

Liverpool Plains Shire Council
Combined Delivery Program 2017-2021 and
Operational Plan 2020-2021



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PART 1 -

Welcome and Overview

Message from the Mayor

On behalf of my fellow Councillors, I am pleased to present this combined Delivery Program and Operational Plan. This document is directly informed by our Community Strategic Plan, developed in 2017 through extensive consultation with our community.

This document clearly sets out how Liverpool Plains Shire Council will translate your vision into tangible results for our community. Each service, project, program and event we intend on delivering in 2020-2021 is clearly linked to the outcomes you told us were most important to you:

- A great rural lifestyle with access to quality services;
- Strong community, Council and business leadership;
- A sustainable environment; and
- A thriving economy.

While our region has benefited from strong rainfall over the first half of 2020, improving our water infrastructure and securing local water supply remains a key priority for Council. With the support of the State and Federal Governments; in 2020-21, we will progress the delivery of the Quipolly Water Project, comprising a new water treatment plant near Quipolly Dam and pipeline to Werris Creek and Quirindi.

We are strongly committed to supporting the continued growth, development and diversification of the Liverpool Plains economy. Over the coming year, Council will prioritise several initiatives aimed at facilitating economic development, including the Werris Creek industrial precinct southern access – an exciting project which will help drive job creation in the region and reduce transport costs for local business and industry.

In 2020-2021, Council will undertake a number of exciting grant-funded projects, which have been made possible through the support of the State and Federal Governments. These include the third and fourth stages of the Quirindi Library Precinct Upgrade, which will see new adult's and children's library spaces constructed, as well as a new pergola, seating and shade area installed outside the library.

Over recent years, Council has undertaken a significant body of strategic work to guide our decision-making with respect to critical services, facilities and programs. We have now completed a series of key strategic publications, including the Recreation Strategy, Arts and Culture Strategy, and Waste Strategy, and I thank the many members of our community who actively contributed to the planning process and provided input and feedback on these documents. In 2020-2021, we will move forward in implementing each of these strategies, which have now been finalised.

Finally, I extend my appreciation to Council's General Manager and staff, whose continued energy, enthusiasm and commitment is critical to delivering on this combined Delivery Program and Operational Plan.

**Cr Andrew Hope
Mayor**



Message from the General Manager

Over the coming financial year, Liverpool Plains Shire Council will continue to provide a wide range of services and programs to our community, while maintaining and improving the region's vital infrastructure.

Delivering the right mix of economic, social and environmental projects and programs needs to be balanced with ensuring responsible corporate governance and financial management. In 2020-21, Council will deliver a budget totalling \$24.77 million, investing \$8.21 million in capital works and returning an operating deficit of \$4.50 million from its continuing operations.

Our Mayor, Cr Andrew Hope, details in his message the key projects that will be front and centre of Council's efforts over the 2020-2021 year, all of which are in addition to our recurrent road, water and sewer capital works and maintenance programs.

The ongoing Novel Coronavirus (COVID-19) pandemic has significantly disrupted the way all businesses, including public sector organisations, deliver services. For Council, the COVID-19 pandemic has highlighted the need to overhaul our Information Technology systems to operate effectively and efficiently. In 2020-2021, we will commence an organisation-wide Business and Customer Systems Remediation Project to help us achieve this goal.

While the COVID-19 pandemic persists, we are committed to ensuring our community can continue to interact with Council, access our core services, and provide input on our strategies and plans for the Liverpool Plains Shire. To this end, we will develop a modern, accessible Council website in 2020-21 to ensure that we minimise, as far as practicable, further disruption to core services

and keep our community informed and engaged over the coming months.

Our people are our most valuable asset, and are critical to achieving our ambitious plans for the Liverpool Plains community. In the next financial year, we will implement a leadership program aimed at building the capacity of the organisation's leaders to ensure our community continues to be well-served by skilled, confident and customer-focused professionals.

I am proud of Council's staff for their ongoing commitment to delivering outstanding results for our ratepayers, residents and visitors, and look forward to working with them over the coming year as we deliver Council's Waste Strategy, the Quipolly Water Project, the Recreation Strategy and Arts and Culture Strategy, in partnership with the State and Federal Governments.

Jo Sangster
General Manager



Our Councillors

Liverpool Plains Shire Council's governing body comprises seven Councillors, all of whom are elected to carry out duties under the *Local Government Act 1993*.

Role and responsibilities

Under the *Local Government Act 1993*, the role of a Councillor is to:

- Be an active and contributing member of the governing body;
- Make considered and well-informed decisions as a member of the governing body;
- Participate in the development of the Integrated Planning and Reporting framework;
- Represent the collective interests of residents, ratepayers and the local community;
- Facilitate communication between the local community and the governing body;
- Uphold and represent accurately the policies and decisions of the governing body; and
- Make all reasonable efforts to acquire and maintain the skills necessary to perform the role of a Councillor.

The Mayor and Deputy Mayor are elected for a two-year period by the members of the Council, and have additional statutory responsibilities under the *Local Government Act 1993*.

As our governing body, the Councillors are responsible for developing and endorsing the combined Delivery Program and Operational Plan, and reviewing Council's performance in delivering on the activities and actions contained within it.



Cr Andrew Hope
Mayor



Cr Virginia Black



Cr Ken Cudmore



Cr Doug Hawkins



Cr Ian Lobsey OAM



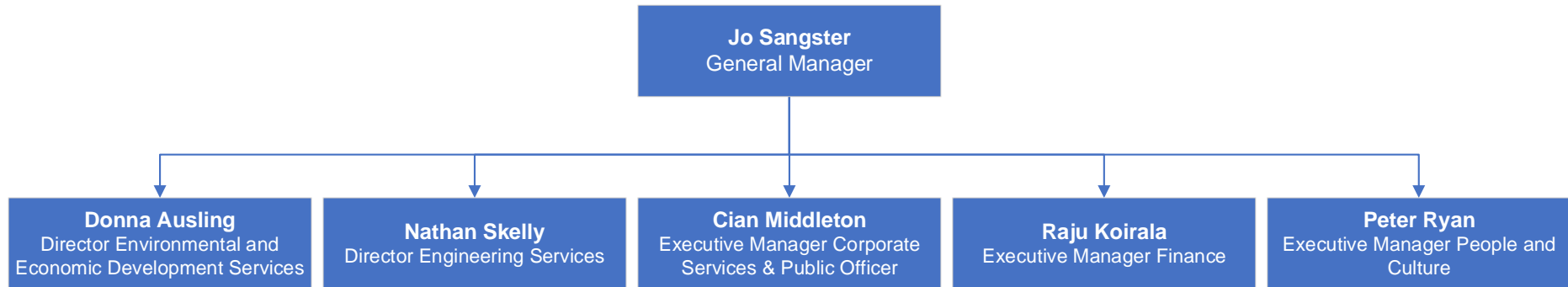
Cr Paul Moules
Deputy Mayor



Cr Rob Webster

Our Executive Team

The administration of Liverpool Plains Shire Council is comprised of five departments, two of which are led by Directors and three by Executive Managers. Together, the General Manager, Directors and Executive Managers comprise our executive management team.



Integrated Planning and Reporting

The Integrated Planning and Reporting (IP&R) framework is set out in the *Local Government Act 1993* and requires all councils to lead the development of long-term plans for their communities.

Underpinned by community engagement and consultation, the IP&R framework ensures that local planning and reporting is informed, relevant and responsive to community needs.

