



COMMUNITY NEWS

SPECIAL NEWSLETTER

Integrated Planning & Reporting Update - Including 2022-2023 Budget

Message from the Administrator

Our Draft 2022-23 Budget and other draft Integrated Planning and Reporting (IP&R) documents that establish a fresh way forward for Council in providing essential community infrastructure works and other services have been released for public comment. These have been developed over the past six months and allow for improved service levels, and suitable funding arrangements. They envisage fair access to Commonwealth and State Government grant funding supported by equitable contributions to Council revenue by the community through rates, fees and charges.

This Special Community Newsletter briefly explains what documents have been released and how to access them. Interested community members are encouraged to view them and to provide written comments or suggestions back to Council by 29 April 2022 for consideration before final versions are adopted.

My sincere thanks to Acting General Manager, Glenn Wilcox and his Team for their commendable efforts in developing the Drafts.

Mike Colreavy
ADMINISTRATOR





Integrated Planning & Reporting 2022-23

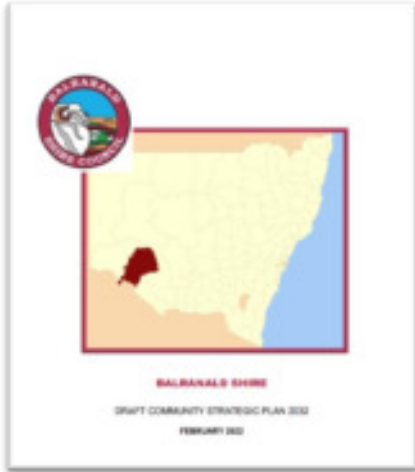
Why has Council Prepared these Documents?

The Integrated Planning and Reporting (IP&R) framework changed the way councils in NSW planned, documented and reported on their plans for the future. The Framework came into practice in 2009 and many councils have refined the way they create and review these plans over the subsequent years.

In essence the IP&R Framework begins with the community's, not Council's, aspirations for a period of at least 10 years. It includes a suite of integrated plans that set out a vision and goals and strategic actions to achieve them. It involves a reporting structure to communicate progress to Council and the community as well as a structured timeline for review.

The diagram below provides advice as to the documents that a council in NSW must develop and how these documents link to deliver improved service levels to the community.





Community Strategic Plan

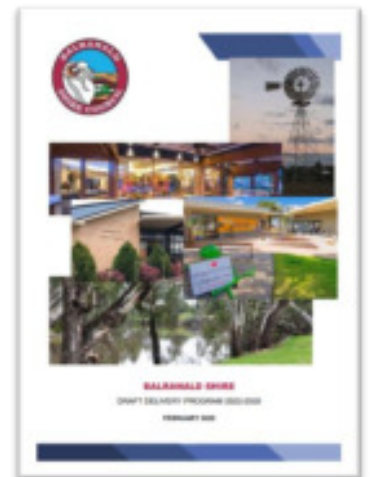
Council has been working with a consultant to assist in the development of a Community Strategic Plan, the Delivery Plan and the Operational Plan over the last six months. The Consultant came to Balranald Shire and met with various groups, committees and individuals to discuss the Community Strategic Plan, what was important to the community and how can Council develop to meet the community expectations.

Council approved this Draft Plan for display on its website in February 2022.

Delivery Plan

As shown in the diagram above, the Delivery Plan is a critical plan to fine tune the Community Strategic Plan. It represents the direction that Council will work towards for a four-year period and this plan forms a major part of the Council’s reporting requirements.

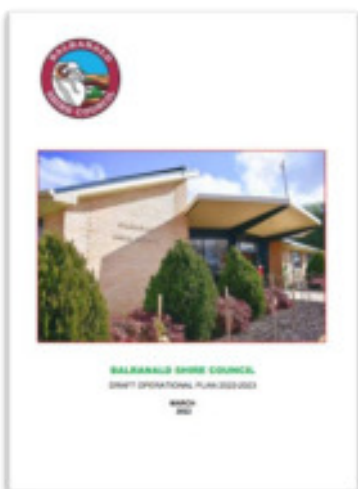
Council approved this Draft Plan for display on its website in March 2022.



Operational Plan

The Operational Plan is a one-year plan that assists Council to establish its yearly budget (shown below) and to look at service level needs of the community. Although progress on this plan is not directly reported to the Council, it does form the basis for Council to prepare its Annual Report.

Council approved this Draft Plan for display on its website in March 2022.





Workforce Plan and Strategy

The Workforce Plan and Strategy is part of what is identified in the diagram above as a Resourcing Strategy.

Councils are required to undertake workforce planning to support the achievement of the Delivery Program. The Workforce Management Strategy is also a four-year plan, addressing the human resources required to achieve the activities identified in the Delivery Program.

A council’s workforce planning should consider what people, with what skills, experience and expertise are required to implement the Delivery Program. It provides an opportunity every four years to plan adjustments to the workforce to meet changing priorities and take into account new technologies.

Council approved this Draft Plan for display on its website in March 2022.



