued focus on building a highly engaged and service focused workplace. | All staff participate in leadership and culture program as it applies to their roles. | Initially a pilot will be completed during October 2023. |
| | Values | As part of the leadership and culture program (above), review our current values and enable our staff to have input on how these are best enacted within our workplaces. | Values are reviewed, with outcomes communicated and understood by all staff. | Initial review will take place through the above program. This may take up to 1-year in total to complete this project. |
| **Key improvement area(s) to be planned for 2024-2026** | **Priority** | **Action** | **Measurement** | **Timeframe** |
| Employee engagement survey | Engagement | Deliver an Employee engagement survey. | Survey delivered, outcomes reported to all staff, action plans devised. | Delivered during 2024 / early 2025. |
| Reward and recognition program | Engagement | Development and delivery of a Reward and recognition program. | Rewards and recognition program developed and piloted, with a review of pilot completed after 1-year. | Delivered during 2026. |

## 2. Talent

Having skilled individuals at all levels of the organisation is critical in creating and sustaining a high performance workforce.

| Key improvement area for 2023 | Priority | Action | Measurement | Timeframe |
|---|---|---|---|---|
| Talent | Recruitment and Selection | Develop and implement selection panels' capability to select the right individual for the right job. | Reduce voluntary turnover rate from last reviewed year. | Initially deliverable by December 2023. |
| | Talent Management and Succession Planning | Develop leaders' accountability for spotting, developing, and retaining the next generation of leaders. | All leaders participate in Leadership Development Program which will include learning on this. | Initially deliverable by October 2023. |
| **Key improvement area(s) to be planned for 2024-2026** | **Priority** | **Action** | **Measurement** | **Timeframe** |
| Diversity and Inclusion | Include an EEO goal in leaders' performance documentation | An EEO goal has been developed and included in all leader's performance documentation. | Ongoing throughout the life of this plan. | Initially deliverable by June 2024. |

## 3. Capability and Performance

Developing leaders and employees is vital to improve employee experience, engagement, and performance. Leading to a positive impact on the organisations overall performance and to continue serving the community into the future.

| Key improvement area for 2023 | Priority | Action | Measurement | Timeframe |
|---|---|---|---|---|
| **Capability and Performance** | Induction and Onboarding | Ensure candidates are supported from the moment they apply to Council to the end of their probation period if selected.<br>Implement a probation period program to assist employees through their probation period.<br>Implement Compliance Training Program. | Feedback from staff is positive across all milestones of Council's Induction and Onboarding processes.<br>A probation period program is developed and implemented.<br>A Compliance Training program is implemented. | Initially deliverable by June 2023. |
| | Performance Management | Enhance performance management process, and clarify performance objectives focusing on outcomes, provide feedback, introduce regular 1-1s.<br>Facilitate performance reviews and implement performance management process. | New performance feedback process implemented by June 2023.<br>End of financial year review completed by October 2024.<br>Number of Performance Feedback documents completed. | Initially deliverable by June 2023. |
| **Key improvement area(s) to be planned for 2024-2026** | **Priority** | **Action** | **Measurement** | **Timeframe** |
| **Capability and Performance** | Competencies | Review Competencies for each role.<br>Conduct annual reviews of all staff's competencies. | Number of reviews conducted as a percentage of total positions. | Initially deliverable by December 2023. |
| **Capability and Performance** | Salary system | Review current salary system to identify opportunity to enhance approach. | Review of system undertaken. | To be completed during 2025 through 2026. |

## Performance and Review

This Workforce Management plan was reviewed and updated in February 2023.

This plan is intended to be delivered over the 4-year period and will be reviewed, updated and enhanced on an ongoing basis to reflect changes within the Council's business environment, societal environment and projected impacts on the capacity of the workforce.

Progress of the Workforce Management plan and its actions will be reported in the 6-monthly Delivery Program report and Annual Report.

CCS2 QUARTERLY BUDGET REVIEW STATEMENT AS AT 31 DECEMBER 2022

AUTHOR: Sarah Jeong, Coordinator Finance Administration

APPROVER: Michael Mamo, General Manager

## RECOMMENDATION

The Budget Review Statement for quarter ending 31 December 2022 be received and adopted.

## PURPOSE OF REPORT

To submit the Budget Review Statement for quarter ending 31 December 2022 as per Clause 203 of the *Local Government (General) Regulation 2021.*

## REPORT

A detailed review of the actual income and expenditure to 31 December 2022 has been undertaken and compared with the original budget. Proposed budget variations are set out in the Statement.

From a financial accrual accounting reporting perspective, the profit and loss statement will show a reduced Operating Result before Capital items by $0.608M, with a year-end projected deficit of $7.703M. Management has undertaken a comprehensive review of the budget. Council started with a balanced cash budget and the budget review has provided a positive working capital result of $116K.

Capital expenditure will increase by $2.322M. This will bring the total to $18.109M from the original budgeted expenditure of $29.153M. The increase is due to the Grant funded capital work projects.

The Quarterly Budget Review Statement for the quarter ending 31 December 2022 is set out in attachment 1.

Reporting guideline

Clause 203 of the *Local Government (General) Regulation 2021* requires that the Responsible Accounting Officer submit to the Council a Quarterly Budget Review Statement within two months of the close of each quarter.

The Quarterly Budget Review Statement (the 'Statement') components are:

- Responsible Accounting Officer's Statement
- Cash Budget Statement
- Income and Expenses Budget Review Statement (including list of variations)
- Capital Budget Review Statement (including list of variation and capital works listing)
- Cash and Investments Budget Review Statement
- Key Performance Indicators Budget Review Statement
- Contracts Budget Review Statement
- Consultancy and Legal Expenses Budget Review Statement

The Chief Financial Officer, as Council's Responsible Accounting Officer, believes that the Budget Review Statement as at 31 December 2022 indicates that the financial position of Council is satisfactory having regard to the original estimates of income and expenditure.

Council Events

At the Ordinary Council Meeting of 6 December 2022, Council resolved to:

> *"279/22*
> *RESOLVED: (Reddy / Hall)*
> 1. *Accept the 2023-2024 Stronger Together Major Festival Local Government Grant for $468,000 over two years.*
> 2. *Note that this grant requires dollar for dollar funding which, subject to successful sponsorship arrangements will cost Council $468,000 over a two-year period.*
> 3. *Authorise the General Manager to sign the Grant Funding Deed.*
> 4. *Provide a budget allocation of $234,000 per year for 2022-23 and 2023-24 to cover Council's required contribution noting that subject to the final program and associated costings, this amount may be less; for the 2022-23 allocation to be included as part of the Quarter 2 Budget Review. That Council considers reviewing the remainder of the events program this financial year to accommodate this festival."*

As a result of this resolution the Grant Funding Deed has been signed by the General Manager and returned to Multicultural NSW for execution.

In accordance with dot point 4 of the resolution, Council's event calendar for the remainder of the 2022 – 2023 financial year has been reviewed and the following recommendations are provided to partially fund Council's $234,000 contribution towards the Multicultural Grant.

- Cancel the 2023 Cooks River Fun Run (Budget $84,000)
- Cancel the 2023 Homebush Village Fair (Budget $47,300)

Cancelling these 2 events will free up $131,300 which can be repurposed to partially fund Council's contribution.

To match the $234,000, a further $102,700 will be required, which is now incorporated as part of this Quarterly 2 Budget Review.

Council will also seek sponsorships and value in-kind contributions which will include staff time from the following areas: communications and events, cleansing, waste removal, regulatory services, traffic control etc.

## FINANCIAL IMPLICATIONS

The financial implications have been identified within the report.

## ATTACHMENTS

1. Quarterly Budget Review Statement - December 2022

# ATTACHMENT 1

| Strathfield Municipal Council | Quarterly Budget Review Statement<br>for the period 01/10/22 to 31/12/22 |
|---|---|

**Report by Responsible Accounting Officer**

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2021:

It is my opinion that the Quarterly Budget Review Statement for Strathfield Municipal Coun for the quarter ended 31 December 2022 indicates that Council's projected financial position at 30 June 2023 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

**Signed:** [redacted] **Date:** 24 February 2023

**Francis Mangru**
Responsible Accounting Officer

**Strathfield Municipal Council** — **Quarterly Budget Review Statement** for the period 01/10/22 to 31/12/22

**Cash Budget Statement**

**Budget review for the quarter ended 31 December, 2022**
**Organisation Wide Budget Summary**

| ($000's) | Original Budget 2022/23 | Sep Qtr | Revised Budget | Variations Dec Qtr | Projected Year End Result | Actual YTD |
|---|---|---|---|---|---|---|
| Total Income from Continuing Operations | 72,070 | (12,916) | 59,154 | 3,715 | 62,869 | 31,161 |
| Total Expenses from Continuing Operations | 51,741 | 318 | 52,059 | 1,563 | 53,622 | 28,761 |
| **Net Operating Surplus/(Deficit) from All Continuing Operations** | **20,329** | **(13,234)** | **7,095** | **2,152** | **9,247** | **2,400** |
| **Capital & Reserve** | | | | | | |
| Capital Expenditure | 29,153 | (13,365) | 15,788 | 2,322 | 18,110 | 5,718 |
| (Gain)/Loss on Disposal of Assets | (651) | | (651) | - | (651) | |
| Net Transfers to/(from) Reserves | 1,172 | 109 | 1,281 | (286) | 995 | |
| **Net Capital & Reserve Movements** | **29,674** | **(13,256)** | **16,418** | **2,036** | **18,454** | **5,718** |
| **Net Result (including Depreciation)** | **(9,345)** | **22** | **(9,323)** | **116** | **(9,207)** | **(3,319)** |
| Add Back Non Cash Items | 9,345 | - | 9,345 | - | 9,345 | 4,660 |
| **Cash Budget Surplus/(Deficit)** | **0** | **22** | **22** | **116** | **138** | **1,341** |

**Strathfield Municipal Council** — **Quarterly Budget Review Statement** for the period 01/10/22 to 31/12/22

**Income & Expenses Budget Review Statement**

**Budget review for the quarter ended 31 December, 2022**
**Income & Expenses**

| ($000's) | Original Budget 2022/2023 | Changes Sep Qtr | Revised Budget | Variations Dec Qtr | Notes | Projected Year End Result | Actual YTD |
|---|---|---|---|---|---|---|---|
| **Income** | | | | | | | |
| Rates & Annual Charges [1] | 33,487 | - | 33,487 | 104 | | 33,591 | 16,782 |
| User Fees & Charges | 5,059 | 500 | 5,559 | 174 | | 5,733 | 2,415 |
| Interest & Investment Revenue | 441 | | 441 | 479 | | 920 | 519 |
| Other Revenue | 2,951 | | 2,951 | (175) | | 2,776 | 1,888 |
| Grants & Contribution - Operating | 2,376 | 150 | 2,526 | 373 | | 2,899 | 1,862 |
| Grants & Contributions - Capital | 27,756 | (13,566) | 14,190 | 2,760 | | 16,950 | 7,545 |
| Net gain from the disposal of assets | - | - | - | | | - | 150 |
| **Total Income from Continuing Operations** | **72,070** | **(12,916)** | **59,154** | **3,715** | | **62,869** | **31,161** |
| **Expenses** | | | | | | | |
| Employee Costs (excluding capitalisation) | 23,128 | (645) | 22,483 | (1,050) | | 21,433 | 12,357 |
| Materials & Contracts | 8,791 | 10,045 | 18,836 | 2,450 | | 21,286 | 11,093 |
| M&C - Borrowing Costs | 489 | (489) | - | | | - | - |
| Depreciation, Amortisation & Impairment | 9,345 | - | 9,345 | | | 9,345 | 4,660 |
| Other Expenses | 9,688 | (8,593) | 1,095 | 163 | | 1,258 | 651 |
| Loss on Disposal | 300 | - | 300 | - | | 300 | |
| **Total Expenses from Continuing Operations** | **51,741** | **318** | **52,059** | **1,563** | | **53,622** | **28,761** |
| **Net Operating Surplus/(Deficit) from Continuing Operations** | **20,329** | **(13,234)** | **7,095** | **2,152** | | **9,247** | **2,400** |
| **Net Operating Surplus/(Deficit) before Capital Grants & Contributions** | **(7,427)** | **332** | **(7,095)** | **(608)** | | **(7,703)** | **(5,146)** |

1. Rates & Annual Charges apportioned to the first two quarters. This income is realised at the beginning of the financial year when Rates is levied.

Strathfield Municipal Council — Quarterly Budget Review Statement for the period 01/10/22 to 31/12/22

Income & Expenses Budget Review Statement

Budget Variations being recommended include the following material items:

| Directorate | Description | Categories | E | I | Grand Total |
|---|---|---|---|---|---|
| | Additional budget is required for Finance subscriptions and other fee | Materials and services | 23,656.00 | | 23,656.00 |
| | Additional budget is required for Postage | Materials and services | 20,000.00 | | 20,000.00 |
| | Additional budget is required for Superannuation contribution | Employee benefits and on-costs | 32,105.00 | | 32,105.00 |
| | Additional fund is required for Innovation | Materials and services | 200,000.00 | | 200,000.00 |
| | Additional fund is required for Library Licence fee | Materials and services | 37,700.00 | | 37,700.00 |
| | Additional fund is required for subscriptions, membership fees and etc. | Materials and services | 86,206.00 | | 86,206.00 |
| | as per Final FAG notice | Grants and contributions provided for operating purposes | | (271,728.00) | (271,728.00) |
| | Budget adjustment for Ex Gratia Rates | Other revenues | | 750.00 | 750.00 |
| | Budget adjustment for Insurance payments | Materials and services | (81,115.00) | | (81,115.00) |
| | Budget adjustment for P&C operating expenses | Materials and services | 3,600.00 | | 3,600.00 |
| | Budget adjustment is required for Rates Income | Rates and annual charges | | (103,650.00) | (103,650.00) |
| | Budget is not required for office supplies | Materials and services | (2,100.00) | | (2,100.00) |
| | Budget is required for Contractor for business analysis | Materials and services | 80,000.00 | | 80,000.00 |
| | Councillors Conferences & Seminars | Materials and services | (20,000.00) | | (20,000.00) |
| | Finance - Legal Fees/Debt Recovery - Legal contractor | Materials and services | (200,000.00) | | (200,000.00) |
| | Finance - Legal Fees/Debt Recovery-Legal charge | Other revenues | | 200,000.00 | 200,000.00 |
| | Grant - Youth Week- expenditure | Materials and services | 1,468.00 | | 1,468.00 |
| | Grant - Youth Week- Grant | Grants and contributions provided for operating purposes | | (1,468.00) | (1,468.00) |
| | Library Extended Hours Access - Security hardware equipment upgrade | Employee benefits and on-costs | 4,000.00 | | 4,000.00 |
| | More income received - Hall Hire | User charges and fees | | (20,000.00) | (20,000.00) |
| | re-allocate cost from S&W | Materials and services | 233,975.00 | | 233,975.00 |
| | re-allocate cost to Contractor | Employee benefits and on-costs | (233,975.00) | | (233,975.00) |
| | Re-allocate cost to cover Library extended hours access | Materials and services | (4,000.00) | | (4,000.00) |
| | Redundancy Cost- Further redundancy payments | Employee benefits and on-costs | 81,800.00 | | 81,800.00 |
| | Senior's week Grant income | Grants and contributions provided for operating purposes | | (2,950.00) | (2,950.00) |
| | Senior's Week expenditure | Materials and services | 2,950.00 | | 2,950.00 |
| | Workers compensation Rebates and reimbursement | Other revenues | | (87,457.00) | (87,457.00) |
| | Interest and investment income | Interest and investment income | | (479,000.00) | (479,000.00) |
| | Additional Budget is required for SES contribution and Fire Brigades Levy | Other expenses | 137,682.04 | | 137,682.04 |
| | Additional Budget required for Civic space-other expenses | Materials and services | 20,000.00 | | 20,000.00 |
| | Additional Budget required for Depot other expenses | Materials and services | 30,000.00 | | 30,000.00 |
| | Additional Budget required for Park Trees | Materials and services | 90,000.00 | | 90,000.00 |
| | Amenities Building - Hudson Park - Capital Works - Grant income | Grants and contributions provided for capital purposes | | (18,560.00) | (18,560.00) |
| | Budget adjustment for Building repairs & Maintenance | Materials and services | 65,414.00 | | 65,414.00 |
| | Budget adjustment for Construction -Repairs and Maintenance | Materials and services | (15,000.00) | | (15,000.00) |
| | Budget adjustment for Engineering user fees and charges | User charges and fees | | (16,000.00) | (16,000.00) |
| | Budget adjustment for GDR Cleaning and security | Materials and services | (25,500.00) | | (25,500.00) |
| | Budget adjustment for GDR -Repair and maintenance | Materials and services | 180,000.00 | | 180,000.00 |
| | Budget adjustment for LED streetlight energy saving certificate revenue | Other revenues | | (4,000.00) | (4,000.00) |
| | Budget adjustment for Paras and sportsfield Hire Fees | User charges and fees | | (76,700.00) | (76,700.00) |
| | Budget adjustment for RMS Street lighting subsidy | Grants and contributions provided for operating purposes | | (138,700.00) | (138,700.00) |
| | Budget adjustment for user fees income | User charges and fees | | 25,000.00 | 25,000.00 |
| | | Other income | | 17,500.00 | 17,500.00 |
| | Budget is not required for Parking Meter Contractor | Materials and services | (5,000.00) | | (5,000.00) |
| | Budget is not required for Printing subscriptions | Materials and services | (700.00) | | (700.00) |
| | Deed for Regional and Local Roads Repair Program - Grant income | Grants and contributions provided for capital purposes | | (1,078,926.00) | (1,078,926.00) |
| | Drainage Maintenance - Contractors | Materials and services | 150,000.00 | | 150,000.00 |
| | Financial Assistance Grant (Roads Components)- Adjusted from final FAG advice -26891 | Grants and contributions provided for operating purposes | | 16,445.00 | 16,445.00 |
| | Footpaths maintenance -operating | Materials and services | 120,000.00 | | 120,000.00 |
| | Graffiti Grant Expenditure | Materials and services | 100,000.00 | | 100,000.00 |
| | Graffiti Grant Income | Grants and contributions provided for operating purposes | | (100,000.00) | (100,000.00) |
| | More income received -Golf Driving Range | User charges and fees | | (250,000.00) | (250,000.00) |
| | Property Marketing | - Other | 20,000.00 | | 20,000.00 |
| | RMS - Occupant Restraint Program- expenditure | Materials and services | 2,500.00 | | 2,500.00 |
| | RMS - Occupant Restraint Program- Offset by above | Materials and services | (2,500.00) | | (2,500.00) |
| | RMS - Road Safety Program / Pedestrian Safety- expenditure | Materials and services | 48,000.00 | | 48,000.00 |
| | RMS - Road Safety Program / Pedestrian Safety- Grant income | Grants and contributions provided for operating purposes | | (44,800.00) | (44,800.00) |
| | Road Asset Management System (Assetic Software) | Materials and services | 190,000.00 | | 190,000.00 |
| | Additional Budget is required for Citizenship ceremonies | Materials and services | 10,000.00 | | 10,000.00 |