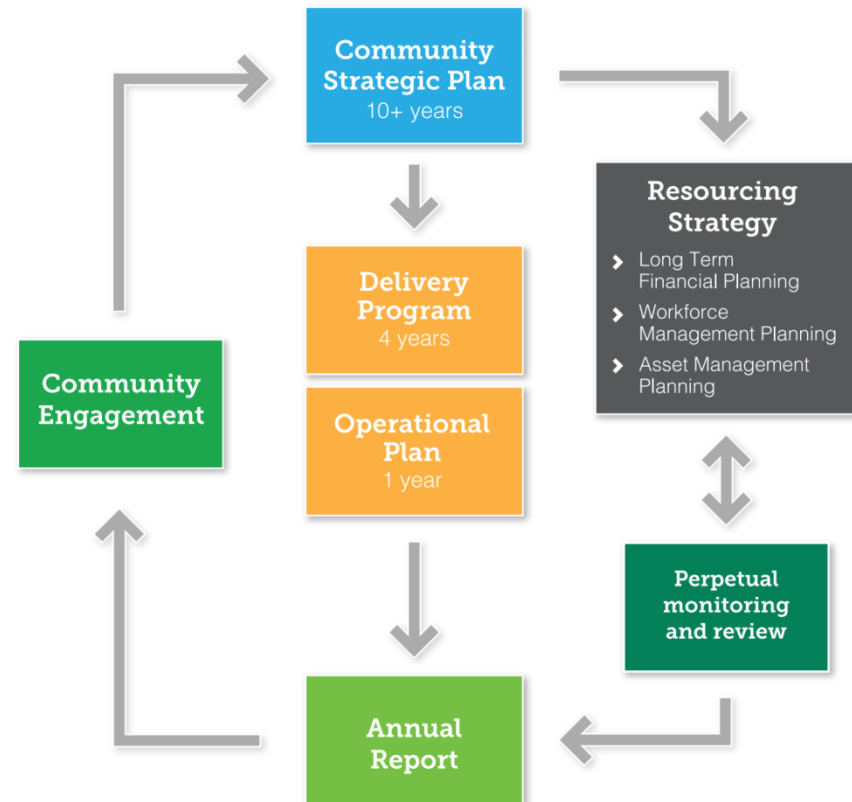
Community Strategic Plan

The Community Strategic Plan is the highest-level plan that Council prepares. Its purpose is to identify our community's main priorities and aspirations for the future and to plan strategies for achieving these goals. In doing this, the planning process considers the issues and pressures that may impact the community and the level of resources that will realistically be available to achieve its aspirations.

The Community Strategic Plan seeks to answer four key questions:

- Where are we now?
- Where do we want to be in 10 years' time?
- How will we get there?
- How will we know when we've arrived?

At an operational level, the Community Strategic Plan is implemented through Council's combined Delivery Program and Operational Plan (this document), which details the activities and actions Council will undertake to achieve our shared vision.



Resourcing Strategy

The Community Strategic Plan provides a vehicle for expressing our community's long-term aspirations. However, the vision set out in the Community Strategic Plan will not be achieved without sufficient resources – time, money, assets and people – to carry them out.

The Resourcing Strategy comprises the following components:

- **Asset Management Planning:** Council's asset management planning is supported by an Asset Management Policy and individual Asset Management Plans for all assets under Council's control. Considering "whole of life" asset management from planning, purchase, operation and maintenance to disposal of assets; the Asset Management Strategy forecasts community requirements and the capacity to meet them on a short-, medium-, and long-term basis.
- **Long-Term Financial Planning:** The Long-Term Financial Plan (LTFP) tests community aspirations as contained in the Community Strategic Plan against the financial realities of delivering on those aspirations. The LTFP integrates with the Community Strategic Plan through the combined Delivery Program and Operational Plan.
- **Workforce Management Planning:** The Workforce Management Plan addresses the human resourcing requirements of the Community Strategic Plan, including what people, skills, experience and expertise are required to achieve its strategic objectives.

Delivery Program (this document)

The Delivery Program outlines how Council will contribute to achieving the vision set out in the Community Strategic Plan and turns the strategic objectives contained in the Community Strategic Plan into actions. All plans, projects, activities and funding allocations made by Council must be directly linked to the Delivery Program.

Operational Plan and Budget (this document)

Supporting the Delivery Program is an annual Operational Plan. Adopted by Council each year alongside its annual Budget, the Operational Plan identifies the plans, projects and activities that will be carried out over the financial year covered by the Operational Plan to achieve the commitments made in the Delivery Program.

Reporting our Progress

Reporting is a key element of the IP&R framework. Council uses a variety of tools to report back to our community about our progress in achieving the Community Strategic Plan and implementing the combined Delivery Program and Operational Plan, as well as our financial performance against the annual and longer-term budgets:

Delivery Program and Operational Plan Progress Reports	Each quarter, Council prepares a report detailing its progress in achieving the principal activities and supporting actions detailed in its combined Delivery Program and Operational Plan.
Quarterly Budget Review Statements	Within two months of the end of each quarter, Council prepares a Quarterly Budget Review Statement which provides the community with information relating to Council's financial performance and details any proposed amendments to the annual Budget and forward estimates.
Annual Report	Within five months of the end of each financial year, Council prepares an Annual Report, which includes a copy of the organisation's audited financial reports. The Annual Report details Council's progress in implementing the combined Delivery Program and Operational Plan, and includes certain information that is prescribed by the <i>Local Government (General) Regulation 2005</i> and <i>Government Information (Public Access) Act 2009</i> .
End of Term Report	Tabled at the last meeting of the outgoing Council, the End of Term Report provides an update on Council's progress in implementing the Community Strategic Plan over the term of the Council, as well as the results and outcomes the implementation of the Community Strategic Plan has had for the Liverpool Plains Shire community.
State of the Environment Report	A comprehensive State of the Environment Report is required to be included as part of the End of Term Report. This report details how Council has met the environmental objectives in the Community Strategic Plan.

Funding our Future

In 2014, the State Government commenced the *Fit for the Future* process, aimed at improving the long-term financial sustainability of the Local Government sector. Through this process, the Independent Pricing and Regulatory Tribunal (IPART) identified Liverpool Plains Shire Council as lacking the scale and capacity to be “fit for future”.

As part of the *Fit for the Future* reforms, a merger between the Liverpool Plains and Gunnedah Shire Councils was considered. However, after undertaking significant consultation with our community, Council elected to remain a stand-alone council and subsequently adopted a Council Improvement Plan (CIP) outlining how we would strengthen our financial position and achieve efficiencies.

Despite Council’s attempts to achieve long-term financial sustainability; our roads, footpaths, buildings, drainage and other community assets are ageing, and their quality is deteriorating. To improve and maintain our public assets, Council needs to spend more money on renewing and upgrading them to ensure they meet the needs of our community.

In 2020-2021, Council will seek community feedback on a proposal to apply to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV). While we understand that rate rises are never welcome, we believe a SRV is necessary to meet the needs of our community.

What is a Special Rate Variation?

At present, Council’s revenue is regulated under “rate pegging”, where the IPART limits the amount by which councils can increase their rate revenue from one year to the next. Making an application for a SRV is a way for a council to increase its rates above the rate peg for a set period.

After IPART announces the rate peg for the following year, Council is then able to have a conversation with our community as to whether the increase is sufficient to continue enabling the delivery of the existing range and standard of services our community enjoys, whilst also ensuring there is sufficient funds to maintain and renew local infrastructure. If our community feels the increase is insufficient, Council can request an increase above the rate peg limit. These increases are known as a SRV.

Applications for increases above the rate peg limit are assessed by IPART against stringent criteria, including extensive community consultation. Council must demonstrate to IPART that it has undertaken significant consultation with our community, including clearly showing to our community the impact of any proposal on ratepayers, before an application for a SRV will be approved.

Doesn’t Council already have a SRV in place?

In 2014-2015, Council applied to the IPART under section 508(2) of the Act for a SRV of 12.5 per cent, comprising three (3) components:

- A 6.5 per cent increase for capital works on roads and associated infrastructure;
- A 3.7 per cent increase to improve financial sustainability, upgrade infrastructure and reduce backlogs; and

- The rate peg of 2.3 per cent.

