

Independent Pricing and Regulatory Tribunal  
New South Wales

## Special Variation Application Form – Part B

**For 2018-19**

**Insert Name of Council: Ballina Shire Council**

Date Submitted to IPART:

Council Contact Person: Linda Coulter

Council Contact Phone:

Council Contact Email:

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## Tribunal Members

The Tribunal members for this review are:

Dr Peter J Boxall AO, Chair

Mr Ed Willett

Ms Deborah Cope

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Derek Francis (02) 9290 8421

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# 1 Introduction

IPART will assess each application against the criteria set out in the Office of Local Government's (OLG) *Guidelines for the preparation of an application for a special variation to general income* (the [Guidelines](#)). Councils should refer to these Guidelines before completing this application form.

Each council must complete this Part B application form when applying for a special variation to general income either under section 508(2) or section 508A of the *Local Government Act 1993* (NSW).

In addition, councils must complete the Part B form with the Part A (spreadsheet) form for both section 508(2) or section 508A applications. The Guidelines also require the council to have resolved to apply for a special variation. You must attach a copy of the council's resolution. IPART's assessment of the application cannot commence without it.

If the proposed special variation includes increasing minimum rates above the statutory limit, or is to apply a higher rate of increase to an existing minimum rate than to its other rates, it is not necessary for the council to also complete the separate Minimum Rates application form. However, this must be clearly identified and addressed in the special variation application. In such circumstances, councils are encouraged to discuss their proposed application with IPART as soon as possible.

As outlined in the Guidelines, new councils created in 2016 (apart from Mid-Coast Council) will be ineligible for special variations for the 2018-19 rating year.

## 1.1 Completing the application form

This form is structured to provide guidance on the information we consider is necessary for us to assess a special variation application. To complete the form, the council will need to respond to questions and insert text in the boxed area following each section or sub-section.

The amount of information that a council provides will be a matter of judgement for the council, but it should be sufficient for us to make an evidence-based assessment of the application. Generally, the extent of the evidence should reflect the size of the variation sought. More complex applications or requests for a high cumulative percentage increase should be supported by stronger, more extensive evidence.

Councils may submit additional supporting documents as attachments to the application (refer to section 8). These attachments should be clearly cross-referenced in Part B. We prefer to receive relevant extracts rather than complete publications, unless the complete publication is relevant to the criteria. If you provide complete documents when only an extract is relevant, we may ask you to resubmit the extract only. (You should provide details of how we can access the complete publication should this be necessary.)

We publish videos and fact sheets on how IPART assesses special variations and on the nature of community engagement for special variation applications. These will assist in preparing the application. The latest videos and fact sheets on these topics are available on [IPART's website](#).

We may ask for additional information to assist us in making our assessment. If this is necessary, we will contact the nominated council officer.

This application form consists of:

- ▼ Section 2 – Preliminaries
- ▼ Section 3 – Assessment criterion 1
- ▼ Section 4 – Assessment criterion 2
- ▼ Section 5 – Assessment criterion 3
- ▼ Section 6 – Assessment criterion 4
- ▼ Section 7 – Assessment criterion 5
- ▼ Section 8 – List of attachments
- ▼ Section 9 – Certification.

## **1.2 Notification and submission of the special variation application**

### **Notification of intention to apply**


Councils intending to submit an application under either section 508(2) or section 508A should have notified us of their intention to apply, via the Council Portal, by Friday 15 December 2017.

**Any councils that did not notify but intend to apply for a special variation for 2018-19 should contact us as soon as possible.**

### **Online submission of applications**

All councils intending to apply for a minimum rate increase must use the [Council Portal](#) on IPART's website to register as an applicant council and to submit an application.

You are required to submit the application, via the Council Portal, by **Monday 12 February 2018**.



The [User Guide](#) for the Portal will assist you with the registration and online submission process. If you experience difficulties please contact:

- ▼ Arsh Suri - [Arsh\\_Suri@ipart.nsw.gov.au](mailto:Arsh_Suri@ipart.nsw.gov.au) or 02 9113 7730

File size limits apply on the Council Portal to each part of the application. For this Part B application form the limit is 10MB. The limit for supporting documents is 70MB for public documents and 50MB for confidential documents. We generally request supporting documents of the same type to be combined and most supporting document categories have a maximum number of 5 documents allowed. These file limits should be sufficient for your application. Please contact us if they are not.

We will post all applications (excluding confidential content) on the IPART website. Confidential content may include part of a document that discloses the personal identity or other personal information pertaining to a member of the public or whole documents such as a council working document and/or a document that includes commercial-in-confidence content. Councils should ensure that documents provided to IPART are redacted so that they do not expose confidential content.

Councils should also post their application on their own website for the community to access.

## 2 Preliminaries

### 2.1 Focus on Integrated Planning and Reporting

Councils must identify the need for a proposed special variation to their General Fund's rates revenue as part of their Integrated Planning and Reporting (IP&R) process. The IP&R documents will need to be publicly exhibited and adopted by the council prior to it submitting its application to us. Also refer to section 6 for a more detailed explanation.

The key IP&R documents are the Community Strategic Plan, Delivery Program, Long Term Financial Plan and, where applicable, the Asset Management Plan. A council's application may also include supplementary and/or background publications used within its IP&R processes. You should refer to these documents to support your application for a special variation where appropriate.

### 2.2 Key purpose of special variation

At the highest level, indicate the key purpose(s) of the proposed special variation by marking one or more of the boxes below with an "x".

---

Maintain existing services	<input type="checkbox"/>
Enhance financial sustainability	<input type="checkbox"/>
Environmental services or works	<input type="checkbox"/>
Infrastructure maintenance / renewal	<input checked="" type="checkbox"/>
Reduce infrastructure backlogs	<input type="checkbox"/>
New infrastructure investment	<input type="checkbox"/>
Other (specify)	<input checked="" type="checkbox"/>

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You should summarise below the key aspects of the council's application, including the purpose and the steps undertaken in reaching a decision to make an application.

#### **Council Submission**

##### **Purpose**

Council applied to IPART in February 2017 for a permanent increase to our rate yield of 4.90% in 2017/18, 5.90% (assumed rate peg of 2.5%) in 2018/19 and 5.90% (assumed rate peg of 2.5%) in 2019/20.

IPART approved a temporary increase of 4.90% for 2017/18 only.



Consistent with Council's initial proposal, this application is for a permanent increase to our rate yield of 9.10% in 2018/19 (being retention of the additional temporary approval of 3.4% from 2017/18 plus 3.4% additional for 2018/19 and advised rate peg of 2.3%) and 5.90% in 2019/20 (being additional 3.4% plus assumed rate peg of 2.5%).

The additional revenue above the rate peg will finance increased expenditure on infrastructure Asset Renewal and implement actions to improve the Health of Our Waterways. The asset renewal component is consistent with Council's Fit for the Future submission.

### **Steps Undertaken**

There are two components to this special variation:

#### ***Component One – Asset Renewal***

An increase in our permanent rate income of 5.3% in 2018/19 and an increase of 3.4% in 2019/20, above the actual and proposed rate peg limit, to generate additional revenues to increase our investment in asset renewal and to improve the General Fund operating result.

This represents an average increase of 2.9% above the rate peg limit for the three years which is consistent with Council's Fit for the Future submission.

The preparation of the Fit for the Future submission involved numerous steps in examining options to improve Council's operating result, with the options canvassed including:

- a) Asset Sales
- b) Increased User Fees and Charges
- c) Expense Reductions
- d) Loan Funds

**a) Asset Sales** - Council has residential and industrial land that it develops and sells, which has allowed Council to maintain an asset base in a relatively good condition, while at the same time having a comparatively low rate yield.

Unfortunately these assets are a finite resource and it is essential that Council has a permanent revenue stream to finance our asset renewal program.

**b) User Fees and Charges** – Council continues to review its wide range of fees and charges and changes have resulted in additional revenues in the tens of thousands of dollars. However our asset modelling indicates that our asset renewal program is underfunded by \$2m to \$3m, if not more, and therefore substantial additional revenues are required.

**c) Expense Reductions** – Similar to the previous item expenditure reductions are being pursued across the organisation however the magnitude of the funding required is of a scale that needs greater certainty.

**d) Loan Funds** – Loan funds are an inappropriate funding source for recurrent asset renewal programs, as they require additional funds to repay the loan liability.

The rate percentage increases identified are considered to be the minimum needed to allow Council to reach a break even operating result (positive Operating Balance Ratio for the General Fund) and to ensure that our infrastructure Asset Renewal Ratio meets the benchmark of at least 100% on a regular basis.

### **Component Two – Healthy Waterways**

The proposed SRV will allow Council to keep up the momentum in regards to the Healthy Waterways Program. Council is taking proactive steps to try and improve the overall health of the main water bodies in our Shire. The SRV in 2017/18 was put towards the Healthy Waterways Program to improve the health of the Richmond River. The program has implemented several projects including:

- Lake Ainsworth – Coastal Management Plan
- North Creek – Estuary Processes Study
- Chickiba Creek – Revegetation
- Riparian Planting Program - various creeks
- Erosion and Sediment Control Program – training for local builders and construction workers
- Hydrological Study – Tuckean Nature Reserve
- River Health Seminar Series
- Educational Program – *Love it or Lose it* animations.

More information about these projects can be found in Attachment 5 (Community Connect Magazine).

We continually advocate the State and Federal government agencies, local members and working with other councils regarding the poor health the Richmond River and its estuaries. During the current financial year we have been leverage the following grant funds to improve our waterways by having matching monies available from the special rate variation approved for 2017/18.

<b>Agency</b>	<b>Purpose</b>	<b>Amount</b>
NSW Office of Environment and Heritage	Shaws Bay dredging feasibility investigations	\$52,930 (50%)
Recreational Fishing Trust (in collaboration with Ozfish Unlimited)	Undertake Hydrological study of the Tuckean Nature Reserve	\$40,000(attracted \$160,000)
North Coast Local Land Services	Revegetation of riparian location at Alstonville	\$5,000 (2:1)
Office of Environment and Heritage Coasts and Estuaries Program	Chickiba Creek remediation	\$54,600 (50%)
Office of Environment and Heritage Coasts and Estuaries Program	Scoping Study for North Creek	\$29,000 (50%)
Office of Environment and Heritage Coasts and Estuaries Program	Lake Ainsworth Coastal Management Program	\$60,000 (50%)

Council has also established the Port Ballina Taskforce with representatives from Ballina Shire Council, Ballina Chamber of Commerce, Ballina Fishermen's Co-operative, the State

Department of Premier and Cabinet and community representatives. The Taskforce's goal is to improve the overall marine infrastructure and marine environment for Ballina through promotion and lobbying.

Recently the NSW Liberal and Nationals Government's pledged under their Rescuing Our Waterways program matching funding of \$230,700 for council to assess the environmental impacts of dredging North Creek and the Ballina mouth of the Richmond River.

An increase in our permanent rate income of 1.5% in 2018/19, above the actual rate peg limit, to create a permanent income stream to undertake actions to improve the health of our waterways, will provide further opportunities to seek grant funding from the Healthy Waterways Program.

The need for this funding is supported by State Government approved Coastal Zone Management Plans (CZMPs) for the Richmond River Estuary, Shaws Bay, and the Ballina Shire Coastline, along with an adopted Management Plan for Lake Ainsworth. The initial focus of funding will be on improvements to the Richmond River, Shaws Bay and Lake Ainsworth.

The Richmond River has been identified as one of the unhealthiest rivers on the east coast of NSW. In the latest Echohealth report (University of New England – June 2015), the Richmond Catchment Ecohealth was given an overall grading of D minus (refer to Attachment 12.1). Council is looking to demonstrate leadership by implementing actions identified in the Richmond River Estuary CZMP.

The health of the Richmond River has also been identified as one of the highest priorities in community surveys undertaken by Council, and the recently elected Council also identified this as a major issue as part of the local government election.

The Shaws Bay, Lake Ainsworth and Ballina Shire Coastline CZMPs and Management Plans also include a significant amount of works that are well beyond Council's current financial capacity.

These statutory documents have been developed and adopted following significant community consultation processes and the works identified in the documents reflect the community's aspirations, along with essential works needed to protect the health of our waterways.

In summary Council's application is as follows:

<b>Item</b>	<b>2018/19</b>	<b>2019/20</b>
Rate Peg (actual / estimated) (%)	2.3	2.5
Asset Renewal (%)	5.3	3.4
Healthy Waterways (%)	1.5	0.0
<b>Total Annual Increase (%)</b>	<b>9.1</b>	<b>5.9</b>

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## 2.3 Capital expenditure review

You should complete this section if the council intends to undertake major capital projects that are required to comply with the OLG's Capital Expenditure Guidelines, as outlined in OLG Circular 10-34. A capital expenditure review is required for projects that are not exempt and cost in excess of 10% of council's annual ordinary rates revenue or \$1 million (GST exclusive), whichever is the greater.

A capital expenditure review is a necessary part of a council's capital budgeting process and should have been undertaken as part of the Integrated Planning and Reporting requirements in the preparation of the Community Strategic Plan and Resourcing Strategy.

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Does the proposed special variation require council to do a capital expenditure review in accordance with OLG Circular to Councils, Circular No 10-34 dated 20 December 2010	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If Yes, has a review been done and submitted to OLG?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

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## 3 Assessment Criterion 1: Need for the variation

Criterion 1 in the OLG Guidelines is:

*The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the special variation) is clearly articulated and identified in the council's IP&R documents, in particular its Delivery Program, Long Term Financial Plan and Asset Management Plan where appropriate. In establishing need for the special variation, the relevant IP&R documents should canvass alternatives to the rate rise. In demonstrating this need councils must indicate the financial impact in their Long Term Financial Plan applying the following two scenarios:*

- *Baseline scenario – General Fund revenue and expenditure forecasts which reflect the business as usual model, and exclude the special variation, and*
- *Special variation scenario – the result of implementing the special variation in full is shown and reflected in the General Fund revenue forecast with the additional expenditure levels intended to be funded by the special variation.*

*Evidence to establish this criterion could include evidence of community need /desire for service levels/projects and limited council resourcing alternatives.*

*Evidence could also include the assessment of the council's financial sustainability conducted by Government agencies.*

The response to this criterion should summarise the council's case for the proposed special variation. It is necessary to show how the council has identified and considered its community's needs, as well as alternative funding options (to a rates rise).

The criterion states that the need for the proposed special variation must be identified and clearly articulated in the council's IP&R documents especially the Long Term Financial Plan and the Delivery Program, and, where appropriate, the Asset Management Plan. The purpose of the proposed special variation should also be consistent with the priorities of the Community Strategic Plan.

### 3.1 Case for special variation – community need

Summarise and explain below:

- ▼ How the council identified and considered the community's needs and desires in relation to matters such as levels of service delivery and asset maintenance and provision.
- ▼ How the decision to seek higher revenues above the rate peg was made and which other options were examined, such as changing expenditure priorities or using alternative modes of service delivery.

- ▼ Why the proposed special variation is the most appropriate option: for example, typically other options would include introducing new or higher user charges and/or an increase in council loan borrowings, or private public partnerships or joint ventures.
- ▼ How the proposed special variation impacts the Long Term Financial Plan forecasts for the General Fund and how this relates to the need the council identified. Our assessment will also consider the assumptions which underpin the council's Long Term Financial Plan forecasts.

In addressing this criterion, you should include extracts from, or references to, the IP&R document(s) that demonstrate how the council meets this criterion.

### **Council Submission**

#### **Needs and Desires**

##### Needs - Asset Renewal

The need for the additional asset funding formed part of Council's Fit for the Future submission where it was identified that Council was unable to meet the benchmarks for a break-even or better operating result (Operating Balance Ratio) and the 100% Asset Renewal ratio, based on a three year average, without additional rate revenue.

Furthermore, a report by NSW Treasury Corporation (TCorp) in April 2013 identified Ballina Shire Council as having a MODERATE Financial Sustainability Rating (FSR), with a NEUTRAL Outlook. (Refer to Attachment 4).

Council's Fit for the Future submission included our improvement plan that listed the various actions that Council was taking in respect to its overall financial position. These actions are all being implemented, with the need for this additional rate increase being part of that improvement plan.

The need was determined following:

- a) a substantial review of Council's infrastructure asset data and condition assessments to refine the depreciation estimates for all categories of infrastructure
- b) confirmation of the funding needed to ensure that our assets were being renewed in a timely manner
- c) review of Council's operating expenditure budgets and service levels to identify opportunities to generate savings and transfer those savings to asset renewals
- d) review of our fees and charges to confirm opportunities for increased revenue
- e) and finally, identification of the minimum level of additional rate income needed to finance any shortfall.

In respect to our IP&R documents, specific mention is made of Council's compliance with the Fit for the Future Program in the Delivery Program / Operational Plan 2017/18 to 2020/21,

with the following table being an extract of page 29 of the adopted document (refer to Attachment 2).

CSP OUTCOME EL2. COUNCIL'S FINANCES AND ASSETS ARE WELL MANAGED											
<b>EL2.1</b> <b>Proactively pursue revenue opportunities, cost savings and/or efficiencies</b>	<i>More financially viable Council resulting in improved asset management</i>	EL2 1g	Pursue compliance with the Fit for the Future Program	Improve our overall financial sustainability	X	X	X	X	Financial Services	SP4	
		EL2 1h	Apply for a permanent increase to Council's total rate income of 9.1% for 2018/19 (approved rate peg of 2.2%) and 5.9% for 2019/20 (assumed rate peg of 2.5%). Cumulative rate increase of 15.54%.	Approval of application(s) by IPART	X	X	X	Financial Services	SP4		

This table is part of the Engaged Leadership Program in the Delivery Program.

The Delivery Program / Operational Plan discuss the proposed special rate variation, the relationship between the current temporary rate increase for 2017/18 and the proposed permanent increases for 2018/19 and 2019/20 and the impact of the proposed rate variation on ratepayers. Refer to pages 8 and 9 in Attachment 2.

The Delivery Program / Operational Plan also outlines the proposed expenditure scenarios, with and without the special rate variation. Refer to pages 58 to 64 in Attachment 2.

In addition to the Delivery Program / Operational Plan, the Council adopted document referred to as the *Long Term Financial Plan 2017/18 to 2026/27* is published on Council's website in the IP&R document suite. This document provides a summary of our Long Term Financial Plan (LTFP) and scenario analysis. This document is included as Attachment 3.3.

The *Long Term Financial Planning Budget 2017/18 to 2026/27*, a further document in Council's IP&R document suite, notes in the Overview, at pages 1 and 2, that the budgets shown in that document are inclusive of the proposed special rate variation, as this is the preferred financial model, however refers the reader to the Delivery Program / Operational Plan (Attachment 2) and the Long Term Financial Plan documents (Attachment 3).