Long Term Financial Plan

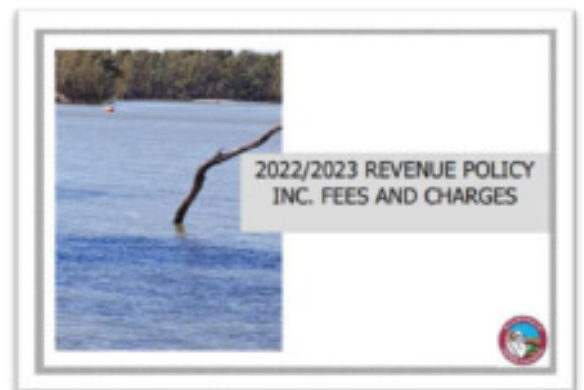
The Long-Term Financial Plan must project financial forecasts for the Council for at least ten years, and be updated annually as part of the development of the Operational Plan. The Long-Term Financial Plan must be used by the Council to inform its decision-making during the finalisation of the Community Strategic Plan and the development of the Delivery Program.

Council is developing its long-term financial plan and this will be provided to the Council in its finalisation of the Community Strategic Plan.

2022-23 Revenue Statement

Under the Local Government Act 1993, Council is required to adopt an annual statement of revenue prior to the end of each financial year for the following financial year. This includes the Revenue Policy and a document as to Fees and Charges.

The Revenue Policy has been reviewed taking into account the Ministerial Directions issued to Council. These required the Council to look at its service areas, to increase fees and charges to meet long term service requirements whilst ensuring that the costs remain within levels the community can manage. The Revenue Policy has a general 10% increase across the board to all rates, fees and charges.





The Proposed Revenue Policy looks at all of the Council service areas and estimates a potential level of income and expenses. It also reviews Council's Capital income (grants and contributions) and expenditure (to provide new buildings, plant- Graders etc. and loan repayments).

The Revenue Policy presented to the March Council Meeting has identified the following points to allow the development of the draft budget;

- Balranald Shire Council's intention to make and levy Ordinary rates for the 2022/23 financial year incorporating year 5 of the Special Rate Variation of 10% per annum over the Farmland, Residential, Mining and Business categories
- Increase the Notional Yield by the maximum 10% as approved through the Special Rate Variation which includes the rate-pegged amount of 0.7% as determined by the Independent Pricing and Regulatory Tribunal of NSW (IPART).
- Increase the Sewer Access charge for a 20mm connection from \$580.00 to \$638.00 per annum. Larger connections will increase as listed in the proposed Schedule of Fees and Charges.
- Increase the Raw and Filtered Water Access and Usage charges as per the proposed Schedule of Fees and Charges. Access charges for both raw and filtered water will increase from \$345.00 to \$379.50 per annum. Raw water usage charges will increase from \$1.00 to \$1.10 for the first 600 kilolitres and \$1.40 to \$1.54 per kilolitre for usage over 600 kilolitres.
- Filtered Water usage charges will increase from \$1.55 per kilolitre to \$1.70 per kilolitre up to 400 kilolitres and will increase from \$2.30 to \$2.53 per kilolitre for usage over 400 kilolitres.
- Water usage on Community Land such as Parks and Gardens will be charged at 44 cents per kilolitre.
- Domestic Waste collection charges will increase from \$355.00 per annum to \$390.00 per annum. The domestic waste access charge for vacant land will increase from \$60.00 per annum to \$66.00 per annum.
- Commercial Waste collection charges will increase from \$355.00 per annum to \$390.00 per annum for one collection service per week, and from \$550.00 to \$605.00 per annum for a twice weekly collection service
- A stormwater charge of \$25.00 for residential and business properties, and \$12.50 for residential and business strata properties is proposed.
- Interest be charged on overdue debtors at the maximum rate as determined by the Minister for Local Government.
- Other charges listed in the Fees and Charges 2022/23 document has been increased in line with levels of service recovery, and in some cases a Community Service Obligation (CSO) or cost of recovery, is recognised and no charges are proposed – e.g. swimming pool and aerodrome landing fees.

Council approved this Draft Policy and Fees and Charges for display on its website in March 2022.



Draft Budget 2022/23

Council is required to prepare an Operational Plan each year and the Budget forms a key part of that plan.

Preparation of the 2022/23 Draft Budget has been considered in detail and framed around five (5) main principles –

1. Maintaining current community assets and levels of service
2. Maintaining the current workforce
3. A focus on maintaining Council's road network
4. Ensuring that any new assets are community focused and grant funded, and
5. Providing a framework for future asset infrastructure maintenance and replacement.

To achieve these principles Council is proposing a rate increase of 10% in line with the approved Special Rate Variation (SRV), and 10% increases in Water Access and Usage charges, Sewerage charges, and Waste Management charges. These increases along with all other proposed fees and charges are outlined in the Revenue Plan.