Council's application was approved, subject to conditions imposed by the IPART. Further detail on the SRV, including reporting requirements, is available from the IPART's website at ipart.nsw.gov.au.

However, in our CIP, Council undertook to consider making an application for an additional SRV, if required.

How will Council progress a Special Rate Variation in 2020-2021?

Council has included an action in our combined Delivery Program and Operational Plan, at Action 2.5.2.4 of this document, to develop a proposal for a SRV and undertake community consultation to test community support for that proposal.

Council will not finalise and submit our application for a SRV until extensive consultation with our community has been undertaken.

What else is Council doing to improve its financial position?

Becoming "fit for the future" requires Council to introduce a program of modernisation, build fiscal responsibility, improve management of capital projects, and develop a culture of continuous improvement.

In 2020-2021, Council will undertake a series of initiatives to improve our financial position, including:

- Revising our Long-Term Financial Plan, so that we have a clearer understanding of our long-term financial outlook and capacity to continue delivering the wide range of services we are currently providing (Action 2.5.2.1);
- Commencing a Business and Customer Systems Remediation Project, which will reduce internal inefficiencies

and make it easier for customers to access core Council services (Action 2.5.5.1); and

- Developing Asset Management Plans, so that Council can access reliable data regarding the assets we manage, such as roads, buildings, water and sewer infrastructure, landfill and plant and equipment (Action 3.1.2.1).

This body of work will provide Council with a clearer picture into how our organisation is operating and how we can achieve further efficiencies. It will also support us in improving our decision-making around asset management, including what standards should be maintained, whether or not borrowings should be utilised, and what standards of service can be delivered.

Once completed, this information will help form the basis of Council's SRV application.

PART 2 –

Combined Delivery Program and Operational Plan

Overview

Throughout the combined Delivery Program and Operational Plan, each member of the Executive Team has been assigned individual actions for delivery in 2020/21, and is responsible achieving those actions and providing quarterly progress reports to the Council and community.

The legend used throughout the combined Delivery Program and Operational Plan is set out below:

Acronym	Executive Position	Incumbent
GM	General Manager	Jo Sangster
DEEDS	Director Environmental and Economic Development Services	Donna Ausling
DENG	Director Engineering Services	Nathan Skelly
EMCS	Executive Manager Corporate Services	Cian Middleton
EMFIN	Executive Manager Finance	Raju Koirala
EMPC	Executive Manager People and Culture	Peter Ryan

<p>1</p>	<p>Community A great rural lifestyle with access to quality services</p>	<ul style="list-style-type: none"> 1.1 We value beautiful landscapes, dynamic towns and villages and safe communities. 1.2 Our health and education services meet our needs and are available in our local community where possible. 1.3 We celebrate local events and festivals as a cohesive community. 1.4 Our transport and telecommunications options support our business and lifestyle.
<p>2</p>	<p>Governance Strong community, Council and business leadership</p>	<ul style="list-style-type: none"> 2.1 We have a strong, sustainable, supported volunteer base. 2.2 Our Council, community and business leaders work together effectively. 2.3 Liverpool Plains Shire Council represents the community it serves. 2.4 We encourage our youth to become involved in the community as the leaders of tomorrow. 2.5 Our local government is efficient, sustainable and fit for the future.
<p>3</p>	<p>Environment A sustainable environment</p>	<ul style="list-style-type: none"> 3.1 Our infrastructure is well planned and maintained and will meet our needs now and in the future. 3.2 We have access to affordable clean water supplies. 3.3 We actively manage the impact on our natural environment. 3.4 Our local farming is sustainable. 3.5 We actively foster and utilise renewable energy.
<p>4</p>	<p>Economy A thriving economy</p>	<ul style="list-style-type: none"> 4.1 Our economy is growing and we offer a diverse range of job opportunities. 4.2 We foster new business development for our future prosperity. 4.3 Town planning reflects the diversity of our towns and villages. 4.4 We embrace tourism

Outcome 1: A great rural lifestyle with access to quality services

1.1 We value beautiful landscapes, dynamic towns and villages and safe communities				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
1.1.1 Develop and implement methodologies to ensure preservation and conservation of community heritage (Indigenous, Cultural and Structural).	1.1.1.1 Administer the Heritage Assistance Fund.	Fund/ administered	DEEDS	Environmental Administration
	1.1.1.2 Investigate the feasibility of an Aboriginal Archaeological Study.	Feasibility study/ investigated	DEEDS	Environmental Administration
	1.1.1.3 Seek funding to implement recommendations from Quirindi Heritage Main Street Study.	Grant application/ submitted	DEEDS	Environmental Administration
	1.1.1.4 Develop Plans of Management for Council-managed Crown Land.	Plans of Management/ adopted	EMCS	Environmental Administration
1.1.2 Lobby relevant authorities and organisations to support partnerships (e.g. Safe Communities) and facilitate safety initiatives.	1.1.2.1 Convene the Local Emergency Management Committee.	LEMC meetings/ convened LEMC joint exercise/ conducted	DEEDS	Environmental Administration

1.1 We value beautiful landscapes, dynamic towns and villages and safe communities

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
<p>1.1.3 Increase personal engagement with community through promotion of two-way information and feedback hubs to maintain support in decision-making activities.</p>	<p>1.1.3.1 Promote Council decisions, services, projects and events.</p>	<p>Engagement with Council social media/ increasing Media releases produced/ 48</p>	<p>DEEDS</p>	<p>General Manager</p>

1.2 Our health and education services meet our needs and are available in our local community where possible

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
1.2.1 Support and endorse opportunities for quality of life services (education, health and recreation) working in partnership with key stakeholders such as Department of Health, Department of Education and private investors.	1.2.1.1 Operate the Eastside Child Care Centre and provide accredited child care services to the Liverpool Plains community.	Accreditation/ maintained Quality Improvement Plan/ reviewed	DEEDS	Day Care Centre
	1.2.1.2 Provide accredited Commonwealth Home Support Program (CHSP) Services to the Liverpool Plains community.	Accreditation/ maintained Service levels/ met	DEEDS	HACC
	1.2.1.3 Provide accredited Centrelink services at Werris Creek Library.	Service levels/ met	DEEDS	Business Support
	1.2.1.4 Provide accredited Service NSW services.	Service levels/ met	DEEDS	RMS Agency
	1.2.1.5 Operate libraries via the Central Northern Regional Library network.	Service levels/ met	DEEDS	Library
	1.2.1.6 Deliver the Quirindi Library Precinct Renewal Project.	Stages 2, 3 and 4/ completed	DENG	Construction

1.2 Our health and education services meet our needs and are available in our local community where possible

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
1.2.2 Advocate for a mix of affordable housing and identify investment opportunities in partnership with community (e.g. Aged Care).	<i>No actions programmed for delivery in 2020/21.</i>			
1.2.3 Lobby for improved educational services.	<i>No actions programmed for delivery in 2020/21.</i>			

1.3 We celebrate local events and festivals as a cohesive community.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
1.3.1 Identify, seek and obtain grant funding for various community social needs.	1.3.1.1 Seek grant funding to deliver Seniors Festival celebrations in the Liverpool Plains Shire.	Grant application/ submitted	DEEDS	Art and Culture
	1.3.1.2 Seek grant funding to deliver Youth Week celebrations in the Liverpool Plains Shire.	Grant application/ submitted	DEEDS	Art and Culture
	1.3.1.3 Distribute information via email on funding opportunities and grant programs to community groups.	Emails distributed/ 36	DEEDS	Environment Administration
1.3.2 Develop a funding program with selection criteria and parameters.	1.3.2.1 Administer the Community Funding Program (Events and Infrastructure).	Program/ administered	DEEDS	Environment Administration
	1.3.2.2 Review Council's Section 356 Financial Assistance Framework.	Framework/ reviewed	EMCS	Corporate Governance

