



Balranald Shire
DELIVERY PROGRAM
2017-2021

April 2017

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ACKNOWLEDGEMENT TO COUNTRY

This Delivery Program acknowledges the Traditional Owners of Country throughout the Shire of Balranald – the Mutthi Mutthi, Paakantyi and Ngiampa tribes and their continuing connection to their Country and communities.

We pay our respect to them, their cultures, and to elders both past and present.



Section 1. **INTRODUCTION**

SECTION 1. INTRODUCTION

About the Delivery Program

This *Delivery Program* shows how the community's strategic goals as presented in *Balranald Shire 2027* – have been translated into actions that will be undertaken by the Council during its term of office. It represents a statement of commitment to the community from the elected council.

The 2017-2021 *Delivery Program* is designed as the single point of reference for all activities undertaken by a Council during their elected term of office. All plans, projects, activities and funding allocations are directly linked to the *Delivery Program*. The *Resourcing Strategy* documents, which include the Asset Management Plans, Workforce Management Plan and Long Term Financial Plan, have been implemented to support, resource and develop this *Delivery Program*.

The Council's 2017-2018 *Operational Plan* has been delivered as a separate sub plan to the *Delivery Program*. It spells out the detailed **annual actions and projects** that will be undertaken by the Council to achieve the commitments made in the 2017-2021 *Delivery Program*.

The *Operational Plan* also includes the Council's Statement of Revenue Policy which incorporates the detailed annual budget overall by function, 2017-2018 borrowings, general purpose rates schedule; and the Council's pricing policy for goods and services. The 2017-2018 Schedule of Fees and Charges is provided in a separate supplementary document to this Plan.



Our Elected Representatives



**Cr Leigh Byron
Mayor**



**Cr Alan Purtill
Deputy Mayor**



Cr Doug Allen



Cr Trevor Jolliffe



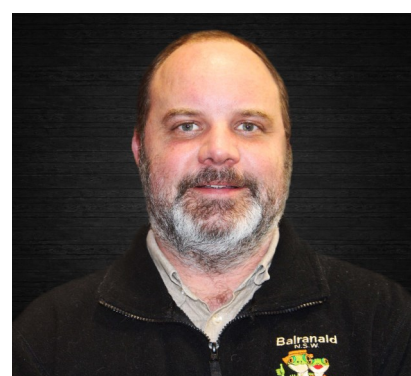
Cr Jeff Mannix



Cr Steve O'Halloran



Cr Jo Roberts



Cr German Ugarte

Council's Vision Mission & Values

Our Vision

To create a better, more vibrant, more resilient and more engaged community, by capitalising upon its human, cultural, environmental and business assets and encouraging a strong sense of civic participation and pride.

Our Mission

"Committed to Balranald Shire, Providing for our People, Protecting our Heritage, and Planning for our Future."

Our Values

Honesty: We will be transparent, frank and truthful to ourselves, each other and with other people we deal with.

Respect: We will treat others as we want to be treated ourselves, we will be tolerant of each other and accept that people have different opinions.

Enjoyment: We will create a pleasant and enjoyable working environment with satisfying jobs.

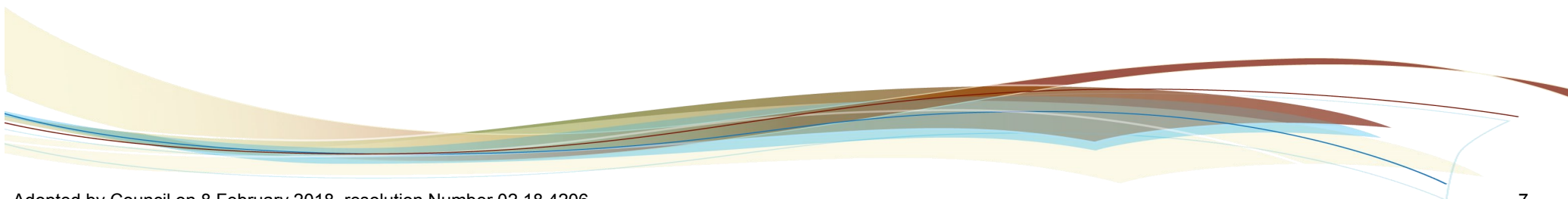
Teamwork: We will cooperate and support each other to achieve common goals.

Openness: We will collaborate openly and provide opportunities to communicate and network regularly with each other.

Leadership: We will provide a clear strategy and direction and support all to achieve organisational and community goals.

Customer

Focus: We will constantly strive to be responsive to our customers' needs and preferences by providing high quality services.





Section 2. **STRATEGIC OBJECTIVES**

SECTION 2. STRATEGIC OBJECTIVES

Our Community Strategic Objectives

Our 16 community strategic objectives derive from our six pillars of wellbeing—

Pillar 1: OUR PEOPLE

A community that is proactive, engaged, inclusive and connected

Community Strategic Objectives:-

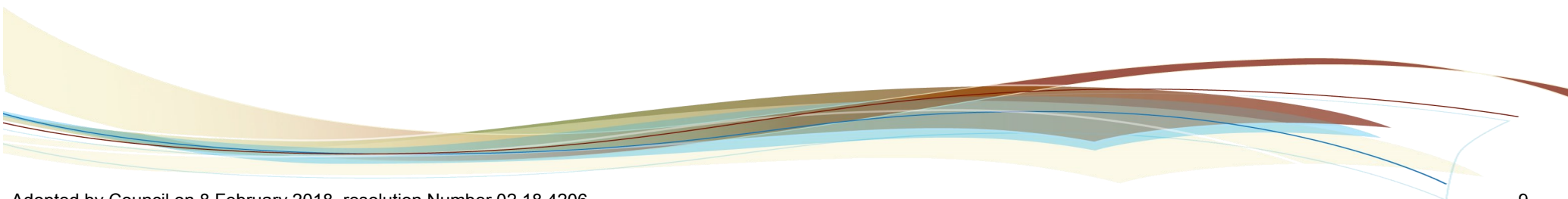
- 1.1 Create opportunities for all community members to socialise and connect.
- 1.2 Create and promote opportunities for community awareness and participation in the life of our community.
- 1.3 Involve, support and prepare our young people with the skills and knowledge to fully engage with the community and achieve their potential.