**Strathfield Municipal Council** — **Quarterly Budget Review Statement for the period 01/10/22 to 31/12/22**

Income & Expenses Budget Review Statement

Budget Variations being recommended include the following material items:

| Directorate | Description | Categories | E | | Grand Total |
|---|---|---|---|---|---|
| | Asset & Improvement | Materials and services | 150,000.00 | | 150,000.00 |
| | Australia Day- Grant income | Grants and contributions provided for operating purposes | | (30,000.00) | (30,000.00) |
| | Budget is required for Australia Day | Materials and services | 41,000.00 | | 41,000.00 |
| | Budget is required for COVID-19 measures and procedures | Materials and services | 20,000.00 | | 20,000.00 |
| | Budget is required for Filming | Materials and services | 20,000.00 | | 20,000.00 |
| | Budget is required for Litigation Expenses | Materials and services | 100,000.00 | | 100,000.00 |
| | Budget is required for Lunar New Year as per Council resolution | Materials and services | 4,000.00 | | 4,000.00 |
| | Budget is required for Multiculture Festival Council funded as per Council resolution | Materials and services | 102,700.00 | | 102,700.00 |
| | Budget is rquired for Homebush Village Fair | Materials and services | 2,700.00 | | 2,700.00 |
| | Christmas Decoration and Carol | Materials and services | (34,706.00) | | (34,706.00) |
| | Cooks River Fun Run- Relates to last year's Fun Run income received | User charges and fees | | (5,700.00) | (5,700.00) |
| | Employee cost savings | Employee benefits and on-costs | (800,000.00) | | (800,000.00) |
| | EOY Community Christmas event | Materials and services | (10,500.00) | | (10,500.00) |
| | Filming Rights- More income for filming rights than originally estimated | Other revenues | | (2,000.00) | (2,000.00) |
| | Media Monitoring | Materials and services | 23,000.00 | | 23,000.00 |
| | Movies in the Park | Materials and services | (28,829.00) | | (28,829.00) |
| | Multicultural Festival Expenditure | Materials and services | 234,000.00 | | 234,000.00 |
| | Multicultural Festival Grant Income | Grants and contributions provided for operating purposes | | (234,000.00) | (234,000.00) |
| | Small Grants program | Other expenses | 25,000.00 | | 25,000.00 |
| | Spring Fair | Materials and services | (2,878.00) | | (2,878.00) |
| | Spring Fair Income- Less income than originally budgeted. Event complete. | User charges and fees | | 13,000.00 | 13,000.00 |
| | Spring Fair Sponsorship- Less income than originally budgeted. Event complete. | User charges and fees | | 7,400.00 | 7,400.00 |
| | Strathfield Festival Grant Income | Grants and contributions provided for operating purposes | | 418,000.00 | 418,000.00 |
| | Additional budget is required for DWM | Materials and services | 320,000.00 | | 320,000.00 |
| | | Employee benefits and on-costs | (133,300.00) | | (133,300.00) |
| | Admin Charge Builder's Damage Deposits or tree bond | User charges and fees | | (7,000.00) | (7,000.00) |
| | Better Waste Recycling (DECC) | Grants and contributions provided for operating purposes | | 16,000.00 | 16,000.00 |
| | Budget adjustment is required for Rates income | User charges and fees | | 212,500.00 | 212,500.00 |
| | Design Review Panel | User charges and fees | | (17,500.00) | (17,500.00) |
| | Domestic Recycling /Other | Other revenues | | 40,000.00 | 40,000.00 |
| | Domestic Recycling/Cleanup - Whitegoods disposals | User charges and fees | | 5,100.00 | 5,100.00 |
| | DWM S496 Non Rateable Charges | User charges and fees | | (39,500.00) | (39,500.00) |
| | Garbage Bins New/Replacement Charges | User charges and fees | | 9,000.00 | 9,000.00 |
| | Hudson Legacy Program Grant | Capital Grants & Contributions | | (1,662,500.00) | (1,662,500.00) |
| | Integrated Development Administration Fee | User charges and fees | | 1,000.00 | 1,000.00 |
| | Large Waste Collection Cleanup Service | User charges and fees | | (15,000.00) | (15,000.00) |
| | Medium density housing study consultation | - Other | 150,000.00 | | 150,000.00 |
| | Recycling - Reverse Vending Machine Subsidy | Other revenues | | 10,000.00 | 10,000.00 |
| | Employee cost savings | Employee benefits and on-costs | | | |
| | Local Roads and community infrastructure program (LRCI) - Income | Grants and contributions provided for capital purposes | | | |
| **Grand Total** | | | **1,563,153.04** | **(3,715,644.00)** | **(2,152,490.96)** |

**Strathfield Municipal Council** — **Quarterly Budget Review Statement** for the period 01/10/22 to 31/12/22

**Capital Budget Review Statement**

**Budget review for the quarter ended 31 December, 2022**
**Capital Budget - Consolidated Programs**

| ($000's) | Original Budget 2022/2023 | Approved Changes: Carry Forwards | Approved Changes: Sep Qtr | Revised Budget 2022/2023 | Variations Dec Qtr | Notes | Projected Year End Result | Actual YTD figures |
|---|---|---|---|---|---|---|---|---|
| **Capital Expenditure** | | | | | | | | |
| **New Assets** | | | | | | | | |
| - Plant & Equipment | 1,525 | | 400 | 1,925 | | | 1,925 | - |
| - Land & Buildings | 22,776 | | (22,362) | 414 | | | 414 | 280 |
| - Land Improvements | | | 381 | 381 | | | 381 | - |
| - Park Assets | | | 2,046 | 2,046 | | | 2,046 | 200 |
| - Roads, Bridges, Footpaths | | | 2,864 | 2,864 | | | 2,864 | 2,789 |
| - Stormwater | 300 | | (185) | 115 | [illegible] | | 300 | 3 |
| - Other | 135 | | 60 | 195 | [illegible] | | 235 | 177 |
| **Renewal Assets (Replacement)** | | | | | | | | |
| - Plant & Equipment | 120 | | | 120 | | | 120 | 258 |
| - Land & Buildings | | | 1,796 | 1,796 | [illegible] | | 1,815 | 118 |
| - Land Improvements | | | 7 | 7 | | | 7 | - |
| - Park Assets | | | 79 | 79 | | | 79 | 499 |
| - Roads, Bridges, Footpaths | 3,957 | | 1,548 | 5,505 | [illegible] | | 7,583 | 1,379 |
| - Stormwater | 340 | | | 340 | | | 340 | 39 |
| - Other | | | | - | | | - | (23) |
| **Total Capital Expenditure** | **29,153** | - | **(13,365)** | **15,787** | **2,322** | | **18,109** | **5,718** |
| **Funding Source** | | | | | | | | |
| Rates & Other Untied Funding | (3,551) | | (439) | (3,990) | [illegible] | | (3,117) | (153) |
| Capital Grants & Contributions | (23,862) | | 13,381 | (10,480) | [illegible] | | (13,656) | (5,415) |
| Reserves: | | | | | | | | |
| - External Restrictions/Reserves | (340) | | 900 | 560 | | | 560 | |
| - Internal Restrictions/Reserves | (749) | | (477) | (1,226) | [illegible] | | (1,245) | |
| Other Contribution | - | | | - | | | - | |
| Receipts from Sale of Assets | | | | | | | | |
| - Plant & Equipment | (651) | | | (651) | | | (651) | (150) |
| - Land & Buildings | | | | - | | | - | |
| **Total Capital Funding** | **(29,153)** | - | **13,365** | **(15,787)** | **(2,322)** | | **(18,109)** | **(5,718)** |
| **Net Capital Funding - Surplus/(Deficit)** | - | - | - | - | - | | - | **(0)** |

| Strathfield Municipal Council | Quarterly Budget Review Statement for the period 01/10/22 to 31/12/22 |
|---|---|

Capital Budget Review Statement

Budget Variations being recommended include the following material items:

| Sum of amount Directorate | Description | Categories | Inc/exp $ | Grand Total |
|---|---|---|---|---|
| [illegible] | Budget is required for IPAD for Councillors | Capital New- Other | 20,000.00 | 20,000.00 |
| [illegible] | Additioanl budget is required for Drainage captial works | Capital New- Stormwater | 185,000.00 | 185,000.00 |
| | Amenities Building - Hudson Park - Capital Works - Expenditure | Capital Renewal- Land & Buildings | 18,560.00 | 18,560.00 |
| | Bollards for outdoor dining | Capital New- Other | 20,000.00 | 20,000.00 |
| | Deed between Transport for NSW (TfNSW) - Expenditure | Capital Renewal- Roads, Bridges, Footpaths | 1,078,926.00 | 1,078,926.00 |
| | Flood Grant _ Bridge and Road captial work | Capital Renewal- Roads, Bridges, Footpaths | 1,000,000.00 | 1,000,000.00 |
| **Grand Total** | | | **2,322,486.00** | **2,322,486.00** |

**Strathfield Municipal Council** — **Quarterly Budget Review Statement** for the period 01/10/22 to 31/12/22

**Cash & Investments Budget Review Statement**

Budget review for the quarter ended 31 December, 2022

**Cash & Investments - Consolidated Programs**

| ($000's) | Reserve Opening Balance | Net Transfer in/(out) | Sep Qtr | Revised Sep Qtr | Variations Dec Qtr | Projected Year End Result | Reserve YTD Balance |
|---|---|---|---|---|---|---|---|
| **Externally Restricted**[1] | | | | | | | |
| Domestic Waste Management | 3,196 | 634 | (175) | 3,655 | (212) | 3,443 | 3,196 |
| Unexpended Grants | 7,525 | (1,887) | 1,028 | 6,666 | | 6,666 | 9,697 |
| Developer Contribution | 11,266 | 3,446 | (200) | 14,512 | | 14,512 | 13,924 |
| Stormwater Management | 595 | (307) | (50) | 239 | (150) | 89 | 696 |
| **Total Externally Restricted** | **22,582** | **1,887** | **603** | **25,072** | **(362)** | **24,710** | **27,513** |
| (1) Funds that must be spent for a specific purpose | | | | | | | |
| **Internally Restricted** [2] | | | | | | | |
| Plant Replacement | 1,130 | - | (400) | 730 | | 730 | 1,130 |
| ELE | 1,285 | - | | 1,285 | | 1,285 | 1,285 |
| Deposits | 11,395 | - | | 11,395 | | 11,395 | 11,395 |
| Adshel | 270 | - | (77) | 193 | | 193 | 270 |
| Technology | 134 | - | (85) | 49 | (20) | 29 | 134 |
| Carryforwards | 38 | - | | 38 | | 38 | 38 |
| Future Major Expenditure | 2,053 | - | | 2,053 | | 2,053 | 2,053 |
| Parkscape Improvements | 29 | - | | 29 | | 29 | 29 |
| Risk Management | 195 | - | | 195 | | 195 | 195 |
| Election | 30 | 100 | | 130 | | 130 | 30 |
| Hudson Park Driving Range Reserve | - | - | 68 | 68 | 96 | 164 | |
| Others | 815 | (815) | | - | | - | - |
| **Total Internally Restricted** | **17,374** | **(715)** | **(494)** | **16,165** | **76** | **16,241** | **16,558** |
| (2) Funds that Council has earmarked for a specific purpose | | | | | | | |
| **Unrestricted** | 3,724 | | 22 | 3,746 | 402 | 4,148 | 6,630 |
| **Total Cash & Investments** | **43,680** | **1,172** | **131** | **44,983** | **116** | **45,099** | **50,701** |

**Strathfield Municipal Council** — **Quarterly Budget Review Statement** for the period 01/10/22 to 31/12/22

**Key Performance Indicators Budget Review Statement - Council specific KPI's**

Budget review for the quarter ended 31 December, 2022

| for the quarter ended 31 December 2022 indicates that Council's projecte | Sep 2022/23 | Actuals 2021/2022 | Actuals 2020/2021 |
|---|---|---|---|
| The Council monitors the following Key Performance Indicators: | | | |
| **1. Unrestricted Current Ratio** | | | |
| Current Assets less all External Restrictions / Current Liabilities less Specific Purpose Liabilities | 3.60 | 3.97 | 3.32 |
| To assess the adequacy of unrestricted working capital and Council's ability to meet short term obligations as they fall due. | | | |
| **2. Rates and Annual Charges Outstanding Ratio** | | | |
| Rates, Annual & Extra Charges Outstanding / Rates, Annual & Extra Charges Collectible | 3.40% | 4.39% | 5.08% |
| Assesses the impact of uncollected rates and annual charges and the adequacy of recovery efforts. | | | |
| **3. Building and Infrastructure Renewals Ratio** | | | |
| Asset Renewals (Building and Infrastructure) / Depreciation, Amortisation & Impairment | 144.33% | 101.61% | 114.65% |
| To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating. | | | |









**Strathfield Municipal Council** — **Quarterly Budget Review Statement** for the period 01/10/22 to 31/12/22

**Key Performance Indicators Budget Review Statement - Council specific KPI's**

Budget review for the quarter ended 31 December, 2022

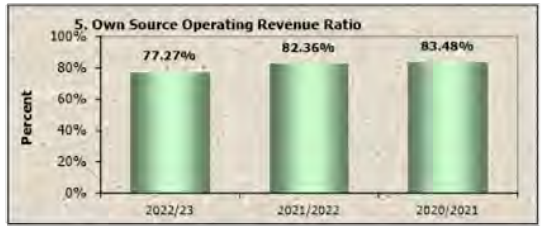
| for the quarter ended 31 December 2022 indicates that Council's projecte | Sep 2022/23 | Actuals 2021/2022 | Actuals 2020/2021 |
|---|---|---|---|
| **4. Operating Performance ratio** | | | |
| Total Continuing Operating Revenue (excluding capital grants & contributions less operating expense) / Total Continuing Operating Revenue (excluding capital grants & contributions) | -2.91% | -8.02% | -8.71% |

This ratio measures Council's achievement of containing operating expenditure within operating revenue.




| | | | |
|---|---|---|---|
| **5. Own Source Operating Revenue Ratio** | | | |
| Total continuing operating revenue (excluding all grants & contributions) / Total continuing operating revenue | 77.27% | 82.36% | 83.48% |

This ratio measures fiscal flixibility. It is the degree of reliance on external funding sources such as grants and contributions.