1.3 We celebrate local events and festivals as a cohesive community.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
1.3.3 Deliver and support events and festivals that promote engaged citizenship and foster civic pride.	1.3.3.1 Facilitate Australian Citizenship ceremonies, as required by Department of Home Affairs.	Citizenship Ceremonies/ held	GM	General Manager
	1.3.3.2 Deliver 2021 Australia Day celebrations and coordinate annual Liverpool Plains Australia Day Awards.	Event/ held Awards/ conferred	GM	General Manager
	1.3.3.3 Support the delivery of 2021 Anzac Day commemoration services at Premer, Quirindi, Werris Creek and Willow Tree.	Commemoration services/ held	DEEDS	Arts and Culture

1.4 Our transport and telecommunications options support our businesses and lifestyle.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
1.4.1 Lobby for improved services and infrastructure, such as rail and road, and develop a regional strategy for improved services.	1.4.1.1 Lobby for the continued development of the Werris Creek Industrial Precinct.	Advocacy/ undertaken	GM	General Manager
	1.4.1.2 Lobby for funding to upgrade Werris Creek Road.	Advocacy/ undertaken	GM	General Manager
	1.4.1.3 Lobby for improved internet and telecommunications services in the Liverpool Plains Shire.	Advocacy/ undertaken	GM	General Manager
1.4.2 Develop a local transport strategy that addresses needs of the community and liaise and partner with other government stakeholders to facilitate optimum, achievable transport outcomes.	1.4.2.1 Lobby City Rail for the extension of rail services from Newcastle to Tamworth, including a daily return service.	Advocacy/ undertaken	GM	General Manager
	1.4.2.2 Deliver the Mystery Road Upgrade.	Upgrade/ completed	DENG	Construction
	1.4.2.3 Upgrade damaged timber bridge on Glenyalla Road with new concrete bridge.	Upgrade/ complete	DENG	Construction

Outcome 2: Strong community, Council and business leadership

2.1 We have a strong, sustainable, supported volunteer base.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
2.1.1 Obtain funding for specific community projects and review current community funding arrangements.	2.1.1.1 Maintain a register of grant-ready projects.	Project Register reviewed/ quarterly	GM	Environmental Administration
2.1.2 Council will support our community groups such as Community Advisory Groups.	2.1.2.1 Facilitate the Liverpool Plains Community Advisory Group.	Meetings/ 4	DEEDS	Environment Administration
	2.1.2.2 Facilitate the Liverpool Plains Shire Business Advisory Group.	Meetings/ 4	DEEDS	Environment Administration
	2.1.2.3 Facilitate the Liverpool Plains Shire Cultural and Events Advisory Group.	Meetings/ 4	DEEDS	Environment Administration
2.1.3 Continue recognition events for volunteers and volunteer committees.	2.1.3.1 Deliver Volunteer Open Day event as part of 2021 Volunteers Week celebrations.	Event/ delivered	DEEDS	Festivals

2.1 We have a strong, sustainable, supported volunteer base.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
2.1.4 Demonstrate support of the State Emergency Service (SES), Volunteer Rescue Association (VRA) and Rural Fire Service (RFS) volunteers.	2.1.4.1 Support Fire Rescue NSW, Rural Fire Service, State Emergency Service and Volunteer Rescue Association through the Emergency Services Levy.	Levy/ paid	EMFIN	Emergency Services
	2.1.4.2 Promote State Emergency Service, Volunteer Rescue Association and Rural Fire Service volunteering activities.	Volunteer Week Promotions/ undertaken	DEEDS	General Manager
	2.1.4.3 Support the Rural Fire Service in line with Service Level Agreements.	Administrative support to RFS/ provided	DEEDS	Emergency Services

2.2 Our Council, community and business leaders work together.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
2.2.1 Facilitate the formation of a Business Improvement Association for the revitalisation of the Shire.	2.2.1.1 Partner with the Liverpool Plains Business Chamber Inc. to advocate business development opportunities.	Meetings with Business Chamber/ 6	DEEDS	Environment Administration
2.2.2 Complete, implement and deliver local strategies and plans.	2.2.2.1 Review the Growth Management Strategy.	Growth Management Strategy funding application/ submitted	DEEDS	Environment Administration

2.3 Liverpool Plains Shire Council represents the community it serves.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
<p>2.3.1 Investigate opportunities to streamline approval processes.</p>	<p>2.3.1.1 Determine applications for development activities within statutory timeframes.</p>	<p>Development Applications and Complying Development Applications determined within statutory timeframes/ >80%</p> <p>Construction Certificates determined within 30 days from approval of Development Application/ >80%</p>	<p>DEEDS</p>	<p>Environment Administration</p>
	<p>2.3.1.2 Provide Planning Certificates, drainage diagrams and sewer location diagrams on application.</p>	<p>Certificates and diagrams issued within 5 days of receipt/ >90%</p>	<p>DEEDS</p>	<p>Environment Administration</p>

2.3 Liverpool Plains Shire Council represents the community it serves.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
2.3.2 Promote open and shared communication throughout the entire organisation and improve staff knowledge, practices and processes whilst investigating opportunities for traineeships.	2.3.2.1 Develop an accessible, contemporary intranet which supports improved communication and work practices within the organisation.	Intranet replacement project/ commenced	EMCS	Information Technology
	2.3.2.2 Provide effective and efficient customer service across the organisation.	Service levels/ met	DEEDS	Business Support
2.3.3 Provide a State of the Shire report to measure Liverpool Plains Shire Council's progress, including financial management, towards the goals of the Shire every 12 months.	2.3.3.1 Incorporate detail on Council's financial management into the Annual Report.	Financial management detail/ reported	EMCS	Corporate Governance
2.3.4 Ensure organisational review is in line with providing efficient services and staff to meet the needs of the community, while investigating opportunities to streamline Council processes.	2.3.4.1 Review organisational structure.	Organisational structure review/ completed	GM	General Manager

2.3 Liverpool Plains Shire Council represents the community it serves.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
2.3.5 Engage with the community effectively and target communication, ensuring a transparent approach.	2.3.5.1 Develop an accessible, contemporary corporate website which provides a positive customer experience.	Website/ implemented	EMCS	Information Technology
2.3.6 Review current Community Engagement Policy to ensure it is understood and adhered to.	<i>No actions programmed for delivery in 2020/21.</i>			

2.4 We encourage our youth to become involved in the community as the leaders of tomorrow.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
2.4.1 Establish an engagement platform such as a Youth Council to involve our youth.	2.4.1.1 Establish and maintain a productive Youth Advisory Council that can operate without Council management.	Youth Advisory Council/ established	DEEDS	Environment Administration

2.5 Our local government is efficient, sustainable and fit for the future.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
2.5.1 Provide strong direction for the community through the development and delivery of the Integrated Planning and Reporting framework.	2.5.1.1 Develop and monitor the annual Operational Plan and Budget.	Plan adopted/ 30 June Progress reported/ quarterly	EMCS	Corporate Governance
	2.5.1.2 Coordinate and produce the Annual Report.	Report adopted and provided to the Office of Local Government/ 31 December	EMCS	Corporate Governance
2.5.2 Operate in a financially responsible manner and improve long-term financial sustainability.	2.5.2.1 Review and revise the Long-Term Financial Plan.	LTFP reviewed and adopted/ 30 June	EMFIN	Finance
	2.5.2.2 Complete and report quarterly Budget review statements.	Budget review reported/ quarterly	EMFIN	Finance
	2.5.2.3 Ensure adequate and effective internal controls are in place for all financial management and purchasing functions.	Audit actions for internal controls/ implemented	EMFIN	Finance