### Needs - Healthy Waterways Programs

The need for additional expenditure on our waterways has been identified from a number of reports, observed conditions, as well as community sentiment.

In the latest Echohealth report (University of New England – June 2015), the Richmond Catchment was given an overall grading of D minus. A copy of the report is included as Attachment 12.1.

Council, in collaboration with Lismore City Council, Richmond Valley Council and Rous County Council (formerly the Richmond River County Council) prepared the Richmond River Estuary – Coastal Zone Management Plan (CZMP), which has been gazetted as a CZMP by the NSW State Government. This plan identifies works to the value of \$16.5m over ten years, with limited works undertaken to date, due to a lack of funding. Council is looking to implement works in the Ballina Shire local government area through this additional funding stream. Refer to Attachment 12.2 for an extract of the works plan from that CZMP.

Council has also adopted and gazetted CZMPs for Shaws Bay and the Ballina Shire Coastline, both of which identify a substantial amount of works. A Management Plan is in place for Lake Ainsworth and it is the intention of Council to review that plan and to have an

adopted and gazetted CZMP in place for Lake Ainsworth. Attachment 12.3 provides the relevant extract in implementing the Shaws Bay CZMP.

There has also been a historical occurrence of Richmond River blackwater events and fish kills. It is widely recognised that, whilst such events cannot be eliminated entirely, the magnitude and impact of such events can be reduced (through appropriate programs) to allow the Richmond River to reach a sustainable level. Fish kills have had a major detrimental impact on the Ballina Shire economy due to the dependence of Ballina on its waterways and tourism.

In respect to our IP&R documents there are a number of references to the CZMPs and Management Plans as part of the Healthy Environment Program in our Delivery Program/ Operational Plan and one relevant extract is as follows:

Delivery Program Strategy	The benefits will be...	Operational Plan Activity	Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan	
<b>CSP OUTCOME HE1. WE UNDERSTAND THE ENVIRONMENT</b>										
HE1.1 Our planning considers past and predicted changes to the environment	Reduced risk from natural disasters or changes in climate	HE1.1a	Implement Ballina Coastline Zone Management Plan	Plan completed and actions implemented	X	X	X	X	Engineering Works	SP5
		HE1.1b	Implement Floodplain Management Plans	Plan completed and actions implemented	X	X	X	X	Engineering Works	SP5
		HE1.1c	Implement Environmental Action Plan	Actions implemented	X	X	X	X	Strategic Planning	SP5
HE1.2 Undertake and promote initiatives that improve our waterways	Health of our waterways is improving	HE1.2a	Implement Richmond River Estuary Coastal Zone Management Plan	Actions implemented including advocacy	X	X	X	X	Environmental and Public Health	SP2
		HE1.2b	Implement Shaws Bay Coastal Zone Management Plan	Actions implemented	X	X	X	X	Environmental and Public Health	SP2
		HE1.2c	Review and implement Lake Ainsworth Management Plan	Review completed and actions implemented	X	X	X	X	Environmental and Public Health	SP2
		HE1.2d	Implement Urban Stormwater Management Plan	Actions implemented	X	X	X	X	Engineering Works	SP2
		HE1.2e	Determine preferred solution for Wilson Street drain, Wardell	Investigation completed	X				Engineering Works	SP2
HE1.3 Beautify and protect our streetscapes and open spaces	Increased flora and vegetation cover	HE1.3a	Implement a proactive street tree planting program	Actions taken	X	X	X	X	Open Spaces and Reserves	SP2
		HE1.3b	Maintain contemporary vegetation management plans	Ensure plans reviewed in a timely manner	X	X	X	X	Open Spaces and Reserves	SP2
		HE1.3c	Implement a proactive fig tree management program	Initiatives undertaken	X	X	X	X	Open Spaces and Reserves	SP2

The actions referenced HE1.1a, HE1.2a, HE1.2b and HE1.2c are relevant to the Healthy Waterways Program. Refer to page 22 in Attachment 2.

## Community Desires

### Desires - Asset Renewal and Healthy Waterways

The importance of asset renewal and healthy waterways to the community has been statistically measured by Council through surveys undertaken by an independent research firm, Micromex Pty. Ltd.

We interviewed over 400 people, this sample providing a 95% high confidence level in the results.

Surveys were undertaken in 2008, 2012, 2014 and 2016 and measured the level of *Importance* and *Satisfaction* the community attaches to a wide range of Council services.

Using the Unipolar scale applied by Micromex, 3.90 to 5.00 is identified as a high level of importance to the community.



In respect to *Importance* in the 2016 survey period, *Roads* continued to have the highest importance score (4.73) to the community, which is consistent with previous surveys.

The *Overall Health of the Richmond River* was ranked fourth (4.65) most important service to the community behind *Garbage Collection* (4.67) and *Beaches and Foreshores* (4.67).

*Drainage and flood management* (4.22) have a high level of importance to the community with a significant part of the proposed SRV to be expended on stormwater as part of the Asset Renewal Program.

The Micromex survey also measures satisfaction with services; i.e. the community's assessment of how satisfied they are with Council's provision of these services.

A comparison of the *Importance* scoring and the *Satisfaction* scoring provides the performance gap. The higher the performance gap, the greater the variance exists between the provision of that service by Ballina Shire Council and the community's expectation for that service/facility.

For the Performance Gap rankings, the *Overall Health of the Richmond River* ranked as number one (i.e. largest performance gap) and *Roads* ranked as number two. These results are consistent with previous surveys and demonstrate a strong desire from the community to improve our service levels in these two areas.

A copy of the importance levels and performance gaps from the 2016 Micromex Community Satisfaction Report is included in Attachment 6. Refer to page 17 of the Key Findings in the Micromex 2016.

The Micromex surveys for 2014, 2012 and 2008 are available on our website under Integrated Planning and Reporting.

Further evidence in relation to the healthy waterway program proposal is provided by 94% of residents stating that "health of our waterways" is a priority for them/their household (page 51 of the 2016 Micromex Community Satisfaction Report) and 71% of residents stating that investment in "health of our waters" should be increased (page 52).

Finally, Council's Community Strategic Plan, Delivery Program and Operational Plan outline the outcomes that are important to the community, and further summaries strategies to achieve the outcomes our community desires.

For "Engaged Leadership", one outcome we are striving to achieve is "Council's finances and assets are well managed". One of the strategies our DP then identifies to achieve that outcome is that Council will enhance financial sustainability.

For "Healthy Environment", one of the outcomes we are striving to achieve is "We understand our environment". One of the strategies our DP then identifies to achieve that outcome is that Council will protect and enhance our waterways.

Council's adopted Delivery Program and Operational Plan 2017/18, outline key strategies and actions in respect to being fit for the future, asset renewal and healthy waterways programs.

Refer below for extracts the Delivery Program and Operational Plan (Attachment 2) that relate to:

1. Fit for the Future (see page 29)
2. Healthy Waterways, implementation of CZMPs (see pages 20 and 22)
3. Asset Renewal on core infrastructure such as roads, stormwater and open spaces (see pages 16, 27 and 32-33).

### Fit for the Future

Delivery Program Strategy	The benefits will be...	Operational Plan Activity	Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan	
<b>CSP OUTCOME EL2. COUNCIL'S FINANCES AND ASSETS ARE WELL MANAGED</b>										
EL2.1 Proactively pursue revenue opportunities, cost savings and/or efficiencies	More financially viable Council resulting in improved asset management	EL2.1a	Implement centre led procurement model	Actions taken	X	X	X	X	Support Operations	SP4
		EL2.1b	Implement Procurement Plan	Actions taken	X	X			Support Operations	SP4
		EL2.1c	Maximise the fleet operating surplus (excluding depreciation)	Operating surplus (Target > \$1.3m p.a.)	X	X	X	X	Support Operations	SP4
		EL2.1d	Minimise the value of store stock control bin errors	Minimise variances (Target < \$500)	X	X	X	X	Support Operations	SP4
		EL2.1e	Achieve investment returns greater than 90 day bank bill rate	Investment returns (Target 100 basis points)	X	X	X	X	Financial Services	SP4
		EL2.1f	Enhance online employee services	Improvements implemented	X	X	X	X	Human Resources and Risk Management	SP4
		EL2.1g	Pursue compliance with the Fit for the Future Program	Improve our overall financial sustainability	X	X	X	X	Financial Services	SP4
		EL2.1h	Apply for a permanent increase to Council's total rate income of 9.1% for 2018/19 (approved rate peg of 2.3%) and 5.9% for 2019/20 (assumed rate peg of 2.5%). Cumulative rate increase of 15.54%.	Approval of application(s) by IPART	X	X	X	Financial Services	SP4	
		EL2.1i	Minimise the net operating deficit for the Burns Point Ferry (excluding depreciation)	Minimise deficit (Target < \$200,000 p.a.)	X	X	X	X	Engineering Works	SP4
		EL2.1j	Minimise the net operating deficit for swimming pools (excluding depreciation)	Deficit (Target < \$400,000 p.a.)	X	X	X	X	Community Facilities	SP4

### Healthy Waterways

Delivery Program Strategy	The benefits will be...	Operational Plan Activity	Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan	
PE2.3 Operate Council business activities that support economic development	Council contributes and understands the local economy	PE2.3a	Proactively manage quarries	Actions implemented and viability	X	X	X	X	Support Operations	SP1
		PE2.3b	Proactively manage sand pit	Actions implemented and viability	X	X	X	X	Support Operations	SP1
		PE2.3c	Pursue sand dredging of North Creek to provide a valuable resource and economic / tourism benefits	Actions implemented	X	X			Infrastructure Planning	SP1
		PE2.3d	Ensure on-going profitability of the Flat Rock Tent Park	Operating revenue (Target > \$420,000) Operating surplus (Target > 40% of revenue)	X	X	X	X	Commercial Services	SP1
<b>CSP OUTCOME PE3. IMPROVE LIVEABILITY IN THE SHIRE</b>										

Delivery Program Strategy	The benefits will be...	Operational Plan Activity		Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan
<b>CSP OUTCOME HE1. WE UNDERSTAND THE ENVIRONMENT</b>										
<b>HE1.1</b> Our planning considers past and predicted changes to the environment	<i>Reduced risk from natural disasters or changes in climate</i>	HE1.1a	Implement Ballina Coastline Zone Management Plan	Plan completed and actions implemented	X	X	X	X	Engineering Works	SP5
		HE1.1b	Implement Floodplain Management Plans	Plan completed and actions implemented	X	X	X	X	Engineering Works	SP5
		HE1.1c	Implement Environmental Action Plan	Actions implemented	X	X	X	X	Strategic Planning	SP5
<b>HE1.2</b> Undertake and promote initiatives that improve our waterways	<i>Health of our waterways is improving</i>	HE1.2a	Implement Richmond River Estuary Coastal Zone Management Plan	Actions implemented including advocacy	X	X	X	X	Environmental and Public Health	SP2
		HE1.2b	Implement Shaws Bay Coastal Zone Management Plan	Actions implemented	X	X	X	X	Environmental and Public Health	SP2
		HE1.2c	Review and Implement Lake Ainsworth Management Plan	Review completed and actions implemented	X	X	X	X	Environmental and Public Health	SP2
		HE1.2d	Implement Urban Stormwater Management Plan	Actions implemented	X	X	X	X	Engineering Works	SP2
		HE1.2e	Determine preferred solution for Wilson Street drain, Wardell	Investigation completed	X				Engineering Works	SP2

## Asset Renewal

Delivery Program Strategy	The benefits will be...	Operational Plan Activity		Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan	
<b>CC3.2</b> Provide young people with a range of leisure activities  <b>CC3.3</b> Support improved health outcomes by providing equitable access to community facilities	<i>Expanded range of youth facilities</i>	CC3.2a	Enhance sporting field facilities	Actions implemented	X	X	X	X	Open Spaces and Reserves	SP4	
		CC3.2b	Implement Playground Upgrade and Renewal Plan (PURP)	Actions implemented	X	X	X	X	Open Spaces and Reserves	SP4	
		CC3.2c	Provide skate park facilities for Alstonville / Wollongbar	Works completed	X				Open Spaces and Reserves	SP4	
		CC3.3a	Ensure the library services and facilities reflect contemporary needs	Membership (Target > 22,000 p.a.)	X	X	X	X	Community Facilities	SP4	
				Loans (Target > 400,000 p.a.)	X	X	X	X	Community Facilities	SP4	
		<i>Increased satisfaction and participation rates</i>	CC3.3b	Expand the services and improve the financial viability of our community facilities through increased bookings	Kentwell Centre (Target > 1,100 p.a.) Lennox Head Centre (Target > 4,500 p.a.) Ballina Surf Club (Target > 400 p.a.) Richmond Room (Target > 200 p.a.)	X	X	X	X	Community Facilities	SP4
			CC3.3c	Promote the lease and use of community properties	90% of properties are leased or regularly used	X	X	X	X	Strategic Planning	SP4
			CC3.3d	Ensure public pool facilities are well patronised	Swimming pool patrons (Target > 158,000 p.a.)	X	X	X	X	Community Facilities	SP4
			CC3.3e	Implement swimming pool upgrades and contract renewals, including water slide renewal	Progress, benefits and contract renewals completed	X	X			Community Facilities	SP2
			CC3.3f	Deliver an indoor sports stadium	Actions completed	X	X	X	X	Community Facilities	SP2
	<i>A healthier community</i>	CC3.3g	Implement Captain Cook Master Plan	Actions completed		X	X		Open Spaces and Reserves	SP2	
		CC3.3h	Implement Pedestrian Access and Mobility Plan (PAMP)	Works completed	X	X	X	X	Engineering Works	SP2	
		CC3.3i	Implement Pop Denison Master Plan	Actions completed	X	X	X	X	Open Spaces and Reserves	SP2	
<b>HE3.3</b> Match infrastructure with development to mitigate any impacts on the environment	<i>The impacts of development on the environment will be minimised</i>	HE3.3a	Maintain contemporary Section 94 Open Spaces and Community Facilities Plan	Review completed				X	Strategic Planning	SP1	
		HE3.3b	Maintain contemporary Section 64 Plans for Water and Wastewater Services	Review completed		X			Water and Wastewater	SP1	
		HE3.3c	Maintain contemporary Section 94 Car Parking and Heavy Haulage Plans	Review completed	X				Infrastructure Planning	SP1	
		HE3.3d	Maintain contemporary Section 94 Roads Plan	Review completed			X		Infrastructure Planning	SP1	

Delivery Program Strategy	The benefits will be...	Operational Plan Activity		Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan
EL3.3 Deliver responsive and efficient services	Increased community and employee satisfaction levels with Council's customer service  Increased efficiencies and cost savings	EL3.2c	Complete bi-annual staff survey to measure engagement levels	Survey results and actions implemented		X		X	Human Resources and Risk Management	SP4
		EL3.3a	Development applications determined under delegated authority	% of applications determined under delegated authority (Target > 90%)	X	X	X	X	Development Services	SP4
		EL3.3b	Development application referrals completed within 21 days	% of internal referral applications assessed within 21 days (Target > 70%)	X	X	X	X	Infrastructure Planning	SP4
		EL3.3c	Ensure complaints are dealt with effectively and promptly	% receiving response within 15 working days (Target > 80%)	X	X	X	X	Communications	SP4
		EL3.3d	Enhance web accessibility to improve availability of information	Increase website visits (Target >200,000)	X	X	X	X	Information Services	SP4
		EL3.3e	Efficiently attend to employee requests for assistance with technology systems	% addressed within one working day (Target > 85%)	X	X	X	X	Information Services	SP4
		EL3.3f	Improve corporate financial reporting	Enhancements implemented	X	X	X	X	Financial Services	SP4
		EL3.3g	Increase efficiencies for road maintenance (hand patching) asphalt for pothole repair	Reduce unit rates for use of asphaltic concrete and holes repaired	X	X	X	X	Engineering Works	SP2
		EL3.3h	Improve efficiencies for road maintenance of gravel roads	Reduce unit rates for length graded and cost	X	X	X	X	Engineering Works	SP2
EL3.3i	Monitor maintenance and capital works to ensure they are completed on time and within	Manage maintenance and capital works (Target within 10% of budget)	X	X	X	X	Engineering Works Open Spaces and Reserves Water and Wastewater	SP2		

## Decision to Seek Higher Rate Income

In respect to our increased investment in Asset Renewal, Council's financial modelling identified that expenditure of \$2m to \$3m extra, at least, was needed to meet the benchmark infrastructure Asset Renewal ratio of at least 100%. This level of additional income was also required to provide a consistent operating surplus (positive Operating Balance Ratio) in the near future.

Based on our existing rate base, it was not feasible for Council to generate this level of extra expenditure from either cost savings, or fee increases, or a combination of both, therefore an increase in our permanent rate income was decided upon, as the last available option.

Importantly, Council has taken a conservative approach and even with this additional income we will only be generating marginal operating surpluses and other funding avenues will still need to be pursued to ensure that the Asset Renewal ratio is met on a consistent basis.

IPART made specific mention of the small operating surpluses being forecast as part of its review of our Fit for the Future submission.

In respect to the Healthy Waterways Program, the newly elected Council identified this as a key priority for our community, therefore it was included as part of our consultation program.

Other key considerations in respect to this decision were:

- a) the Office of Local Government (OLG) comparative data reports continue to highlight that many of our comparative benchmarks are below the Group or similar council average, which reflects the limitations we have in respect to savings in existing operating revenues and expenses. One primary example is our staff to population ratio, which in the latest available report on the OLG website (2015/16) identifies one employee to 149

residents for Ballina Shire. When we compare this to councils in this region the variances are substantial (i.e. Byron Shire (1 to 129), Tweed Shire (1 to 139), Lismore City (1 to 104) and Richmond Valley (1 to 92). Indicators such as this highlight Council is operating at a relatively lean level.

- b) Similarly our average residential rate remains relatively, as per the following summary which was supplied by the rating staff for each of the councils listed for the 2017/18 financial year:

Property Type	Ballina (\$)	Byron (\$)	Coffs (\$)	Lismore (\$)	Richmond Valley (\$)	Tweed (\$)
Residential Average Rate	953	1,178	1,191	1,226	917	1,556

This provides Council with an opportunity to consider what could be termed as reasonable rate increases.

- c) For the 2017/18 year, Council resolved to cease the levying of our Waste Operations Charge. This charge was previously levied on all residential and farmland properties. The charge for 2016/17 was \$73. This represented an annual saving to every residential and farmland property of \$73 per annum, based on the 2016/17 charge.