Pillar 2: OUR PLACE

A liveable and thriving community that maintains lifestyle opportunities and addresses its disadvantages

Community Strategic Objectives:-

- 2.1 Promote and develop our Community as a lifestyle, work and business destination.
- 2.2 Create opportunities to assist community members who are disadvantaged, or have a disability.
- 2.3 Provide and promote a wide range of lifestyle opportunities and activities, facilities and the environment to provide safe and inviting communities.



Our Community Strategic Objectives

Our 16 community strategic objectives derive from our six pillars of wellbeing—

Pillar 3: OUR ECONOMY

A community that ensures a strong and resilient economy

Community Strategic Objectives:-

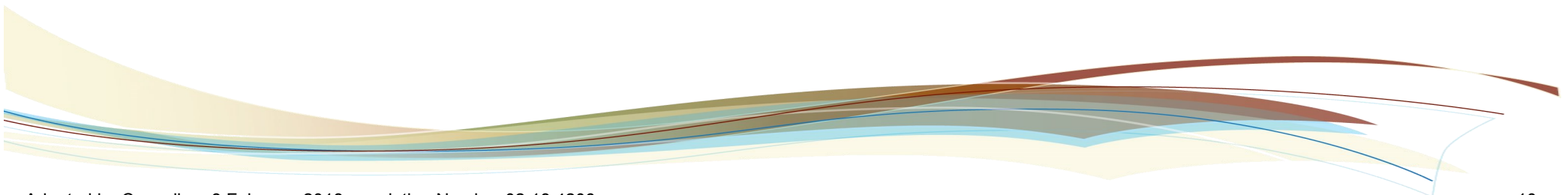
- 3.1 Strengthen the capacity and opportunities for our local economy.
- 3.2 Develop and promote our community as a desirable place to stop, shop and stay and experience the Outback and river environments of South Western NSW.
- 3.3 Lobby and facilitate the community gaining its fair share from regional investment to ensure sustainable provision of appropriate social, cultural and physical infrastructure

Pillar 4: OUR CULTURE

A community that respects and celebrates its diverse cultures heritage and arts

Community Strategic Objectives:-

- 4.1 Promote opportunities to acknowledge and celebrate our diverse cultures, heritage, artistic expression, religions and faiths.



Our Community Strategic Objectives

Our 16 community strategic objectives derive from our six pillars of wellbeing—

Pillar 5: OUR INFRASTRUCTURE

A community that maintains and strengthens its natural and built environment

Community Strategic Objectives:-

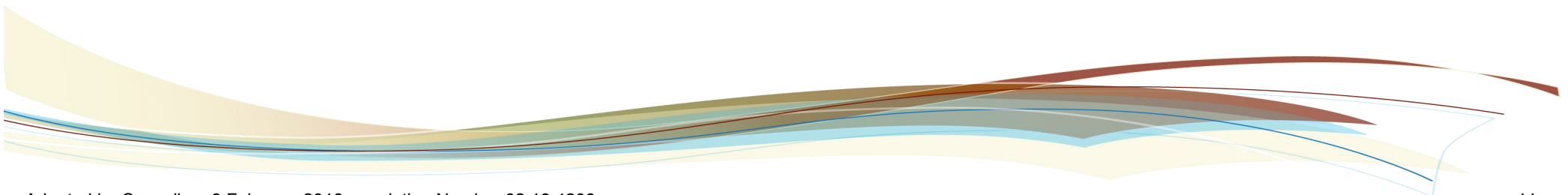
- 5.1 To preserve and enhance our natural environment
- 5.2 Promote key health, community communications and infrastructure improvements
- 5.3 Plan, maintain and develop key transport, energy and community infrastructure

Pillar 6: OUR LEADERSHIP

A community that values and fosters leadership, lifelong learning, innovation and good governance

Community Strategic Objectives:-

- 6.1 Promote strong leadership and governance that underpins a more strategic approach to community engagement, community and regional development and organisational sustainability.
- 6.2 Strengthen collaboration and partnerships across all levels of government
- 6.3 Advocate on issues and opportunities to achieve our community aspirations



Implementation, Monitoring and Evaluation

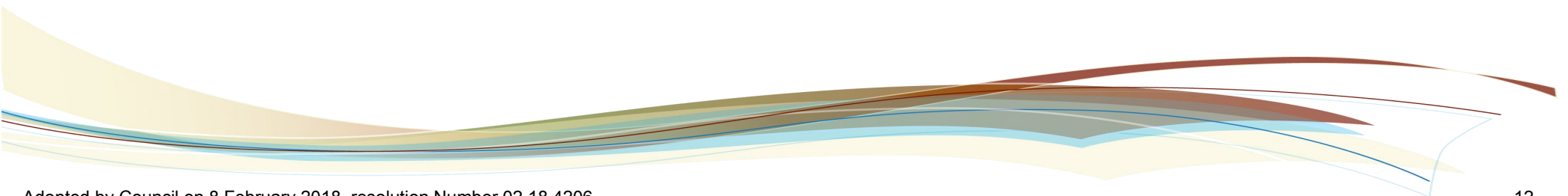
Balranald Shire 2027 sets out community expectations of service delivery standards for Balranald Shire Council (BSC) and its communities over the next ten years. While BSC has prepared this document, in consultation with its communities, and as part of its compliance with the *Integrated Planning and Reporting Framework*, the plan belongs to the community and will be used as a planning document in developing Council's four year *Delivery Program* and also its annual *Operational Plan*.