2.5 Our local government is efficient, sustainable and fit for the future.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
	2.5.2.4 Develop and seek community feedback on a Special Rate Variation (SRV) proposal, prior to making application for a SRV to the Independent Pricing and Regulatory Tribunal (IPART).	SRV proposal/ developed Community consultation conducted	GM	General Manager
2.5.3 Deliver good governance and maintain a transparent decision-making framework.	2.5.3.1 Maintain Public Interest Disclosure, Conflict of Interest, Related Party Disclosures and Code of Conduct Complaints Registers in accordance with legislative requirements.	Registers/ maintained	EMCS	Corporate Governance
	2.5.3.2 Coordinate Public Interest Disclosures and Code of Conduct complaints in accordance with legislation, policy and procedures.	Reporting/ compliant	EMCS	Corporate Governance
	2.5.3.3 Review and update the Agency Information Guide in accordance with legislative requirements.	Guide/ reviewed	EMCS	Corporate Governance

2.5 Our local government is efficient, sustainable and fit for the future.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
	2.5.3.4 Coordinate the publication of identified open access information to Council's website.	Identified open access information published/	EMCS	Corporate Governance
	2.5.3.5 Publish the formal Access to Information disclosure log to the new website.	Information disclosure log updated and published/ every 45 days	EMCS	Corporate Governance
	2.5.3.6 Maintain the register of government contracts and publish to Council's website.	Register of government contracts published to the website/ every 20 days	EMCS	Corporate Governance
2.5.4 Develop a strong and effective risk management framework.	2.5.4.1 Facilitate regular meetings of the Audit, Risk and Improvement Committee.	Committee meetings held/ 4	EMCS	Corporate Governance
	2.5.4.2 Review the Audit, Risk and Improvement Committee Charter and Internal Audit Charter to ensure best practice.	Committee Charter/ reviewed Internal Audit Charter/ reviewed	EMCS	Corporate Governance

2.5 Our local government is efficient, sustainable and fit for the future.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
	2.5.4.3 Complete the Internal Audit Program.	Audit program/ completed	EMCS	Corporate Governance
	2.5.4.4 Implement recommendations of Records Management Internal Audit.	Electronic records migration project/ commenced Records storage solution/ sourced	EMCS	Records
2.5.5 Develop a strong organisational culture and provide a contemporary, professional and safe work environment to attract, develop and retain a high-performing workforce.	2.5.5.1 Implement the Business and Customer Systems Remediation Project.	Project milestones/ met	EMCS	Information Technology
	2.5.5.2 Review and implement Human Resources systems.	Job evaluation system/ implemented Performance appraisal system/ implemented Salary system/ implemented	EMPC	People and Culture

2.5 Our local government is efficient, sustainable and fit for the future.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
	2.5.5.3 Assess staff engagement and identify opportunities to improve organisational culture.	Staff Satisfaction Survey/ administered	EMPC	People and Culture
	2.5.5.4 Review corporate values for currency and resonance and embed within Council's governance framework.	Corporate values/ reviewed	EMCS	Corporate Governance
	2.5.5.5 Develop capacity in the organisation's leadership team to manage people, performance and productivity.	Leadership Development Program/ developed	EMPC	People and Culture
	2.5.5.6 Coordinate and fund annual staff training programmes.	Staff training programmes/ delivered	EMPC	People and Culture
	2.5.5.7 Facilitate regular meetings of the Staff Consultative Committee.	Meetings held/ 4	EMPC	People and Culture
	2.5.5.8 Facilitate regular meetings of the Work Health and Safety Committee.	Meetings held/ 4	EMPC	Work Health and Safety

Outcome 3: A sustainable environment

3.1 Our infrastructure is well planned and maintained and will meet our needs now and into the future.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
3.1.1 Develop long-term strategies to plan and maintain current and future infrastructure and finances required.	3.1.1.1 Prepare and submit grant application to deliver outcomes identified in the Liverpool Plains Recreation Strategy.	Grant application/ submitted	DEEDS	Environmental Administration
	3.1.1.2 Prepare condition assessments for the Quirindi and Werris Creek swimming pools.	Condition assessments/ completed	DEEDS	Swimming Centre
	3.1.1.3 Refurbish and upgrade public amenities at Bell Park and the Willow Tree Recreation Centre.	Amenities refurbishments/ completed	DEEDS	Construction
	3.1.1.4 Install a new canteen and amenities facility at David Taylor Oval.	Canteen and amenities facility/ installed	DEEDS	Construction
	3.1.1.5 Resurface the Warrah Creek Community Hall tennis courts.	Tennis courts/ resurfaced	DEEDS	Construction

3.1 Our infrastructure is well planned and maintained and will meet our needs now and into the future.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
	3.1.1.6 Refurbish the Quirindi Showground bore.	Bore/ refurbished	DENG	Construction
3.1.2 Develop Asset Management Plans in line with community priorities.	3.1.2.1 Develop Asset Management Plans.	Asset Management Plans/ developed	DENG	Engineering Administration
3.1.3 Increase awareness of infrastructure responsibilities and costings.	3.1.3.1 Publish costings for Quipolly Water Project delivery.	Quipolly Water Project costings/ published	DENG	Water Operations
3.1.4 Collectively identify opportunities to source external expertise from other Government organisations and external businesses.	<i>No actions programmed for delivery in 2020/21.</i>			
3.1.5 Increase awareness of costs involved in managing community assets due to poor environmental practices (e.g. vandalism, illegal dumping, poor land management).	3.1.5.1 Publish costings for Waste Management Strategy implementation.	Waste Management Strategy costings/ published	DENG	Waste

3.2 We have access to affordable, clean water supplies.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
3.2.1 Ensure infrastructure is developed to provide quality water supplies that meet environmental regulations.	3.2.1.1 Deliver Council’s Water and Sewer Capital Works Program.	Capital Works Program/ delivered	DENG	Water Operations Sewer Operations
	3.2.1.2 Deliver the Quipolly Water Project.	Project milestones/ met	DENG	Construction
3.2.2 Endorse best practice regulated operation of water and sewerage systems.	3.2.2.1 Maintain best practice regulated operation of water and sewerage systems.	EPA compliance requirements/ met	DENG	Water Operations Sewer Operations
	3.2.2.2 Continue to implement Drinking Water Management System (DWMS).	DWMS/ implemented	DENG	Water Operations

3.3 We actively manage the impact on our natural environment.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
3.3.1 Identify and benchmark waste management systems to ensure best practice and consistent fees.	3.3.1.1 Implement the Waste Management Strategy.	Project milestones/ met	DENG	Waste
	3.3.1.2 Install Waste Transfer Stations at all rural sites.	Waste transfer stations/ installed	DENG	Waste
3.3.2 Develop partnerships and manage waste effectively	3.3.2.1 Provide drumMUSTER collection services at the Quirindi landfill.	drumMUSTER services/ provided	DENG	Waste
3.3.3 Investigate and review recycling options for our community.	<i>No actions programmed for delivery in 2020/21.</i>			
3.3.4 Continue our relationship with Northern Inland Regional Waste.	3.3.4.1 Participate in Northern Inland Regional Waste.	NIRW meetings/ attended	DEEDS	Waste
3.3.5 Develop enforcement campaigns to ensure our natural environment is well managed.	3.3.5.1 Participate in EPA-led illegal dumping and asbestos awareness campaigns.	Campaigns/ delivered	DEEDS	Waste

3.3 We actively manage the impact on our natural environment.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
3.3.6 Advocate for air quality monitoring.	3.3.6.1 Participate in the Namoi Regional Air Quality Advisory Committee.	Committee membership/ maintained	DEEDS	Engineering Operations
3.3.7 Increase education on water conservation and practices.	3.3.7.1 Participate in Namoi Smart approved Watermark Alliance.	Alliance membership/ maintained	DENG	Engineering Operations
3.3.8 Increase awareness of the environmental impact of poor waste management.	3.3.8.1 Undertake a waste management education program.	Education program/ delivered	DENG	Waste