**Strathfield Municipal Council** — **Quarterly Budget Review Statement** for the period 01/10/22 to 31/12/22

**Contracts Budget Review Statement**

Budget review for the quarter ended 31 December, 2022

**Part A - Contracts Listing** - Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list, State & Local Govt Contracts.

| Contractor | Contract detail & purpose | Contract Sep | Duration of Contract | Budgeted (Y/N) | Notes |
|---|---|---|---|---|---|
| San Marino Concreting Pty Ltd | Construction of new raised pedestrian crossing. | 87,694 | One-off | Y | |
| First Class Slate Roofing | Strathfield Town Hall Roof Works. | 642,389 | One-off | Y | |
| NSW Kerbing Pty Ltd | Road works at Water Street, Strathfield South. | 70,026 | One-off | Y | |
| D & M Excavations & Asphalting | Road works at Wentworth Street, Strathfield South. | 77,728 | One-off | Y | |
| Complete Urban Pty Ltd | Arthur Street at Centenary Drive left turn bay extension and traffic signal upgrade. | 81,499 | One-off | Y | |
| Visual Inspirations Australia Pty Ltd | Installation and deinstall of 4 Christmas trees and lighting activation in the Strathfield LGA. | 220,000 | One-off | Y | |
| Bitzios Consulting | Traffic and Transport Study for the Strathfield LGA. | 319,264 | One-off | Y | |
| Data 3 Limited | Microsoft Azure Services - Overage Consumption Chaand Marketplace charges. | 372,000 | One-off | Y | |

Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or $50,000 - whatever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list, State & Local Govt Contracts.
3. Contracts for employment are not required to be included.

**Consultancy & Legal Expenses Budget Review Statement**

| Consultancy & Legal Expenses Overview ($000's) | Actual | Budget | Budgeted |
|---|---|---|---|
| for the quarter ended 31 December 2022 indicates that Coun | 330 | 516 | Y |
| Legal Fees | 343 | 715 | Y |

**Definition of a consultant:**

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a concultant from other contractors.

**Comments**

Expenditure included in the above YTD figure but not budgeted includes:

CCS3 STRATHFIELD CONNECTOR BUS REVIEW REPORT

AUTHOR: Cathy Jones, Chief Strategy Officer

APPROVER: Michael Mamo, General Manager

## RECOMMENDATION

1. The report on the consultation about the Strathfield Connect Bus Service be received and noted.

2. That Council considers the following options concerning the operation of the Connector Bus Service.
    a. Option 1 - That the operation of the Strathfield Connector Bus Service ceases as soon as practical, allowing for the finalisation of staffing matters and public notification of the decision.
    b. Option 2 :
        i. That a report coming back to Council presenting options for a reduced Connector Bus Service including ceasing weekend services.
        ii. That the current Connector Bus Service continue while the above report is being prepared with the cessation of the weekend service to occur as soon as practical.
        iii. That $50,000 is allocated in the next quarterly budget review for the engagement of a suitably qualified consultant to analyse and prepare the report identified above having regard for local community transport needs.

3. That Council advocate to the NSW Government to improve available and accessible transport in the Homebush West area.

4. That Council advocate for Transport NSW to expand the catchment of on-demand bus services e.g. BRIDJ, to cover the Strathfield LGA.

## PURPOSE OF REPORT

Council resolved on 6 December 2022 that Council:

1. Advise the Community that it is looking to cease the operation of the Strathfield Connector Bus Service as part of a suite of a cost saving initiatives currently under review.

2. Undertake a Community Engagement Program on the proposed cessation of the Strathfield Connector Bus Service.

3. Lobby Transport for NSW to provide improved services for the residents of Homebush and Homebush West, particularly the Courallie Avenue, Telopea and Centenary Park precinct.

This report is prepared pursuant to this resolution.

## REPORT

### Background

The review of the Strathfield Connector Bus service as part of a suite of cost saving and productivity improvements identified by Council. The Special Rates Variation (SRV) proposal assumes savings from the closure of the Connector Bus service. The community engagement process occurred concurrently with the community engagement for a proposed Special Rate Variation (SRV) of Council rates. A separate Community Engagement Report on the SRV proposal is presented to the Council meeting of 28 February 2023.

A Community Engagement Strategy for the Connector Bus Review was prepared and sets out the engagement process (Attachment A). Community engagement for the review of the Connector Bus service was open from 7 December 2022 to 31 January 2023. The longer engagement period allowed for public and school holidays over December 2022 and January 2023.

The Strathfield Connector Bus was first launched in 2019. The service is owned, operated and funded by Strathfield Council and is supplementary to the public and private transport services operating in the Strathfield Local Government Area (LGA).

The Connector service runs two routes across the Strathfield LGA from 7am to 7pm, seven days per week. The 'Red Route' primarily services the north and central sectors of the Strathfield LGA and the Blue Route primarily services central and southern sectors. The service runs on a continuous loop and is currently an hourly service. The service does not have a set timetable, but movement of the bus is tracked and its current location is mapped at https://connector.strathfield.nsw.gov.au/

## Connector Bus Review

The key issues identified that concern the Connector Bus service:

- Level of demand for the service as there are perceptions that the buses are carrying few or no passengers.
- Cost of operating the service.
- Responsibility for local bus transport in the Strathfield LGA.

The service provided by the Connector Bus is affected by seating capacity, access, availability, competition and service demand. Assuming full operations of the two routes (2 buses, hourly service, 12 hours per day), each bus has a total capacity of 264 passenger seats or 528 seats with two buses. Operating at maximum carrying capacity, only 1% of the residential population of Strathfield LGA would be able to access a bus seat once a day on this service. However, maximum capacity of either bus is rarely met. Based on usage recorded in November 2022, the Red Route has an average occupancy of 50% of 11 persons per hour (averaged over 12 routes per day) and the Blue Route has an average occupancy of 35% of 8 persons per hour (averaged over 12 routes per day). The design of both routes is intended to provide reasonable access to the service across the LGA, however there are areas without reasonable access to the Connector bus stops. Also many areas of the LGA are also serviced by public and private bus services, which compete with the Connector Service for patronage.

Usage of this service was monitored over the first three weeks in February 2023 and indicated that the reported passenger numbers from November 2022 remains reasonably consistent[1]. The Red Route reported an average passenger occupancy from available seating from Monday to Friday of 53%, while the Blue Route recorded 33%.

Additional analysis was undertaken of weekend passenger demand. Over the seven weekends from 7 January 2023 to 18 February 2023, the Red Route recorded a total of 630 passengers on Saturdays and 526 on Sunday. This represents an average of 34% and 28% of available seating capacity respectively. On the Blue Route, there were a total 440 passengers on Saturday and 448 passengers on Sundays, representing 23% and 24% of available seating capacity. Numbers of passengers varied from week to week and there was no discernible pattern of peak hourly demand, beyond noting that demand generally tapers off from mid-afternoon.

Strathfield Council fully subsidises and operates the Connector Bus service. The service is delivered by directly by Council staff (employed on a casual basis). Council owns and maintains the five buses, needed to operate the service to current standards. Since its launch in 2019, the estimated cost of the service is over $4M. In the current 2022-2023 financial year, the estimated cost of the service is $1.377M, which represents an average cost of $83 per residential ratepayer in the Strathfield Council area. However, Council does not receive any funding from other sources such as State Government to support the service and attempts to attract funding through sponsorship have not particularly successful. The current licencing conditions of the Connector service imposes restrictions on the ability of Council to charge passengers for the service except for voluntary donations.

Transport is a NSW Government responsibility, not local government. The NSW Government has an obligation to ensure that the public has reasonable access to transport services. Council should not be required to provide transport services because the NSW Government has excluded suburbs in Sydney's metropolitan area from access to public transport.

## Engagement Outcomes and Findings

There was considerable public response to the engagement for the Connector Bus Review with a total of 1,114 completed surveys and 10 submissions received, indicating a significantly high level of interest in this service. As the survey was open and self-nominating, it likely attracted those persons with a high level of interest in the service. Refer to Attachment A for detailed information from the survey and submissions.

In summary, 95% of survey respondents stated they were aware of the Connector Bus service. The results of the community engagement were mixed, mainly divided between those who were either opposed or supportive of the Connector Bus service.

44% of respondents stated they have never used the service, 28% are frequent users and 27% have used it once or occasionally. The key reasons given for not using the service were a lack of interest (18%) or it duplicated other transport services (14%). Respondents also raised issues with the design and delivery of the service itself with 17% stating the bus takes too long to get to destinations and 15% stating the bus doesn't go to places they want to go. Others complained that the buses have no fixed timetable and they experience lengthy waiting times as the bus runs in a continuous circular loop.

[1] Both the periods in November 2022 and February 2023 were identified as a 'normal' ie standard school and work attendance and no public holidays.

The survey asked 'What is your main purpose in using the Connector bus service?' There was a 100% response to this question with 42% stating they do not use the bus. The highest rated purpose was visiting shops (34%), connecting to other transport (31%) and going to school (13%).

The survey asked about the impact of stopping the Connector Bus service. 52% stated there would be no impact if the service stopped. Some of these responses also included comments that 'Council rates could be better used', bus was a 'waste of money', it would reduce Council's costs, or they would pay lower Council rates etc. 44% stated they would be impacted by loss of the service. Of this group, 12% specifically mentioned that there were no or few alternative transport options, 4.2% stated it was hard to get to some local destinations and 5.7% mentioned the use of the service by school children.

The key reasons given in community feedback for not supporting the Bus Service mainly concerned cost and perceived lack of demand e.g. empty buses. Those who supported continuing the service considered the Connector Bus service was valued as it provided transport where no other transport existed, assisted social isolation and provided low-cost transport.

Some respondents did not overtly express support or opposition to the Bus Service but made suggestions regarding the operations or improvements to the service (e.g. establishing set timetables, reviewing the routes etc) or improving the financial viability of the service (e.g. seeking external funding, sponsorship, establishing a user pay service etc).

### Key User groups

Analysis of community feedback identified two primary user groups of the Connector bus service – residents living in Homebush West north of railway (including Centenary Park) and older residents.

The total population of Homebush West is 9196 (Census 2021) and about 5000 live in the area of Centenary Park and in nearby streets such as Marlborough Road and Courallie Avenue. A total of 308 surveys were returned from Centenary Park and Homebush West of these 155 stated they were frequent users of the service and 84 were occasional users. The majority of residents from this area stated they would be affected by the loss of the service including difficulty in accessing transport, needing to walk long distances etc.

Part of the suburb of Homebush West, located west of Marlborough Road ('Courallie Avenue Precinct') is without bus services including on-demand services. This area has a population of 5,000 residents (Census 2021). No public bus transport exists within a reasonable vicinity of the Courallie Avenue Precinct.

There is also an absence of public transport on most of Parramatta Road in Homebush, especially the northern side of Parramatta Road between Welfare Street to Powell Street/Park Road, which has a population of around 2000 residents. These areas of Homebush and Homebush West are redeveloping with expected future increases in population. Currently and in total over 7,000 residents of the Strathfield LGA do not have safe or reasonable access to public transport. This represents around 15% of our LGA population.

To obtain pedestrian access to the Flemington Rail Station, the rail station closest to the Courallie Avenue precinct, there is no connecting transport service nor a safe or accessible pedestrian path to and from the Flemington railway station. It is clearly an unacceptable situation for thousands of residents, of all ages and abilities, to be denied access to safe pedestrian and transport connections or public transport services.
Not only are there no public bus services, but the Transport NSW bus on-demand service BRIDJ does not operate in the majority of the Strathfield LGA outside the Strathfield Town Centre. The BRIDJ service area excludes most of the Strathfield LGA including Strathfield, Strathfield South, Homebush and Homebush West.

It would appear that the much of the demand for the Council Connector Bus service is generated by the unavailability of NSW Government supported transport services.

### Older residents

Persons aged 60+ years are anecdotally identified as significant user of this service, however of the 330 survey respondents identifying in this age group, only 53 identified as a frequent user of the Connector Bus. It is likely that the main users of the Connector Bus service aged 60+ years are those aged 70 years and over, especially those who no longer drive.

The main responses for use of the bus by persons aged 60+ years included shopping, connecting to other transport services, transport to medical appointments, visits to services such as library, park or meeting friends.

The loss of the Connector Bus service is likely to reduce transport options for this group and there is clearly a need to provide transport support for vulnerable members of the community such as the elderly and those with disabilities. Therefore, it is recommended that a review of community needs and transport options be prepared with the plan to trial a tailored community transport service, similar to those operating in other Councils such as Inner West.

### Conclusion

Considering the community feedback, the low passenger numbers and the ongoing cost of the Connector Bus service, it appears that the service in its current form is not sustainable and should be phased out as a general transport service. However, in phasing out the service, Council needs to address the identified community needs of those who rely on this service and may be adversely affected if it stopped. It is recommended that the phasing out is a planned process.

Some of the issues concern advocating to the NSW Government and agencies such as Transport NSW for bus services in the Strathfield LGA to be reviewed to ensure all areas of the LGA have access to essential bus transport services, both scheduled and on-demand services.

Access to a community transport service would provide transport options to support vulnerable members of our local community. A process involving research, engagement and assessment of options and costs is required to develop a fully costed, needs based proposal for Council consideration.

## FINANCIAL IMPLICATIONS

There are no financial implications.

## ATTACHMENTS

1. Connector Bus Community Engagement Report

# ATTACHMENT 1

STRATHFIELD COUNCIL

# CONNECTOR BUS COMMUNITY ENGAGEMENT REPORT

## FEBRUARY 2023

STRATHFIELD COUNCIL

## 1. Introduction

Strathfield Council resolved on 6 December 2022 that Council:

1. Advise the Community that it is looking to cease the operation of the Strathfield Connector Bus Service as part of a suite of a cost saving initiatives currently under review.

2. Undertake a Community Engagement Program on the proposed cessation of the Strathfield Connector Bus Service.

3. Lobby Transport for NSW to provide improved services for the residents of Homebush and Homebush West, particularly the Courallie Avenue, Telopea and Centenary Park precinct.

The review of the Strathfield Connector Bus service as part of its suite of cost saving initiatives. The review and community engagement occurred concurrently with engagement for a proposed Special Rate Variation (SRV) of Council's rates. The SRV proposal assumes savings from the closure of the Connector Bus service.