The *Delivery Program* will detail the principle activities to be undertaken by council to implement strategies established by the CSP within the resources available under the Resourcing Strategy over 4 years. The *Operational Plan* will detail the activities to be engaged in by the council during the year as part of the delivery program covering that year including a statement of revenue policy and a detailed annual budget.

To assist the community in understanding and monitoring Council's progress against these documents and to comply with the reporting requirements of the legislation and the *Planning and Reporting Guidelines for Local Government in NSW*, the Balranald Shire Council will establish the following reporting processes:

- an **Annual Report** outlining achievements against the *Delivery Program* and effectiveness of the principal activities undertaken in achieving the objectives in the CSP;
- audited financial statements as part of the *Annual Report*;
- an **End of Term Report** by the outgoing Council which outlines achievements in relation to the civic leadership, social, economic, and environmental objectives of *Balranald Shire 2027*. This *Report* will be presented to the final meeting of that Council.;
- **Progress Reports** at least every 6 months in respect to the principal activities detailed in the Delivery Program, and
- **Budget Review Statement** not later than 2 months after each quarter (except the June quarter)

Balranald Shire 2027 is designed to have a 10 year life; however, it is not expected that the CSP will be set in stone for that period. Every four years the Balranald community will have the opportunity to revisit and modify *Balranald Shire 2027* when a new Council is elected. Each review process will roll the plan forward by another four years, ensuring the Balranald community always has a 10 year plan.





Section 3.
2017-2021 DELIVERY PROGRAM
Actions by Pillar

Section 3: 2017-2021 Delivery Program Actions by Pillar

Balranald Shire 2027 Objectives

Pillar One: OUR PEOPLE

A community that is proactive, engaged, inclusive and connected

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
1.1.1 Expand opportunities for social interaction	a) Promote events that encourage community interaction b) Promote collaboration and partnerships between organisations across the Shire c) Support activities that encourage volunteering and active participation in community events	Ongoing Ongoing Ongoing	
1.2.1 Implement a Welcoming Strategy	a) Provide welcome to new residents b) Develop a "Welcome Pack" for new residents	Each Australia Day 18/19	
1.2.2 Encourage understanding, respect and tolerance between our diverse communities	a) Create opportunities to share and celebrate cultural diversity and achievements b) Foster greater leadership development and involvement by indigenous community members	TBA Ongoing	
1.2.3 Improve communications and information dissemination	a) Develop community directory and database b) Consult community on Regional plans and policies released for comment and advocate c) Provide quality Council websites d) Utilise social media to inform and consult residents	19/20 Ongoing Ongoing Ongoing	

Pillar One: OUR PEOPLE

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
1.2.4 Improve Council engagement with the community	a) Publish Council Newsletter b) Implement Councils Community Engagement Strategy c) Community satisfaction with Councils engagement and communication with community — conduct community Council satisfaction survey	Ongoing Ongoing 17/18	Newsletter published monthly and regular media posts Principles and practice of Community Engagement Strategy undertaken Community satisfaction survey conducted biannually
1.3.1 Develop and implement a Youth Strategy	a) Develop and report on a Youth Strategy	19/20	

Pillar Two: OUR PLACE

A liveable and thriving community that maintains lifestyle opportunities and addresses its disadvantages

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
2.1.1 Prepare a Population Retention and Attraction Strategy	a) Prepare and report on a Population Retention and Attraction Strategy b) Identify opportunities for new initiatives in terms of housing, childcare and after school care c) Identify funding sources and project partners to facilitate community development	19/20 19/20 19/20	
2.1.2 Promote opportunities from potential mining, horticultural and energy investments.	a) Instigate regular dialogue with companies and Government agencies b) Promote opportunities identified in Economic Development Strategy	Ongoing 18/19	
2.1.3 Towns are safe and inviting for locals and visitors	a) Maintain parks, public areas and facilities to ensure they are safe, attractive and accessible b) Collaborate with Police and other agencies to ensure safety	Ongoing Ongoing	

Pillar Two: OUR PLACE

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
2.2.1 Identify groups within our community facing hardship and disadvantage	a) Utilise Balranald Interagency Group (BIG) to monitor levels of hardship and disadvantage and advocate responses	Ongoing	
2.2.2 Plan for an ageing population	a) Report on needs and options for an ageing population b) Promote and encourage improvements and development of age care, healthcare and retirement facilities in Balranald Shire	18/19 Ongoing	
2.2.3 Develop a Disability Inclusion Action Plan	a) Develop a Disability Inclusion Action Plan b) Implement strategies from the Disability Inclusion Action Plan to promote inclusion of those in our community with a disability	17/18 Ongoing	
2.3.1 Plan construct, operate and maintain recreational facilities	a) Undertake an audit of current facilities including service levels and report to Council b) Investigate and report on development options for Balranald Swimming Pool c) Promote library d) Asset Management Plans for Council facilities are adopted and incorporated into Long Term Financial Plan (LTFP)	17/18 18/19 Ongoing 17/18	
2.3.2 Create and/or promote events	a) Develop partnerships with sporting organisations, clubs and community to facilitate events b) Promote events c) Utilise South West Arts to promote/conduct cultural events	18/19 Ongoing Ongoing	