This is still relevant, as the removal of the Waste Operations Charge in 2017/18 was an important aspect of Council's determination of affordability for ratepayers, when analysing the financial impact on ratepayers for the three year period commencing 2017/18.

- d) After many years of prudent financial management, Council's water, wastewater and waste operations are now at a level, where financially, we were in a position to minimise increases in their relative annual charges for the current year and the next two years.

Low increases in these charges then helps to minimise the overall financial impact on our ratepayers.

### **Why the Special Rate Variation is the Most Appropriate**

The special rate variation is the most appropriate funding option for the increased Asset Renewal program as this is a recurrent expenditure that must be continued permanently into the future. This is not a short term program but rather a permanent strategy, where a permanent income stream is needed. The magnitude of the desired funding increase also meant that other options, such as expenditure reductions and standard fee increases, were not viable or sufficient.

In respect to the Healthy Waterways Program, we have three gazetted CZMPs (Richmond River, Shaws Bay, Ballina Shire Coastline) and an existing Management Plan (Lake Ainsworth) that is scheduled to be updated to a Coastal Management Plan (CMP) during the next two years.

The CZMPs have extensive works programs, at a minimum these are based on a ten year time frame, and towards the end of that period, the plans are typically reviewed and a new ten year plan prepared.

The magnitude of works in those plans is well beyond the income being generated from the Healthy Waterways component of this proposal and it is Council's intention to leverage any monies with grants and contributions from other parties and government organisations.

Similar to the Asset Renewal works it is essential that Council has a permanent revenue source to support these plans.

Council is mindful of its overall level of rate income and as per the OLG comparative reports we benchmark our income against similar councils, particularly from a regional perspective.

The following table provides the average rates for the councils listed, with the figures sourced directly from the rating staff at each of the councils. When we apply the average ordinary rates for similar or adjoining councils to our existing number of rateable assessments it reinforces the discrepancy in total rate yields.

#### Benchmarking – Total Rate Yield – 2017/18

Property Type	Ballina (\$)	Byron (\$)	Coffs (\$)	Lismore (\$)	Richmond Valley (\$)	Tweed (\$)
Residential Average Rate	953	1,178	1,191	1,226	917	1,556
Business Average Rate	3,191	3,082	4,094	4,858	2,632	3,075
Farmland Average Rate	1,465	1,963	2,124	2,320	1,480	2,021
<b>Number of assessments for Ballina Shire</b>						
Residential	15,860 (87%)					
Business	1,305 (7%)					
Farmland	1,043 (6%)					
<b>Total Rate Yield (\$'000)</b>	<b>20,807</b>	<b>24,752</b>	<b>26,447</b>	<b>28,204</b>	<b>19,522</b>	<b>30,799</b>
<b>Annual Difference to Ballina (\$'000)</b>	<b>0</b>	<b>3,945</b>	<b>5,640</b>	<b>7,397</b>	<b>(1,285)</b>	<b>9,992</b>

The variance in rate yields is significant, with the exception of Richmond Valley, which is in its fourth year of a five year program of increases above the rate peg limit.

We also understand they will be seeking further increases beyond their current approved timeframe.

Byron Shire Council has an approved variation, which commenced 2017/18, for a four year program of increases of 7.5% per annum.

These figures help to highlight those councils with similar characteristics, service levels, demographics and socio economic conditions as the Ballina Shire, are generating millions of dollars extra in rate income each year.

## How the Special Rate Variation Impacts the LTFF

The Healthy Waterways Program additional revenue has no impact on Council's LTFF, as the additional revenue is totally offset by a matching expense.

The Asset Renewal Program additional revenue benefits our operating result, as increased operating revenues are matched against increased capital expenditure, which in turn also improves our Asset Renewal Ratio.

The impacts, for the General Fund only, are outlined in the following tables.

### General Fund Operating Result – SRV Excluded

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
<b>Operating Revenues</b>											
Rates and Annual Charges	28,168,100	28,200,200	29,007,500	29,837,500	30,691,000	31,569,700	32,473,200	33,402,500	34,359,200	35,342,800	36,355,300
User Charges and Fees	10,705,500	11,016,700	11,368,400	11,615,200	11,865,000	12,123,000	12,386,500	12,657,500	12,932,500	13,216,500	13,492,300
Investment Revenues	982,900	1,116,800	1,300,400	1,043,100	1,014,800	1,042,600	1,139,900	1,231,300	1,394,700	1,536,700	1,671,200
Operating Grants	7,750,900	7,244,700	7,476,700	7,480,600	7,585,500	7,694,800	7,840,100	7,998,300	8,162,300	8,329,800	8,500,900
Other Revenues	5,091,000	5,183,500	5,212,200	5,373,100	5,512,700	5,656,700	5,893,400	5,954,700	6,109,800	6,268,900	6,432,200
<b>Sub Total</b>	<b>52,698,400</b>	<b>52,761,900</b>	<b>54,365,200</b>	<b>55,349,500</b>	<b>56,669,000</b>	<b>58,086,800</b>	<b>59,733,100</b>	<b>61,244,300</b>	<b>62,958,500</b>	<b>64,694,700</b>	<b>66,451,900</b>
<b>Operating Expenses</b>											
Employee Costs	16,434,000	16,945,000	17,472,000	18,015,000	18,575,000	19,152,000	19,746,000	20,359,000	20,992,000	21,644,000	22,316,000
Materials and Contracts	19,391,000	16,855,200	17,501,900	17,487,400	17,902,500	18,083,500	18,618,600	18,944,500	19,222,100	19,458,200	19,778,300
Borrowing Costs	1,370,500	1,295,000	1,225,600	1,050,700	1,231,400	1,060,600	933,900	832,600	748,700	685,900	622,000
Depreciation	13,383,900	13,754,800	14,122,400	14,406,200	14,695,800	14,991,200	15,292,300	15,599,600	15,913,100	16,232,700	16,558,400
Other Expenses	5,254,600	5,404,800	5,545,000	5,959,000	5,836,200	5,986,800	6,140,500	6,600,300	6,459,500	6,625,700	6,796,000
<b>Sub Total</b>	<b>55,834,000</b>	<b>54,254,800</b>	<b>55,866,900</b>	<b>56,918,300</b>	<b>58,240,900</b>	<b>59,274,100</b>	<b>60,731,300</b>	<b>62,336,000</b>	<b>63,335,400</b>	<b>64,646,500</b>	<b>66,070,700</b>
<b>Result – Surplus/(Deficit)</b>	<b>(3,135,600)</b>	<b>(1,492,900)</b>	<b>(1,501,700)</b>	<b>(1,568,800)</b>	<b>(1,571,900)</b>	<b>(1,187,300)</b>	<b>(998,200)</b>	<b>(1,091,700)</b>	<b>(376,900)</b>	<b>48,200</b>	<b>381,200</b>

### General Fund Operating Result – SRV Included

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
<b>Operating Revenues</b>											
Rates and Annual Charges	28,168,100	29,666,800	31,296,900	32,195,700	33,119,900	34,071,500	35,050,100	36,056,700	37,093,000	38,158,700	39,255,700
User Charges and Fees	10,705,500	11,016,700	11,368,400	11,615,200	11,865,000	12,123,000	12,386,500	12,657,500	12,932,500	13,216,500	13,492,300
Investment Revenues	982,900	1,116,800	1,300,400	1,043,100	1,014,800	1,042,600	1,139,900	1,231,300	1,394,700	1,536,700	1,671,200
Operating Grants	7,750,900	7,244,700	7,476,700	7,480,600	7,585,500	7,694,800	7,840,100	7,998,300	8,162,300	8,329,800	8,500,900
Other Revenues	5,091,000	5,183,500	5,213,900	5,374,800	5,514,500	5,658,500	5,895,300	5,956,600	6,111,800	6,271,000	6,434,300
<b>Sub Total</b>	<b>52,698,400</b>	<b>54,228,500</b>	<b>56,656,300</b>	<b>57,709,400</b>	<b>59,099,700</b>	<b>60,590,400</b>	<b>62,311,900</b>	<b>63,900,400</b>	<b>65,694,300</b>	<b>67,512,700</b>	<b>69,354,400</b>
<b>Operating Expenses</b>											
Employee Costs	16,434,000	16,945,000	17,472,000	18,015,000	18,575,000	19,152,000	19,746,000	20,359,000	20,992,000	21,644,000	22,316,000
Materials and Contracts	19,391,000	17,170,500	17,825,000	17,818,600	18,242,000	18,431,500	18,975,300	19,310,100	19,596,800	19,842,300	20,162,400
Borrowing Costs	1,370,500	1,295,000	1,225,600	1,050,700	1,231,400	1,060,600	933,900	832,600	748,700	685,900	622,000
Depreciation	13,383,900	13,754,800	14,122,400	14,406,200	14,695,800	14,991,200	15,292,300	15,599,600	15,913,100	16,232,700	16,558,400
Other Expenses	5,254,600	5,404,800	5,545,000	5,959,000	5,836,200	5,986,800	6,140,500	6,600,300	6,459,500	6,625,700	6,796,000
<b>Sub Total</b>	<b>55,834,000</b>	<b>54,570,100</b>	<b>56,190,000</b>	<b>57,249,500</b>	<b>58,580,400</b>	<b>59,622,100</b>	<b>61,088,000</b>	<b>62,701,600</b>	<b>63,710,100</b>	<b>65,030,600</b>	<b>66,454,800</b>
<b>Result – Surplus/(Deficit)</b>	<b>(3,135,600)</b>	<b>(341,600)</b>	<b>466,300</b>	<b>459,900</b>	<b>519,300</b>	<b>968,300</b>	<b>1,223,900</b>	<b>1,198,800</b>	<b>1,984,200</b>	<b>2,482,100</b>	<b>2,899,600</b>

As per these tables the inclusion of the SRV allows Council to achieve an operating surplus for the General Fund in 2019/20, whereas without the SRV an operating surplus is not achieved until 2026/27.

## 3.2 Financial sustainability

The proposed special variation may be intended to improve the council's underlying financial position for the General Fund, or to fund specific projects or programs of expenditure, or a combination of the two. We will consider evidence about the council's current and future financial sustainability and the assumptions it has made in coming to a view on its financial sustainability.

You should explain below:

- ▼ The council's understanding of its current state of financial sustainability, its long-term projections based on alternative scenarios and assumptions about revenue and expenditure.
- ▼ Any external assessment of the council's financial sustainability (eg, by auditors, NSW Treasury Corporation). Indicate how such assessments of the council's financial sustainability are relevant to supporting the decision to apply for a special variation.
- ▼ The council's view of the impact of the proposed special variation on its financial sustainability.

### **Council Submission**

Ballina Shire Council was one of the first councils to have a Financial Assessment and Benchmarking report undertaken by TCorp, in 2012. That report assisted Council in sourcing Local Infrastructure Renewal Scheme Loans from the NSW State Government.

A further report by Council from TCorp in April 2013, identified Council as having a MODERATE Financial Sustainability Rating (FSR), with a NEUTRAL Outlook. A copy of that report is included as Attachment 4.

Council agrees with that rating for a number of reasons:

- a) our asset condition assessments are relatively satisfactory and we have a low asset backlog, therefore we are in a sound position moving forward
- b) the majority of our financial ratios are compliant with agreed benchmarks, except for the Asset Renewal Ratio, and we are continuing to incur operating deficits for the General Fund. This means there is a need to improve these two areas of Council's finances (Asset Renewal Ratio and Operating Balance Ratio).
- c) Our outlook is neutral, as additional funds are not being freed up in the near future to further improve our investment in asset renewal and improve our current operating deficit.
- d) The moderate and neutral ratings reflect that we are in a tight financial position, with the advantage of being able to improve our financial position through increased revenue opportunities and continued control of expenses, however there is also the risk of our financial position deteriorating through poor management of revenues and expenses. This also means we have little room to change service levels within the existing funding streams.

In respect to the Fit for the Future Program, in reviewing the various indicators and benchmarks, Council's position can be summarised as follows:

- a) Our Water and Wastewater (Sewer) Operations are forecast to generate operating surpluses for 2017/18 and onwards on a consistent basis following many years of tight expenditure control and increase in charges.



b) For the General Fund, the two key indicators where Council is having difficulty complying with the benchmarks are the Operating Balance Ratio and the Asset Renewal Ratio.

It is these two ratios that the Asset Renewal component of this application is targeting.

In summary the Fit for the Future indicators and the Tcorp evaluations confirmed Council's own opinion of our financial position in that the Council is financially sound, with our assets in a reasonable condition; however there were longer term concerns in respect to the operating result and insufficient funding for asset renewal.

There was also little scope to move within the existing budget framework.

This has resulted in Council deciding to apply for additional funds for asset renewal work which in turn helps to improve our operating result.

### **3.3 Financial indicators**

How will the proposed special variation affect the council's key financial indicators (General Fund) over the 10-year planning period? Please provide, as an addendum to the Long Term Financial Plan, an analysis of council's performance based on key indicators (current and forecast) which may include:

- ▼ Operating balance ratio excluding capital items (ie, net operating result before capital grants and contributions as percentage of operating revenue before capital grants and contributions).
- ▼ Unrestricted current ratio (the unrestricted current assets divided by unrestricted current liabilities).
- ▼ Rates and annual charges ratio (rates and annual charges divided by operating revenue).
- ▼ Debt service ratio (principal and interest debt service costs divided by operating revenue excluding capital grants and contributions).
- ▼ Broad liabilities ratio (total debt plus cost to clear infrastructure backlogs as per Special Schedule 7 divided by operating revenue).
- ▼ Asset renewal ratio (asset renewals expenditure divided by depreciation, amortisation and impairment expenses).

#### **Council Submission**

The LTFP (excel spreadsheet) is included as Attachments 3.1 (inclusive of SRV) and 3.2 (exclusive of SRV).

Key ratio forecasts in the supporting spreadsheets are as follows:

## General Fund Ratios – SRV Included

Fit for the Future Indicator	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Infrastructure Backlog Ratio	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Asset Maintenance Ratio	104.0%	102.3%	105.8%	105.8%	106.7%	105.8%	106.4%	105.6%	106.2%	105.4%	105.2%
Debt Service Ratio	9.2%	8.7%	8.6%	8.1%	8.0%	7.6%	7.0%	5.8%	4.6%	3.9%	3.4%
Own Source Operating Rev Ratio	66.0%	67.3%	70.2%	71.3%	70.8%	71.5%	74.4%	77.2%	77.4%	77.4%	77.6%
Real Operating Expend Per Capita	97.1%	90.8%	91.5%	89.0%	89.1%	86.7%	86.9%	85.2%	84.7%	82.6%	82.6%
Asset Renewal Ratio	156.4%	151.7%	118.7%	117.1%	144.3%	150.8%	111.0%	92.6%	97.3%	103.0%	101.5%
Operating Performance Ratio	-2.9%	-1.1%	-1.6%	0.7%	1.2%	1.5%	1.8%	2.2%	2.6%	3.2%	4.0%

## General Fund Ratios – SRV Excluded

Fit for the Future Indicator	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Infrastructure Backlog Ratio	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Asset Maintenance Ratio	104.0%	102.3%	105.8%	105.8%	106.7%	105.8%	106.4%	105.6%	106.2%	105.4%	105.2%
Debt Service Ratio	9.2%	8.8%	8.8%	8.4%	8.3%	8.0%	7.3%	6.1%	4.8%	4.1%	3.6%
Own Source Operating Rev Ratio	66.0%	67.1%	69.6%	70.4%	69.8%	70.5%	73.5%	76.3%	76.5%	76.5%	76.7%
Real Operating Expend Per Capita	97.1%	90.2%	90.9%	88.5%	88.6%	86.2%	86.4%	84.7%	84.2%	82.1%	82.1%
Asset Renewal Ratio	156.4%	148.7%	110.6%	104.0%	129.1%	135.5%	95.6%	77.2%	81.8%	87.4%	85.8%
Operating Performance Ratio	-2.9%	-1.9%	-3.5%	-2.5%	-2.5%	-2.2%	-1.8%	-1.5%	-1.0%	-0.5%	0.3%

Green represents the benchmark being reached, whereas red represents non-compliance.

As per these two tables the Operating Performance of the organisation continues at a deficit for years without the additional revenue. The Asset Renewal Ratio improves with the additional revenue, albeit that further improvements still need to be made to that ratio to ensure compliance every year. Importantly, with the special rate variation, the Asset Renewal Ratio does comply with the 100% benchmark on a ten year average. These ratios are based on three year averages, as defined by the Fit for the Future Program, where appropriate.

### 3.4 Contribution plan costs above the cap

You should complete this section if the proposed special variation seeks funding for contributions plan costs above the development contributions cap. Otherwise, leave this section blank.

Please explain how the council has established the need for a special variation to meet the shortfall in development contributions.

For costs above the cap in contributions plans, a council must provide:<sup>1</sup>

- ▼ a copy of the council's section 94 contributions plan
- ▼ a copy of the Minister for Planning's response to IPART's review and details of how the council has subsequently amended the contributions plan
- ▼ details of any other funding sources that the council is proposing to use, and

any reference to the proposed contributions (which were previously to be funded by developers) in the council's planning documents (eg, Long Term Financial Plan and Asset Management Plan AMP).

<sup>1</sup> See Planning Circular 10-025 dated 24 November 2010 at [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au) and for the most recent Direction issued under section 94E of the *Environmental Planning and Assessment Act 1979*. See also Planning Circular PS 10-022 dated 16 September 2010.



N / A

## 4 Assessment criterion 2: Community awareness and engagement

Criterion 2 in the Guidelines is:

*Evidence that the community is aware of the need for and extent of a rate rise. The Delivery Program and Long Term Financial Plan should clearly set out the extent of the General Fund rate rise under the special variation. The council's community engagement strategy for the special variation must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur. The IPART fact sheet includes guidance to councils on the community awareness and engagement criterion for special variations. In particular, councils need to communicate the full cumulative increase of the proposed SV in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category*

Our fact sheet on the requirements for community awareness and engagement is available on the IPART website.<sup>2</sup>

In responding to this criterion, the council must provide evidence that:

- ▼ it has consulted and engaged the community about the proposed special variation using a variety of engagement methods and that the community is aware of the need for, and extent of, the requested rate increases
- ▼ it provided opportunities for input and gathered input/feedback from the community about the proposal, and
- ▼ the IP&R documents clearly set out the extent of the requested rate increases.

In assessing the evidence, we will consider how transparent the engagement with the community has been, especially in relation to explaining:

- ▼ the proposed cumulative special variation rate increases including the rate peg for each major rating category (in both percentage and dollar terms)
- ▼ the annual increase in rates that will result if the proposed special variation is approved in full (and not just the increase in daily or weekly terms)
- ▼ the size and impact of any expiring special variation (see Box 4.1 below for further detail), and
- ▼ the rate levels that would apply without the proposed special variation.