Community engagement for the review of the Connector Bus service was open from 7 December 2022 to 31 January 2023. The longer engagement period allowed for public and school holidays over December 2022 and January 2023.

## 2. Community Engagement

The level and impact of community engagement was assessed in accordance with Council's Community Engagement Strategy (Appendix A) and considered to be High Level with impacts on the majority of the Strathfield LGA. The issue has a high potential level of interest and/or conflict. This is outlined in the Connector Bus Community Engagement Strategy.

The consultation is occurring in tandem with the engagement on the proposal for a Special Rate Variation (2023) and is intended to engage with residents and ratepayers in the whole LGA.

Council utilised a variety of engagement methods to obtain community views representative of the various demographic groups and stakeholders in the Strathfield Local Government Area. The methods are based on the International Association of Public Participation (IAP2) which clarifies the role of the community in planning and decision-making processes.

This engagement utilises 'inform' and 'consult' as set out in Council's Community Engagement Strategy as informed by IAP2 methods. 'Inform' involves providing information to the public to assist them understanding the process and opportunities for consultation or engagement and 'consult' involves obtaining public feedback on proposals or decisions.

## 3. Key engagement activities

Community Survey

A community survey was the primary method of consulting with the community and gathering feedback on a variety of topics. The survey contained open and uses closed and open ended questions to elicit responses. The survey was open to any member of the public to access. As participation in the survey was self-selected, the results cannot be generalised to a larger population and participants are likely to be those with the most interest in the issue. However, this survey method was used to engage any member of the local community to participate without restrictions.

The survey seeks feedback on a number of issues relating to the Connector Bus and also collects demographic data. The key questions concerned:

- Awareness of the Strathfield Connector Bus service
- Frequency of use of Connector Bus service
- Main purpose of using the service (closed and open ended questions)
- Times of use
- Reasons for not using the service (closed and open ended questions)
- Future funding and management of service
- Impact of ceasing the service (open ended)
- Additional comments (open ended)
- Personal data: name, age and suburb

The survey was accessible and available via:

- A digital version of the survey was accessible on Council's engagement site at https://haveyoursay.strathfield.nsw.gov.au/
- A print version of the survey was available on request.
- The online engagement site provide language translated information including the survey in the top 10 languages in Census 2021 including Chinese and Korean.

The community was notified via:

- E-News (email sent to registered users) sent on weekly basis during the engagement period as well as social media.
- Issue of a flyer dated 7 December 2022 to all households and ratepayers in the LGA outlining the proposals on the SRV and Connector Bus with links to the Community Surveys.
- Promotion of the engagement at Customer Service, Library and also through pop up stalls, information sessions etc which were held in December 2022 and January 2023.
- The Connector Bus online engagement pages attracted 2,978 views, 2,589 visits and 1,864 visitors

Submissions

Council also accepted submissions from members of the public. Feedback from these submissions are included in the reporting on the outcomes of the engagement process.

## 4. Overview of findings

A total of 1114 surveys were completed and 10 submissions were received. This is an uncharacteristically high response to a Council review, indicating a significantly high level of interest in this service. 95% of survey respondents stated they were aware of the Connector Bus service.

The survey results were mixed. The results mainly divided into those who were either opposed or supportive of the Connector Bus service.

The key reasons for opposing the Bus Service included: don't use the service, service offers no value, waste of money, buses are empty or underused etc. While those who supported the service claimed the service provided only transport service in some areas in the LGA, supported those who were socially isolated, provided low cost transport and loss of the service would have a detrimental impact on some residents.

Some comments did not overtly express support or opposition to the Bus Service but made suggestions regarding the operations or improvements to the service (eg establishing set timetables, reviewing the routes etc) or improving the financial viability of the service (eg seeking external funding, sponsorship, establishing a user pay service etc).

Different questions produced slightly different results of respondents that stated they didn't use the service, this varied from around 40 to 44% of survey respondents.

Respondents

The highest respondent group were aged 60+ years (30%), followed by those aged 30-39 years (22%), 40-49 years (20%), 50-59 years (14%), 18-29 years (8%) and under 18 years (4%). The response groups deviated considerably from the representative groups in the Strathfield LGA based on 2021 Census. Participation by the 60+ years was 13% higher, while other groups were lower. The highest variation were young people aged under 18 years or those 18-29 years, which recorded only 12% of responses, though anecdotally students are known to be regular users of this service.

Given the survey allowed self-selection, it is likely that those who completed the survey had interest in the issue. For instance, older residents who may not be able to drive and rely on other transports. It is reasonable to assume that parents of children raised issues about the bus service on behalf of their children as many surveys made mention that access to the bus assisted transport for school children.

The highest respondent group identified Strathfield (43%) as the location of their home. This was followed by Homebush West (21%), Homebush (15%), Strathfield South (11%) and Centenary Park (7%). Belfield and Greenacre returned less than 3% response. The areas of Homebush West south of the

railway have good transport options whereas Centenary Park including streets like Courallie Avenue, Telopea and Marlborough Roads have poor access to public transport. Therefore, the area of Centenary Park was identified as a separate area for this survey.

Use of service

The response from the engagement indicates that though 95% are aware of the Connector Bus. 44% stated they have never used the service, 28% are frequent users and 27% have used it once or occasionally.

The survey asked 'If you have not used the service, why not?'

The key reasons given for not using the service were a lack of interest (18%) or it duplicated other transport services (14%). Respondents also raised issues with the design and delivery of the service itself with 17% stating the bus takes too long to get to destinations and 15% stating the bus doesn't go to places they want to go. Others complained about that the buses have no fixed timetable and they experience lengthy waiting times as the bus runs in a continuous circular loop.

Purpose for using the Connector Bus

The survey asked 'What is your main purpose in using the Connector bus service?' There was a 100% response to this question with 42% stating they do not use the bus. The highest rated purpose was visiting shops (34%), connecting to other transport (31%) and going to school (13%). As this question allowed multiple responses, the variety of responses is greater than number of completed surveys.

Responses recorded in the 'Other response' have been grouped.

| Response | No. of responses |
|---|---|
| Work | 20 |
| Don't use service | 19 |
| General interest/recreation | 18 |
| DFO/Sydney Olympic Park | 13 |
| Parks | 11 |
| Medical | 10 |
| Library | 7 |
| Local Services (General) | 6 |
| School | 4 |
| Visiting friends/family | 4 |
| Get home | 3 |
| Shops | 3 |
| Markets | 2 |
| Rail station | 1 |

Times of use

The survey asked 'What times do you mainly use the Connector bus service?' 45% stated they did not use the service.

Highest times of use reported was morning 9am to noon (30%) and 7 to 9am (24%). This period covers transport to work, school etc. There is a decline at 12 noon to 2pm at 16%, which then increases when residents return home from school and work. 20% from 2pm to 4pm is likely to be students and 4pm to 6pm may be students but also workers. Only 11% state that they use the service from 6pm to 7pm.

The service generally runs 7 days per week.

| Time | % of users |
|---|---|
| 9am - 12 noon | 30% |
| 7am - 9am | 24% |
| 2pm - 4pm | 22% |
| 4pm - 6pm | 20% |
| 12 noon - 2pm | 16% |
| 6pm - 7pm | 11% |

Impacts

Respondents were asked 'What would be the impact of you if the Connector Bus service stopped?' 85% of respondents provided a response to this question, the majority of responses divided between those who considered whether there was or was not an impact.



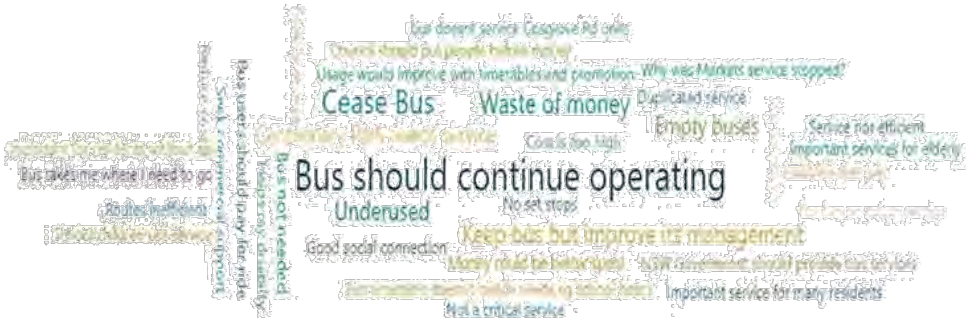

52% stated that stopping the Connector Bus service would have no impact. Some of these responses also included comments that 'Council rates could be better used', bus was a 'waste of money', it would reduce Council's costs or they would pay lower Council rates etc.

44% stated that stopping the Bus would impact on access to transport. 12% specifically mentioned that there were no or few alternative transport options, 4.2% stated it was hard to get to some local destinations and 5.7% mentioned the use of the service by school children.

| Other comments | % of responses |
|---|---|
| Council rates could be better used | 1.54% |
| Important service for many residents | 1.54% |
| important services for elderly | 1.3% |
| • Would pay lower Council rates with no bus<br>• Waste of money<br>• Important for residents without car<br>• Use other public transport instead<br>• Increased costs of travel without bus<br>• Have injury or disability<br>• Centenary Park needs service<br>• Will isolate me from social connection<br>• Keep bus but improve its management<br>• Reduce cost<br>• Saves me money on transport<br>• Concern about safety getting home without bus service | Comments with <1% responses |

General Comments

70% of respondents provided additional comments. Many comments were similar to comments on the previous question.




Some of the most frequent responses included:

| Comment | % | No of responses |
|---|---|---|
| Bus should continue operating | 16.83% | 117 |
| Cease Bus | 10.94% | 76 |
| Waste of money | 7.05% | 49 |
| Keep bus but improve its management | 6.04% | 42 |

| Comment | % | No of responses |
|---|---|---|
| Underused | 6.04% | 42 |
| Empty buses | 4.89% | 34 |
| Centenary Park needs service | 4.32% | 30 |

Future funding and management

Respondents were asked to comment on the future funding and management of the Connector Bus Service. Respondents could make multiple responses. The highest rated comment supported by 60% was advocacy to the NSW Government to improve local bus services in the Strathfield Council areas.

32% of respondents believed the service should be maintained at current levels of expenditure, while 29% supported a reduction of the service to only areas of high demand, capped around $300,000.

**Submissions**

A total of 10 submissions were received. 6 submissions clearly supporting ceasing the service. Some contested that the service was a waste of money, underused or there are sufficient transport options. 2 submissions stated support to retain the service as it provided a resource for residents and the loss would cause distress. One of the submissions called for the bus to attract sponsorship to offset costs.

2 submissions were received that did not overtly state support or opposition to the service but made suggestions on means of raising revenue to pay for the bus (charge for parking on local streets) or improving the operation of the service eg better mapping of bus routes, allowing prams on the bus.

Opposed

1. Waste of money, funds could be used for other purposes, underused service, public transport in Strathfield is good.
2. Underused, waste of money, Council charges residents' interest on late rates but wastes $2m on a bus.
3. Underused, waste of ratepayer money.
4. No one uses the bus. Sponsors should sponsor at full cost recovery, the free bus isn't free as ratepayers pay for it, everyone is short of money, get rid of the bus.
5. Not used, is irrelevant and very expensive.
6. Connector Bus Service should stop as Strathfield has good transport options for rail and buses.

In support

7. Council should keep the service as it supports all of community. Look at ways to pay for it eg advertisements. Put advertisements on buses to get some cash flow.
8. Support for elderly residents. Bus very helpful in assisting them getting to services, esp. banking. Loss of bus would cause great distress.

Suggestions for the bus service

9. Charge for parking in all local streets and use money for connector bus, which will result in less cars on the road and have environmental benefit.
10. Maps need to be better to track bus movement eg bus stations need to be marked. Mothers are unable to use the bus as prams and strollers are not allowed.

**Community Survey findings**

**1. Personal data**

**a) Age groups**

| Age Group (years) | Number | % | % of LGA (Census 2021) |
|---|---|---|---|
| 60 or over | 330 | 30% | **16.5%** |
| 30-39 | 243 | 22% | **20.2%** |
| 40-49 | 228 | 20% | **11%** |
| 50-59 | 158 | 14% | **9.9%** |
| 18-29 | 86 | 8% | **27.4** |
| Under 18 | 39 | 4% | **19.4%** |
| Prefer not to say | 30 | 3% | |

**b) Suburb**

The survey separated the area of Centenary Park from the suburb of Homebush West. Many parts of Homebush West have good access to public transport eg rail and bus (especially south of the railway line), however Centenary Park is some distance from public transport and was identified as a separate location.

| Suburb | Number of responses | % |
|---|---|---|
| Strathfield | 480 | 43% |
| Homebush West | 232 | 21% |
| Homebush | 164 | 15% |
| Strathfield South | 119 | 11% |
| Centenary Park | 76 | 7% |
| Belfield | 25 | 2% |
| Other | 14 | 1% |
| Greenacre | 4 | 0.4% |

Responses to the 'Other' question included: Ashbury, Ashfield, Belmore, Brisbane Queensland, Burwood (2), Centenary Park, Central Coast (2), Rhodes (2). 2 responses received for Homebush and Strathfield (Greens units on Cosgrove Road)

## 2. Connector Bus Service

### a) Frequency of use

44% of survey respondents have never used the service. 29% of respondents were frequent users.

| Frequency of use | Number of responses | % |
|---|---|---|
| Never | 495 | 44 |
| Frequently | 319 | 29 |
| Occasionally | 186 | 17 |
| Once or twice | 114 | 10 |

### b) Primary use of Connector Bus Service

This response allowed multiple responses, therefore the number of responses and percentages exceeds the number of surveys. An open-ended responses 'Other' was included which attracted 126 responses.

| Primary use | Number of responses | % |
|---|---|---|
| Visiting shops | 379 | 34 |
| Going to school | 140 | 13 |
| Connecting to other transport | 350 | 31 |
| Do not use the Connector bus | 472 | 42 |
| Other | 152 | 14 |

Responses recorded in the 'Other response' have been grouped.

| Comment | Number of responses |
|---|---|
| Work | 20 |
| Don't use service | 19 |
| General interest/recreation | 18 |
| DFO/Sydney Olympic Park | 13 |
| Parks | 11 |
| Medical | 10 |
| Library | 7 |
| Local Services (General) | 6 |
| School | 4 |
| Visiting friends/family | 4 |
| Get home | 3 |
| Shops | 3 |
| Markets | 2 |
| Rail station | 1 |

### c) Times of use

The survey asked 'What times do you mainly use the Connector bus service?' 45% stated they did not use the service.

| Time | % of users |
|---|---|
| 9am - 12 noon | 31% |
| 7am - 9am | 25% |
| 2pm - 4pm | 21% |
| 4pm - 6pm | 20% |
| 12 noon - 2pm | 16% |
| 6pm - 7pm | 11% |

### d) Why doesn't the service get used?

| Response | No. of responses | % |
|---|---|---|
| I use the Connector Bus | 400 | 36 |
| No interest | 204 | 18 |
| Bus takes too long to get to destinations | 189 | 17 |
| Doesn't go to the places I need to go | 169 | 15 |
| Duplicates other transport services | 157 | 14 |
| Other | 223 | 20 |

The responses marked as 'Other' included:

| Comment | No of responses |
|---|---|
| Not applicable as I use the connector service | 83 |
| Lengthy waiting time/services too infrequent/no timetable | 43 |
| Not necessary - I use a car | 23 |
| Insufficient knowledge about how service is delivered/lack of information | 19 |
| Don't use service | 10 |
| Interested, but haven't used it yet | 6 |
| Waste of money | 5 |
| Other bus services are more reliable/relevant | 3 |
| Doesn't service my area | 1 |

**e) Council funds the Connector Bus Service from rates revenue which costs the ratepayers of the Strathfield Council over $1.3M a year. In your view, should this service be:**

| Responsibility for funding and/or service provision in LGA | No. of responses | % |
|---|---|---|
| Maintained at current levels of expenditure ($1.3M) | 352 | 32% |
| Reduce services to areas of high demand costing about $300,000 per year | 325 | 29% |
| Advocate to the NSW Government to improve local bus services in the Strathfield Council areas | 676 | 61% |

This returned a total of 122.48% and 1176 responses due to respondents indicating multiple responses.