Pillar Three: OUR ECONOMY

A community that ensures a strong and resilient economy

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
3.1.1 Implement regular business networking and training initiatives	a) Expand and strengthen business and tourism activities b) Investigate networking opportunities for businesses	Ongoing Ongoing	
3.1.2 Promote use of enterprise creation and expansion schemes and funding sources	a) Identify and promote the availability of government business support program schemes.	Ongoing	

Pillar Three: OUR ECONOMY

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
3.2.1 Formulate and implement a Balranald Shire Tourism and Marketing Strategy	<ul style="list-style-type: none"> a) Implement Balranald Shire Tourism Strategy b) Implement collaborative approaches to marketing and promotions c) Support new tourism services and product and build tourism operator capacity 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	
3.2.2 Improve Heritage Park (Discovery Centre Precinct)	<ul style="list-style-type: none"> a) Undertake Heritage Near Me Grant works b) Operate Balranald Discovery Centre c) Develop a Balranald Discovery Centre Precinct Management Plan 	<p>17/18</p> <p>Ongoing</p> <p>18/19</p>	
3.2.4 Improve links between Balranald communities and Mungo and Yanga National Parks	<ul style="list-style-type: none"> a) Improve resident appreciation of the National Parks and rivers as economic and cultural assets b) Develop closer working relationships with National Parks c) Collaborate with National Parks on marketing initiatives d) Lobby for sealing of the Mungo access and loop roads e) Lobby for improved communications within the Parks 	<p>18/19</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	
3.2.5 Promote inclusions of Mungo Park in Australia's National Landscapes Program (NLP)	<ul style="list-style-type: none"> a) Support application for inclusion of Mungo in National Landscape Program 	<p>As required</p>	
3.2.6 Develop and improve shire signage	<ul style="list-style-type: none"> a) Undertake a tourism signage audit and develop a signage plan for budget consideration 	<p>17/18</p>	

Pillar Three: OUR ECONOMY

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
3.2.7 Implement physical improvements to Market Street	a) Extend the heritage theme throughout Market Street b) Continue to pursue funding for Market Street upgrades to improve streetscape c) Encourage business owners to enhance shop facades	As opportunities arise Ongoing Ongoing	
3.3.1 Prepare an Economic Development Strategy	a) Prepare and adopt an Economic Development Strategy	18/19	
3.3.2 Utilise the Trade Training Centre to enhance the range of local training programs	a) Build a strong working relationship with Balranald Central School and Regional Education providers b) Audit local industry and business training needs c) Identify relevant training funding sources d) Develop a calendar of training programs e) Establish collaborative training arrangements with accredited trainers	Ongoing 18/19 18/19 19/20 19/20	

Pillar Three: OUR ECONOMY

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
3.3.3 Instigate an Organics Centre of Excellence	a) Establish an organics task force to prepare project plan	20/21	
3.3.4 Maximise regional development opportunities	a) Instigate regular dialogue with companies undertaking development to maximise local opportunities b) Research other Shires experiencing new mining activities c) Investigate membership of Association of Mining Related Councils d) Work in partnership with Government Agencies to facilitate energy, mineral and horticulture development in the Shire e) Apply to IPART for Special Rate Variation and mining rate introduction to improve Council revenue base f) Work collaboratively with Government agencies, regional organisations and Councils to promote regional development g) Prepare a Land Release Strategy for Euston and Balranald h) Develop and adopt a Section 94A Development Contribution Plan	Ongoing Ongoing 17/18 Ongoing 17/18 Ongoing 18/19 19/20	Refer to Appendix (Appendix to 2017-2021 Delivery Program)

Pillar Four: OUR CULTURE

A community that respects and celebrates its diverse cultures, heritage and arts

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
4.1.1 Identify, protect and interpret our significant heritage sites.	<ul style="list-style-type: none"> a) Identify and develop Heritage Trails including interpretive signage b) Report on Shire Heritage Study and any recommendations for Heritage listing c) Support production of local history publications d) Identify opportunities to further recognise and celebrate the history of the river corridor 	<ul style="list-style-type: none"> 19/20 18/19 Ongoing 19/20 	

Pillar Five: OUR INFRASTRUCTURE

A community that maintains and strengthens its natural and built environment

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
5.1.1 Continual focus on reducing our environmental footprint and being environmentally sustainable	<ul style="list-style-type: none"> a) Implement community education on environmentally friendly practices. b) Encourage community awareness of natural environments c) Maintain modern and efficient plant fleet d) Maintain healthy and clean river systems 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	
5.2.1 Extend mobile coverage especially in the Hatfield / Clare area and National parks	<ul style="list-style-type: none"> a) Lobby for extension of mobile phone coverage across the Shire 	Ongoing	
5.2.2 Prepare Strategic Plans for Water and Sewer supply	<ul style="list-style-type: none"> a) Make application to undertake Integrated Water Cycle Management Strategy 	17/18	
5.2.3 Prepare and implement plans and strategies in support of maintaining health standards in the Shire	<ul style="list-style-type: none"> a) Inspect all food premises b) Inspect private swimming pools c) Undertake approved water sampling program d) Implement Onsite Sewerage Management Plan 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	
5.3.1 Identify and lobby for key transport and road infrastructure improvements	<ul style="list-style-type: none"> a) Continue to participate in R2R program b) Finalise Roads Asset Management Plan c) Continue to work with NSW RMS to undertake grant works d) Lobby for increased road funding e) Finalise projects approved under the Natural Disaster Funding f) Investigate traffic calming mechanisms for Market Street 	<p>Ongoing</p> <p>17/18</p> <p>Ongoing</p> <p>Ongoing</p> <p>17/18</p> <p>18/19</p>	