More information about how the council may engage the community is to be found in the Guidelines, the IP&R manual and our fact sheet.

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<sup>2</sup> <https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/For-Councils/Apply-for-a-special-variation-or-minimum-rate-increase>

#### **Box 4.1 Where a council is renewing or replacing an expiring special variation**

The council's application should show how you have explained to its community:

- ▼ There is a special variation due to expire at the end of the current financial year or during the period covered by the proposed special variation. This needs to include when the expiring special variation was originally approved, for what purpose and the percentage of (General Fund) general income originally approved.
- ▼ The corresponding percentage of general income that the expiring special variation represents for the relevant year.
- ▼ Whether the temporary expiring special variation is being replaced with another temporary or a permanent increase to the rate base.
- ▼ The percentage value of any additional variation amount, above the rate peg, for which the council is applying through a special variation.
- ▼ If the proposed special variation was not approved (ie, only the rate peg applies), the year-on-year change in rates would be lower, or that rates may fall.

The council also must attach, to its application to IPART, a copy of the Instrument of Approval that has been signed by the Minister or IPART Chairman.

#### **4.1 The consultation strategy**

The council is required to provide details of the consultation strategy undertaken, including the range of methods used to inform and engage with the community about the proposed special variation and to obtain community input and feedback. The engagement activities could include media releases, mail outs, focus groups, statistically valid random or opt-in surveys, online discussions, public meetings, newspaper advertisements and public exhibition of documents.

The council is to provide relevant extracts of the IP&R documents that explain the rate rises under the proposed special variation and attach relevant samples of the council's consultation material.

##### **Council Submission**

A Community Engagement Strategy for the proposed special rate variation was endorsed by Council in the Ordinary meeting held 24 August 2017. The Strategy is included in Attachment 5. The Minutes and Report are included in Attachment 13.

The Strategy detailed how Council would consult and inform the community to determine whether Ballina Shire Council should apply for a further permanent increase in its general rate income, in addition to what had already been undertaken.

It is noted that comprehensive community engagement, including an Independent survey of approximately 400 residents undertaken by Micromex Pty. Ltd, had already been completed in relation to the special rate variation proposal for 2017/18.

Ballina Shire Council is in a unique position as IPART approved a temporary one year special rate increase for 2017/18 (expiring 30 June 2018). The challenge was to communicate this with the already complex topic of a SRV to our ratepayers. A number of

key messages were developed to convey essential information about the proposal, including:

- Clearly communicating the temporary rate increase of 3.4% for 2017/18 (expiring 30 June 2018), and applying the proposed permanent SRV above the assumed rate-peg of 2.5% for 2018/19 onwards.
- Council being committed to consult, inform, and involve the community about the need for the SRV
- Council working on cost containment strategies, cost efficiencies, funding sources and service levels
- Council knowing that the community priorities are on infrastructure
- Council understanding that rate rises are generally not welcome, but are necessary to ensure our asset renewal needs are met
- Council committed to building relationships with the community and other agencies to ensure the communities priorities are understood and addressed.

The channels used in consulting with our ratepayers and communicating the proposed SRV included:

- **Public Meetings**

Four public meetings were held in Alstonville (28 people in attendance), Lennox Head (17 people), Ballina (23 people) and Wardell (nine people). These meetings were promoted via the communication channels detailed below.

The purpose of the meetings was to provide information and to answer any questions about the proposed SRV. A copy of the presentation provided at the meetings is included in Attachment 5.

- **Letter to all ratepayers with factsheet**

A letter was sent to every rateable property in Ballina Shire (16,194 in total with some owners having multiple properties).

- **Community Connect Magazine**

Council's quarterly magazine (Issue 28 September 2017) with a distribution of 17,000, including all Ballina Shire residences via the Ballina Shire Advocate, provided a four-page feature. The feature explained the temporary and expiring 2017/18 SRV, where previous SRVs expenditure, progress on the Healthy Waterways program, explanation of the submission process, and impacts the proposed SRV would have on average residential rates and charges.

- **Online survey**

Council provided an online survey to allow members of the public to easily provide feedback on the proposed SRV. A total of 143 responses were received. These results are discussed in section 4.2 of this application. Responses are provided in Attachment 6.

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- **Advertising**

Notices in five-weeks in Ballina Shire Advocate newspaper, a free newspaper circulated to all residences in the shire. Our resident surveys confirm this newspaper is one of the main sources of Council information for the community

- **Media releases**

Two media releases sent to local print, television, radio and online media.

- **Website [ballina.nsw.gov.au](http://ballina.nsw.gov.au)**

The publication of a dedicated webpage provided a landing page to further explain the SRV proposal. Call to action to the webpage was provided in all communication collateral. The webpage included links to factsheets, FAQs, and details on the public submission period.

Copies of consultation and communication material outlined above are included in Attachment 5.

### **Revised Delivery Program and Operational Plan – November 2017**

The combined Delivery Program and Operational Plan was reviewed and amended to clearly explain:

- The need for and the purpose of the SRV
- The extent of the rate rise under the SRV
- The impact on affected ratepayers of the SRV.

The Delivery Program and Operational Plan were re-exhibited as part of the SRV community consultation process. The timeline for the re-exhibition and community consultation on the SRV commenced in September 2017, with submissions on both the Delivery Program and SRV proposal closing on 31 October 2017 and reported to the November 2017 Council meeting. Changes to the Delivery Program and Operational Plan were endorsed at the November 2017 Council Meeting. Report and Minutes are included in Attachment 13.

Please note that the **Revenue Policy and Appendix B** in the Delivery Program and Operational Plan also discuss future rate increases and proposed special rate variations and expenditure.

Extracts from the Delivery Program and Operational Plan endorsed by Council in November 2017 are below:

## 4. Funding our Future – Proposed Special Rate Variation

In 2015 Ballina Shire was declared as a Fit for the Future Council by the NSW State Government. This was based on a Council submission provided to the Office of Local Government (OLG) and the Independent Pricing and Regulatory Tribunal (IPART) which outlined a number of actions Council would undertake to improve our financial sustainability.

Included in our submission was a proposal to permanently increase our total general rate income by way of an application to IPART for a Special Rate Variation (SRV). The purpose of the proposed SRV is to increase our general rate income above the standard rate peg limit, which will then allow us to increase the level of funding we provide for key infrastructure renewal in areas such as roads, stormwater, playgrounds, sporting fields and community buildings, as well as implementing a new healthy waterways program. IPART annually set a rate peg, which limits the amount by which councils can increase their total rate revenue from year to year - for 2017/18 it is 1.5%.

In February 2017, Council made an application to IPART for the following increases above the rate peg:

- 4.9% in 2017/18 (includes actual rate peg limit of 1.5%)
- 5.9% in 2018/19 (includes estimated rate peg limit of 2.5%)
- 5.9% in 2019/20 (includes estimated rate peg limit of 2.5%)

The outcome of that application was determined by IPART in May 2017. IPART approved a temporary increase of 4.9% for 2017/18 only. The application for subsequent years was not endorsed as IPART wanted our Delivery Program and Operational Plan (this document) to more clearly outline the SRV proposal.

To ensure consistency with our Long Term Financial Plan (LTFP) and to meet our Fit for the Future benchmarks, Council is now proposing to again apply to IPART, for a SRV, for the financial years 2018/19 and 2019/20. This means that Council will be applying for the following increases to the general rate income.

- 9.3% in 2018/19 (includes estimated rate peg of 2.5%)
- 5.9% in 2019/20 (includes estimated rate peg of 2.5%)

The 9.3% in 2018/19 represents the estimated 2.5% rate peg, a 3.4% additional increase for 2018/19, along with retaining the additional 3.4% increase already approved by IPART, for one year only, for 2017/18.

The 5.9% in 2019/20 represents an estimated 2.5% rate peg and a 3.4% additional increase for 2019/20. In total this will be a cumulative increase of 15.75% for 2018/19 and 2019/20, however 3.4% was actually levied by Council in 2017/18, albeit that is a temporary approval only. These increases will be built into the rate base and be permanently retained, if approved by IPART. The additional income generated from these special rate variations will be used to fund asset renewal and a healthy waterways program.

For further information and a summary of the annual and cumulative increases of this proposal, refer to the Revenue Policy on page 47. For further details on the proposed expenditure, refer to Appendix B.



## 5. Proposed Special Rate Variation - Impact on Ratepayers

There are a number of ways we can look at the financial impact on ratepayers and the following tables help to explain this proposal. Table One is based on the standard rate peg increase without any special variations.

Table One - Rate Peg Only Comparison

Item	2017/18 Levy Less 3.4%	2018/19 Forecast	2019/20 Forecast	Cumulative Change
Rate Peg Percentage Increase	1.5%	2.5%	2.5%	5.06%
Average Residential Rate Levy (\$)	953	976	1,000	47
Average Business Rate Levy (\$)	3,191	3,281	3,363	172
Average Farmland Rate Levy (\$)	1,465	1,498	1,535	70

Two key items of information in this table are:

- (1) The 1.5% rate peg percentage increase for 2017/18 is the actual rate peg figure determined by IPART for the current financial year. The 2.5% applied for 2018/19 and 2019/20 is an estimated rate peg increase based on verbal advice provided by IPART.
- (2) For 2017/18 we have had to reduce the average rate figures actually levied by Council as the additional 3.4% increase IPART approved for 2017/18 is a temporary approval only. This means that the actual rates levied by Council were higher than these figures. This also means that any increases approved for 2018/19 onwards are applied to the 2017/18 figures without the 3.4% included.

Table Two provides details of the proposed SRV as compared to the 2017/18 figures in Table One.

Table Two - Proposed SRV (for 2018/19 and 2019/20) compared to 2017/18

Item	2017/18 Levy Less 3.4%	2018/19 SRV Levy	2019/20 SRV Levy	Cumulative Change
Rate Peg Percentage Increase	1.5%	9.3%	5.9%	15.75%
Average Residential Rate Levy (\$)	953	1,043	1,105	152
Average Business Rate Levy (\$)	3,191	3,506	3,713	522
Average Farmland Rate Levy (\$)	1,465	1,601	1,695	230

Table Three then highlights that Council did levy the 3.4%, approved as a temporary increase for 2017/18, therefore a comparison of the increase in the actual average rates levied for 2017/18, and proposed to be for 2018/19 and 2019/20 is as follows.

Table Three - Proposed SRV (for 2018/19 and 2019/20) compared to 2017/18 Levy

Item	2017/18 Actual Levy	2018/19 9.3% SRV	2019/20 5.9% SRV	Cumulative Change
Average Residential Rate Levy (\$)	985	1,043	1,105	120
Average Business Rate Levy (\$)	3,298	3,506	3,713	415
Average Farmland Rate Levy (\$)	1,514	1,601	1,695	181



**Revised Delivery Program and Operational Plan – January 2018**

The Delivery Program and Operational Plan endorsed by Council in November 2017 assumed a rate-peg of 2.5%. When the rate-peg of 2.3% for 2018/19 was advised the Delivery Program and Operational Plan was adjusted and re-reported and endorsed at the January 2018 Council Meeting. Report and Minutes are included in Attachment 13.

Please note that the **Revenue Policy and Appendix B** in the Delivery Program and Operational Plan also discuss future rate increases and proposed special rate variations and expenditure.

Extracts from the Delivery Program and Operational Plan endorsed by Council in January 2018 are below:

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## 4. Funding our Future – Proposed Special Rate Variation

In 2015 Ballina Shire was declared as a Fit for the Future Council by the NSW State Government. This was based on a submission provided to the Office of Local Government (OLG) and the Independent Pricing and Regulatory Tribunal (IPART) which outlined a number of actions Council would undertake to improve our financial sustainability. Included in our submission was a proposal to permanently increase our total general rate income by way of an application to IPART for a Special Rate Variation (SRV). The purpose of the proposed SRV is to increase our general rate income above the standard rate peg limit, which will then allow us to increase the level of funding we provide for key infrastructure renewal in areas such as roads, stormwater, playgrounds, sporting fields and community buildings, as well as implementing a new healthy waterways program. IPART annually set a rate peg, which limits the amount by which councils can increase their total rate revenue from year to year. In February 2017, Council made an application to IPART for the following increases above the rate peg:

- 4.9% in 2017/18 (included actual rate peg limit of 1.5% plus additional 3.4%)
- 5.9% in 2018/19 (included estimated rate peg limit of 2.5% plus additional 3.4%)
- 5.9% in 2019/20 (included estimated rate peg limit of 2.5% plus additional 3.4%)

The outcome of that application was determined by IPART in May 2017. IPART approved a temporary increase of 4.9% for 2017/18 only. The application for subsequent years was not endorsed as IPART wanted our Delivery Program and Operational Plan (this document) to more clearly outline the SRV proposal.

To ensure consistency with our Long Term Financial Plan (LTFP) and to meet our Fit for the Future benchmarks, Council is now proposing to again apply to IPART, for a SRV, for the financial years 2018/19 and 2019/20. This means that Council will be applying for the following increases to the general rate income.

- 9.1% in 2018/19 (includes actual rate peg limit of 2.3% plus additional 6.8%)
- 5.9% in 2019/20 (includes estimated rate peg limit of 2.5% plus additional 3.4%)

The 9.1% in 2018/19 represents the IPART confirmed rate peg limit of 2.3% for 2018/19, plus an additional 3.4% increase for 2018/19, along with retaining the additional 3.4% increase already approved by IPART, for one year only, for 2017/18. When Council consulted with the community the total increase for 2018/19 was 9.3% based on an estimated rate peg limit of 2.5% for 2018/19, however with IPART recently confirming a 2.3% rate peg limit for 2018/19, the total figure has been reduced to 9.1%. The 5.9% in 2019/20 represents an estimated 2.5% rate peg limit and a 3.4% additional increase for 2019/20. In total this will be a cumulative increase of 15.54% for 2018/19 and 2019/20, however 3.4% was actually levied by Council in 2017/18, albeit that is a temporary approval only. These increases will be built into the rate base and be permanently retained, if approved by IPART. The additional income generated from these special rate variations will be used to fund asset renewal and a healthy waterways program. For further information and a summary of the annual and cumulative increases of this proposal, refer to the Revenue Policy on page 47. For further details on the proposed expenditure, refer to Appendix B.

## 5. Proposed Special Rate Variation - Impact on Ratepayers

There are a number of ways we can look at the financial impact on ratepayers and the following tables help to explain this proposal. Table One is based on the standard rate peg increase without any special variations.

**Table One - Rate Peg Only Comparison**

Item	2017/18 Levy Less 3.4%	2018/19 Forecast	2019/20 Forecast	Cumulative Change
Rate Peg Percentage Increase	1.5%	2.3%	2.5%	4.86%
Average Residential Rate Levy (\$)	953	974	998	45
Average Business Rate Levy (\$)	3,191	3,276	3,358	167
Average Farmland Rate Levy (\$)	1,465	1,496	1,533	68

Two key items of information in this table are:

- (1) The 1.5% and the 2.3% rate peg percentage increases for 2017/18 and 2018/19 are the actual rate peg figures determined by IPART for those financial years. The 2.5% applied for 2019/20 is an estimated rate peg increase based on verbal advice provided by IPART.
- (2) For 2017/18 we have had to reduce the average rate figures actually levied by Council as the additional 3.4% increase IPART approved for 2017/18 is a temporary approval only. This means that the actual rates levied by Council were higher than these figures. This also means that any increases approved for 2018/19 onwards are applied to the 2017/18 figures without the 3.4% included.

Table Two provides details of the proposed SRV as compared to the 2017/18 figures in Table One.

**Table Two - Proposed SRV (for 2018/19 and 2019/20) compared to 2017/18**

Item	2017/18 Levy Less 3.4%	2018/19 SRV Levy	2019/20 SRV Levy	Cumulative Change
Rate Peg Percentage Increase	1.5%	9.1%	5.9%	15.54%
Average Residential Rate Levy (\$)	953	1,039	1,100	147
Average Business Rate Levy (\$)	3,191	3,494	3,700	509
Average Farmland Rate Levy (\$)	1,465	1,595	1,689	224

Table Three then highlights that Council did levy the 3.4%, approved as a temporary increase for 2017/18, therefore a comparison of the increase in the actual average rates levied for 2017/18, and proposed to be for 2018/19 and 2019/20 is as follows.

**Table Three - Proposed SRV (for 2018/19 and 2019/20) compared to 2017/18 Levy**

Item	2017/18 Actual Levy	2018/19 9.1% SRV	2019/20 5.9% SRV	Cumulative Change
Average Residential Rate Levy (\$)	985	1,039	1,100	115
Average Business Rate Levy (\$)	3,298	3,494	3,700	402
Average Farmland Rate Levy (\$)	1,514	1,595	1,689	175

## Strategies and Actions - Delivery Program and Operational Plan

Council's Delivery Program and Operational Plan 2017/2021 (Attachment 2) outlines Strategies and Actions to achieve the Directions and Outcomes identified in our Community Strategic Plan (Attachment 1). As previously mentioned the Delivery Program and Operational Plan were re-exhibited as part of the SRV community consultation process.

Refer below for extracts from the Delivery Program and Operational Plan that relate to:

4. Fit for the Future (see page 29)
5. Healthy Waterways, implementation of CZMPs (see pages 20 and 22)
6. Asset Renewal on core infrastructure such as roads, stormwater and open spaces (see pages 16, 27 and 32-33).