**f) What would be the impact of you if the Connector Bus service stopped?**

These were open ended questions and responses have been tagged as follows:

| Tag | % | No of responses |
|---|---|---|
| No impact | 51% | 495 |
| Will impact on my access to accessible transport | 44% | 425 |
| Other public transport is hard to access or unavailable | 12% | 112 |
| Hard to get to some parts of local area | 4% | 39 |
| School children use service | 6% | 55 |
| Council rates could be better used | 2% | 15 |
| Important service for many residents | 2% | 24 |
| important services for elderly | 2% | 19 |

**Responses recording less than 1% or less**

- Would pay lower Council rates with no bus
- Waste of money
- Important for residents without car
- Use other public transport instead
- Increased costs of travel without bus
- Have injury or disability
- Centenary Park needs service
- will isolate me from social connection
- Keep bus but improve its management
- Reduce cost
- Saves me money on transport
- Concern about safety getting home without bus service
- Cease Bus
- Bus not needed

| Tag | % | No of responses |
|---|---|---|
| • Rely on private transport<br>• Council failure<br>• Duplicated service<br>• Would leave this area | | |

# APPENDIX A

# COMMUNITY ENGAGEMENT STRATEGY

# Strathfield Connector Bus Community Engagement Strategy (December 2022)

**Background**

Council resolved on 6 December 2022 that Council:

1. Advise the Community that it is looking to cease the operation of the Strathfield Connector Bus Service as part of a suite of a cost saving initiatives currently under review.
2. **Undertake a Community Engagement Program on the proposed cessation of the Strathfield Connector Bus Service.**
3. Lobby Transport for NSW to provide improved services for the residents of Homebush and Homebush West, particularly the Courallie Avenue, Telopea and Centenary Park precinct.

This engagement strategy has prepared to conduct and report on the community engagement process for review of the Strathfield Connector Bus service.

**Background to the issue**

The Strathfield Connector Bus was first launched in 2019. The service is owned, operated and funded by Strathfield Council. The Strathfield Connector Bus service is supplementary to the public and private transport services operating in the Strathfield LGA. The Strathfield Connector Bus service is part of its suite of cost saving initiatives currently under review. Council is seeking views from the community about the service and its cost. This review is occurring concurrently with an engagement for the proposed Special Rate Variation (SRV) of Council's rates. Both the SRV proposal and review of the Connector Bus service will be exhibited for public comment until January 31 2023. Recommendations on the Connector Bus based on community feedback will be presented to the Council meeting in February 2023.

## Who is the community?

The Strathfield community has rich historic and cultural diversity, established streetscapes and urban character, high population growth and changing demographics. It is important that future land use planning for Strathfield is representative of shared community values and that local characteristics and features are respected, enhanced and integrated into long term plans of the Strathfield Local Government Area.

Planning for the future must considered the past, current and future populations. Strathfield LGA is a desirable place to live with locational advantages but is also a major transport and educational centre with important commercial and industrial areas.

The community is made up of many stakeholders:

- The Strathfield LGA has a growing population with significant diversity of experiences, perspectives, cultures, languages, interests and needs. The diverse needs of our many

communities indicates that engagement is not a one-size-fits-all approach. It is important Council utilises a range of engagement methods to encourage community participation in decision making.

- The LGA has a residential population of over 45,000 people. Many people work or study in the LGA. There are over 6,500 businesses, 26,000 jobs and more than 10,000 student places at local schools and university.
- Strathfield is highly multicultural and 58.9% of our population were born overseas. More than 65.3% of our population speak a language other than English at home including Mandarin, Nepali, Cantonese, Korean, Arabic, Tamil, Telugu, Hindi, Vietnamese, Urdu and Italian.
- The median age of the LGA is 33 years, however the spatial distribution of age groups across the LGA is diverse ranging from median age of 41 years in Belfield to 31 years in Homebush and Homebush West. More than 29% of the population is aged less than 24 years with 12% aged over 65 years. 24% of our population are aged between 25-34 years.
- While over 40% of the local population live in family households, over 19% live in lone person households. 67% of our LGA population live in medium to high rise units with over 80% in suburbs such as Homebush and Homebush West, while other parts of the LGA have greater proportions living in houses in Strathfield, Strathfield South and Belfield.
- Strathfield LGA also has vulnerable or 'hard to reach' people including low income households, older residents, Aboriginal and Torres Strait Islander community, people experiencing homelessness, and Lesbian, Gay, Bisexual, Transgender, Queer, Intersex (LGBTQI) people.
- 4.3% of our population need help in their day-to-day lives due to disability. Council is committed to supporting people with disability to be engaged in our community, which includes commitment to our Disability Inclusion Action Plan (DIAP).

## Why we engage?

Strathfield Council has a longstanding commitment to community engagement with stakeholders. Council's approach to engagement is designed to deliver open, transparent, accessible, purposeful, timely and meaningful community engagement processes. Council considers that the community has a right to be informed about matters that affect them, which is underpinned by the following principles that engagement:

- is purposeful and has clear aims and objectives
- is commenced as early as possible to provide reasonable time for community input
- is undertaken appropriately for the scope and likely impacts of the proposal
- is inclusive and accessible for the community to participate including 'hard to reach' groups with information presented in accessible and inclusive
- is respectful of the contributions from the community and that personal information is managed appropriately.

Council's overarching engagement approach is guided by the principles of social justice. Social justice means a commitment to ensuring:

- fairness in the distribution of resources (equity)
- rights are recognised and promoted (rights)
- fair access to the economic resources and services essential to meet basic needs and to improve quality of life (access)
- opportunity for genuine participation and consultation about decisions affecting lives (participation).

## Level of Impact and scope of Engagement

Community engagement on the Connector Bus Service is considered to be **High Level with impacts on the majority of the Strathfield LGA.** The issue has a high potential level of interest and/or conflict.

The consultation is occurring in tandem with the engagement on the proposal for a Special Rate Variation (2023) and is intended to engage with residents and ratepayers in the whole LGA.

## Engagement timeframes

The engagement timeframe is from 7 December 2022 to 31 January 2023. The longer engagement period allows for public and school holidays over December 2022 and January 2023.

### Key staff

Key staff involved with the community engagement

- General Manager/Directors – provide direction, receive briefs, participate in meetings etc
- Chief Strategy Officer (Corporate Strategy) – coordinates and plans engagement activities, prepares plans, documentation, prepares engagement report etc
- Manager Communications and Events (Communications) – coordinates communications, preparation of communication materials, distribution of materials, manages social media etc.
- Consultants – Morrison Low. ML is commissioned to provide expert advice and participate in consultations on the SRV proposal. The Connector Bus review and engagement is related to the SRV proposal and engagement is being held in tandem with the SRV engagement.

## How will we engage?

Council intends to utilise a variety of engagement methods to obtain community views representative of the various demographic groups and stakeholders in the Strathfield Local Government Area. The methods are based on the International Association of Public Participation (IAP2) which clarifies the role of the community in planning and decision-making processes.
This engagement utilises 'inform' and 'consult' as set out in Council's Community Engagement Strategy as informed by IAP2 methods. This includes methods such as:

| Method | Process | Examples |
|---|---|---|
| Inform | Provide information to the public to assist them understanding the process and opportunities for consultation or engagement | • Provide notifications to the community via eNews, Council website, social media<br>• Publish information related to the proposals on website and in flyers and related documents<br>• Issue letter/flyer to households<br>• Issue media release<br>• Provide information displays<br>• Notify, update and update via comments in social media<br>• Notify via posters, signs and banners |
| Consult | Obtain public feedback on proposals or decisions | In addition to methods for 'inform':<br>• Issue surveys and collate feedback<br>• Receive submissions<br>• Issue E-News and/or targeted email to specific groups<br>• Organise Pop-up stalls in locations across LGA<br>• Organise Information/Public Meetings – in-face and online |

## Key engagement activities

### Community Survey

The community survey is the primary method of consulting with the community and gathering feedback on a variety of topics. The survey is open and uses closed and open ended questions to reflect responses. The survey seeks feedback on a number of issues relating to the Connector Bus and also collects demographic data. The form of the survey is:

- A digital version of the survey is accessible on Council's engagement site at https://haveyoursay.strathfield.nsw.gov.au/
- A print version of the survey is available on request.
- The online engagement site provide translated survey and other information in the top 10 languages in Census 2021.

The community will be notified via:

- E-News (email sent to registered users) sent on weekly basis during the engagement period as well as social media.
- A flyer issued from 7 December 2022 has been sent to all households and ratepayers in the LGA outlining the proposals on the SRV and Connector Bus with links to the Community Surveys.
- The engagement will be promoted at Customer Service, Library and also through pop up stalls, information sessions etc.

### PopUp stalls/Information sessions

This involves staff attending street stalls and attending events or places that the community meets. Copies of the community survey can be distributed or short answer questionnaires could be used. The PopUp Stalls and Information sessions will be held in December 2022 and January 2023.

## Submissions

Submissions concerning the proposal may be sent directly to Council and will be included as feedback in the reporting of the process.

## Outcomes and Reporting

- Council will provide feedback back to the community participants at the February 28 2023 Council meeting.
- Reports presented to the Council meeting will include a summary of the community engagement outcomes and how Council has addressed the community feedback which will include details on how the engagement was conducted, the key issues raised and feedback.
- Personal information will be presented in aggregated, not personal, form eg based on generalised location, age group etc. Council will take all reasonable steps to protect the personal information of those involved in community engagement activities in accordance with Council's Access to Information Policy, Privacy Management Plan, and the *Privacy and Personal Information Protection Act 1998*.

**Community Engagement Action Plan**

The Community Engagement period will run from December 7 2022 to January 31 2023 and follow the following structure:

| Tasks | Actions | Who | Indicative Dates |
|---|---|---|---|
| **1. Pre-planning and organising** | | | |
| Community engagement plan prepared | Prepare community engagement plan for review of the Strathfield Connector Bus service | Corporate Strategy | December 2022 |
| Community survey prepared | 1. Prepare community survey (i.e. open and closed questions plus demographic data)<br>2. Include relevant language translations<br>3. Upload community survey | Corporate Strategy<br><br>Communications | December 2022 |
| Fact sheets/FAQs preparation | Prepare text for website, flyer and FAQs | Corporate Strategy | December 2022 |
| **2. Engagement activities** | | | |
| Community survey launched | Launch community-wide online survey, with six-week survey period from 8 December to January 31 2023. | Communications | December 2022 to January 2023 |
| PopUp stalls | In conjunction with SRV engagement, provide feedback sheets, information and surveys at PopUp stalls on 10, 13 and 17 December and 21 January 2023. | Communications | December 2022 to January 2023 |
| Meetings | In conjunction with SRV engagement, provide feedback sheets, information and surveys at information sessions at in-person on 12 and 14 December 2022 and online at 15 December 2022. | Communications | December 2022 to January 2023 |
| Community survey interim results compiled | Collate and evaluate emerging survey responses, including key themes and trends, throughout engagement period for reporting to Executive | Corporate Strategy | December 2022 to January 2023 |
| Hold internal update meetings | Provide update on engagement activities and community feedback | Key staff | Weekly (as available during holiday period) |
| Community survey closed | Close online survey and collate responses | Corporate Strategy | January 2023 |
| **1. Post-engagement** | | | |

Strathfield Connector Bus Community Engagement Report (February 2023) p20

| Tasks | Actions | Who | Indicative Dates |
|---|---|---|---|
| Engagement summary report prepared | Prepare summary engagement report including analysis of community survey data and engagement outcomes and recommendations | Corporate Strategy | January 2023 |
| Recommendations presented to Council | Prepare presentation to Councillor Workshop (pre-briefing) and report to Council meeting February 2023 | Corporate Strategy | January 2023 |

**PE1 MANAGING COUNCIL-RELATED DEVELOPMENT POLICY - CONFLICTS OF INTEREST**

**AUTHOR: Patrick Santos, Senior Planner**

**APPROVER: Kandace Lindeberg, Manager, Planning & Development**

## RECOMMENDATION

1. That Council resolves to exhibit the draft Managing Council-Related Development Policy (the Policy) and the amended Community Participation Plan (CPP).

2. That Council resolves to adopt both the Policy and the amended CPP in the event of no submissions received by Council during the exhibition period.

3. In the event of any submissions received during the exhibition period, that these submissions be reported back to Council advising the outcome of the exhibition.

## PURPOSE OF REPORT

To inform the Council of the *Environmental Planning and Assessment Amendment (Conflict of Interest) Regulation 2022* that will commence on 3 April 2023 and introduce changes to the *Environmental Planning and Assessment Regulation 2021* (EP&A Regulation) in relation with better managing potential conflicts of interest for Council-related developments.

## REPORT

The changes to the EP&A Regulation include the following:

- Council must prepare and adopt a policy that will manage conflict of interest for all Council-related applications
- Council to amend the CPP to reflect a 28-day notification period for all Council-related applications
- Council must record conflicts of interest and how these are managed in the Development Application Register for all Council-related applications

A draft copy of the Policy is attached in this report and would apply to all development and modification applications.

Failure to adopt a policy after the commencement of the proposed changes to the EP&A Regulation would prohibit a determining authority (i.e. planning panels) in determining an application that is Council-related.

## FINANCIAL IMPLICATIONS

There are no financial implications.