3.4 Our local farming is sustainable.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
3.4.1 Identify and recognise a balance between mining and farming.	3.4.1.1 Advocate to State Government to continue recognising a balance between the mining and agriculture sectors.	Advocacy/ undertaken	GM	General Manager
3.4.2 Encourage farmers to investigate value-adding opportunities for their business.	3.4.2.1 Promote and facilitate agritourism and agribusiness activities.	NSW Small Business Commissioner agritourism program/ promoted	DEEDS	Environment Administration
3.4.3 Advocate education and awareness in relation to land use practices.	<i>No actions programmed for delivery in 2020/21.</i>			

3.5 We actively foster and utilise renewable energy.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
3.5.1 Advocate for the adoption of sustainable energy within the Shire.	3.5.1.1 Deliver LED Streetlight Upgrade.	Upgrade/ completed	DENG	Construction

Outcome 4: A thriving economy

4.1 Our economy is growing and we offer a diverse range of job opportunities.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
4.1.1 Advocate for employment opportunities within the Shire.	<i>No actions programmed for delivery in 2020/21.</i>			
4.1.2 Review and identify disposable assets and implement management plan.	4.1.2.1 Undertake review of Council's property portfolio and identify potential disposal opportunities.	Review/ completed	EMCS	Corporate Governance

4.2 We foster new business development for our future prosperity.

Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
4.2.1 Review Council's commercial activities and identify under-performing commercial practices.	4.2.1.1 Review Revenue Policy pricing principles and methodology.	Pricing principles and methodology/ reviewed	EMFIN	Finance
4.2.2 Encourage business and community members to work together to drive business development as a whole Shire.	4.2.2.1 Utilise membership of Namoi Unlimited to advocate a whole-of-region approach to economic and business development.	Namoi Unlimited membership/ maintained	GM	General Manager
4.2.3 Identify opportunities and lobby to reduce red tape to make investments viable in our Shire.	<i>No actions programmed for delivery in 2020/21.</i>			
4.2.4 Review existing business, infrastructure and industries to identify opportunities to value-add.	4.2.4.1 Deliver the Werris Creek Industrial Precinct Upgrade.	Stage 1/ completed	DENG	Construction
4.2.5 Develop a marketing strategy to encourage professionals and lifestyle.	4.2.5.1 Promote the Liverpool Plains as a premier family-friendly, affordable and safe community.	Marketing strategy/ developed	GM	General Manager

4.3 Town planning reflects the diversity of our towns and villages.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
4.3.1 Review Local Environment Plan (LEP) and Development Control Plan (DCP).	4.3.1.1 Complete Planning Proposals received via LEP review.	Planning Proposals/ completed	DEEDS	Environment Administration
	4.3.1.2 Undertake review of DCP.	DCP/ adopted	DEEDS	Environment Administration
4.3.2 Identify opportunities for partnership in housing and investment.	<i>No actions programmed for delivery in 2020/21.</i>			

4.4 We embrace tourism.				
Delivery Program 2017-2021 Activity	Operational Plan 2020-2021 Action	Measure/Target	Responsible Executive	Budget Program
4.4.1 Actively promote cultural, community and recreational facilities.	4.4.1.1 Commission a public art installation.	Public Art installation/ completed	DEEDS	Arts and Culture
4.4.2 Further develop the Destination Management Plan and review current community funding with the view to focus on major annual events.	4.4.2.1 Review Destination Management Plan.	DMP review/ commenced	DEEDS	Promotion and Tourism

PART 3 – Budget

Executive Summary

Liverpool Plains Shire Council's annual Budget forms part of the combined Delivery Program 2017-2021 and Operational Plan 2020-2021, along with the Revenue Policy and Schedule of Fees and Charges.

While the Delivery Program 2017-2021 covers a five-year period and contains high-level financial information, the Budget focuses on the next financial year and contains more detailed expenditure and income.

In 2020-2021, Council will deliver a Budget totalling \$24.77 million, investing \$8.21 million in capital works and returning an operating deficit of \$4.50 million from its continuing operations.

The \$4.50 million deficit from continuing operations is made up of three funds:

- General: \$5.01 million deficit
- Water: \$0.69 million surplus
- Sewer: \$0.18 million deficit

Total Revenue (inclusive of capital grants)	
General fund	\$19.71 million
Water fund	\$3.60 million
Sewer fund	\$1.45 million
Consolidated funds	\$24.75 million

Total Costs	
General fund	\$24.72 million
Water fund	\$2.92 million
Sewer fund	\$1.63 million
Consolidated funds	\$29.28 million

Rates and Annual Charges Revenue

Rating revenue will increase in accordance with the Independent Pricing and Regulatory Tribunal (IPART) rate peg determination, which is 2.6 per cent for 2020-2021, with a projected total rates revenue of \$7.70 million.

The rate peg is mainly based on the Local Government Cost Index (LGCI), which measures price changes over the previous year for goods and labour that an average council will use. The IPART also considers productivity changes over the same period.

For further detail, refer to **Part 4 - Revenue Policy**.

User Charges and Fees Revenue

Generally, user charges and fees have been set to increase by 3.0 per cent, although there are exceptions where individual fees have been assessed and will increase at a different rate.

Others are prescribed by the State Government, with Council having no discretion to amend or set those fees. These fees, known as “statutory fees”, are governed by legislation or regulation and may change during the financial year without notice.

For further detail, refer to **Part 4 – Revenue Policy** and **Part 5 – Schedule of Fees and Charges**.

Interest and Investment Revenue

Interest on overdue rates, charges and deferred debts is budgeted at \$29,960.

Council’s estimated interest investment revenue for 2020-2021 is \$322,630.

Council will continue an investment strategy to maximise return on investment, whilst maintaining a low risk portfolio governed firstly by the Minister of Local Government’s Order, as set out below; and secondly by Council’s Investment Policy which provides the framework for minimising risks involved in investing public funds.

Minister of Local Government’s Order - as published in the State Government Gazette on 11 February 2011:

The investment of surplus funds will be in accordance with Section 625 of the Act and by order of the Minister as published in the Gazette, in the form of:

- (a) any public funds or securities issued by or guaranteed by, the Commonwealth or any State of the Commonwealth or a Territory;*
- (b) any debentures or securities issued by a council (within the meaning of the Local Government Act 1993 (NSW));*
- (c) interest bearing deposits with, or any debentures or bonds issued by, an authorised deposit-taking institution (as defined in the Banking Act 1959 (Cth)) but excluding subordinated debt obligations;*
- (d) any bill of exchange which has a maturity date of not more than 200 days; and if purchased for value*

confers on the holder in due course a right of recourse against a bank which has been designated as an authorised deposit-taking institution by the Australian Prudential Regulation Authority;

(e) A deposit with the New South Wales Treasury Corporation or investments in an Hour-Glass investment facility of the New South Wales Treasury Corporation.

Grants and Contributions Revenue

The Financial Assistance Grant, provided by the Federal Government under the *Local Government (Financial Assistance) Act 1995*, is budgeted at the same level as the 2019-2020 financial year.

Generally, only known future grants are included in the forward projections, with the exception of grants which have been reliably received over a long period of time. The Pensioner Rebate subsidy of \$130,582 is shown for the forward period based on 55 per cent from the State Government.

The original subsidies were five per cent Federal Government and 50 per cent State Government; however, the Federal Government contribution was discontinued in 2014-2015, but was offset by the State Government increasing its subsidy to 55 per cent for a temporary period. It is assumed that this additional subsidy will be maintained into the future.