### **Fit for the Future**

Delivery Program Strategy	The benefits will be...	Operational Plan Activity	Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan	
<b>CSP OUTCOME EL2. COUNCIL'S FINANCES AND ASSETS ARE WELL MANAGED</b>										
EL2.f Proactively pursue revenue opportunities, cost savings and/or efficiencies	More financially viable Council resulting in improved asset management	EL2.1a	Implement centre led procurement model	Actions taken	X	X	X	X	Support Operations	SP4
		EL2.1b	Implement Procurement Plan	Actions taken	X	X			Support Operations	SP4
		EL2.1c	Maximise the fleet operating surplus (excluding depreciation)	Operating surplus (Target > \$1.3m p.a.)	X	X	X	X	Support Operations	SP4
		EL2.1d	Minimise the value of store stock control bin errors	Minimise variances (Target < \$500)	X	X	X	X	Support Operations	SP4
		EL2.1e	Achieve investment returns greater than 90 day bank bill rate	Investment returns (Target 100 basis points)	X	X	X	X	Financial Services	SP4
		EL2.1f	Enhance online employee services	Improvements implemented	X	X	X	X	Human Resources and Risk Management	SP4
		EL2.1g	Pursue compliance with the Fit for the Future Program	Improve our overall financial sustainability	X	X	X	X	Financial Services	SP4
		EL2.1h	Apply for a permanent increase to Council's total rate income of 0.1% for 2018/19 (approved rate peg of 2.3%) and 5.9% for 2019/20 (assumed rate peg of 2.5%). Cumulative rate increase of 15.54%.	Approval of application(s) by IPART	X	X	X	Financial Services	SP4	
		EL2.1i	Minimise the net operating deficit for the Burns Point Ferry (excluding depreciation)	Minimise deficit (Target < \$200,000 p.a.)	X	X	X	X	Engineering Works	SP4
		EL2.1j	Minimise the net operating deficit for swimming pools (excluding	Deficit (Target < \$400,000 p.a.)	X	X	X	X	Community Facilities	SP4

# 1. Healthy Waterways

Delivery Program Strategy	The benefits will be...	Operational Plan Activity		Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan
PE2.3 Operate Council business activities that support economic development	Council contributes and understands the local economy	PE2.3a	Proactively manage quarries	Actions implemented and viability	X	X	X	X	Support Operations	SP1
		PE2.3b	Proactively manage sand pit	Actions implemented and viability	X	X	X	X	Support Operations	SP1
		PE2.3c	Pursue sand dredging of North Creek to provide a valuable resource and economic / tourism benefits	Actions implemented	X	X			Infrastructure Planning	SP1
		PE2.3d	Ensure on-going profitability of the Flat Rock Tent Park	Operating revenue (Target > \$420,000) Operating surplus (Target > 40% of revenue)	X	X	X	X	Commercial Services	SP1
<b>CSP OUTCOME PE3. IMPROVE LIVEABILITY IN THE SHIRE</b>										
PE3.1 Facilitate commercially viable industrial precincts	Increased business activity and local employment	PE3.1a	Progress availability of land at the Russellton Industrial Estate	Lots available for sale, actual sales and net profit	X	X	X	X	Commercial Services	SP1
		PE3.1b	Progress construction of Airport Boulevard and associated developments	Works completed and actions undertaken	X	X	X	X	Commercial Services	SP1
		PE3.1c	Progress availability of land at the Southern Cross Industrial Estate	Lots available for sale, actual sales and net profit	X	X	X	X	Commercial Services	SP1
PE3.2 Facilitate residential land	Readily available land and housing stock  More affordable housing	PE3.2a	Progress Ballina Heights Building Better Regional Cities Program	Monitor sales for low to moderate income earners	X				Commercial Services	SP2
		PE3.2b	Monitor the waiver of developer contributions for secondary dwellings	Dwellings constructed, benefits provided and contributions waived	X	X			Strategic Planning	SP2
		PE3.2c	Monitor the residential lots (single and multi-units) approved	Comparison to long term average (Target > 141 lots p.a.)	X	X	X	X	Strategic Planning	SP2

Delivery Program Strategy	The benefits will be...	Operational Plan Activity		Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan
<b>CSP OUTCOME HE1. WE UNDERSTAND THE ENVIRONMENT</b>										
HE1.1 Our planning considers past and predicted changes to the environment	Reduced risk from natural disasters or changes in climate	HE1.1a	Implement Ballina Coastline Zone Management Plan	Plan completed and actions implemented	X	X	X	X	Engineering Works	SP5
		HE1.1b	Implement Floodplain Management Plans	Plan completed and actions implemented	X	X	X	X	Engineering Works	SP5
		HE1.1c	Implement Environmental Action Plan	Actions implemented	X	X	X	X	Strategic Planning	SP5
HE1.2 Undertake and promote initiatives that improve our waterways	Health of our waterways is improving	HE1.2a	Implement Richmond River Estuary Coastal Zone Management Plan	Actions implemented including advocacy	X	X	X	X	Environmental and Public Health	SP2
		HE1.2b	Implement Shaws Bay Coastal Zone Management Plan	Actions implemented	X	X	X	X	Environmental and Public Health	SP2
		HE1.2c	Review and implement Lake Ainsworth Management Plan	Review completed and actions implemented	X	X	X	X	Environmental and Public Health	SP2
		HE1.2d	Implement Urban Stormwater Management Plan	Actions implemented	X	X	X	X	Engineering Works	SP2
		HE1.2e	Determine preferred solution for Wilson Street drain, Wardell	Investigation completed	X				Engineering Works	SP2
HE1.3 Beautify and protect our streetscapes and open spaces	Increased flora and vegetation cover	HE1.3a	Implement a proactive street tree planting program	Actions taken	X	X	X	X	Open Spaces and Reserves	SP2
		HE1.3b	Maintain contemporary vegetation management plans	Ensure plans reviewed in a timely manner	X	X	X	X	Open Spaces and Reserves	SP2
		HE1.3c	Implement a proactive fig tree management program	Initiatives undertaken	X	X	X	X	Open Spaces and Reserves	SP2

## 2. Asset Renewal

Delivery Program Strategy	The benefits will be...	Operational Plan Activity	Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan	
CC3.2 Provide young people with a range of leisure activities	Expanded range of youth facilities	CC3.2a	Enhance sporting field facilities	Actions implemented	X	X	X	X	Open Spaces and Reserves	SP4
		CC3.2b	Implement Playground Upgrade and Renewal Plan (PURP)	Actions implemented	X	X	X	X	Open Spaces and Reserves	SP4
CC3.3 Support improved health outcomes by providing equitable access to community facilities	Increased satisfaction and participation rates  A healthier community	CC3.2c	Provide skate park facilities for Altonville / Wollongbar	Works completed	X				Open Spaces and Reserves	SP4
		CC3.3a	Ensure the library services and facilities reflect contemporary needs	Membership (Target > 22,000 p.a.) Loans (Target > 400,000 p.a.) PC usage (Target > 26,000 p.a.) Wireless usage (Target > 30,000 p.a.)	X	X	X	X	Community Facilities	SP4
		CC3.3b	Expand the services and improve the financial viability of our community facilities through increased bookings	Kentwell Centre (Target > 1,100 p.a.) Lennox Head Centre (Target > 4,500 p.a.) Ballina Surf Club (Target > 400 p.a.) Richmond Room (Target > 200 p.a.)	X	X	X	X	Community Facilities	SP4
		CC3.3c	Promote the lease and use of community properties	90% of properties are leased or regularly used	X	X	X	X	Strategic Planning	SP4
		CC3.3d	Ensure public pool facilities are well patronised	Swimming pool patrons (Target > 158,000 p.a.)	X	X	X	X	Community Facilities	SP4
		CC3.3e	Implement swimming pool upgrades and contract renewals, including water slide renewal	Progress, benefits and contract renewals completed	X	X			Community Facilities	SP2
		CC3.3f	Deliver an indoor sports stadium	Actions completed	X	X	X	X	Community Facilities	SP2
		CC3.3g	Implement Captain Cook Master Plan	Actions completed		X	X		Open Spaces and Reserves	SP2
		CC3.3h	Implement Pedestrian Access and Mobility Plan (PAMP)	Works completed	X	X	X	X	Engineering Works	SP2
		CC3.3i	Implement Pop Denison Master Plan	Actions completed	X	X	X	X	Open Spaces and Reserves	SP2

Delivery Program Strategy	The benefits will be...	Operational Plan Activity	Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan	
HE3.2 Minimise negative impacts on the natural environment (cont'd)	Protection and retention of our natural environment	HE3.2d	Minimise notifiable Pollution Incidents under the POEO Act	Number of incidents (Target = Nil)	X	X	X	X	Water and Wastewater	SP5
		HE3.2e	Maximise compliance with Environmental Protection License Concentration Limits	Level of compliance (Target = 100% with license)	X	X	X	X	Water and Wastewater	SP5
		HE3.2f	Implement trade waste management program	Actions implemented, applications received and licences issued	X	X	X	X	Water and Wastewater	SP1
		HE3.2g	Quarterly compliance license reports for waste, water and wastewater submitted in a timely manner	100% of reports are completed within 30 days of quarter	X	X	X	X	Waste Water and Wastewater	SP5
		HE3.2h	Implement Ballina Shire Koala Management Strategy	Actions implemented	X	X	X	X	Strategic Planning	SP2
		HE3.3i	Prepare a biodiversity strategy for the Shire	Strategy completed			X	X	Strategic Planning	SP2
		HE3.2j	Implement East Ballina Cemetery Master Plan	Actions implemented	X	X	X	X	Open Spaces and Reserves	SP3
HE3.3 Match infrastructure with development to mitigate any impacts on the environment	The impacts of development on the environment will be minimised	HE3.3a	Maintain contemporary Section 94 Open Spaces and Community Facilities Plan	Review completed			X	Strategic Planning	SP1	
		HE3.3b	Maintain contemporary Section 94 Plans for Water and Wastewater Services	Review completed		X		Water and Wastewater	SP1	
		HE3.3c	Maintain contemporary Section 94 Car Parking and Heavy Haulage Plans	Review completed	X			Infrastructure Planning	SP1	
		HE3.3d	Maintain contemporary Section 94 Roads Plan	Review completed			X	Infrastructure Planning	SP1	

Delivery Program Strategy	The benefits will be...	Operational Plan Activity		Measures/Targets	17/18	18/19	19/20	20/21	Responsibility	Link to State Plan
EL3.3 Deliver responsive and efficient services	Increased community and employee satisfaction levels with Council's customer service  Increased efficiencies and cost savings	EL3.2c	Complete bi-annual staff survey to measure engagement levels	Survey results and actions implemented		X		X	Human Resources and Risk Management	SP4
		EL3.3a	Development applications determined under delegated authority	% of applications determined under delegated authority (Target > 90%)	X	X	X	X	Development Services	SP4
		EL3.3b	Development application referrals completed within 21 days	% of internal referral applications assessed within 21 days (Target > 70%)	X	X	X	X	Infrastructure Planning	SP4
		EL3.3c	Ensure complaints are dealt with effectively and promptly	% receiving response within 15 working days (Target > 80%)	X	X	X	X	Communications	SP4
		EL3.3d	Enhance web accessibility to improve availability of information	Increase website visits (Target >200,000)	X	X	X	X	Information Services	SP4
		EL3.3e	Efficiently attend to employee requests for assistance with technology systems	% addressed within one working day (Target > 85%)	X	X	X	X	Information Services	SP4
		EL3.3f	Improve corporate financial reporting	Enhancements implemented	X	X	X	X	Financial Services	SP4
		EL3.3g	Increase efficiencies for road maintenance (hand patching) asphalt for pothole repair	Reduce unit rates for use of asphaltic concrete and holes repaired	X	X	X	X	Engineering Works	SP2
		EL3.3h	Improve efficiencies for road maintenance of gravel roads	Reduce unit rates for length graded and cost	X	X	X	X	Engineering Works	SP2
EL3.3i	Monitor maintenance and capital works to ensure they are completed on time and within	Manage maintenance and capital works (Target within 10% of budget)	X	X	X	X	Engineering Works Open Spaces and Reserves Water and Wastewater	SP2		

## 4.2 Feedback from the community consultations

Summarise the outcomes and feedback from the council's community engagement activities. Outcomes could include the number of attendees at events and participants in online forums, as well as evidence of media reports and other indicators of public awareness of the council's special variation intentions. Where applicable, provide evidence of responses to surveys, particularly the level of support for specific programs or projects, levels and types of services, investment in assets, as well as the options proposed for funding them by rate increases.

Where the council has received submissions from the community relevant to the proposed special variation, the application should set out the views expressed in those submissions. Please refer to Section 1.2 concerning how the council should handle confidential content in feedback received from the community. The council should also identify and document any action that it has taken, or will take, to address issues of common concern within the community.

### **Outcomes and Feedback from Community Engagement**

The consultation period for the proposed SRV was open for over 6-weeks from 13 September to 30 October 2017, longer than the standard exhibition period.

The feedback from the community consultation was reported to the November 2017 Council Meeting. The Council Report is included in Attachment 13, and community consultation submissions are included in Attachment 6.

Outcomes of our community engagement are outlined below:



- **Public Meetings**

Attendance numbers were Alstonville (28), Lennox Head (17), Ballina (23) and Wardell (9). These meetings were for information only, with no vote taken. Refer to Attachment 5A, for the presentation provided at the public meetings.

- **Written Submissions**

Council received a total of 41 written submissions, which are included in Attachment 6.

There were 36 letters against the proposed rate variation (the balance of letters received were requests for information only).

- **On-line Survey on Council Website**

A total of 143 on-line responses were completed. This response figure is down from the previous SRV proposal. This could be due consultation fatigue as the community had been consulted for the previous SRV proposal in early 2017.

**Question 1 of the survey asked** - *Do you feel you have a reasonable understanding of this proposal based on the information provided by Council, such as the letter to all ratepayers and the information included on Council's website ballina.nsw.gov.au? This proposal has extra complexity in that 3.4% of the 9.3% increase proposed for 2018/19 was actually levied by Council during 2017/18, although that 3.4% has only been approved by IPART for one year.*

*The results were as follows:*

Yes – 126 responses – 88%  
No – 17 responses – 12%

This is a good response considering the complexity of this proposal due to the temporary increase for 2017/18.

**Question 3 of the survey asked**- *In respect to the Healthy Waterways Program how supportive are you of an extra 1.5% rate increase, as part of this total package, to fund increased expenditure to improve the health and amenity of our waterways?*

*The results were as follows:*

<b>Preference</b>	<b>Number</b>	<b>Percentage</b>
<i>Strongly supportive</i>	15	10
<i>Supportive</i>	15	10
<i>Somewhat supportive</i>	11	8
<i>Not very supportive</i>	16	11
<i>Not at all supportive</i>	86	60

In summary 71% of the respondents do not support this proposal for the Healthy Waterways component of the special rate variation.

**Question 6 of the survey asked** – *In respect to the Asset Renewal Program, how supportive are you of an extra 5.3% in 2018/19 and 3.4% in 2019/20 on top of the estimated*

2.5% standard rate peg for each year, to fund increased asset renewal works and to assist Council in being financially sustainable in the long term?

<b>Preference</b>	<b>Number</b>	<b>Percentage</b>
<i>Strongly supportive</i>	10	7
<i>Supportive</i>	15	10
<i>Somewhat supportive</i>	8	6
<i>Not very supportive</i>	20	14
<i>Not at all supportive</i>	90	63

Similar to the Healthy Waterways result, 77% of the respondents do not support this proposal.

Other questions were also asked in the on-line survey. This information is outlined in the November 2017 Council report in Attachment 13, with a copy of the responses included in Attachment 6.

It is important to acknowledge that on-line surveys do not provide statistically valid results, but rather they provide an easy and efficient opportunity for people to provide feedback.

- **Micromex Survey**

In the lead up to Council's original proposal for special rate variations for 2017/18, 2018/19 and 2019/20, a total of 403 residents were surveyed by Micromex.

This survey is still considered relevant for consideration of the current proposal for special rate variations for 2018/19 and 2019/20 given the survey's currency and given that it relates to a similar underlying proposal.

The Micromex survey canvassed four options:

1. No special rate variation
2. Healthy Waterways variation of 1.5% extra, plus the 1.5% rate peg in 2017/18
3. Asset Renewal variation of 2.9% extra for the period 2017/18 to 2019/20, on top of the rate peg of 1.5% for 2017/18 and an estimated 2.5% rate peg for 2018/19 and 2019/20
4. Both the Healthy Waterways and Asset Renewal Programs based on a total of 4.9% in 2017/18 and 5.9% in 2018/19 and 2019/20.

The level of support for each option was follows.

**Option One – No special rate variation**

<b>Preference</b>	<b>Percentage</b>
Very supportive	12
Supportive	18
Somewhat supportive	18
Not very supportive	29
Not at all supportive	23

**Option Two – Healthy Waterways only**

<b>Preference</b>	<b>Percentage</b>
Very supportive	10

Supportive	21
Somewhat supportive	30
Not very supportive	23
Not at all supportive	19

### Option Three – Asset Renewal only

Preference	Percentage
Very supportive	9
Supportive	31
Somewhat supportive	26
Not very supportive	20
Not at all supportive	14

### Option Four – Both Healthy Waterways and Asset Renewal

Preference	Percentage
Very supportive	28
Supportive	24
Somewhat supportive	22
Not very supportive	11
Not at all supportive	15

As stated in the Micromex report option four had the highest level of support at 74% (71% support for ratepayers only).

A copy of the Micromex report is included in Attachment 6.

Mr Stuart Reeve, Managing Director of Micromex Pty. Ltd, also provided an email advice to Council, dated 14 February 2017, clarifying the survey results, which stated in part as follows:

*“The community support and preference for Option 4 has the strongest support score and preference score we have seen for the highest option in an SRV.”*

This is an exceptional level of support from the community for this proposal. A copy of that email correspondence is included in Attachment 6.

In respect to the opposition to the survey the major concerns, as per the Council report, are summarised below:

- a) Council’s rates are unaffordable – Council is very mindful of this and as per Section 3.1 of this application our general rates remain comparatively low compared to similar councils.
- b) Total rates and charges bill is too high - Council removed the Waste Operations Charge for 2016/17 and Council has explicitly resolved to minimise any increases in our Water, Wastewater, Stormwater and Waste charges for the period subject to this proposal.

The benefit of this is outlined in the following table, which outlines the total change per annum for the average residential property in Ballina Shire for the three year period.

## Change in Average Residential Property – Total Rates and Charges Bill

Item	2016/17	2017/18	2018/9	2019/20
<b>Ordinary Rate</b>	<b>943</b>	<b>985</b>	<b>1,039</b>	<b>1,100</b>
% Change		4.90	5.70	5.90
<b>Stormwater</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
% Change		0.00	0.00	0.00
<b>Water Access</b>	<b>200</b>	<b>204</b>	<b>210</b>	<b>215</b>
% Change		2.00	2.50	2.50
<b>Water Consumption (172 kls)</b>	<b>368</b>	<b>375</b>	<b>385</b>	<b>394</b>
% Change		2.00	2.50	2.50
<b>Wastewater Charge</b>	<b>925</b>	<b>953</b>	<b>977</b>	<b>1,001</b>
% Change		3.00	2.50	2.50
<b>Domestic Waste Collection</b>	<b>367</b>	<b>374</b>	<b>383</b>	<b>393</b>
% Change		2.00	2.50	2.50
<b>Waste Operations Charge</b>	<b>73</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>2,901</b>	<b>2,916</b>	<b>3,019</b>	<b>3,128</b>
<b>% Change</b>		<b>0.52</b>	<b>3.53</b>	<b>3.61</b>

- c) Council should work within its existing budgets. The magnitude of revenue required for asset renewal means Council requires additional revenue. Our asset renewal is understated by \$2m to \$3m. Similarly, due to Council's relatively low level of rate income, freeing up funds for the Healthy Waterways program would negatively impact Council's existing service levels.