The 2022/23 Draft budget has a total expenditure of \$27.8m and delivers a small budget surplus of \$1,784, whilst providing for the following key expenditure inclusions –

• Plant purchases (grader and other vehicles)	\$570k
• Rural Fire Assets	\$100k
• Park upgrades	\$614k
• Road upgrade works – Grants	\$4.66m
• Balranald Water Treatment Plant upgrade	\$5.20m (grant funded)
• Refurbish Water Reservoirs	\$600k
• Water Infrastructure upgrades	\$385k
• Sewerage Infrastructure upgrades	\$512k
• Caravan Park Infrastructure upgrades	\$772k (grant funded)
	<u>\$13.413m</u>

The Draft budget provides for a total of \$7.4m to be expended on road maintenance and upgrade programmes, including \$1.296 million for road reseals. The budget also includes a 2% component of total wages and salaries for training to comply with Training Guarantee levy requirements, and also includes asset renewal and maintenance programmes which will cover Council's asset depreciation costs of \$5.2m.

Whilst the focus of the 2022/23 Budget has been to maintain current assets and services, the longer term focus will be to build up a level of restricted funds to replace or upgrade existing plant and infrastructure. An amount of \$1.215million is proposed for transfer to Restrictions in the budget.

At present Council relies heavily on grant funding to maintain existing assets and levels of service and in the 2022/23 Budget a total of \$16.58m in grant funding is anticipated. These grants will be used for Operational and Capital purposes as defined by the funding body.

The LongTerm Financial Plan identifies increases in rates and charges of 10% in line with the SRV to 2024/25, and then 7% to 2031/32 which will in time allow Council to become less reliant on the receipt of grants, and allow the Council and the community to determine its own future direction.



The future will require Council to review its core services, and to make decisions on assets that it currently operates and maintains. This is a requirement under the Minister for Local Government's Performance Improvement Order. The 2022/23 Draft Budget is another step in this journey to achieve compliance with the Minister's order, and to also set up a pathway to ensure the ongoing viability of Balranald Shire Council.

The budget also acknowledges the importance of community facilities being available to all residents, and in particular sporting and recreational facilities. The swimming pool is free to all, and currently nominal charges are made for maintaining sporting facilities for the various organisations and sporting bodies within the Shire. Council proposes to develop Plans of Management for all Crown reserves during 2022/23 and discussions will be held with the various user groups to formalise lease or license agreements and funding arrangements into the future.

The 2022/23 budget also sees the continuation of pedestal charges within the Sewerage Fund however it is proposed that these charges will be phased out following this budget and new Sewerage Annual charges will be implemented in the 2023/24 Budget.

The attached table highlights the functional areas of the 2022/23 draft budget and identifies all income and expenditure. It is anticipated that Council will have a surplus of funds of \$1,784.

**BALRANALD SHIRE COUNCIL
PROPOSED BUDGET 2022/2023**

	Budget 2022/23
REVENUE	
Governance	\$10,000
Admin & Corporate Services	\$7,514,219
Engineering Operations	\$62,000
Health Services	\$30,300
Public Order & Safety	\$224,500
Community Services & Education.	\$1,397,000
Housing & Community Amenities	\$727,800
Recreation & Culture	\$98,900
Building Control	\$15,170
Roads, Bridges & Airport	\$6,424,262
Business Undertakings	\$613,700
Water Services	\$1,776,300
Sewer Services	\$784,400
TOTAL REVENUE	\$19,678,551
EXPENSES	
Governance	\$1,288,215
Admin & Corporate Services	\$1,923,210
Engineering Operations	\$2,748,500
Health Services	\$210,125
Public Order & Safety	\$426,375
Community Services & Education.	\$1,387,000
Housing & Community Amenities	\$1,322,650
Recreation & Culture	\$417,785
Building Control	\$74,500
Roads, Bridges & Airport	\$5,576,657
Business Undertakings	\$762,980
Water Services	\$1,018,600
Sewer Services	\$477,020
TOTAL EXPENSES	\$17,633,617
TOTAL OPERATING SURPLUS	\$2,044,934



CAPITAL	
Income	
Grants and Contributions	\$6,685,800
Transfers to Restrictions - General	\$574,000
Transfers to Restrictions - Water (Depreciation)	\$290,000
Transfers to Restrictions - Sewer (Depreciation)	\$185,000
Transfers to Restrictions - Waste Management	\$128,600
Transfers to Restrictions - Caravan Park	\$37,740
Transfers to Restrictions - Bidgee Haven Hostel	\$0
Total Capital Expenditure	\$10,205,870
Nett Capital - Expenditure less Income	\$2,043,150
CASH POSITION	
TOTAL OPERATING SURPLUS	\$2,044,934
LESS NETT CAPITAL	\$2,043,150
AVAILABLE CASH SURPLUS	\$1,784

Community Consultation

The documents referred to in this Special Community Newsletter are available on Council's web site at <http://www.balranald.nsw.gov.au/council-documents/exhibition-of-draft-documents/> and hard copies are available for viewing in Council's offices.

Council encourages all members of the community to review the documents and to provide written comment back to Council for consideration.