Pillar Five: OUR INFRASTRUCTURE

CSP Objectives	Delivery Program Actions 2017-2021	Timeframe	Action Performance Measurement
5.3.2 Provide for more and improved footpaths, bike paths and mobility scooter paved concrete paths	<ul style="list-style-type: none"> a) Review the pedestrian access management policy b) Ensure design and construction consider Councils Disability Inclusion Action Plan 	18/19 Ongoing	
5.3.3 Identify potential access to new energy technologies and infrastructure	<ul style="list-style-type: none"> a) Implement energy efficiency technology to Council operations where financially feasible 	As opportunities arise	
5.3.4 Create more tourism opportunities and offers with the existing Aerodrome & other transport facilities	<ul style="list-style-type: none"> a) Facilitate opportunities to increase tourism in the Shire through promotion of transport options to and from the Shire 	Ongoing	
5.3.5 Provide community infrastructure	<ul style="list-style-type: none"> a) Provide and maintain community assets and infrastructure in a strategic and cost effective manner b) Undertake an audit of Council facilities and determine service levels c) Finalise Council Asset Management Plans d) Plan, design and budget for sustainable infrastructure e) Investigate development options at Balranald Pool including splash pad and upgrade of amenities f) Report on opportunities to further enhance and develop Euston / Robinvale Walking Track g) Develop a plan for maintenance and extension of frog statues around Balranald 	Ongoing 18/19 17/18 Ongoing 18/19 18/19 17/18	

Pillar Six: OUR LEADERSHIP

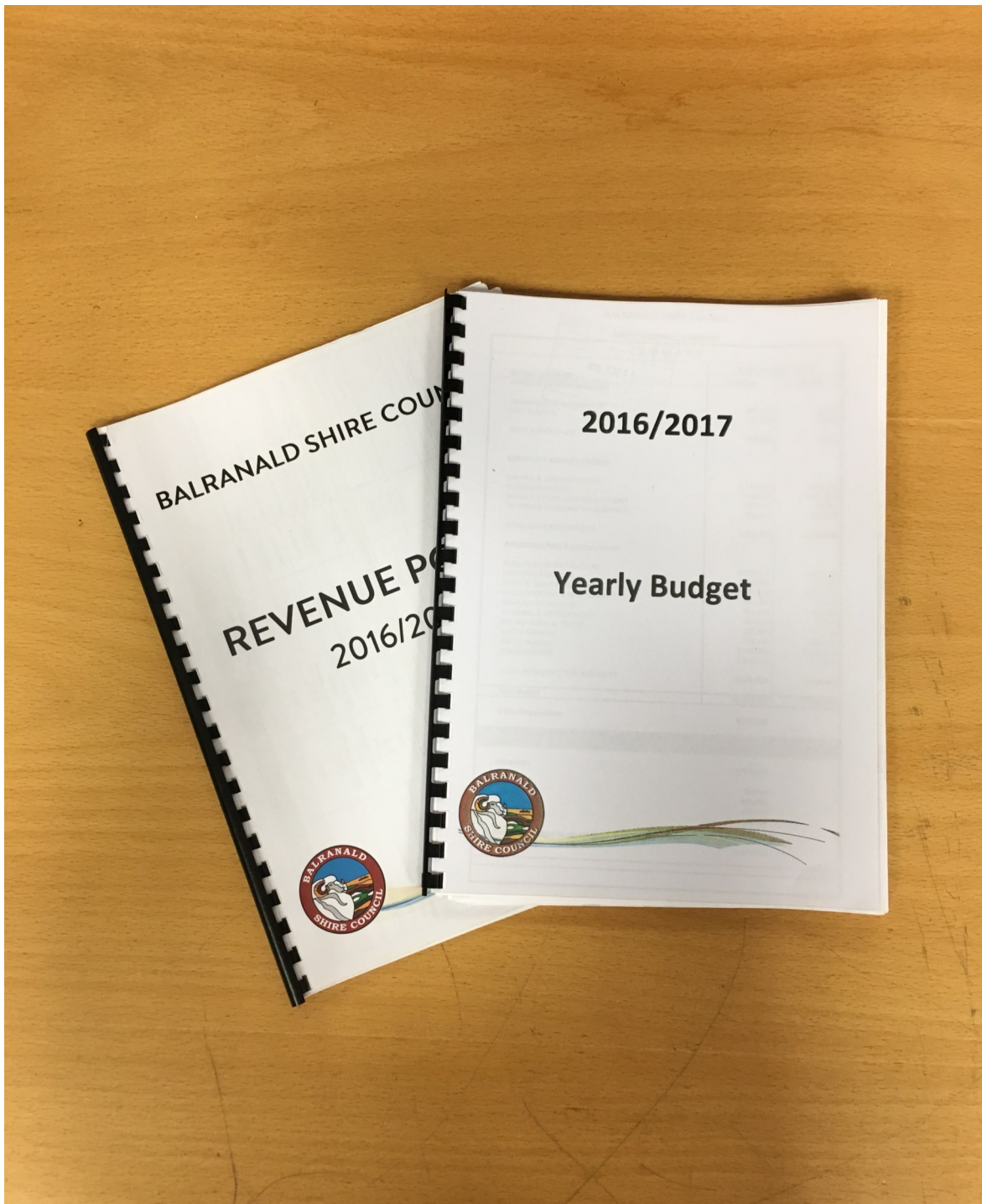
A community that values and fosters leadership, lifelong learning, innovation and good governance