### Council Actions in Response to Submissions

The key actions Council is taking in response to the submissions are:

- a) We are applying for a minimal increase with very small operating surpluses forecast.
- b) We are committed to minimising increases in our water, wastewater, waste and stormwater charges for the three year period from 2017/18 to 2019/20 to assist in lessening the financial impact on ratepayers.
- c) We are continuing to review service levels and our other fees and charges to ensure our investment in asset renewal is maximised.

### **Media reports and other indicators of public awareness**

Council's internal media monitoring reported 13 media articles (including letters to the editor) during the consultation period. The majority of letters to the editor oppose the proposed SRV. It's important to acknowledge these letters do not accurately reflect public sentiment. Ratepayers in a small or regional community who support and understand the rationale for the SRV are unlikely to publicly voice their opinion in favour of an issue that has a financial impact, if even only minimal, on their local community.

Print media and letters to the editor are included in Attachment 6.

## 5 Assessment criterion 3: Impact on ratepayers

Criterion 3 in the Guidelines is:

*The impact on affected ratepayers must be reasonable, having regard to both the current rate levels, existing ratepayer base and the proposed purpose of the variation. The Delivery Program and Long Term Financial Plan should:*

- *clearly show the impact of any rises upon the community*
- *include the council's consideration of the community's capacity and willingness to pay rates, and*
- *establish that the proposed rate increases are affordable having regard to the community's capacity to pay.*

The impact of the council's proposed special variation on ratepayers must be reasonable. To do this, we take into account current rate levels, the existing ratepayer base and the purpose of the proposed special variation. We also review how the council has assessed whether that the proposed rate rises are affordable having regard to the community's capacity and willingness to pay.

### 5.1 Impact on rates

Much of the quantitative information we need on the impact of the proposed special variation on rate levels will already be contained in Worksheet 5a and 5b of Part A of the application.

To assist us further, the application should set out the rating structure under the proposed special variation, and how this may differ from the current rating structure, or that which would apply if the special variation is not approved.

We recognise that a council may choose to apply an increase differentially among categories of ratepayers. If so, you should explain the rationale for applying the increase differentially among different categories and/or subcategories of ratepayers, and how this was communicated to the community. This will be relevant to our assessment of the reasonableness of the impact on ratepayers.

Councils should also indicate the impact of any other anticipated changes in the rating structure.

## **Council Submission**

Council has not indicated any preference to change the existing rating structure. Similarly the increase applies to all rating categories.

The 2017/18 rating structure is outlined in the following table which is an extract from our 2017/18 Delivery Program and Operational Plan:

### ***Estimated Total Income from Ordinary Rates for 2017/18 – 4.9% Special Rate Variation Approved***

<b>Base Charge and Cents in the Dollar % Increase</b>				
<b>Rate Category</b>	<b>Rate (Cents In \$)</b>	<b>Base Amount (\$)</b>	<b>Category Yield (\$)</b>	<b>Proportional Contribution to Total Yield (%)</b>
Residential	0.1658284	491	15,629,051	72.66
Business	0.7558078	491	4,301,992	20.00
Farmland	0.1412750	491	1,579,118	7.34
Mining	0.7558078	491	0.00	0.00
<b>Totals</b>		<b>N/A</b>	<b>21,510,160</b>	<b>100.00%</b>

Council's existing rating structure can be summarised as follows:

- Residential Rate – Approximately 50% of the rate income is sourced from a standard base charges to minimise the impact of variances in land values
- Business Rate – Council policy is to generate approximately 20% of the total rate yield from business rates.

Prior to this policy being introduced the Ballina Shire average business rate was the lowest in the State for Group 4 councils

- Farmland Rate – The rate in the dollar is typically approximately 80% of the residential rate, with this calculation determined following the calculation of the business rate
- Mining Rate – Council does not have any properties categorised as mining. The mining rate is set at the same as the business rate for the purposes of adopting the rates each year.
- Base Charge – The same base charge is applied to business and farmland properties, as calculated for the residential properties; i.e. all properties pay the same base charge.

## Estimated Variation to Average Rates Per Category of Property

### Information provided to rate payers as part of the consultation (assuming a rate peg of 2.5%)

A summary of the information used in the consultation process, assuming a rate peg of 2.5% is as per the following summary.

**Table One – Rate peg only**

Item	2017/18	2018/19	2019/20	Cumulative change
Rate Peg Percentage Increase (1)	1.5%	2.5%	2.5%	5.06%
Average Residential Rate Levy (\$)	953 (2)	976	1,000	47
Average Business Rate Levy (\$)	3,191 (2)	3,281	3,363	172
Average Farmland Rate Levy (\$)	1,465 (2)	1,498	1,535	70

- (1) The 1.5% rate peg increase for 2017/18 is the actual rate peg figure determined by IPART for that year. The 2.5% for 2018/19 and 2019/20 is an estimated rate peg based on verbal advice provided by IPART.
- (2) For 2017/18 we have had to reduce the average rate figures actually levied by Council as the additional 3.4% increase IPART approved for 2017/18 is a temporary approval only.

As per point (2) the figures for 2017/18 are less than the actual average rates levied by Council, as the additional 3.4% is a temporary one year approval only. This means any increases approved for 2018/19 onwards are applied to the 2017/18 figures without the 3.4% included.

**Table Two - Proposed SRV increase based on 9.3% for 2018/19 and 5.9% for 2019/20**

Table Two outlines the proposed changes for 2018/19 and 2019/20, assuming the Council's proposed special rate variation is approved by IPART, with the 3.4% temporary increase for 2017/18 removed, as per Table One.

Item	2017/18 rate peg	2018/19 with SRV	2019/20 with SRV	Cumulative change
Percentage Increase	1.5%	9.3%	5.9%	15.7%
Average Residential Rate Levy (\$)	953	1,043	1,105	152
Average Business Rate Levy (\$)	3,191	3,506	3,713	522
Average Farmland Rate Levy (\$)	1,465	1,601	1,695	230

**Table Three - Proposed SRV (for 2018/19 and 2019/20) increase compared to 2017/18 levy**

Table Three helps to highlight that Council levied the 3.4% approved as a temporary increase for 2017/18. A comparison of the actual increase in the average rates levied, and proposed to be levied, between 2017/18, 2018/19 and 2019/20 is as follows.

Item	2017/18 actual	2018/19 proposed	2019/20 proposed	Cumulative change
Average Residential Rate Levy (\$)	985	1,043	1,105	120
Average Business Rate Levy (\$)	3,298	3,506	3,713	415
Average Farmland Rate Levy (\$)	1,514	1,601	1,695	181

In this Table, the 2018/19 and 2019/20 figures are the same as Table Two, however the difference with Table Two is that they are compared to the actual average rates levied for 2017/18.

**Impact on rates with a known rate peg of 2.3%**

**Table One – Rate peg only**

Item	2017/18 Levy Less 3.4%	2018/19 Forecast	2019/20 Forecast	Cumulative Change
Rate Peg Percentage Increase	1.5%	2.3%	2.5%	4.86%
Average Residential Rate Levy (\$)	953	974	998	45
Average Business Rate Levy (\$)	3,191	3,276	3,358	167
Average Farmland Rate Levy (\$)	1,465	1,496	1,533	68

**Table Two - Proposed SRV increase based on 9.1% for 2018/19 and 5.9% for 2019/20**

Item	2017/18 Levy Less 3.4%	2018/19 SRV Levy	2019/20 SRV Levy	Cumulative Change
Rate Peg Percentage Increase	1.5%	9.1%	5.9%	15.54%
Average Residential Rate Levy (\$)	953	1,039	1,100	147
Average Business Rate Levy (\$)	3,191	3,494	3,700	509
Average Farmland Rate Levy (\$)	1,465	1,595	1,689	224



**Table Three - Proposed SRV (for 2018/19 and 2019/20) increase compared to 2017/18 levy**

Item	2017/18 Actual Levy	2018/19 9.1% SRV	2019/20 5.9% SRV	Cumulative Change
Average Residential Rate Levy (\$)	985	1,039	1,100	115
Average Business Rate Levy (\$)	3,298	3,494	3,700	402
Average Farmland Rate Levy (\$)	1,514	1,595	1,689	175

**5.1.1 Minimum Rates**

The proposed special variation may affect ordinary rates, special rates and/or minimum rates.

As previously discussed, if the proposed special variation includes increasing minimum rates above the statutory limit, or is to apply a higher rate of increase to an existing minimum rate than to its other rates, it is not necessary for the council to also complete the separate Minimum Rates application form. However, this must be clearly identified and addressed in the special variation application.

Does the council have minimum Ordinary rates?                      Yes                       No

If Yes, does the council propose to increase minimum Ordinary rates by:

- The rate peg percentage
- The special variation percentage
- Another amount  Indicate this amount \_\_\_\_\_

What will minimum Ordinary rates be after the proposed increase? \_\_\_\_\_

The council must explain how the proposed special variation will apply to the minimum rate of any ordinary and special rate, and any change to the proportion of ratepayers on the minimum rate for all relevant rating categories that will occur as a result.

You should also explain the types of ratepayers or properties currently paying minimum rates, and the rationale for the application of the special variation to minimum rate levels.

N / A

**5.2 Consideration of affordability and the community’s capacity and willingness to pay**

The council is required to provide evidence through its IP&R processes, and in its application, of how it assessed the community’s capacity and willingness to pay the proposed rate increases. This is to include an explanation of how the council established that the proposed rate rises are affordable for the community.

Evidence about capacity to pay could include a discussion of such indicators as SEIFA rankings, land values, average rates, disposable incomes, the outstanding rates ratio and rates as a proportion of household/business/farmland income and expenditure, and how these measures relate to those in comparable or neighbouring council areas.

As many of these measures are highly aggregated, it may also be useful to discuss other factors that could better explain the impact on ratepayers affected by the proposed rate increases, particularly if the impact varies across different categories of ratepayers.

We may also consider how the council's hardship policy (refer to Section 5.3 below) might reduce the impact on socio-economically disadvantaged ratepayers.

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### **Council Submission**

A key consideration for Council has been our overall level of rates and charges and how they compare with similar councils. Section 3.1 of this application identified the current average ordinary rates for the councils listed as per the following table.

#### **Benchmarking – Total Rate Yield – 2017/18**

<b>Property Type</b>	<b>Ballina (\$)</b>	<b>Byron (\$)</b>	<b>Coffs (\$)</b>	<b>Lismore (\$)</b>	<b>Richmond Valley (\$)</b>	<b>Tweed (\$)</b>
Residential Average Rate	953	1,178	1,191	1,226	917	1,556
Business Average Rate	3,191	3,082	4,094	4,858	2,632	3,075
Farmland Average Rate	1,465	1,963	2,124	2,320	1,480	2,021

We also examined our total rates charges account and the following is an extract from the Council presentation to the public meetings that were held in relation to this special rate variation proposal.

#### **Total Residential Rates and Charges – 2017/18**

<b>Residential Property</b>	<b>Ballina</b>	<b>Byron</b>	<b>Clarence Valley</b>	<b>Coffs Harbour</b>	<b>Lismore</b>	<b>Richmond Valley</b>	<b>Tweed</b>
Ordinary Rate	989	1,178	987	1,191	1,226	917	1,556
Stormwater	25	25	0	25	25	25	0
Water Access	204	179	118	143	260	146	170
Water 172kl	375	425	414	480	610	382	499
Waste Water	953	1,137	1,109	806	886	948	820
Waste Collection (incl waste levies)	374	456	361	646	491	447	377
<b>Total</b>	<b>2,920</b>	<b>3,400</b>	<b>2,989</b>	<b>3,291</b>	<b>3,498</b>	<b>2,865</b>	<b>3,422</b>
<b>% to Ballina</b>	<b>100%</b>	<b>116%</b>	<b>102%</b>	<b>113%</b>	<b>120%</b>	<b>98%</b>	<b>117%</b>

As per these figures, the average total rates and charges account payable for a residential property in Ballina Shire compares favourably to similar councils.

Even with the proposed special rate variation, the total rates and charges bill for the average residential assessment in Ballina Shire will be well below the majority of the councils listed.

In respect to the ability of the community to pay, some of the key indicators for Ballina Shire Council, along with other councils in the Northern Rivers are as follows.

### Socio-Economic Factors for Northern Rivers

Council	Ballina	Byron	Coffs	Lismore	RichV	Tweed
% Pensioner Residential Rate	23.0	17.3	21.3	23.9	28.8	24.1
% Unemployment Rate	5.4	7.9	4.6	8.4	9.6	6.6
Average Taxable Income	48,569	43,984	47,056	46,017	44,286	49,055
Socio Economic Index Ranking	99	98	70	66	7	68

These figures have been sourced from the Office of Local Government's comparative report for 2015/16, which appears to be the latest report available.

These figures reflect that on a comparative basis Ballina Shire has a stronger economy through higher income levels and lower unemployment rates in our region and our SEIR ranking is the highest in the region.

Council has seen a significant improvement in outstanding rates and charges in the last eight financial years is follows:

- 2016/17 – 3.56%
- 2015/16 – 4.45%
- 2014/15 – 4.77%
- 2013/14 – 5.63%
- 2012/13 – 7.05%
- 2011/12 – 7.59%
- 2010/11 – 9.81%
- 2009/10 – 12.17%

This is further evidence the community has the capacity to pay additional rates.

### 5.3 Addressing hardship

In addition to the statutory requirement for pensioner rebates, most councils have a policy, formal or otherwise to address issues of hardship.

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Does the council have a Hardship Policy?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If Yes, is an interest charge applied to late rate payments?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Does the council propose to introduce any measures to reduce the impact of the proposed special variation on specific groups in the community?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

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You should attach a copy of the Hardship Policy and explain below who the potential beneficiaries are and how they are assisted.

Please provide details of any other measures addressing hardship to be adopted, or alternatively, explain why no measures are proposed.

The council is also to indicate whether the hardship policy or other measures are referenced in the council's IP&R documents (with relevant page reference or extract provided).

### **Council Submission**

Council's *Financial Assistance - Rates and Charges Policy* is included in Attachment 7.

This policy was recently revised and adopted by Council in its ordinary meeting held 14 December 2017. The revised policy aims to provide expanded options for ratepayers deemed to be in genuine financial hardship and to provide equitable access to financial assistance for all ratepayers.

The policy provides the following provisions:

- Entering into Payment Arrangements exceeding 24 months. This arrangement is still subject to interest charges as per Council's Fees and Charges.
- Entering into direct debit Payment Arrangements to be finalised within 12 months with interest waived for the duration of the direct debit agreement.
- Entering into Payment Arrangements to be finalised within 13 to 36 months, with 50% of interest accrued in the agreed timeframe to be written off at the completion of the agreed timeframe.
- Deferral of the general rate following a revaluation. This provision is as per section 601 of the Local Government Act and allows deferral of the increase in the year following a revaluation.
- Provision of other assistance, to be considered on a case by case basis.
- Cancellation of Hardship Assistance in certain circumstances.

Applications for Financial Assistance under the policy are to be assessed by a Hardship Committee (internal staff committee) appointed by the General Manager, to assist the objectivity and consistency of decisions made.

The Hardship Committee will make recommendations to the General Manager for approval of payment terms exceeding 24-months or write-offs less than \$1,000. The Hardship Committee, through the General Manager, will make recommendations to Council for write-offs greater than \$1,000, or other assistance, as considered appropriate under extenuating circumstances.

Any applications for hardship will be dealt with on a case by case basis.

Council's *Pensioner Concessions – Rates and Charges Policy* outlines how applications for pensioner concessions are administered. Clause 7 in this policy, states that pensioners will not be exempt from interest charges on overdue rates. Refer to Attachment 7.

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Council has a *Donations Rates and Charges Policy* which is enacted under Section 356 of the Local Government Act, provides for the annual donation of rates and charges to assist organisations in providing community based services in the Ballina Shire. The assistance is provided as Council recognises that many community based organisations have limited resources and by providing this donation Council can assist these organisations in providing those services in our local government area. Refer to Attachment 7.

## 6 Assessment criterion 4: Public exhibition of relevant IP&R documents

Criterion 4 in the Guidelines is:

*The relevant IP&R documents must be exhibited (where required), approved and adopted by the council before the council applies to IPART for a special variation to its general revenue.*

Briefly outline the significant IP&R processes the council has undertaken to reach the decision to apply for a special variation. Include the details of and dates for key document revisions, public exhibition period(s) and the date(s) that the council adopted the relevant IP&R documents.<sup>3</sup>

You should also include extracts from council minutes as evidence that the documents were adopted.

The council is reminded that the Community Strategic Plan and Delivery Program (if amended), require public exhibition for at least 28 days prior to adoption. Amendments to the Long Term Financial Plan and Asset Management Plan do not require public exhibition.<sup>4</sup> However, it would be expected that the Long Term Financial Plan would be posted, in a prominent location, on the council's website.

### **Council Submission**

The **Community Strategic Plan** (CSP) was adopted by Council in June 2017. The consultation for the CSP resulted in Council adopting four key directions, or community aspirations:

- Healthy Environment
- Engaged Leadership
- Connected Community
- Prosperous Economy.

A summary of the outcomes and benefits identified in these directions are shown below. Refer to pages 22 to 25 in Attachment 1.

<sup>3</sup> The relevant IP&R documents are the Community Strategic Plan, Delivery Program, Long Term Financial Plan and where applicable, the Asset Management Plan.

<sup>4</sup> Office of Local Government (then Division of Local Government), *Integrated Planning and Reporting Manual for local government in NSW*, March 2013, pp 5-6.