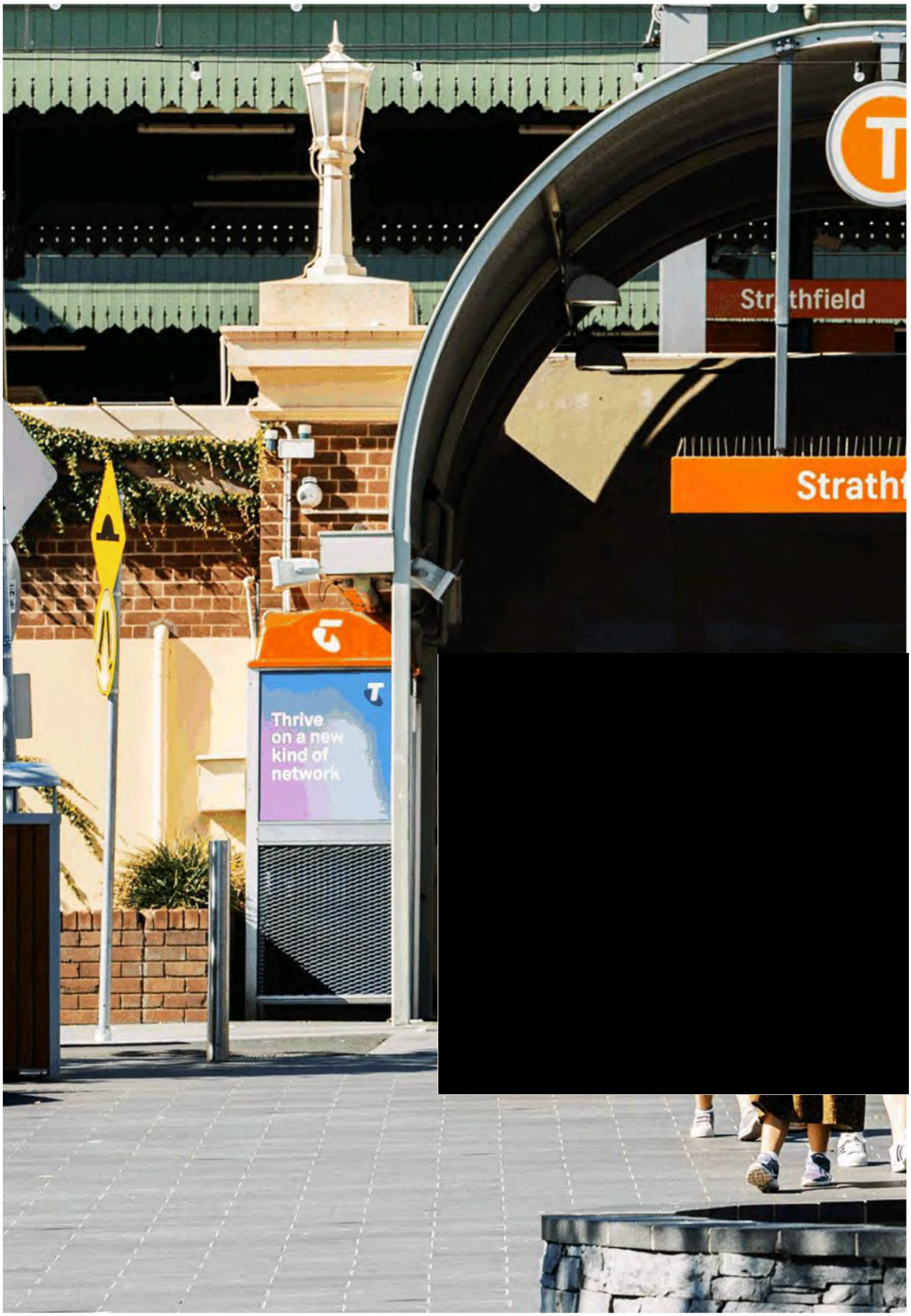
## ATTACHMENTS

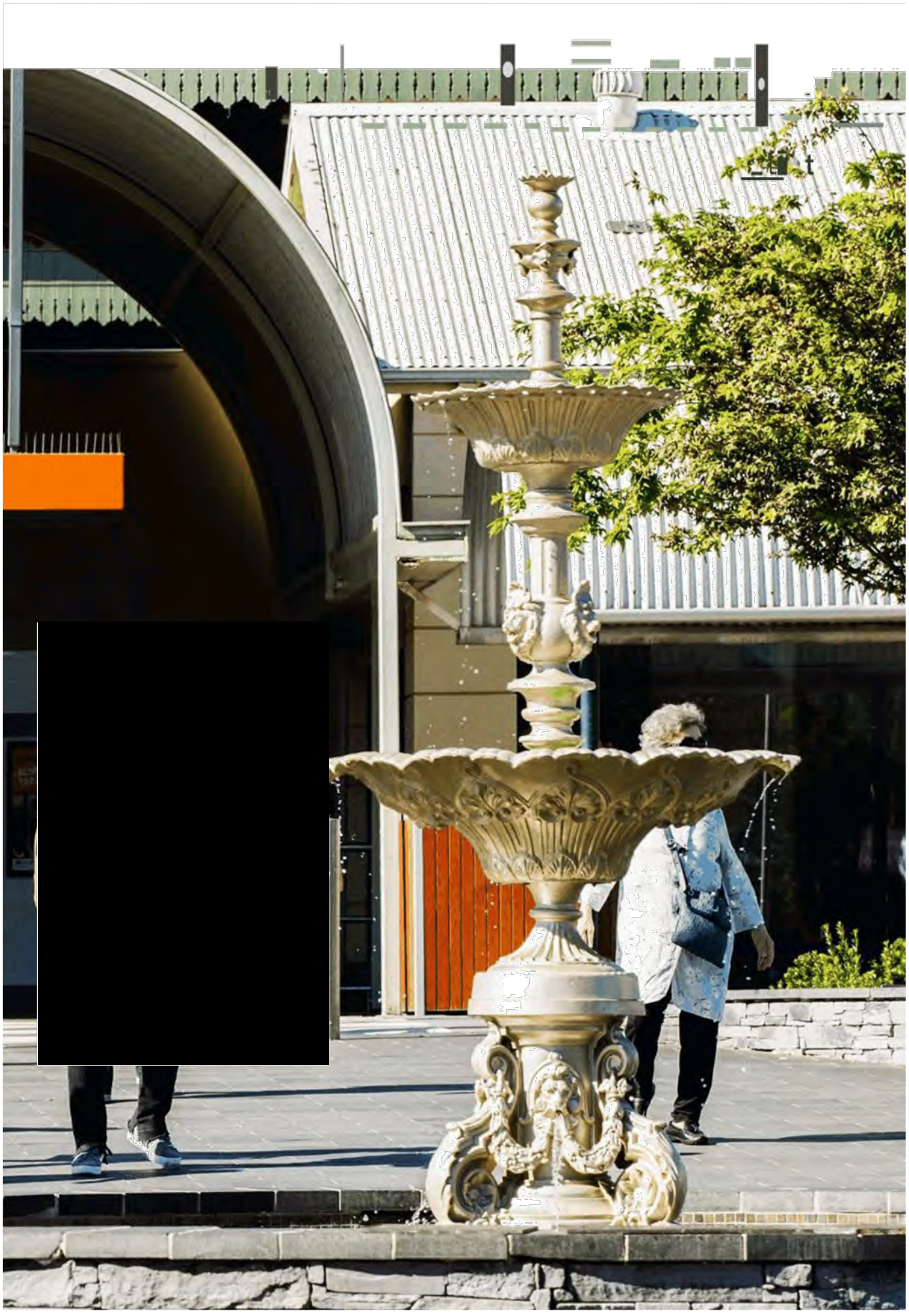
1. Draft Community Participation Plan (CPP)

2. Draft Policy - Managing Council-Related Development

# ATTACHMENT 1


STRATHFIELD COUNCIL
COMMUNITY
PARTICIPATION PLAN
DECEMBER 2019
STRATHFIELD
COUNCIL


Thrive
on a new
kind of
network





# 1. Introduction and Principles



## 1.1 Introduction

The Strathfield Council Community Participation Plan (CPP) sets out how Council undertakes community participation in regard to planning and development.

The intention of this plan is to provide a single document that sets out all of the Council's community participation requirements under planning legislation, including all minimum mandatory exhibition timeframes in the *Environmental Planning and Assessment (EP&A) Act 1979* and relates to the planning functions of Council as set out in Schedule 1 of the Act.

This plan replaces the former Part L of the *Strathfield Consolidated Development Control Plan*, which set out controls for notifications for the development process.

## 1.2 What is the purpose of our Community Participation Plan?

The CPP is intended to provide the community with clear guidelines of how and when Council will undertake community participation for specific types of development and planning proposals to support transparent and clear timeframes and engagement processes.

This CPP is particularly concerned with community engagement in planning and development and incorporates the engagement and notification requirements outlined in the *EP&A Act*.

## 1.3 What is the new planning framework?

The Strathfield Community Strategic Plan – Strathfield 2030 sets out the strategic direction and vision for the Strathfield Local Government Area (LGA).

The Local Strategic Planning Statement (LSPS) interprets the community vision set out in Strathfield 2030 into a land use planning framework to guide the future of the Strathfield LGA up to 2040. The LSPS provides the framework for developing a new Local Environmental Plan (LEP) and Development Control Plan (DCP).

The planning framework is informed and underpinned by continuous community engagement.

## 1.4 Where does the CPP apply?

This CPP applies only to the Strathfield Local Government Area and the exercise of its planning functions under the
*EP&A Act 1979*.

This CPP has been developed in accordance with the requirements of the *EP&A Act*, Council's Community Strategic Plan (CSP) and community engagement strategy. The intention of this plan is to consolidate the processes for engaging with the community on planning and development matters.

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## 1.5 What are the objectives of the CPP?

Council's community engagement objectives are to:

a) Enhance opportunities for all members of the community to participate in planning decisions to achieve better planning outcomes, in an open and transparent process
b) Ensure the community understands how they can participate in planning decisions
c) Ensure that the needs and concerns of the community are identified and addressed whenever possible
d) Ensure our strategic planning reflects the aspirations of the community
e) Ensure that Council meets its legislative requirements in regards to community engagement

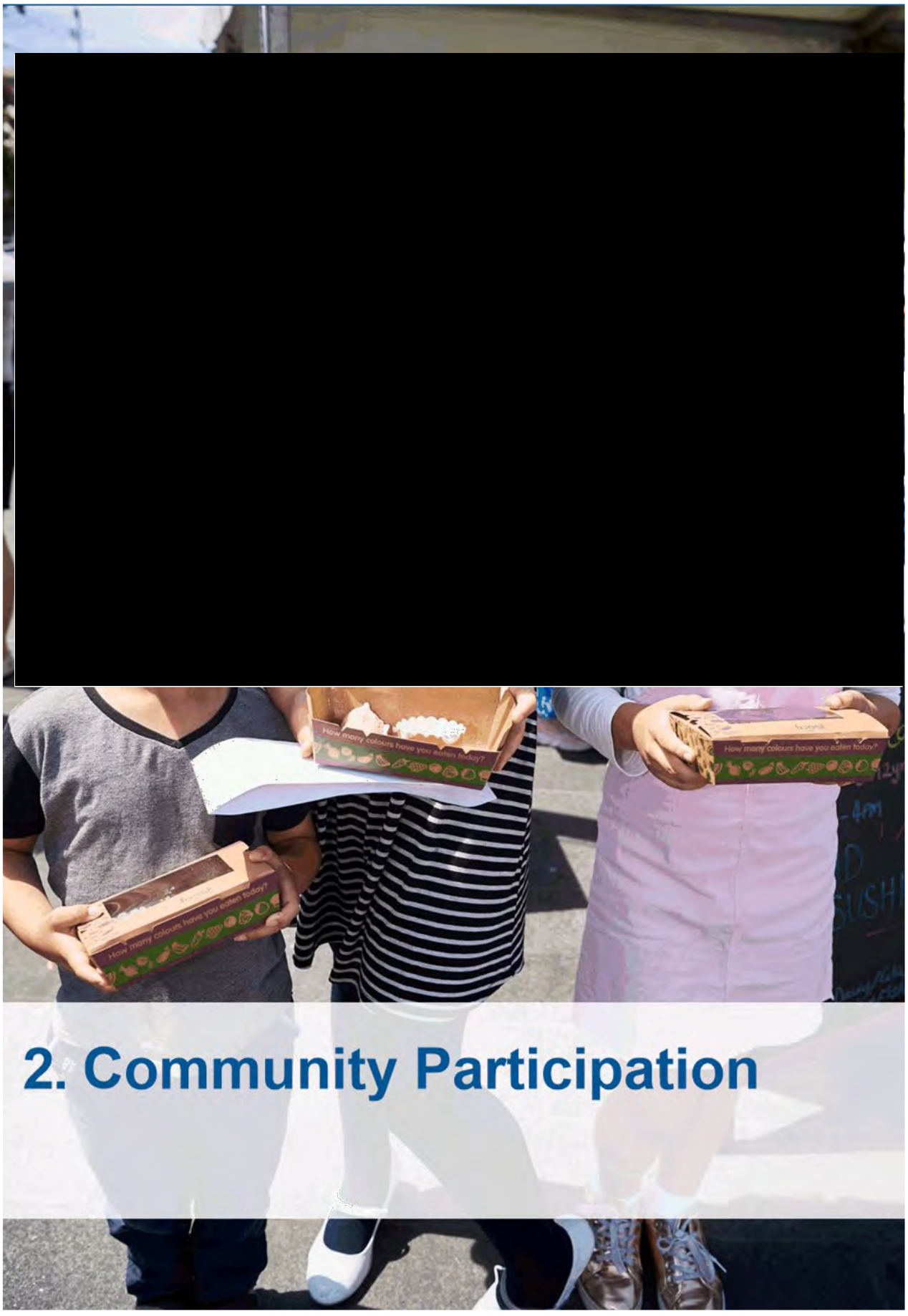
## 1.6 Review of CPP

The CPP will be reviewed periodically.

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How many colours have you eaten today?
2. Community Participation

## 2.1 Why is community participation important?

Community participation is important to create a shared sense of purpose, direction and understanding of the need to manage growth and change, while protecting the natural environment and preserving local character.

Participation assists decision makers to identify public interest concerns, allows stakeholders to hear each other's concerns and ideas, capture local knowledge and expertise and settle issues up-front to reduce potential disputes.

Community engagement can involve a broad range of activities, ranging from informing to active participation, which includes:

- "Informing" - notification of a proposal or that a decision has been made
- "Consulting" - takes place when a project or activities requires input or feedback before a decision is made, such as a draft plan
- "Active participation" - collaboration with or involvement of specific groups or community.

## 2.2 Our approach to community participation

Council encourages open, transparent, easy, relevant, timely and meaningful opportunities for the community to engage in planning decisions.

The *EP&A Act* established principles to ensure that community participation in planning decisions is clear and easy. These principles are consistent with the International Association for Public Participation (IAP2) and represent best practice engagement for planning matters.

These principles include:

- The community has a right to be informed about planning matters that affect it.
- Council will encourage effective and on-going partnerships with the community to provide meaningful opportunities for community participation in planning.
- Planning information should be in plain language, easily accessible and in a form that facilitates community participation in planning.
- The community should be given opportunities to participate in strategic planning as early as possible to enable community views to be genuinely considered.
- Community participation should be inclusive and planning authorities should actively seek views that are representative of the community.
- Members of the community who are affected by proposed major development should be consulted by the proponent before an application for planning approval is made.
- Planning decisions should be made in an open and transparent way and the community should be provided with reasons for those decisions (including how community views have been taken into account).
- Community participation methods (and the reasons given for planning decisions) should be appropriate having regard to the significance and likely impact of the proposed development.

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3. Advertising and Notifications
Submissions

## 3.1 Submissions Period

Unless otherwise stated, the submission period for each application is in line with the notification period (except where an extended notification period is given) commencing one day after the day of the notification letter.

Development applications and accompanying material will be available for viewing on Council's website for a stated number of days. Submissions will be accepted within this time period. If the period finishes on a weekend, the time period is to be extended to the immediately following Monday.

The period may be increased, if the consent authority or council considers that a longer period should be given in the circumstances.

## 3.2 Making a Submission

Any person is entitled to make a submission which may object or support an application within the notification period, whether or not a notification letter has been forwarded to the person.

Submissions must be made in writing and delivered to the Council either personally, by post, or electronic mail.

All submissions received within the notification period will be considered in the officer's assessment of the application. Council is not bound to adopt or support a submission when making its determination. The officer's assessment will involve consideration of the merits of all relevant matters having regard to section 415 of the Act.

Where possible, submissions should include the following characteristics:

- The reasons for objection or support;
- Submissions must be in writing, be addressed to the CEO, clearly indicate the name(s), address and contact details of the person(s) making the submission, quote the development application number, and clearly state the address of the property;
- Other documents (such as surveys, plans or photographs) may be included in support of a submission;
- Correspondents may suggest ways in which a proposal might be changed to address their concerns;
- If persons who lodge submissions wish their personal information to remain anonymous, a clear request must be including asking Council not to make such information available for public inspection;
- Note: Only one (1) submission will be counted per dwelling. In the case of strata title buildings, this means one submission per unit.

## 3.3 Notice to Persons Lodging Submissions

In the event that an application is to be determined at a Strathfield Local Planning Panel Meeting, the consent authority is to notify person(s) who have lodged a written submission, prior to the relevant meeting.

## 3.4 Petitions

Where petitions are received in respect of an application, the principal petitioner or where not nominated the first petitioner will be acknowledged for the purpose of future contact. Only the principal petitioner will be advised of timings regarding the determination of an application.

Contact details including name, address, telephone number and email are to be provided for the principal petitioner.

## 3.5 Disclosure of Submissions

Submissions are not confidential. Submissions may be accessed by the public through an application to access Council's records under the *Government Information (Public Access) Act 2009*.

## 3.6 Acknowledgment of Submissions

All submissions received during the assessment period are to be acknowledged within 2 weeks of receipt.

Council's policy is to notify all submitters prior to a Strathfield Local Planning Panel (SLPP) Meeting or other public meeting; and following determination of the application.

## 3.7 Anonymous Submissions

Anonymous submissions will not be considered.