CSP Objectives	Delivery Program Actions 2017-2021	Responsible Officer and/or Committee	Action Performance Measurement
6.1.1 Establish a Leadership Development Network and Strategy	a) Audit current leadership development and network opportunities at local, regional and State levels	18/19	
6.2.1 Strengthen the Balranald Interagency Group (BIG)	a) Support BIG and encourage better understanding of effective collaboration and partnerships	Ongoing	
6.2.2 Seek collaborative approaches in both planning and delivery of community services	a) Create a culture of collaboration and participatory approaches to planning and service delivery b) Create an event when local, regional and state agencies/groups share ideas and priorities c) Operate and provide government agency facilities where a business case is developed d) Develop cross border relationships and cross border services	Ongoing 17/18 Ongoing Ongoing	
6.3.1 Encourage community member participation in decision making	a) Organise regular forums that engage the community and permits participation in decision making b) Continue to encourage Committee and community involvement in Council activities	Ongoing Ongoing	
6.3.2 Ensure that Council is efficiently managed to provide civic leadership and good governance to meet all the future needs of our community	a) Provide good governance, sustainable financial management and effective support services for all Council activities b) Undertake staff skills audit and develop a training program to address skill gaps identified c) Develop Councillor Professional Development Program d) Strengthen capacity of Local Emergency Management Committee e) Review operations of Bidgee Haven Hostel to ensure financial sustainability	Ongoing 18/19 17/18 Ongoing 17/18	

ACRONYMS AND ABBREVIATIONS

BIG	Balranald Interagency Group
BEAR	Business Expansion and Retention Program
BSC	Balranald Shire Council
CSP	Community Strategic Plan
NLP	National Landscapes Program
RMS	Roads & Maritime Services

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Section 4.
FINANCIAL INFORMATION
Estimates Summary 2017-2021

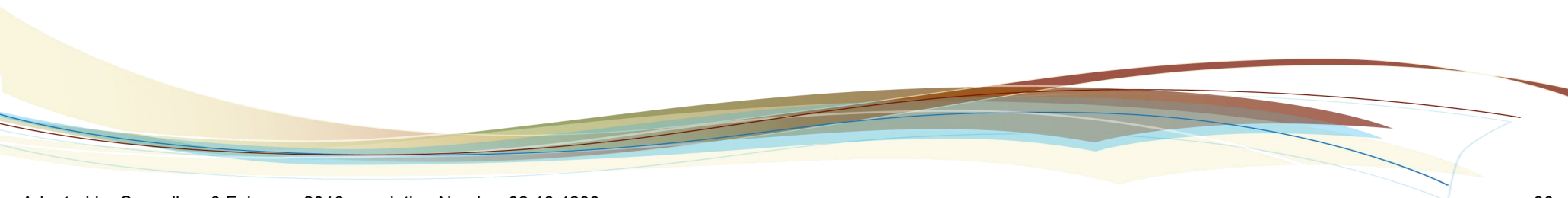
Data to be provided

Estimates Summary 2017-2021

		Estimate 2017 - 2018		Estimate 2018 - 2019		Estimate 2019 - 2020		Estimate 2020 - 2021	
BUDGET SUMMARY		Exptr	Income	Exptr	Income	Exptr	Income	Exptr	Income
OFFICE OF GENERAL MANAGER									
ORGANISATION MANAGEMENT									
CIVIC SERVICES									
<i>TOTAL OFFICE OF GM</i>									
CORPORATE SERVICES DIVISION									
FINANCE & ADMINISTRATION									
RETIREMENT HOSTEL									
SOCIAL & COMMUNITY DEVELOPMENT									
TOURISM & ECONOMIC DEVELOPMENT									
<i>TOTAL CORPORATE SERVICES</i>									
INFRASTRUCTURE & DEVELOPMENT DIVISION									
TRANSPORT INFRASTRUCTURE									
EMERGENCY SERVICES									
PLANT & DEPOT MANAGEMENT									
PARKS, SPORTING & RECREATION									

Estimates Summary 2017-2021 continued

		Estimate 2017 - 2018		Estimate 2018-2019		Estimate 2019 - 2020		Estimate 2020 - 2021	
BUDGET SUMMARY		Exptr	Income	Exptr	Income	Exptr	Income	Exptr	Income
INFRASTRUCTURE & DEVELOPMENT									
DIVISION continued									
COMMUNITY FACILITIES									
PLANNING & DEVELOPMENT									
ENVIRONMENT & HEALTH									
WASTE SERVICES									
WATER SERVICES									
SEWER SERVICES									
<i>TOTAL INFRASTRUCTURE & DEVELOP</i>									
Total Budget									
Net Budget Surplus/(Defecit)									
General Fund									
Water Fund									
Sewer Fund									



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APPENDIX TO 2017-2021 DELIVERY PROGRAM

3.3.4 Maximise regional development opportunities

(e) Apply to Independent Pricing and Regulatory Tribunal (IPART) for Special Rate Variation (SRV) and mining rate introduction to improve Council revenue base.

Following the public exhibition and community consultation of the Balranald Shire Council Long Term Financial Plan and discussions with Independent Pricing and Regulatory Tribunal (IPART), the plan has been updated to reflect Councils response to the feedback.

Council has resolved to submit an application for a Special Rate Variation (SRV) to IPART based on the Scenario 2 Option outlined in Council's Long Term Financial Plan.

The SRV application is 10% per year for seven years (including rate peg of 2.3% in year 1 and 2.5% for years 2 to 7).

Scenario 2 option includes proposed solar farm rates.