Employee Costs

As at June 2020, Council employs 114 full-time equivalent (FTE) staff. Projected costs for 2020-21 have been modelled on Council retaining 114 FTE staff.

Employee-related costs, including salaries, entitlements, insurances, taxes, travel and training costs, have increased by 3.0 per cent and are estimated to be \$11.37 million.

The 2017 Local Government State Award has now expired, and negotiations for the 2020 Local Government State Award between Local Government NSW and the United Services Union are ongoing. Once negotiations are finalised, Council will adjust employee costs accordingly. Any variation to employee costs will be reported in the first 2020-2021 Quarterly Budget Review.

Materials and Contracts Costs

Materials and Contracts costs include all costs associated with the purchase and acquisition of materials and services used in Council's day-to-day operations, such as:

- Construction costs;
- Services received from contractors and consultants;
- Utilities and communication expenses;
- Fuel; and
- Insurance

In 2020-2021, Materials and Contracts costs are estimated to be \$6.09 million.

Other Costs

As detailed in the Consolidated Income Statement 2020-2021 in **Part 4 – Revenue Policy**, estimated Depreciation and Amortisation costs and Other Expenses have both increased from the 2019-2020 year. In contrast, estimated Borrowing Costs have decreased from the 2019-2020 year.

Councillor Remuneration Costs

On 10 June 2020, the Local Government Remuneration Tribunal (LGRT) issued its Annual Determination for the fees to be paid to Mayors and Councillors in the 2020-2021 year.

For 2020-2021, the LGRT has determined that there will be no increase in the minimum and maximum fees applicable to each existing category. The LGRT has attributed its decision to the current economic and social circumstances, namely the impacts of the recent 2019-2020 summer bushfires and ongoing COVID-19 pandemic.

Traditionally, Council resolves in accordance with section 241 of the Act, to fix the annual fee paid to Councillors at the maximum determination made by the LGRT for the Rural Council category. Accordingly, Council's 2020-2021 Budget does not forecast any increase to Councillor fees.

Financial Assistance Programs

Under section 356 of the Act, Council is able to provide financial assistance to others, including charitable, community and sporting organisations and private individuals.

Ordinarily, Council must provide 28 days' public notice of its proposal to provide financial assistance. However, the public notice requirement is waived where a proposed financial assistance contribution forms part of a program included in Council's combined Delivery Program and Operational Plan.

In 2020-2021, Council is proposing to provide financial assistance under the following Financial Assistance Programs:

- Heritage Assistance Fund; and
- Community Funding Program (Events and Infrastructure).

Reserves

Council operates a number of cash reserves, which restrict funds from time-to-time to either meet external statutory obligations, known as "external restrictions"; or in order to set aside funding for anticipated future commitments, known as "internal restrictions".

In 2020-2021, Council will draw on a total of \$6.41 million from cash reserves.

Capital Program

Council's proposed 2020-2021 Budget features a new capital program totalling \$6.16 million. All projects are detailed in Council's Capital Works Program. Highlights include:

- Waste Strategy Implementation: \$1 million
- Business and Customer System Remediation Project: \$800,000
- Werris Creek Industry Precinct Southern Access: \$2.2 million
- Street Lighting LED Upgrade: \$165,000
- David Taylor Oval Amenities Construction: \$150,000

Grant-Funded Projects

Council has received funding through the State Government's Drought Stimulus Package, Growing Local Economies Fund and Stronger Country Communities Fund and the Federal Government's Drought Communities Programme to deliver a series of major infrastructure projects and community facility upgrades and refurbishments.

These projects are either planned or currently underway, with many scheduled for completion in 2020-2021. All projects are detailed in Council's Capital Works Program.

Financial Estimates 2021-2024

Consolidated Fund		2020/2021	2021/2022	2022/2023	2023/2024
Operating Income		\$22,643,581	\$23,096,453	\$23,673,864	\$24,421,806
Less: Operating Expenditure including Depreciation		-\$29,274,262	-\$29,934,391	-\$31,174,381	-\$32,103,974
Operating Result Before Capital		-\$6,630,680	-\$6,837,938	-\$7,500,517	-\$7,682,169
Capital Income	2	\$14,953,500	\$18,712,500	\$1,014,000	\$1,040,000
Operating Result (including depreciation)		\$8,322,820	\$11,874,562	-\$6,486,517	-\$6,642,169
Add: Non-Cash Expense Depreciation		\$9,999,459	\$10,249,446	\$10,838,370	\$11,149,284
Add: Loan Funding		\$3,425,000	\$4,575,000	\$0	\$0
Less: Capital Expenditure	1	-\$28,163,372	-\$35,428,632	-\$9,909,274	-5,273,104
Cash Reserve Movement		-\$6,416,093	-\$8,729,625	-\$5,557,421	-\$765,988

+ve is an increase in cash reserves; -ve is a decrease in cash reserves

- 1 Council is working on updating its Asset Management Plans, which will enhance Council's ability to predict the timing of capital expenditure requirements.
- 2 For budgeting purposes, capital income reflects when cash is received. For financial reporting purposes, the timing of recognition of capital income may differ.

General Fund

General Fund revenue is sourced mostly from rates and operating grants. Each year, the State Government determines the maximum amount by which councils can increase their annual general rates income; alternatively, councils can apply for a Special Rate Variation to exceed this amount. From 2011-2021, the responsibility for determining the annual rate peg has been delegated to the Independent Pricing and Regulatory Tribunal (IPART), which uses the Local Government Cost Index (LGCI) framework to determine the rate peg. In 2020-2021, the rate increase is 2.6 per cent.

General Fund		2020/2021	2021/2022	2022/2023	2023/2024
Operating Income		\$17,588,141	\$17,939,904	\$18,388,402	\$18,940,054
Less: Operating Expenditure including Depreciation		-\$24,728,509	-\$25,223,080	-\$25,727,541	-\$26,370,730
Operating Result Before Capital		-\$7,140,368	-\$7,283,175	-\$7,339,139	-\$7,430,676
Capital Income	2	\$6,391,000	\$7,275,000	\$1,014,000	\$1,040,000
Operating Result (including depreciation)		-\$749,368	-\$8,175	-\$6,325,139	-\$6,390,676
Add: Non-Cash Expense Depreciation		\$8,195,320	\$8,400,203	\$8,610,208	\$8,825,463
Add: Loan Funding		\$0	\$0	\$0	\$0
Less: Capital Expenditure	1	-\$12,769,027	-\$10,008,150	-\$4,277,400	-\$4,425,500
Operating Income					
General Fund Cash Reserve Movement		-\$5,323,076	-\$1,616,123	-\$1,992,332	-\$1,990,713

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- 2 For budgeting purposes, capital income reflects when cash is received. For financial reporting purposes, the timing of recognition of capital income may differ.

Water Fund

Water Fund revenue is sourced mostly from annual and usage-based water charges detailed in **Part 4 – Revenue Policy**. Major Water Fund projects are set out in the Capital Works section above.

Water Fund		2020/2021	2021/2022	2022/2023	2023/2024
Operating Income		\$3,608,368	\$3,680,536	\$3,772,549	\$3,923,451
Less: Operating Expenditure including Depreciation		-\$2,918,686	-\$3,035,434	-\$3,720,686	-\$3,946,675
Operating Result Before Capital		\$689,682	\$645,102	\$51,863	-\$23,224
Capital Income	2	\$8,562,500	\$11,437,500	\$0	\$0
Operating Result (including depreciation)		\$9,252,182	\$12,082,602	\$51,863	-\$23,224
Add: Non-Cash Expense Depreciation		\$1,064,774	\$1,091,394	\$1,451,367	\$1,527,606
Add: Loan Funding		\$3,425,000	\$4,575,000	\$0	\$0
Less: Capital Expenditure	1	-\$14,474,345	-\$18,794,482	-\$998,874	-\$1,087,604
Operating Income					
Water Cash Reserve Movement		-\$732,389	-\$1,045,486	\$504,356	\$416,778

+ve is an increase in cash reserves; -ve is a decrease in cash reserves

- 1 Council is working on updating its Asset Management Plans, which will enhance Council's ability to predict the timing of capital expenditure requirements.
- 2 For budgeting purposes, capital income reflects when cash is received. For financial reporting purposes, the timing of recognition of capital income may differ.