## 3.8 Decisions

Once an application has been determined, Council will notify of the decision in the following ways:

- All of those person(s) who made a written submission in respect of an application will be notified in writing.
- A list of development applications approved will be published on Council's website in accordance with Section 4.59 of the Act.

The following information will be provided on Council's website via the DA tracker consistent with the mandatory requirements of Schedule 1 of the Act.

- The decision
- The date of the decision
- The reasons for the decision
- How the community views were taken into account in the making of the decision.
- The decision and the date will be provided in the form of the Notice of Determination, and the reasons for the decision and consideration of community views will be contained within the Assessment Report.



# 4. Plan Making

## 4.1 Notification processes for plan making and development assessment (designated, integrated, state and EIS)

Table 1 and Table 2 set out NSW legislative requirements for notification of plan making (table 1) and development assessment for designated development, integrated development, State Significant Development and Environmental Impact Statements (table 2).

The tables set out the minimum standards for notifications. However, notification areas and times may be increased (not reduced) at the discretion of the authorised Council officer, considering the nature and likely impact of the proposal.

For plans or development assessments likely to generate major public interest or have major impacts on the Strathfield Local Government Area, in part or as a whole, Council will utilise a wider range of consultation methods which can include:

- Notify residents via a letterbox drop to an area deemed appropriate by a relevant Council Officer
- Arrange a public meeting, presentation or forum
- Use surveys, consult with community panels or focus groups.

### Table 1 – Legislative requirements for notification (plan making)

| NAME | NOTIFICATION PERIOD | FORM OF NOTIFICATION |
|---|---|---|
| Draft Community Participation Plans (Division 2.6) | Minimum 28 days | E-News<br>Council website |
| Draft regional or district strategic plans (Division 3.1) | Minimum 45 days | E-News<br>Council website |
| Draft Local Strategic Planning Statements (Division 3.1) | Minimum 28 days | E-News Council website |
| Planning proposals for local environmental plans, subject to a Gateway determination | Minimum 28 days, or:<br>a) If a different period of public exhibition is specified in the gateway determination for the proposal – the period so specified, or:<br>b) If the gateway determination specifies that no public exhibition is required because of the minor nature of the proposal – no public exhibition | E-News<br>Council website<br>Public Forum |
| Draft development control plans (Division 3.6) | Minimum 28 days | E-News Council website |
| Draft contribution plans (Division 7.1) | Minimum 28 days | E-News Council website |

## Table 2 – NSW legislative requirements for notification of plan making

| NAME | NOTIFICATION PERIOD | FORM OF NOTIFICATION |
|---|---|---|
| "Nominated integrated development': any development requiring approval under the *Heritage Act 1977*, *Water Management Act 2000* or Protection of the *Environment Operations Act 1997* | Minimum advertising period of 28 days (cl. 89 of Regulations) | E-News<br>Council Website |
| Designated Development | Minimum advertising period of 28 days (cl. 89 of Regulations) For other requirements refer to clauses 77-81 of Regulations | Council website |
| State Significant Development | Minimum advertising period of 28 days (cl. 89 of Regulations) For other requirements refer clauses 82-85B of Regulations | Council website |
| Environmental Impact Statement obtained under the Division 5.1 or Environmental Impact Statement for State Significant Infrastructure under Division 5.2 | Minimum advertising period of 28 days (cl. 89 of Regulations) | Council website |


5. Development Assessment

## 5.1 Scope

This section sets out the minimum notification requirements for development proposals. Notification areas and times may be increased (not reduced) at the discretion of the authorised Council officer, considering the nature and likely impact of the proposal.

This section applies to:

- Development applications, including tree removal applications;
- Modification of consent applications; and
- Review of determination applications.

## 5.2 Exclusions

These matters are not publicly notified:

- Building and business identification signage that are considered to have minimal impact on the amenity of the locality and/or traffic safety;
- Development applications for minor works that are considered to have minimal environmental impact, including applications for subdivision; and
- Development applications for the use or change of use of a premises where the proposed use is permitted within the zone or replacing an existing use that has had a previous development consent granted.

## 5.3 Advertising and Notification of Applications

The objectives of advertising and notification of application is:

- To advise adjoining and nearby landowners/occupiers of proposals lodged with Council.
- To provide the opportunity for public comment on applications, and for participation in the decision making process.
- To establish criteria where notification may, or may not, be required and those persons who will be notified;
- To outline the procedures for notifying owners and/or occupiers of land affected by an application;
- To ensure all stakeholders are aware of the notification process;
- To establish a communication process in relation to the assessment of development applications;
- Ensure there is consistency in the notification of similar applications.

## 5.4 Persons to be Notified

Notice of an application will be provided to the following:

- All persons who, according to Council's property records, own or occupy land adjoining the application site;
- Any persons who, in the opinion of the Council officer, own or occupy neighbouring land that may be detrimentally affected by the likely impacts of the proposal including, but not limited to loss of views, loss of heritage significance, loss of privacy, overshadowing, hours of operation, noise generation, visual bulk, traffic and parking impacts, and inconsistency with the streetscape;
- Any persons who, in the opinion of the Council Officer, may be adversely affected by works to a heritage item, works in the vicinity of a heritage item, or works in a Conservation Area;
- Where the notified property comprises a strata titled building, the Owners Corporation, owners of strata units (where a mailing address is known to Council), and non-owner occupiers within the building will be notified;
- Any person or group of persons whom Council believes may have an interest in the determination of the application;
- Any public authorities, which Council believes, may have an interest in the determination of the application;
- For notification relating to premises on the border of a Local Government Area, Council will send letters to the adjoining Council except those premises fronting Coronation Parade, Roberts Road and Powells Creek.

**Note:** For applications likely to generate major public interest or have major impacts on the local government area, in part or as a whole, Council may also:

- Notify residents via a letterbox drop to an area deemed appropriate by a relevant Council Officer; and or
- Arrange a public meeting, presentation or forum.

## 5.5 The Methods Used to Notify Applications

Development applications requiring notification will be notified in the following forms:

- Letters and/or emails to adjoining and neighbouring land owners/occupiers (written notice);
- A site notice placed on the subject site (site notice);
- Information on Strathfield Council's website; and
- Notice published in Strathfield Council's eNews

## 5.6 Advertisement of Certain Applications

a) The consent authority, before determining any application to carry out development for the purpose of:

- a hospital/medical centre;
- a boarding house;
- a place of public worship;
- child care centre
- a sex services premises; and
- a restricted premise.

shall give notice of the receipt of the application on Council's website.

b) A published notice referred to (a) shall:

- set out particulars sufficient to identify the land to which the application relates in accordance with Clause 5.7 of this section; and
- be advertised and notified for a period of twenty one (21) calendar days from the date of the publication (excluding public holidays).

c) After expiry of the exhibition period, the consent authority shall consider the application having regard to any written submissions received.

## 5.7 Notification Content

The notice must contain the following information:

- The address of the land on which the development is proposed to be carried out;
- A description and address of the site to which the application relates;
- A brief description of the proposal that outlines the nature of the development including the number of storeys, number of residential units and/or commercial floor space, and the number of on-site parking spaces where applicable;
- The application reference number;
- The name of the applicant;
- Where and when the application can be inspected;
- The invitation of affected persons to make a written submission;
- The period during which the application can be inspected and submissions may be made;

**Note:** The written notice will be accompanied by an A4 size notification plan including a site plan and elevations of the proposed development, prepared by the applicant.

## 5.8 Minimum Notification Area

The notification area is expressed as a minimum and may be increased (not reduced) at the discretion of the assessing officer, considering the nature and the likely impact of the proposal.

For development that is notified, all properties within a 100m radius (measured from the centre of the site of the development application) or seven (7) properties either side of the subject properties and fourteen (14) properties across the road and fourteen (14) properties across the rear, whichever is the greater, are to be notified.

For development applications proposing the construction of, or use a building for a new Boarding House developemnt, all properties within a minimum 500m radius, measured from the centre of the site of the development application are to be notified.

Where a site is partially affected by the 100m or 500m radius, the site shall be considered to be within the radius area and is to be notified of the development application.

The diagram below (Figure 1) shows the land to be notified and represents the minimum notification area for all development applications to which this section applies.

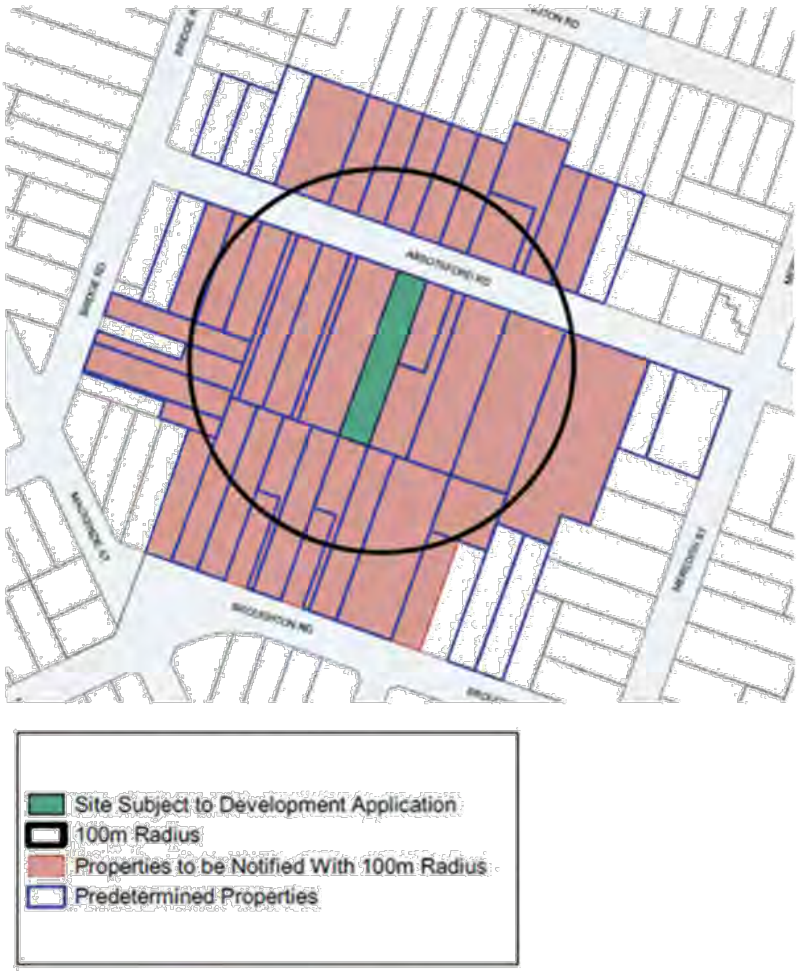



**Figure 1 – Minimum notification area**

## 5.9 Advertising and Notification Requirements

There are two (2) categories of public exhibition procedures for the purpose of this section, based on the anticipated impacts of the proposed development on its environment.

The two (2) categories of public exhibition procedures are:

- Category A – 14 days notification
- Category B – 21 days notification

| CATEGORY A | CATEGORY B |
|---|---|
| Relates to all development types to which this section relates to excluding development to which Category B relates. | • Relates to the following development types:<br>• New residential flat buildings and additions greater than 3 storeys<br>• New boarding house<br>• New tourist and visitor accommodation<br>• New hotel or motel accommodation<br>• New bulky goods premises<br>• New restricted premises<br>• New sex services premises<br>• New place of public worship<br>• New seniors housing<br>• New hospital/medical centre<br>• New educational establishment<br>• New child care centre<br>• Mixed-use development: new and additions greater than three (3) storeys<br>• Commercial development: new and additions greater than three (3) storeys<br>• Other major non-residential development |

**Note:** the notification period may be altered at the discretion of the Council officer following consideration of the nature and likely impact of the proposal or the circumstances of the case.

## 5.9A Council-Related Development

Despite the notification period specified in Clause 5.9 of this policy, a council-related development is to be notified for 28 days in accordance with Schedule 1, Clause 9B of the *Environmental Planning and Assessment Act 1979*.

Note: ***council-related development*** means development for which the council is the applicant, developer (whether lodged by or on behalf of council), landowner, or has a commercial interest in the land the subject of the application, where is will also be the regulator or consent authority.

## 5.10 Notification Periods

The notification period for all notified development commences one day after the date of the written notice.

Development that is notified only for fourteen (14) days is not advertised.

The notification period for all 'advertised development' commences from the day of publication on Council's website.

During the Christmas holiday period, notification will occur in accordance with the Environmental Planning and Assessment Act 1979, Schedule 1 and exclude the days between 20 December and 10 January (inclusive).

## 5.11 Extension of Advertising and Notification Periods

The period for advertising and notification of applications to which this section applies may be extended in the following instances:

- During traditional holiday periods (e.g. the period from 20 December and 10 January is excluded from the calculation of a period of public exhibition); and
- Where the consent authority or its officers consider the form of development to warrant an extended consultation period.

## 5.12 Amendments, Modifications and Reviews

Where an application is amended prior to its determination, the application shall be readvertised or notified when the amended application is considered likely to result in additional environmental impacts. In this instance, Council will re- notify:

- Those persons who lodged a written submission to the original application;
- The originally notified area;
- Any additional persons who own/occupy neighbouring land that may, in the opinion of Council's officer, be adversely affected by the amended proposal.

Amended applications that are considered to result in a lesser impact on the environment are not required to be readvertised or renotified.

When an application is withdrawn and a subsequent application made, the new application will be readvertised or notified as if the previous application had not been made. Submissions received in relation to the superseded application will not carry over to the new application.

## 5.13 Section 4.55 and 4.56 Applications

An applicant may amend a development consent under Section 4.55 and 4.56 of the Act in the following ways. An applicant may amend a development consent under Section 4.55 of the Act in the following ways:

- Section 4.55(1) applications involving correction of minor errors and misdescriptions;
- Section 4.55(1A) applications involving minimal environmental impacts;
- Section 4.55(2) applications involving other modifications; and
- Section 4.56 applications received in relation to consents granted by the Land and Environment Court

These Section 4.55 and 4.56 modification applications will be notified as follows:

- Section 4.55(1) applications will not be advertised or notified.
- Section 4.55(1A) applications will not be advertised or notified, unless the modification relates to a condition or requirement that arose from a previous submission. In this regards, all previous submitter will be notified.
- Section 4.55(2) applications will be advertised and/or notified for a maximum of 14 days or in the same manner as the original application. All previous submitters will be notified.
- Section 4.56 applications will be advertised and/or notified for a maximum of 14 days or in the same manner as the original application. All previous submitters will be notified.

## 5.14 Section 8.2 Reviews

Pursuant to Section 8.2 of the Act, an applicant may request the Council to review a determination of an application within 6 months of the determination date, however sufficient time must be available for Council to be able to review, asses and determine the application within 6 months of the determination date.

Applications for a Section 8.2 review of determination will be re-advertised and re-notified in the same manner as the original application even if the development application is amended and is considered to have a lesser impact on the surrounding area than the original development application.

Those persons who lodged a written submission to the original application will also be notified of a Section 8.2 review application.

## 5.15 Other Provisions

b) NSW Land and Environment Court Appeals

Where an application is subject to an appeal in the Land and Environment Court (the Court), Council will notify:

- Those persons who lodged a written submission to the original application; and
- Any other person(s) who own/occupy adjoining or neighbouring land who may, in the opinion of Council, be adversely affected by the proposed development.

In the event the Court makes a determination on an application, Council will send notice of the determination to each person(s) who lodged a written submission with respect to the application.

c) Cost of Advertising and Notification

The fees and charges associated with the advertising and notification of applications is available on Council's website:

http://www.strathfield.nsw.gov.au/council-documents/fees-_and-charges/

## 5.16 Section 8.2 Reviews

Pursuant to Section 8.2 of the Act, an applicant may request the Council to review a determination of an application within 6 months of the determination date, however sufficient time must be available for Council to be able to review, asses and determine the application within 6 months of the determination date.