If Council is successful in the SRV application then combined with other improvement measures, this will enable Council to operate with a small surplus for the General Fund which provides additional cash resources to help fund extra infrastructure renewals. It will also enable Council to meet five of the seven Fit for the Future benchmarks, with the exception of own source revenue and real operating costs per capita.

Background and Base Rationale for a Special Rate Variation

Balranald Shire Council was not required, along with the other seven far western councils, to submit Fit for the Future (FFTF) proposal for assessment by IPART.

The 2013 Local Government Infrastructure Audit (Premier & Cabinet – Office of Local Government) report involved the collection and analysis of data from councils through an audit survey, desktop reviews, financial assessments by NSW Treasury Corporation (TCorp) of all councils, gap analysis and assistance for Local Government Reform Fund (LGRF) councils, and an on-site review of 35 councils to determine the reliability and accuracy of the data provided.

The report found that Councils were considered to have the capacity to adequately manage their infrastructure assets going forward, if there is evidence of funding in their LTFP to adequately address the goals and strategies outlined in their Community Strategic Plan and Delivery Program to manage infrastructure assets, as well as identifying specific staff requirements for asset management over the four years of the plan.

Even though Balranald was not one of the Councils that participated in an onsite audit the report indicates that Council was weak in terms of infrastructure management and was not able to provide complete data for bringing assets to a satisfactory standard per capita assessment.

The report found that the results of the regional analysis of trends in infrastructure needs were consistent with the sustainability findings from the TCorp report. Further it would appear larger Councils are more capable of managing their infrastructure from both a management and financial standpoint.

Morrison Low prepared an Overarching Asset Management Plan in July 2017 for Council including a strategic asset management gap analysis. The audit results for Balranald indicate a low level of compliance with asset management practices within the organisation. This is a reflection of Councils limited capacity to manage and fund Councils' infrastructure assets.

Further, in 2013, Council was assessed by TCorp with the key findings being:

- ongoing operating deficits
- declining levels of asset renewals and forecast to deteriorate further
- Council advised no infrastructure backlog existed and asset management plans had been completed

Since the Tcorp report:

- there has been no significant improvement in the operating ratio
- all asset management plans have been reviewed and the infrastructure backlog calculated
- depreciation expenses have been reviewed and adjusted downward
- investment in asset renewals has stabilised

Council was issued with a Performance Improvement Order (PIO) in April 2017 which included the appointment of a temporary advisor. Council has submitted a Performance Improvement Implementation Plan, which was further extended following the advisor's report to the Office of Local Government. Part of the reasoning for the PIO was:

- A failure of Council to meet its legislative responsibilities in respect of its financial and governance obligations.
- Council has budgeted for, and subsequently run, large operating deficits over a number of years. At the same time, Council has not had a reliable Long Term Financial Plan (LTFP) to provide a path to achieve a break-even result or an ongoing surplus in the future.

Given the above and Morrison Low's assessment of Council's current financial position, detailed in the LTFP document, Council is currently in an unsustainable financial position.

In addition the LTFP document models financial options that can lead to financial sustainability and considers the SRV assessment criteria in terms of need and impacts on ratepayers and implications for Council.

Proposed Special Rate Variation

Special Variation considerations

Council has been striving to improve its financial sustainability through a range of initiatives. Council has reviewed all operating expenditure to ensure that Council is spending every dollar it receives wisely, coupled with exploring all opportunities to maximise non-rating income. After this process Council is left with two options to become sustainable:

- Reviewing its rating structure
- Applying for a Special Rate Variation (SRV) to increase its annual rates income above the rate peg.

Balranald Shire Council has a very low rate base to anchor the various services required of a modern council. Lack of finance is a major issue. As a consequence, there is the reality of Balranald Shire Council struggling with compliance and legislative obligations. Council's location and size significantly increases the cost of service delivery.

Council commissioned and considered a Rating Review Report and decided to undertake a detailed review of its rating structure during 2018/19 for implementation year commencing 2019/20. Council then decided to evaluate the options for a SRV. The fundamental basis of the proposed SRV application is detailed above, which

centres around the limited capacity and capability of Council to become financially sustainable under the current rating and income structure.

This has a flow on effect of Councils inability to effectively deliver current services and manage, maintain and fund infrastructure assets at a sustainable level.

Council further evaluated it's need for a SRV application with the engagement of Morrison Low to work with Council to assess its financial sustainability and options for Council determination. The financial evaluation and assessment found that:

- Council is not able to meet the majority of the FFTF ratios by continuing with its current operation
- Council has very limited unrestricted cash
- operating deficits will occur from 2023/24
- Council's current general rate base of \$1.3M is very low
- Council is unable to meet its current service and governance commitments

The need to increase asset capital renewal and maintenance expenses

The assessment concluded that Council's current operation is financially unsustainable. Council was mindful in establishing the quantum of a proposed SRV to generate the financial capacity to commence addressing the infrastructure asset issues, to deliver current service levels into the future while creating an operating result that would build its unrestricted cash position. To achieve this, the initial objective was to maintain a small operating surplus for each of the ten years. In considering these limitations and the objective to have operating surpluses, Council developed and exhibited three LTFP Scenarios namely:

- Scenario 1 - the base case models the continuation of Council's current operations based on the 2017/18 adopted budget
- Scenario 2 - adjusting the base case to include a proposed SRV of 10% (including rate peg) commencing in 2018/19 for seven years, and additional rating income from solar farming activities, productivity improvement options and additional capital renewal and maintenance expenditure.
- Scenario 3 – adjusting Scenario 2 to include additional rating income and associated expenses resulting from the new mining, with the SRV effective from 2019/20.

There is an extremely high level of uncertainty as to when the mineral sand mining activities will become rateable and as a result the SRV application is based on Scenario 2.