## connected community (CC)



REF:	OUR OUTCOMES AND WHAT COUNCIL WILL DO	WHAT THE BENEFITS WILL BE
<b>CC1</b>	<b>WE FEEL SAFE</b>	
CC1.1	Actively promote safety and well-being strategies	Lower crime rates against people and property  Reduce incidences of non-compliance through proactive programs  Community is confident that services meet public health standards  (pool fences, dogs, food premises, health premises, drinking water health, swimming water health)
CC1.2	Ensure adequate plans are in place for natural disasters and environmental changes	The community is well prepared
CC1.3	Monitor the built infrastructure and the services delivered to the community to ensure relevant standards are being met	High levels of legislative compliance  Reduced reactive response programs
<b>CC2</b>	<b>WE FEEL CONNECTED TO THE COMMUNITY</b>	
CC2.1	Encourage community interaction, volunteering and wellbeing	There are more people volunteering in our community  Improved sense of wellbeing
CC2.2	Create events and activities that promote interaction and education, as well as a sense of place	Increase in events and community participation
CC2.3	Assist disadvantaged groups within our community	Disadvantaged groups are well supported
<b>CC3</b>	<b>THERE ARE SERVICES AND FACILITIES THAT SUIT OUR NEEDS</b>	
CC3.1	Provide strategies for older residents to be part of our community	Older residents are more engaged and active
CC3.2	Provide young people with a range of leisure activities, along with opportunities for personal development	Increased satisfaction levels and higher youth and young adult retention
CC3.3	Support improved health outcomes by providing equitable access to sporting, recreational and community facilities	Increased satisfaction and participation rates  A healthier community

## prosperous economy (PE)



REF:	OUR OUTCOMES AND WHAT COUNCIL WILL DO	WHAT THE BENEFITS WILL BE
<b>PE1</b>	<b>WE ATTRACT NEW BUSINESS AND VISITORS</b>	
PE1.1	Promote our area as an attractive place to visit and live	Enhanced experiences for residents and visitors  Increased population and visitation growth
PE1.2	Provide opportunities for new business	Economy expands over time
PE1.3	Encourage diversification and enhance image of the local economy	Increased resilience of the local economy
<b>PE2</b>	<b>MY BUSINESS CAN GROW AND DIVERSIFY</b>	
PE2.1	Enhance transport and other business networks	Increased business opportunities and growth
PE2.2	Facilitate a range of Council business activities to support economic development	Council contributes to the local economy  Council understands the business environment  Viable commercial portfolio
PE2.3	Provide efficient and cost effective regulatory environment for doing business	Easier to do business  Enhance business relationships
<b>PE3</b>	<b>IMPROVE LIVEABILITY IN THE SHIRE</b>	
PE3.1	Support residential development that delivers services close to home	Lower cost of living
PE3.2	Facilitate and provide affordable infrastructure	More affordable housing
PE3.3	Improve connectivity within the shire	Reduced transport costs

## engaged leadership (EL)



REF:	OUR OUTCOMES AND WHAT COUNCIL WILL DO	WHAT THE BENEFITS WILL BE
EL1	<b>OUR COUNCIL WORKS WITH THE COMMUNITY</b>	
EL1.1	Facilitate and develop strong relationships and partnerships with the community	More people feel they can have a say on important issues
EL1.2	Involve our community in the planning and decision making processes of Council	Improved satisfaction levels with Council's consultation
EL1.3	Actively advocate community issues to other levels of government	Increased levels of State and Federal Government support
EL2	<b>COUNCIL'S FINANCES AND ASSETS ARE WELL MANAGED</b>	
EL2.1	Proactively pursue revenue opportunities and cost savings and efficiencies	More financially viable Council resulting in improved asset management
EL2.2	Utilise modern operating systems and apply contemporary practices	Increased efficiencies and higher staff satisfaction levels
EL2.3	Provide effective risk and safety practices	Reduced incidents and lower insurance premiums and related costs
EL3	<b>WE ARE ALL VALUED CUSTOMERS</b>	
EL3.1	Provide prompt, knowledgeable, friendly and helpful advice	There are more people in the community who consider Council staff to be friendly and helpful
EL3.2	Deliver responsive and efficient services	Increased community satisfaction levels with Council's customer service
EL3.3	Encourage a motivated and adaptive workforce	High staff retention with a proactive workforce

## healthy environment (HE)



REF:	OUR OUTCOMES AND WHAT COUNCIL WILL DO	WHAT THE BENEFITS WILL BE
HE1	<b>WE UNDERSTAND THE ENVIRONMENT</b>	
HE1.1	Our planning considers past and predicted changes to the environment	Reduced risk from natural disasters or changes in climate
HE1.2	Undertake and promote initiatives that improve our waterways	Health and use of our waterways is improving
HE1.3	Enhance our open spaces, reserves, natural areas and their heritage values	Increased use of our open spaces Increased satisfaction levels
HE2	<b>WE USE OUR RESOURCES WISELY</b>	
HE2.1	Implement total water cycle management practices	Reduced water consumption per capita
HE2.2	Reduce and reuse our resources	Reduction in costs and extended life for existing resources
HE2.3	Pursue innovative technologies	Cost and resource use efficiencies
HE3	<b>OUR BUILT ENVIRONMENT BLENDS WITH THE NATURAL ENVIRONMENT</b>	
HE3.1	Develop and implement plans that balance the built environment with the natural environment	More people are satisfied with our management of development
HE3.2	Minimise negative impacts on the natural environment	Retention of our natural environment
HE3.3	Match infrastructure with development	No under supply of community infrastructure



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The **Delivery Program and Operational Plan** was reviewed, exhibited and adopted in 2017 and 2018 as follows:

- review of the Integrated and Planning Reporting suite of documents, public exhibited from 10 May to 13 June 2017. Adopted by Council 23 June 2017 (see Attachment 13)
- clearer explanation in respect to the impact of the proposed SRV on ratepayers. Exhibition period in September/October 2017. Adopted by Council 23 November 2017. (see Attachment 13)
- adjustment of financials to reflect actual 2.3% rate peg. Adopted by Council 25 January 2018 (see Attachment 8)

Refer to Attachment 13 for Council reports and minutes.

Section 4 of this application includes extracts from the Delivery Program and Operational Plan that specifically reference the Fit for the Future Program, Asset Renewal and the Healthy Waterways Program.

**The LTFP** was adjusted to reflect the advised 2.3% rate peg and include additional information in respect to the impact of the proposed special rate variation on ratepayers. The report and minutes from the January 2018 Council meeting are included in Attachment 13. The LTFP (word document) and (spreadsheets – including and excluding the proposed SRV) are included in Attachment 3.

The documents mentioned above are published on Council's website, under [Integrated Planning and Reporting \(refer to Quick Links\)](#).

Copies of all Council minutes are published to Council's website, under [Minutes and Agendas \(refer to Quick Links\)](#).

## 7 Assessment criterion 5: Productivity improvements and cost containment strategies

Criterion 5 in the Guidelines is:

*The IP&R documents or the council's application must explain the productivity improvements and cost containment strategies the council has realised in past years, and plans to realise over the proposed special variation period.*

In this section, you must provide details of any productivity improvements and cost containment strategies that you have implemented during the last two years (or longer) and any plans for productivity improvements and cost containment over the duration of the proposed special variation.

These strategies, which may be capital or operational in nature, must be aimed at reducing costs and/or improving efficiency. Indicate if any initiatives are to increase revenue eg, user charges. Please include below whether the proposed initiatives (ie, cost savings) have been factored into the council's Long Term Financial Plan.

Where possible, the council is to quantify in dollar terms the past and future productivity improvements and cost savings.

The council may also provide indicators of efficiency, either over time or in comparison to other relevant councils. We will make similar comparisons using various indicators and OLG data provided to us.

### **Council Submission**

#### ***Productivity and Efficiency Improvements***

Council continues to pursue productivity and efficiency improvements with recent examples outlined below, overall providing an overall estimated saving of close to \$3m per annum.

#### **eForms – WHS Competency Assessments**

#### **Cost Saving Estimate = \$60,000 per annum**

A technology based management system has been developed to assist supervisors undertake what are (and were) currently manual WHS competency assessments. This tool uses an e-form to conduct the assessments, then automatically records the outcomes in Council's document management system and finally it provides reports on the status of each staff member, with alerts when an assessment or document review is overdue.

This functionality and automation will be available in the field, and will significantly reduce the administration of this task which can involve several hundred assessments on an ongoing basis.

As many of our staff are involved in high risk construction and other activities, the improvements to the system will also reduce Council's risk exposure.

In regard to the item on WHS Competency assessments, it is estimated that Council will experience savings equivalent to 1,200 man hours per annum. Council's average hourly rate is \$50 so that equates to \$60,000 per annum in savings.

#### *eForms – Organisational wide*

*Cost Saving Estimate = \$237,000 per annum*

Further, the e-forms component of the WHS management system is part of the organisational e-forms package that currently sees in the order of 9,500 inspections performed using e-forms annually. Very conservatively, each e-form transaction represents a business efficiency of at least 1/2 hour, with most forms creating significantly greater savings. This represents a further \$237,000 per annum.

#### *eApprovals – Organisational wide*

*Cost Saving Estimate = \$91,000 per annum*

It is estimated that Council will experience savings in the order of seven hours per day (1,820 hours per year) or \$91,000 per annum once eApprovals is implemented.

#### *DA Approval Process (implementation of Trapeze Software)*

*Cost Saving Estimate = \$12,000 per annum*

Council reviewed the DA Approvals process resulting in the implementation of Trapeze software. Productivity gains have been made through the DA Approval process:

##### *1. Lodgement*

There are some significant gains here, primarily for Council's Records department due to a reduction in registering and coping documents. There will still be some gains to be realised once we have most, if not all, applicants lodging DA documents in accordance with our revised digital lodgement requirements.

##### *2. Registration*

Time savings relate mainly to no longer making up a physical file and streamlining the DA referral to state government agencies.

##### *3. Assessment*

Administrative time saved by eliminating the need to scan stamped approved plans and documents and saving them back into the Electronic Records Management System (CM9).

#### *4. Determination and Issue of Consent*

Once the digital signatures procedure is finalised, time savings will be realised in issuing final consent and approved plans electronically via the document portal, rather than paper copies issued in the mail.

Council estimates total time savings in the administration of steps 2-4 would average approximately 20-minutes per DA. Based on the current DA intake (700 – 750 per annum) this equates to approximately \$12,000 in savings per annum.

#### *File Maintenance, Access and Integrity*

*Cost Saving Estimate = \$50,000 per annum*

Removing the need to create three-hardcopy files and maintaining one electronic DA file has resulted in cost savings and improved efficiencies. The electronic file, rather than searching for hardcopy files, provides better accessibility for both staff and the customer. It also resulted in improved productivity of staff. Estimate combined efficiency savings of 20 hours per week across the organisation (conservative) equates to savings of \$50,000 per annum.

#### *Responding to Customer Request using portable Smart Devices*

*Cost Saving Estimate = \$86,000 per annum*

Distribution of smart devices provides an excellent tool for managing tasks generated in our Customer Request Management System. The distribution of the technology has reduced time and resources in printing the request. Staff estimate they are spending around one quarter of the time responding to requests. Added benefits include being able to use GPS locations, capture images, ready access to customer contacts, electronic field entry and better service delivery with quicker response rates. Estimated efficiency gains are approximately \$86,000 per annum based on efficiency savings of around 35 hours per week.

#### *Records and Information Management Hardware and Technology*

*Cost Saving Estimate = \$18,000 per annum*

Replaced several multi-function devices with more efficient machines, and introduced additional scanning capacity for Records and Information Management. This has reduced printing costs by \$18,000 per annum and boosted productivity of RIM staff through increased efficiencies.

#### *Responsive Website*

*Cost Saving Estimate = \$18,000 per annum*

With more than 40% of traffic to Council's website from mobile devices we released a 'responsive' refresh of the site. This upgrade provides a better experience for users on mobile devices and eliminates a tier of software that is no longer required, saving \$18,000 per annum in software licensing fees.

### GIS Solution

Cost Saving Estimate = \$7,000 per annum

Implementation of a new desktop GIS solution released to field-staff via mobile devices, and also to the public via Council's website. This results in a significant reduction in paper-based processes, improved service levels and productivity gains. We estimate this will increase efficiencies by three hours per week, representing an estimate saving of \$7,000 per annum.

### Digital Sewerage Drainage Diagrams

Cost Saving Estimate = \$18,000 per annum

Property sewer drainage diagrams are now scanned into Council's GIS system and linked automatically to the property record, both on demand and as part of a back scanning project. This has realised benefits from the customers perspective in that they are now receiving a faster turnaround on sewer diagram requests (from hours down to minutes), the diagrams are supplied electronically, and savings in staff time reducing the ongoing management of sewer diagrams.

Estimated savings of \$25,500 per annum, based on 30 minutes per request and 85 requests processed per month.

As the process progresses further savings and service delivery improvements will be made via a self-service portal for customers, negating backroom processing costs for staff to retrieve plans.

### Paperless Telephone Invoices

Cost Saving Estimate = \$18,000 per annum

Implementation of electronic processing and reconciliation of large vendor/multi-staff user payments such as the monthly Telstra invoice. Removed paper-based aspects of the process and therefore the requirement to move paper around the organisation. Estimated savings of \$18,000 per annum, based on 30 hours per month.

### Unmanned Aerial Vehicles (Drones)

Cost Saving Estimate = \$2,750 per annum

Unmanned Aerial Vehicles (Drones) will streamline asset inspections from both a workplace safety and productivity perspective. The current asset inspection regime, for Council site to site network communications infrastructure, incurs annual costs \$3,000. Using a drone reduces inspection times to 30-minutes per site. Therefore it is estimated savings will be \$2,750 per annum for this type of inspection only. Council undertakes many asset inspections annually, therefore across the organisation annual savings will be in the order of thousands of dollars, in addition improved staff safety.

### LED Street Lighting

Cost Saving Estimate = \$40,000 per annum

Council has entered into an agreement with Essential Energy to replace faulty street light fittings with LED fittings. LED fittings are more energy efficient and provide a longer maintenance free life compared to existing street lighting.

Ballina Shire has 3,155 light fittings and the replacement of these fittings will result in minimum maintenance for a 15 to 25-year period and also huge energy reductions which will result in a large reduction in Council's electricity supply charges. A conservative savings estimate is \$40,000 per annum.

### LED Lighting Council Facilities

Cost Saving Estimate = \$30,000 per annum

Council sourced capital funds for the fit out of energy efficient LED lights for Council's administration building. This initiative resulted in a reduction of energy consumption of \$2,000 to \$3,000 per month. This is an annual saving on the energy operational budget of up to \$30,000 per annum.

### Audit Stocktake Scanning Devices

Cost Saving Estimate = \$10,000 per annum

The annual audit arrangements for the internal store were completed with new technology meaning the audit was undertaken in two hours compared to the previous two days. This also meant the store was able to remain in service during the audit period. Due to the ease of auditing inventory, stocktakes have been implemented weekly. Estimated cost savings is \$10,000 per annum.

### GPS Controls/Trimble Technology

Cost Saving Estimate = \$61,000 per annum

Recently installed GPS equipment into two of our motor graders and an excavator. This technology will lead to more efficient use of resources and materials due to seamless design to construction processes and improved control.

The Trimble technology has been utilised on our two graders and has also been installed on our 20 tonne cat excavator and two construction rovers.

The technology on the excavator allows an excavator operator to work alone and reduces the need for a worker to consistently check and measure the required depths. A construction officer is approximately \$30/hour and the excavator completed 840 work hours throughout the financial year. This results in cost savings of approximately \$25,000 per annum and significantly reduces the risk to workers.

The Trimble construction rovers allow the staff to setup projects in significantly reduced time and allow regular quality checks on finished surface levels.

The technology allows for a reduction of project length by at least 1 day resulting in 12 days over the financial year at a cost of \$1500/day which means an annual saving of \$18,000 per annum per rover.

The above represents quantified savings of approximately \$61,000 per annum.

#### Disposal of Concrete and inert waste

#### Cost Saving Estimate = \$44,000 per annum

Council has changed the disposal location of concrete and general inert waste. Previously disposed at Council's Waste Management Facility at \$90/tonne, this waste is taken by Ben's Bobcat at \$30/tonne.

Based this financial year's waste of 730 tonnes this arrangement has resulted in savings of approximately \$44,000 per annum.

#### Material Reuse

#### Cost Saving Estimate = \$247,000 per annum

Council now recycles pavement materials from our capital works road projects to our unsealed roads. Based on the last two years figures we use approximately 13,000 tonne of material per annum. If this material was to be purchased at the quarry at \$19/tonne it would mean an additional expense of \$247,000 per annum. It also results in large savings in disposal costs and allows us to manage strict VENM and ENM stockpile limits.

#### GPS on Street Sweeper

#### Cost Saving Estimate = \$18,000 per annum

Council has recently installed GPS equipment in our street sweeper and the collected data is being used to analyse the allocation of work for this plant item to reduce non sweeping travel time.

The roll out of GPS tracking units on our street sweeper and road side slashers has enabled us to collect detailed information about the productivity, travel routes and usage patterns of our plant and equipment.

This data will be used to compare how often we service areas versus our service level standard as well as optimise work routes and reduce the percentage of travel hours per day. This project is ongoing and is being coordinated with our service level review for the street sweeper.

We estimate that we will be able to achieve a 5% improvement in productivity from the street sweeper which will equate to an efficiency gain of approximately \$18,000 per annum.

### Service Level Reviews – Roadside Vegetation Management

Cost Saving Estimate = \$20,000 per annum

Engineering Works have undertaken a number of service level reviews to improve operational efficiencies. The priority activities in the first stage of this program are street sweeping and roadside vegetation management.

The service level reviews are ongoing, we estimate that once the reviews are finished and implemented we will be able to realise 5% efficiency gains in each work area.

The savings for street sweeping are noted above. Council also estimates savings for the rural road vegetation budget of \$20,000 per annum.

### Engine Monitoring on Loaders

Cost Saving Estimate = \$51,000 per annum

Council has installed engine monitoring equipment in its loaders. The purpose of this is to provide data to assist in the long term management of the idle time operating of the plant.

Using this data we are able to operate and manage the loaders to avoid additional maintenance costs and risk of damage or shortened life to the engine from the effects of engine idle.

For example, the data sourced from the monitoring enables operators to reduce idle time for heavy plant. For one of Council's wheel loaders we have calculated savings of \$21,000 in reduced fuel and servicing costs and for one of Council's excavators we estimate the costs savings \$30,000. Council will continue to implement this technology and management into our fleet progressively through our plant replacement program. The above savings represent approximately \$51,000 per annum. It is noted that this saving is just the first two plant items noted.

Council intends to implement this technology for other plant on a rolling basis.

### Pressure Management Zones

Cost Saving Estimate = \$30,000 per annum (100,000 after full roll-out)

Council implemented pressure management zones to save water. It will take several more months to have all the zones operational, and full cost savings to be realised. It is estimated that savings of \$30,000 per annum have already been realised. A further roll out of the pressure management zones is expected to provide additional savings of \$100,000 per annum.



WWTP Aerator Optimisation

Cost Saving Estimate = \$408,000 per annum

Optimisation of aerators at the Ballina Wastewater Treatment Plan has seen the monthly electricity bill decrease from \$42,000 to \$20,000. Lennox Head has also decreased from \$30,000 to \$18,000. These decreases represent approximately \$408,000 in savings per annum.

Geosynthetic Road Pavement

Cost Saving Estimate = \$38,000 per annum

Our rehabilitation rural road projects are being designed, where appropriate, to incorporate geosynthetic materials which this has resulted in savings in road pavement costs savings.