Applications for a Section 8.2 review of determination will be re-advertised and re-notified in the same manner as the original application even if the development application is amended and is considered to have a lesser impact on the surrounding area than the original development application.

Those persons who lodged a written submission to the original application will also be notified of a Section 8.2 review application.

## 5.17 Other Provisions

d) NSW Land and Environment Court Appeals

Where an application is subject to an appeal in the Land and Environment Court (the Court), Council will notify:

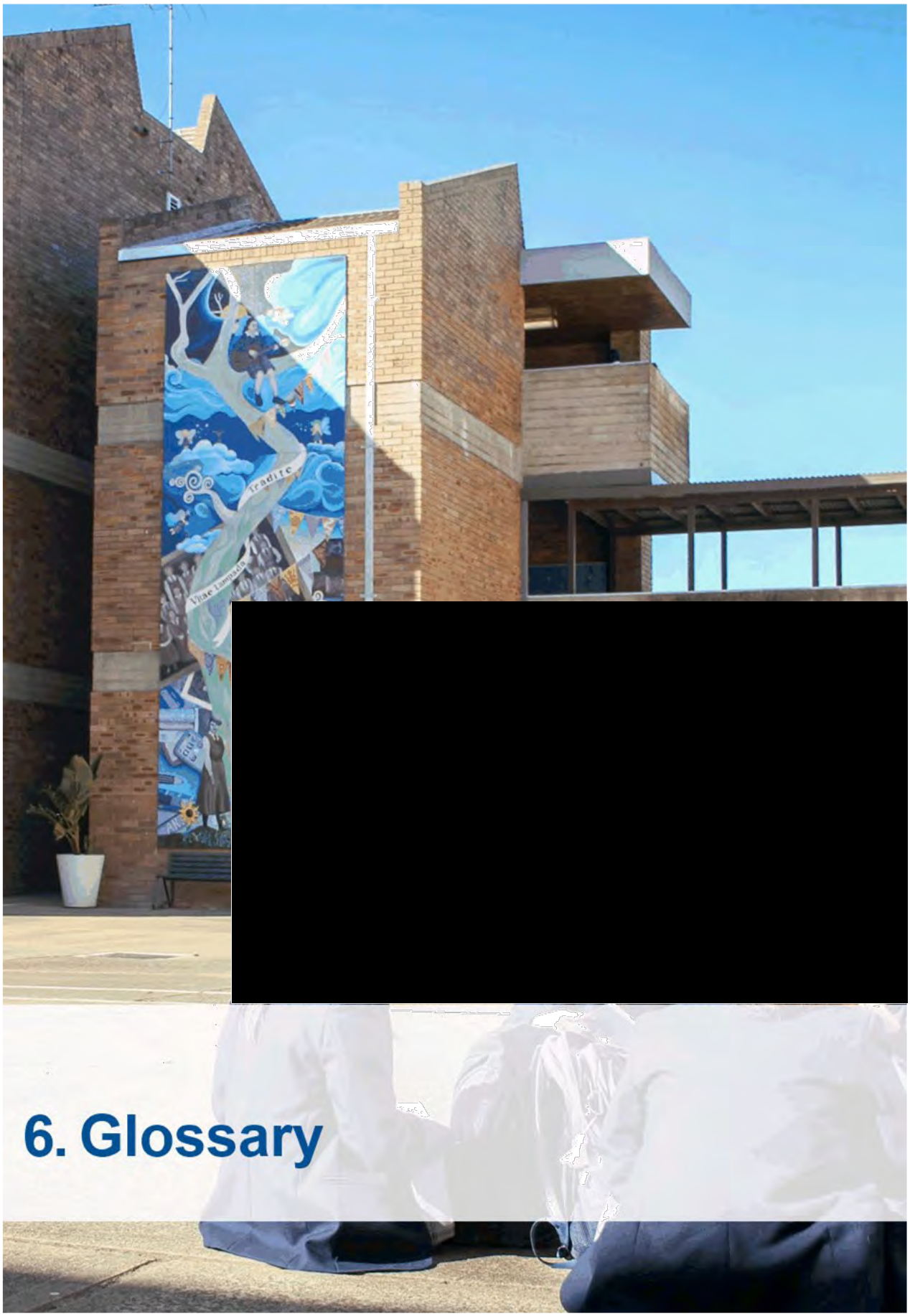
- Those persons who lodged a written submission to the original application; and
- Any other person(s) who own/occupy adjoining or neighbouring land who may, in the opinion of Council, be adversely affected by the proposed development.

In the event the Court makes a determination on an application, Council will send notice of the determination to each person(s) who lodged a written submission with respect to the application.

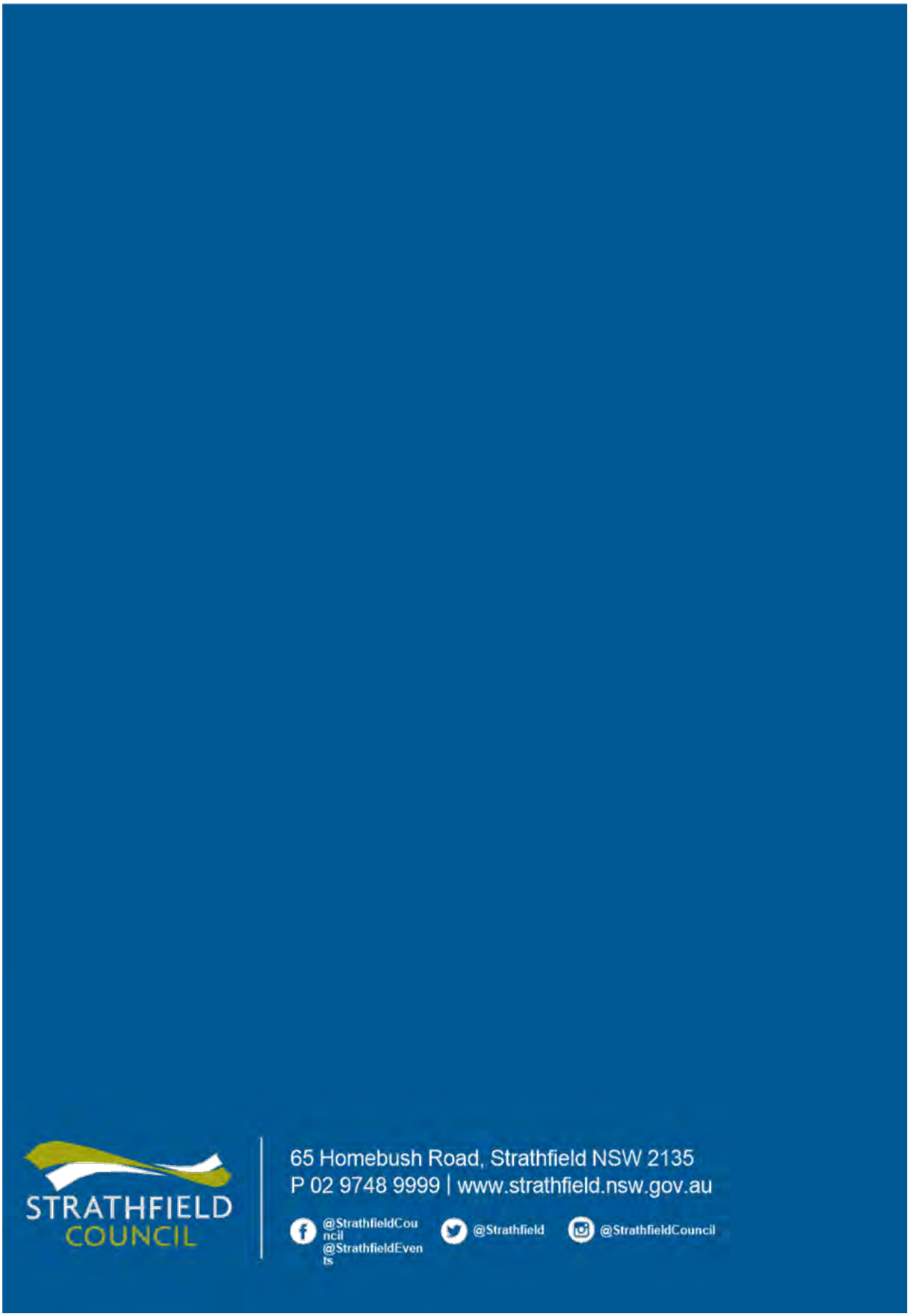
e) Cost of Advertising and Notification

The fees and charges associated with the advertising and notification of applications is available on Council's website:

http://www.strathfield.nsw.gov.au/council-documents/fees- and-charges/


6. Glossary

| PLANNING TERM | DEFINITION |
|---|---|
| Contribution Plans | A plan developed by councils for the purpose of gaining financial contributions from new development towards the cost of new and upgraded public amenities and/or services required to accommodate the new development |
| Development Application | A development application is a formal request of council to build or carry out development |
| Designated Development | Designated Development refers to developments that are high impact developments (e.g. likely to generate pollution) or are located in or near an environmentally sensitive area (e.g. a coastal wetland or flood zone) |
| Development Control Plans (DCP) | A plan that provides detailed planning and design guidelines to support the planning controls in a LEP |
| Gateway Determination | A gateway determination is issued following an assessment of the strategic merit of a proposal to amend or create an LEP and allows for the proposal to proceed to public exhibition |
| Local Environmental Plan (LEP) | An environmental planning instrument developed by a local planning authority, generally a council. An LEP sets the planning framework for a Local Government Area |
| Regional Strategic Plan | 20-year plans that address the community's needs for housing, jobs, infrastructure and a healthy environment for a DPE Region |
| State Environmental Planning Policy (SEPP) | An environmental planning instrument developed by the Department, that relates to planning matters that are state significant or are applicable across the state |
| State Significant Development (SSD) | Some types of development are deemed to have State significance due to the size, economic value or potential impacts that a development may have.<br>Examples of possible SSD include: new educational establishments, hospitals and energy generating facilities |
| State Significant Infrastructure (SSI) | SSI includes major transport and services development that have a wider significance and impact than on just the local area. Examples of possible SSI include: rail infrastructure, road infrastructure and water storage and treatment plants |
| Urban Renewal Areas, includes: | Growth centres: Land identified in State Environmental Planning Policy (Sydney Region Growth Centres) 2006, earmarked for the establishment of vibrant, sustainable and livable neighbourhoods that provide for community well-being and high quality local amenity<br><br>Planned precincts: Identified locations across Greater Sydney with good access to existing or planned public transport connections, suitable for rejuvenation with new homes and jobs<br><br>State significant precincts: State significant precincts are large areas of predominantly State-owned land, within Greater Sydney, that are identified by the State Government as areas for growth because of their social, economic or environmental characteristics |


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# ATTACHMENT 2

STRATHFIELD COUNCIL

# Managing Council-Related Development Policy

## Conflicts of Interest

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# Part 1 Preliminary

## 1. Name of Policy

This policy is the Managing Council-Related Development Policy.

## 2. Aim of Policy

This policy aims to manage potential conflicts of interest and increase transparency at all stages of the development process for council-related development.

## 3. Scope

This policy applies to council-related development.

## 4. Definitions

A) In this policy

***application*** means an application for consent under Part 4 of the Act to carry out development but does not include an application for a complying development certificate

***council*** means Strathfield Municipal Council

***council-related development*** means development for which the council is the applicant, developer (whether lodged by or on behalf of council), landowner, or has a commercial interest in the land the subject of the application, where it will also be the regulator or consent authority

***development process*** means application, assessment, determination, and enforcement

***general manager*** means the General Manager of the council

***local planning panel*** means the Strathfield Local Planning Panel

***local plannings panel direction*** means the referral criteria for development and modification applications set out by the Minister for Planning and Public Spaces, dated 30 June 2020, published on the Department of Planning and Environment website

***small fee*** means $250 or below

***the Act*** means the Environmental Planning and Assessment Act 1979

NOTE: Appendix 4: Local Planning Panels direction - Operational procedures (nsw.gov.au)

B) A word or expression in this policy has the same meaning as it has in the Act, and any instruments made under the Act, unless it is otherwise defined in this policy.

STRATHFIELD COUNCIL

## Part 2 Process for Identifying and Managing Potential Conflicts of Interest

### 5. Management Controls and Strategies

A) The following management controls may be applied to:
   i. The assessment of an application for council-related development
      a. Refer to Table 1
   ii. The determination of an application for council-related development
      a. Refer to Table 1
   iii. The options for the regulation and enforcement of approved council-related development are as follows –
      a. Shared services agreement with a neighbouring council
      b. Use of independent consultants

B) The management strategy for the following kinds of development is that no management controls need to be applied:
   i. Commercial fit outs and minor changes to the building façade
   ii. Internal alterations or additions to buildings that are not a heritage item
   iii. Advertising signage
   iv. Minor building structures projecting from a building facade over public land (such as awnings, verandas, bay windows, flagpoles, pipes, and services)
   v. Development where the council might receive a small fee for the use of their land

### 6. Identifying whether a Potential Conflict of Interest Exists, Assessment of Level Risk and Determination of Appropriate Management Controls

A) Development applications lodged with the council that are council-related development are to be referred to the general manager (or a delegate) for a conflict-of-interest category assessment. See Table 1 for the list of categories.

B) The general manager (or a delegate) is to:
   i. Assess whether the application is one in which a potential conflict of interest exists
   ii. Identify the phrase(s) of the development process at which the identified conflict of interest arises
   iii. Determine what (if any) management controls should be implemented to address the identified conflict of interest (in each phase of the development process if necessary) having regard to any controls and strategies outlined in clause 5 of the policy

      Note: The general manager could determine that no management controls are necessary in the circumstances.

   iv. Document the proposed management approach for the proposal in a statement that is published on the NSW Planning Portal.

STRATHFIELD COUNCIL

## Table 1 Assessment & Determination Criteria

| Categories | Assessment | Determination |
|---|---|---|
| Development application with an estimated cost of development that is equal to or less than $5 million | Assessment by a council Planner<br><br>A Management Statement to be prepared, unless it is a development specified in Part 2, Cl5(B) of this policy | Determination by a local planning panel |
| Development application with a capital investment value that is greater than $5 million | Assessment by a council Planner<br><br>A Management Statement to be prepared, unless it is a development specified in Part 2, Cl5(B) of this policy | Determination by a regional planning panel |
| Modification application under s4.55(1) of the Act | Assessment by a council Planner<br><br>A Management Statement to be prepared, unless it is a development specified in Part 2, Cl5(B) of this policy | Determination by a delegate |
| Modification applications under s4.55(1A) & s4.56 of the Act where the original DA's cost of works is <$250,000 | Assessment by a council Planner<br><br>A Management Statement to be prepared, unless it is a development specified in Part 2, Cl5(B) of this policy | Determination by a delegate |
| Modification applications under s4.55(1A) & s4.56 of the Act where the original DA's cost of works is > or equal to $250,000 | Assessment by a council Planner<br><br>A Management Statement to be prepared, unless it is a development specified in Part 2, Cl5(B) of this policy | Determination by the local planning panel |
| Modification application under s4.55(2) of the Act | Assessment by a council Planner<br><br>A Management Statement to be prepared, unless it is a development specified in Part 2, Cl5(B) of this policy | Determination by the local planning panel |

| | | |
|---|---|---|
| Review applications under s8.2 of the Act | Assessment by a council Planner not involved in the original application<br><br>A Management Statement to be prepared, unless it is a development specified in Part 2, Cl5(B) of this policy | Determination by the local planning panel |

STRATHFIELD COUNCIL

## Table 2 Conflict of Interest Management Statement

| Conflict of Interest Management Statement | |
|---|---|
| Application Number | |
| Proposal Description | |
| Potential Conflict | |
| Management Strategy | No management strategy required for the subject application.<br><br>OR<br><br>Assessment: refer to Table 1<br>Determination: refer to Table 1 |
| Contact | Anyone with concerns about council fulfilling its obligations should report their concerns to the council. |