In developing the SRV proposal Council considered the Office of Local Government Guidelines for the preparation of an application for a SRV to general income and the need to address the five criteria that allows IPART to undertake the assessment. These criteria are,

- The need for and purpose of a SRV is clearly articulated and identified in Councils Integrated Planning & Reporting documents.
- Evidence that the Community is aware of the need for and extent of a rate rise.
- The Impact on affected ratepayers must be reasonable.
- The relevant IP&R documents must be exhibited approved and adopted by Council.
- The IP&R documents or Councils application must explain the productivity improvements.

Council developed and adopted a Community Engagement Plan for consultation on the proposed SRV and their implications. Council undertook community consultation and engagement in accordance with the plan. Following the end of the consultation period, a Community Engagement and report were prepared and considered by Council.

Special Rate Variation - Scenario 2 Outcomes and Impacts

Following are the outcomes, implications and impacts of the proposed SRV. The estimated additional rating income from the proposed SRV, under Scenario 2, for each of the seven years is detailed below.

	Year 1 \$'000	Year 2 \$'000	Year 3 \$'000	Year 4 \$'000	Year 5 \$'000	Year 6 \$'000	Year 7 \$'000
Scenario 2	\$102	\$110	\$121	\$133	\$146	\$161	\$177

The total SRV component of the proposed rate increase for seven years is estimated at \$951,000, excluding the rate peg amount, along with a \$14 million saving in depreciation over the same period which will be allocated to the assets backlog, maintenance issues and current service provision.

The proposed allocation of funds is as follows:

- \$2.1 million on asset backlog;
- \$11.8 million to ensuring the General Fund remains in balance and all service levels across all Council's functions are maintained;
- \$1.05 million to additional maintenance of council infrastructure assets such as the road and drainage network

The proposed SRV under Scenario 2 will impact all ratepayers with a cumulative increase of 95% on total rates over the seven year period. The proposed SRV is 10% per year for seven years with 7.7% SRV in year 1 and 7.5% for each of the remaining years, and 2.3% rate peg for 2018/19 and 2.5% for each of the remaining years. The cumulative rate peg increase for the same period is 18.6%.

The following table illustrates the impact of proposed rate increase on the average land value for each rating category and sub-category. This represents a 95% cumulative increase (SRV and Rate peg increases) on the total average rate.

IMPACT OF AVERAGE RATES BY CATEGORY					
CATEGORY	Average Land Value 2017/18	Average Rates Per Property	Average Rates Year 1 SV	Average Rates Year 4 SV	Average Rates Year 7 SV
Farmland General	700,174	2,838	3,122	4,155	5,531
Farmland Other Rural –	72,489	363	399	531	707
Farmland Intense –	123,369	1,183	1,301	1,732	2,305
Farmland Average –	438,314	1,946	2,140	2,848	3,791
Residential Balranald –	40,536	299	329	438	583
Residential Euston –	51,740	293	322	429	570
Residential General -	20,488	189	208	277	368
Residential-Average	41,238	283	311	414	551
Business Balranald –	44,059	1,395	1,534	2,042	2,718

Business Euston –	113,600	2,352	2,587	3,443	4,583
Business Mining –	41,473	470	517	688	916
Business – Rural	8,706	288	317	422	562
Business Average –	35,597	960	1,056	1,406	1,871
Total Average	159,973	861	947	1,260	1,678

In terms of affordability Council's current average rates are considerably below most of its neighbouring Councils as illustrated in the following table.

Category	Balranald Shire 17/18	Hay Shire Year 7 Rate Peg	Wentworth Year 7 Rate Peg	Balranald Year 7 SRV
Farmland	1,946	4,900	1,875	3,791
Residential	283	708	886	551
Business	960	1,991	1,349	1,871

The 2012/13 Comparative Information on NSW Local Government – Measuring Local Government Performance report shows Councils' average rates are largely lower than the Group Average as detailed below. Also detailed below is the application of the annual rate peg from 2013/14 to 2017/18 to the 2012/13 averages.

	2012/13		2017/18	
Balranald Rate Categories	Balranald Council	Group Average	Balranald Council	Group Average
Residential Ave Rate	221	358	248	401
Business Ave Rate	749	694	838	777
Farmland Ave Rate	1,752	2,408	1,960	2,695

Councils current total ordinary rate base of \$1.33 million is small compared to its total annual operating expenditure of some \$13.7 million for 2017/18. When compared to neighbouring Councils, its ordinary rates base is the lowest, with Hay Shire Council at \$2.1 million, Wentworth Shire Council \$4.5 million and Murray River \$5.3 million. Council's low rate base coupled with its location and size significantly increases the cost of service delivery. As a consequence, there is the reality of Balranald Shire Council is also struggling with compliance and legislative obligations. Another consideration for Council is the ratepayers capacity to pay. A key indicator of capacity to pay is income earnings.

The 2016 census for median weekly incomes (people aged 15 and over) for the Balranald local area for personal income is \$624.9.

The following table illustrates the comparisons of median weekly incomes for Balranald LGA, NSW and Australia.

Median Weekly Incomes	Balranald LGA	New South Wales	Australia
Personal	624	664	662
Family	1,438	1,780	1,734
Household	1,174	1,486	1,438

Another key determinate of capacity and willingness to pay is the level of outstanding rates and charges. Council's outstanding rates and charges has significantly reduced from 17.6% in 2013 to 9.7% in 2017. This is coupled with Councils hardship provisions in debt collection policies and provides an indication of the ratepayers capacity to pay.

Further information relating to the Special Rate Variation can be found in Council's Long Term Financial Plan.