On areas of poor subgrade we are using a product known as Tensar Triax Geogrid. This product allows for subgrade stabilisation, the decrease in subgrade depth and ultimately reduces our full reliance on quarried products.

The product can reduce the depth of subgrade replacement by 400mm resulting in material savings. Sand subgrade replacement material is worth \$12/tonne so on an average road reconstruction (250m long by 8m wide) project can result in material savings of \$19,200.

With the mix of projects throughout the year it is reasonable to adopt two projects of this length over the annual capital works program, it is expected savings represent approximately \$38,000 per annum.

Bitumen Resealing in Subdivisions

Cost Saving Estimate = \$529,000 per annum

Council has adopted a resurfacing strategy in respect to the management of resealing the existing road network. New subdivisions in the Shire have traditionally had their road network constructed with an asphaltic concrete (AC) surface. Many of these roads are now becoming due for resealing. Council debated whether the roads should be resurfaced with AC or bitumen, with bitumen having a lower cost and a lesser life. Council subsequently adopted a strategy of converting AC to bitumen with the exception of some higher order (increased traffic volume) roads.

The estimated benefits to Council from this process were identified in the report as follows:

<u>Model</u>	<u>10 year total cost</u>	<u>10 year average cost</u>
Scenario 1 – Like for Like	\$12,868,160	\$1,286,816
Scenario 2 - Bitumen	\$7,580,157	\$758,016
		<u>Difference</u> <u>\$528,800</u>

Scenario 2, being the adopted approach, means that Council is now able to stretch its road funding over a significantly greater amount of road resealing projects, than what would be the case if the like for like, scenario one approach, was adopted. The above savings represent approximately \$529,000 per annum.

#### Prefabricated Toilet amenities

Cost Saving Estimate = \$150,000 per annum

Council has realised savings due to revisions in the changeover of toilet blocks and the use of prefabricated construction. As public amenities reach their end of life, the maintenance and cleaning costs increases and places strain on operational budgets. Council undertakes regular assessments to monitor the condition of these facilities and prioritise capital improvements / replacements. This allows for operational savings of up to \$50,000 per annum.

With respect to capital replacements Council has been researching and investing in prefabricated public amenities. These architecturally designed kit units are popular with the community, and save Council up to \$100,000 in capital cost per project. For this report we have estimated that one facility will be replaced per annum.

#### New Security System Ballina Surf Club

Cost Saving Estimate = \$20,000 per annum

Council installed a new security system at the newly constructed Ballina Surf Lifesaving Club. This was in response to vandalism at the site shortly after construction. The new system has deterred vandalism damage and clean by 100%. An operational cost saving of \$20,000 per annum.

#### Centralised Procurement

Cost Saving Estimate = \$105,600 per annum

A number of saving initiatives have been realised through changes to centralised procurement.

Bulk Fuel: By negotiating purchase based on daily rates submitted by LGP panel members, as opposed to relying on the standard contract discount of RRP less \$0.15, the average cost advantage runs at about 4.5% e.g. RRP Diesel 18/12/2017 \$1.399; LGP price \$1.249; best daily price received from North Coast Petroleum Distributors \$1.2123; savings \$1651.00 based on standard delivery 45,000lt at 17 deliveries per annum at 4.6% saving. \$750k spent on bulk fuel Jan-Dec 2017 gives at least \$33,750 savings annually.

Ferry Cable: By investigating the market with current suppliers, more competitive pricing has been obtained for these critical items which require regular and programmed changing. What was previously being sourced at \$8,000 per cable are now sourced at \$3,700 per cable. With 2 x cables operating on the ferry scheduled to be changed twice a year plus unexpected breakages will realise savings of \$25,000 annually.

*Bringing high volume items into stock and better utilisation of prescribed procurement contracts:*

By bringing the control of Mobile Garbage Bins and Accessories into stock; separating procurement into componentry rather than complete units and; consistently obtaining quotations per component item when required we have been able to reduce stock holdings of complete bin units and respond to seasonal demand more effectively.

Savings on a standard 240lt bin (bin only) down from \$41.60 to \$20.00; 240lt lid down from \$12.85 to \$7.90; wheels to fit down from \$10.54 to \$3.30; hinge pins down from \$0.70 to \$0.40. Based on stock issues in 2017 this has resulted in savings of approximately \$16,000 per annum.

*Direct purchasing from manufacturers offshore:* By investigating supply chains we have been able to source supply of items direct from offshore manufacturers. Recent examples include:

- *Light bulbs* for specialised urban lighting were being sourced from local electrical distributors for \$85 per globe; the same bulbs were secured direct from offshore manufacturers in China and were landed in Store for \$22 per globe saving \$9,450 per consignment of 150 globes.
- *Electrical ballasts* which were sourced from Australian distributors at up to \$598.00 are being landed in Store direct from USA manufacturers for \$116.90. 30 x units issued for 2017 has seen a \$14,400 saving for the year.
- *Consolidate common/high demand items to single distributor:* By consolidating as many as possible items to single source supply through J Blackwood and Sons we have been able to negotiate an overall discount of 5% off prescribed contract prices. \$140,000 spent with Blackwoods in 2017 has realised at least \$7,000 annually.

*Waste Operations*

*Cost Saving Estimate = \$6,000 per annum*

Council has undertaken changes within its Domestic Waste Collection service by changing collection days to reduce costs associated with overtime on congested days. The reduction in overtime is estimated to save Council \$6,000 per annum.

*Asbestos Analyser*

*Cost Saving Estimate = \$300,000 per annum*

Council has purchased an asbestos analysing MicroPhazir to reduce costs incurred managing illegally disposed asbestos. This forms an important device in the toolkit of managing illegally disposed asbestos in the shire which has cost Council in excess of \$300,000 in recent years.

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### Automated 4WD Ticketing Machine

Cost Saving Estimate = \$4,000 per annum

Council purchased an automated 4WD ticketing machine to manage approval and costs to access its 4WD beach. This eliminated the requirement to issue manual tickets and reduced administration hours, with an estimated saving of \$4,000 per annum.

### WHS Induction / Tool Box Systems Review

Cost Saving Estimate = \$66,000 per annum

Council has developed a new system to support efficiency and safety performance in the field. This has included an online work health and safety procedure tracking system and removal of unnecessary paperwork to improve consultation and communication on safety.

The system works through a strong focus on communication at the start of every job (in lieu of filling out paperwork) and uses an easy tracking process to ensure that staff members undertake a refresher in safety procedures every six months.

In addition, Council has provided safety culture training to staff. This has increased the level of understanding and confidence in our work health and safety culture and performance. The identified benefits achieved since the review of the WHS management system and culture based approach are evident through reduction in the number of injuries and workers compensation claims.

Council has achieved a saving of approximately \$100,000 in workers compensation premiums over the past 18 months and it anticipating continual savings based on performance.

### Business Continuity Planning – Continuity2

Cost Saving Estimate = \$8,000 per annum

Council places a strong focus on ensuring that our business continuity plans are contemporary. Council has implemented new business continuity software which improves the efficiency in developing business impact analysis, continuity plans and exercises. T

The system also achieves significant communication improvements in the event of an incident. Ballina Shire Council is the first Council in Australia to implement this system. Our insurer and other Councils are now looking into the same system due to its efficiency, business continuity management and the response benefits it provides.

The removal of the previous manual process will provide a direct productivity improvement of approximately \$8,000 per annum.

### Team Innovation Awards

#### Cost Saving Estimate = Unknown

Council has commenced a recognition and reward program for team innovation. The first six months of the program has been completed with a number of innovative processes being recognised both in the field and in the office. The real success however is the culture change that is developing with staff throughout the organisation embracing the program. Through a focus on creating a culture striving for innovation, it is anticipated that management will be in a strong position to measure efficiency and productivity improvements over the next 12-18 months.

### PULSE – Employee Performance Management System

#### Cost Saving Estimate = \$6,000 per annum

PULSE has streamlined the performance management process, providing ease of access to users and more meaningful performance data. It has provided reports at the touch of a button, including the corporate training plan, performance issues, position description and delegation updates. Ease of tracking the stages of completion of reviews with automated workflow and approvals has resulted in quicker and simpler updates. It has also encouraged year round performance management through performance progress reports and goal tracking.

The efficiency review identified that removal of the manual system and replacing it with this automatic system has achieved a productivity saving of four weeks of Human Resources staff time equating to \$6,000 per annum. The automated process has also reduced the requirement for managers and supervisors to request employee and position information from Human Resources. There is also an indirect benefit in increasing the skills and confidence of the staff in the field using technology.

### Digital Literacy for Field Officers

#### Cost Saving Estimate = \$40,000 per annum

Over the past two years, Council has been successful in obtaining three rounds of smart and skilled funding to provide information technology training to the staff in the field. This training involves the staff attending a two hour session with a qualified TAFE training every week for a period of 18 weeks. To date, ninety staff have been through the program. T

he findings from this program have identified significant gains in employee confidence in using computers and has supported the Council's approach to replace manual paper based systems (eg inspection forms, work health and safety processes) with online automated processes. This has achieved significant improvements in data management and has reduced the administration required with transferring manual forms / paperwork into Council's electronic management system. Council is also preparing the staff for introduction of online timesheets which will provide real time job costing.

As many of our staff are involved in undertaking inspections and completing work health and safety paperwork, it is estimated that Council will experience savings to 800 man hours per annum. Council's average hourly rate is \$50 so that equates to \$40,000 each year.

#### Purchase of Water Carts

Cost Saving Estimate = \$40,000 per annum

Council reviewed the hiring of water carts for construction and maintenance activities within the engineering works section. Over recent years, due to market forces and local construction activity, the previous cost-effective hire has been increasing in cost. An evaluation of costs between plant hire rates and own and operate estimates has identified cost saving in the order of \$40,000 per annum. Two new water carts have now been purchased to realise these savings.

#### Risk Management Inspections by Mobile Scooter

Cost Saving Estimate = \$10,000 per annum

Council undertakes physical footpath inspections under its risk management program to proactively identify footpath defects and then program footpath repairs. Council has now uses a mobility scooter to undertake inspections in half the time. This has realised recurrent annual savings of \$10,000 per annum.

#### CCTV – Resource Sharing

Cost Saving Estimate = \$20,000 per annum

Council's Engineering Works section has commenced hiring the Water and Wastewater sections new CCTV camera resources for stormwater pipe inspection purposes. Previously subcontract resources from outside of the region were only available. This will provide savings of approximately \$20,000 per annum.

#### Road Pavement Crack Sealing

Cost Saving Estimate = \$15,000 per annum

Council has recently purchased a bitumen crack sealing unit as an aide to the asphalt (pot hole) repair team's resources. Previously subcontract resources from outside of the region were only available. This will provide savings of approximately \$15,000 per annum.

#### Survey Equipment – One Man Operation

Cost Saving Estimate = \$30,000 per annum

In addition to the purchase of GPS/grade control equipment for mobile construction plant there has also been the purchase of compatible survey equipment which allows for independent and at times one-man survey operations.

This has reduced a two-person survey team to one-person plus a casual person when required. This will provide savings of approximately \$30,000 per annum.

Geotechnical Investigations

Cost Saving Estimate = \$10,000 per annum

Council identified savings with the pre-construction planning of construction projects by establishing quotations for geotechnical investigations for longer term programmed works. This also provides for opportunities for thorough investigation of alternative pavement design analysis. Initial savings with the geotechnical investigations will be approximately \$30,000 per annum.

The productivity and efficiency improvements are summarised in the table below:

<b>Project</b>	<b>Estimated Cost Savings / Annum</b>
eForms – WHS Competency Assessments	\$60,000
eForms – Organisational wide	\$237,000
eApprovals – Organisational wide	\$91,000
DA Approval Process (implementation of Trapeze Software)	\$12,000
File Maintenance, Access and Integrity	\$50,000
Responding to Customer Request using portable Smart Devices	\$86,000
Records and Information Management Hardware and Technology	\$18,000
Responsive Website	\$18,000
GIS Solution	\$7,000
Digital Sewerage Drainage Diagrams	\$18,000
Paperless Telephone Invoices	\$18,000
Unmanned Aerial Vehicles (Drones)	\$2,750
LED Street Lighting	\$40,000
LED Lighting Council Facilities	\$30,000
Audit Stocktake Scanning Devices	\$10,000
GPS Controls/Trimble Technology	\$61,000
Disposal of Concrete and inert waste	\$44,000
Material Reuse	\$247,000
GPS on Street Sweeper	\$18,000
Service Level Reviews – Roadside Vegetation Management	\$20,000
Engine Monitoring on Loaders	\$51,000
Pressure Management Zones	\$30,000
WWTP Aerator Optimisation	\$408,000

Geosynthetic Road Pavement	\$38,000
Bitumen Resealing in Subdivisions	\$529,000
Prefab Toilet amenities	\$150,000
New Security System Ballina Surf Club	\$20,000
Centralised Procurement	\$105,600
Waste Operations	\$6,000
Asbestos Analyser	\$300,000
Automated 4WD Ticketing Machine	\$4,000
WHS Induction / Tool Box Systems Review	\$66,000
Business Continuity Planning – Continuity2	\$8,000
Team Innovation Awards	\$0
PULSE – Employee Performance Management System	\$6,000
Digital Literacy for Field Officers	\$40,000
Purchase of Water Carts	\$40,000
Risk Management Inspections by Mobile Scooter	\$10,000
CCTV – Resource Sharing	\$20,000
Road Pavement Crack Sealing	\$15,000
Survey Equipment – One Man Operation	\$30,000
Geotechnical Investigations	\$10,000
<b>Total Estimated Savings per annum</b>	<b>\$2,956,350.00</b>

### User charges

Council is continually reviewing its fees and charges, and also looking for opportunities for user-pay fees. In summary the following fees and charges have recently been introduced or increased:

- Increased accommodation fees at the Council owned Flat Rock Tent Park.
- Introduced Fees for Mobile Vending on Public Land
- Increased Plumbing and Drainage Inspections Fees
- Building inspection fees increased by substantially more than CPI to ensure they are comparable with the private sector
- Higher than CPI increases for the Ballina – Byron Gateway Airport to improve its profitability



## Cost Containment

### Elimination of Waste Charge

Affordability of rate increases is also an important consideration for Council. That is one of the reasons why Council removed a \$73 waste operations charge that almost all properties were paying prior to 2017/18. That charge is no longer being levied which means when you examine the total rate and charges being paid by a property, the overall increase is minimised.

Council is also aiming to minimise increases in its water and wastewater charges to ensure the total rates and charges account remains reasonable.

### Debt Recovery Improvements

Council's outstanding rates and charges for the past eight financial years has improved from 12.17% in 2009/10 to 3.56% in 2016/17. Refer section 5.2 of the application for a breakdown on Council's progress in debt recovery.

## Councils' Comparisons

### Staffing ratio for population – OLG Data

The latest available report on the OLG website (2015/16) identifies one employee to 149 residents for Ballina Shire. When we compare this to councils in this region the variances are substantial (i.e. Byron Shire (1 to 129), Tweed Shire (1 to 139) and Lismore City (1 to 104). Council is always looking at opportunities to improve our efficiency and we are continually trying to gain those efficiencies.

### Rating compared to other Councils – PH

Ballina Shire Council has some of the lowest rates in the Northern Rivers NSW region, which are outlined in the following table as sourced from the individual councils.

Property Type	Ballina (\$)	Byron (\$)	Lismore (\$)	Richmond Valley (\$)	Tweed (\$)
Residential Average Rate	953	1,178	1,226	917	1,556
Business Average Rate	3,191	3,082	4,858	2,632	3,075
Farmland Average Rate	1,465	1,963	2,320	1,480	2,021

## 8 List of attachments

The following is a list of the supporting documents to include with your application.

Some of these attachments will be mandatory to all special variation applications (eg, extracts from the Community Strategic Plan).

Other attachments will be required from some, but not all, councils. For example, extracts from the Asset Management Plan would be required from a council seeking approval of a special variation to fund infrastructure.

Councils should submit their application forms and attachments online through the Council Portal in the following order. Councils may number the attachments as they see fit.

Item	Included?
<b>Mandatory forms and Attachments</b>	
Part A Section 508A and Section 508(2) Application form (Excel spreadsheet)	<input checked="" type="checkbox"/>
Part B Application form (Word document) – this document	<input checked="" type="checkbox"/>
Attachment 1 : Community Strategic Plan	<input checked="" type="checkbox"/>
Attachment 2: Delivery Program and Operational Plan	<input checked="" type="checkbox"/>
Attachment 3.1 : Long Term Financial Plan with projected (General Fund) financial statements (Income, Cash Flow and Financial Position) in Excel format (inclusive of special rate variation)	<input checked="" type="checkbox"/>
Attachment 3.2 : Long Term Financial Plan with projected (General Fund) financial statements (Income, Cash Flow and Financial Position) in Excel format (exclusive of special rate variation)	<input checked="" type="checkbox"/>
Attachment 3.3 : Long Term Financial Plan (full document)	
Attachment 4 : TCorp report on financial sustainability	<input checked="" type="checkbox"/>
Attachment 5 : Community Engagement	<input checked="" type="checkbox"/>
Attachment 6 : Community feedback	<input checked="" type="checkbox"/>
Attachment 6.2 : Confidential Submission	<input checked="" type="checkbox"/>
Attachment 7 : Hardship Policies	<input checked="" type="checkbox"/>
Attachment 8 : Resolution to apply for the proposed special variation	<input checked="" type="checkbox"/>
Attachment 9 : Certification (see Section 9)	<input checked="" type="checkbox"/>
<b>Other Attachments</b>	
Attachment 10: Relevant extracts from the Asset Management Plan	<input checked="" type="checkbox"/>
Attachment 11 : Past Instruments of Approval (if applicable)	<input checked="" type="checkbox"/>
Attachment 12 : Other (please specify)	<input checked="" type="checkbox"/>

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Attachment 12.1 UNE Richmond Catchment Ecohealth Report  
Attachment 12.2 Richmond River Estuary CZMP – Works Plan  
Attachment 12.3 Shaws Bay CZMP – Works Plan

Attachment 13 Resolution to adopt CSP, DP and OP



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## 9 Certification

### APPLICATION FOR A SPECIAL RATE VARIATION

**To be completed by General Manager and Responsible Accounting Officer**

Name of council: Ballina Shire Council

We certify that to the best of our knowledge the information provided in this application is correct and complete.

General Manager (name): Paul Hickey

Signature and Date:

Responsible Accounting Officer (name): Linda Coulter

Signature and Date:

Once completed, please scan the signed certification and attach it as a public supporting document online via the Council Portal on IPART's website.