

SINGLETON COUNCIL – CIP

FIT			
Area (km ²)	4,893	Population 2011	23,500
OLG Group	4	(2031)	27,350
ILGRP Group	Hunter		
Operating revenue (2013-14)	\$32.2m	TCorp assessment	Moderate FSR Neutral Outlook
ILGRP option	Council in Hunter JO (shaded area).		
Assessment summary	Scale and capacity	Satisfies	
	Financial criteria:	Satisfies overall	
	• Sustainability	Satisfies	
	• Infrastructure and service management	Satisfies	
	• Efficiency	Satisfies	



Fit for the Future – FIT

- The council satisfies the scale and capacity criterion.
- The council satisfies the financial criteria overall. It satisfies the sustainability, infrastructure and service management and efficiency criteria.

Scale and capacity - satisfies

- The council proposal is consistent with the ILGRP's option to stand alone.
- As the ILGRP did not identify another option for this council, it was not required to demonstrate how it met each of the elements of scale and capacity.
- Our analysis has not identified evidence for a better alternative to the council's proposal to stand alone.

Sustainability – satisfies

- The council satisfies the criterion for sustainability based on its forecast to meet the benchmarks for the operating performance ratio, the own source revenue ratio and the building infrastructure and asset renewal ratio by 2019-20.
- The council's proposal relies in part on the successful application for and adoption of a special variation from 2016-17 of 45.1% cumulative over 4 years (34.7% above the rate peg).
- The council has also proposed shared services such as library management systems, companion animal activities and health and building inspection services which contribute to the improvement in its sustainability.
- The council's approved special variation in 2014-15 of 7.3% (5% above the rate peg) permanently has assisted in this improvement.

Infrastructure and service management - satisfies

- The council satisfies the criterion for infrastructure and service management based on meeting the benchmarks for the infrastructure backlog, asset maintenance and debt service ratios by 2019-20.
- The council has been active in reducing the backlog by securing additional loan funding through the Local Infrastructure Renewal Scheme (LIRS) program (\$4m), as well as the SV approved in 2014-15 for transport infrastructure.

Efficiency - satisfies

- The council meets the criterion for efficiency based on its forecast for real operating expenditure per capita reducing over the period to 2019-20.
- The council's declining result appears to be in line with it stating that no new services are being considered and the forecast for a low population increase.

Other relevant factors

Social and community context	As the ILGRP option was for the council to be in the Hunter JO, its CIP does not address any social or community concerns.
Community consultation	The council has undertaken community consultation over the prior years in relation to council's provision of services, policies and strategies, but there appears to have been little consultation in relation to FFTF. The council states it has undertaken a 5 day workshop with the councillors in relation to the FFTF.
Water and/or sewer	Singleton Council operates water and sewer businesses. Water and sewer funds reported a surplus for 2013-14 of \$704k and \$1.2m respectively. The estimated cost to bring assets to a satisfactory standard is reported to be \$5.7m, however, it states that it has sufficient restricted funds to cover this cost. The shortfall of annual maintenance is reported to be \$3.6m.
Submissions	There we no submissions received in relation to Singleton Council's proposal.