Sewer Fund

Sewer Fund revenue is sourced mostly from annual and usage-based sewer charges detailed in **Part 4 – Revenue Policy**. Major Sewer Fund projects are set out in the Capital Works Program section below.

Sewer Fund				
	2020/2021	2021/2022	2022/2023	2023/2024
Operating Income	\$1,447,072	\$1,476,013	\$1,512,914	\$1,558,301
Less: Operating Expenditure including Depreciation	-\$1,627,066	-\$1,675,878	-\$1,726,154	-\$1,786,570
Operating Result Before Capital	-\$179,994	-\$199,865	-\$213,241	-\$228,269
Capital Income 2	\$0	\$0	\$0	\$0
Operating Result (including depreciation)	-\$179,994	-\$199,865	-\$213,241	-\$228,269
Add: Non-Cash Expense Depreciation	\$739,365	\$757,849	\$776,796	\$796,215
Add: Loan Funding	\$0	\$0	\$0	\$0
Less: Capital Expenditure 1	-\$920,000	-\$6,626,000	-\$4,633,000	\$240,000
Operating Income				
Sewer Cash Reserve Movement	-\$360,629	-\$6,068,015	-\$4,069,445	\$807,947

+ve is an increase in cash reserves; -ve is a decrease in cash reserves

- 1 Council is working on updating its Asset Management Plans, which will enhance Council's ability to predict the timing of capital expenditure requirements.
- 2 For budgeting purposes, capital income reflects when cash is received. For financial reporting purposes, the timing of recognition of capital income may differ.

Budget Detail

Budget 2020-2021					
Budget Program	Income		Expenses		Asset Depreciation
	Operational	Capital	Operational	Capital	
General Purpose Income	\$10,256,453	\$0	\$59,456	\$0	\$0
Elected Members	\$0	\$0	\$268,277	\$0	\$0
General Manager	\$0	\$0	\$426,909	\$0	\$0
Corporate Governance	\$0	\$0	\$572,967	\$0	\$0
People and Culture	\$0	\$0	\$491,356	\$0	\$0
Work Health and Safety	\$30,000	\$0	\$127,119	\$0	\$0
Business Support	\$0	\$0	\$421,274	\$0	\$3,302
Housing	\$22,947	\$0	\$68,278	\$0	\$25,208
Commercial Property	\$106,082	\$0	\$158,907	\$0	\$34,387
Caravan Parks	\$56,953	\$0	\$93,473	\$0	\$18,577
Information Technology	\$0	\$0	\$716,074	\$800,000	\$6,914
Environment Administration	\$151,096	\$0	\$1,230,888	\$0	\$0
Weeds Division	\$66,700	\$0	\$226,515	\$0	\$0
Emergency Services	\$230,000	\$0	\$837,934	\$0	\$89,176
Animal Control	\$9,500	\$0	\$186,562	\$0	\$0
Building Programs	\$0	\$255,000	\$751,906	\$255,000	\$240,522
Administration Engineering	\$0	\$0	\$1,308,414	\$0	\$0
Depot	\$0	\$0	\$236,814	\$0	\$44,585
Sporting Grounds	\$50,194	\$530,000	\$526,828	\$530,000	\$200,509
Swimming Centres	\$82,517	\$0	\$474,054	\$0	\$39,701

Budget 2020-2021

Budget Program	Income		Expenses		Asset Depreciation
	Operational	Capital	Operational	Capital	
Public Cemeteries	\$112,447	\$0	\$138,673	\$0	\$6,665
Aerodromes	\$6,000	\$0	\$218,845	\$0	\$142,851
Parks and reserves	\$0	\$100,000	\$423,474	\$100,000	\$125,004
Street Cleaning	\$0	\$0	\$51,964	\$0	\$0
Construction	\$3,362,600	\$3,951,000	\$9,544,730	\$8,509,027	\$6,877,283
Promotion and Tourism	\$12,870	\$0	\$198,290	\$0	\$4,887
HACC	\$251,481	\$0	\$251,981	\$0	\$2,630
Library	\$4,000	\$1,300,000	\$369,570	\$1,300,000	\$25,121
Recreational Centre	\$164,385	\$30,000	\$406,709	\$50,000	\$63,040
Royal Theatre	\$34,399	\$125,000	\$102,143	\$125,000	\$23,145
Arts and Culture	\$0	\$0	\$129,735	\$0	\$1,463
Festival Activities	\$0	\$0	\$10,000	\$0	\$0
Day Care Centre	\$656,360	\$100,000	\$656,360	\$100,000	\$10,940
Finance	\$8,460	\$0	\$1,054,971	\$0	\$0
RMS Agency	\$123,618	\$0	\$123,317	\$0	\$1,474
Stores	\$0	\$0	\$145,755	\$0	\$0
Records	\$0	\$0	\$131,401	\$0	\$0
Waste	\$1,789,080	\$0	\$1,586,586	\$1,000,000	\$207,936
Total - General Fund	\$17,588,141	\$6,391,000	\$24,728,509	\$11,903,027	\$8,195,320
Sewer Operations	\$1,447,072	\$0	\$1,627,066	\$920,000	\$739,365
Water Operations	\$3,608,368	\$8,562,500	\$2,918,686	\$14,474,345	\$1,064,774
Total - All Fund	\$22,643,581	\$14,953,500	\$29,274,262	\$28,163,372	\$9,999,459

Capital Works Program

Planned Capital Works Program 2020-2021				
Project	Funding Source	Renewal	New/Upgrade	Budget
Plains Fitness Centre Air Conditioner Replacement	Grants	\$30,000	\$0	\$30,000
Plains Fitness Centre Re-flooring	Reserve	\$20,000	\$0	\$20,000
Quirindi Library Precinct Renewal – Stage 2	Grants	\$200,000	\$0	\$200,000
Quirindi Library Precinct Renewal – Stages 3 and 4	Grants	\$700,000	\$0	\$700,000
Quirindi Library Precinct Renewal – Stage 5	Grants	\$400,000	\$0	\$400,000
Eastside Child Care Centre Refurbishment	Grants	\$100,000	\$0	\$100,000
Willow Tree Recreation Ground Amenities Refurbishment	Grants	\$50,000	\$0	\$50,000
Warrah Creek Tennis Courts Resurfacing	Grants	\$70,000	\$0	\$70,000
Bell Park Amenities Refurbishment	Grants	\$70,000	\$0	\$70,000
David Taylor Oval Amenities Construction	Grants	\$120,000	\$150,000	\$270,000
Showground Irrigation Bore Renewal	Grants	\$210,000	\$0	\$210,000
Royal Theatre Accessibility Upgrade	Grants	\$125,000	\$0	\$125,000
Spring Ridge Hall - Flooring Replacement	Grants	\$120,000	\$0	\$120,000
Warrah Creek Hall - Accessibility access upgrade	Grants	\$50,000	\$0	\$50,000
Spring Ridge Pedestrian Footbridge - Re-decking	Grants	\$10,000	\$0	\$10,000
Premer Park Improvements	Grants	\$30,000	\$0	\$30,000
Business and Customer System Remediation Project	Reserve	\$0	\$800,000	\$800,000
Waste Strategy Implementation	Reserve	\$0	\$1,000,000	\$1,000,000
Premer CWA Hall Painting	Grants	\$15,000	\$0	\$15,000
Fleet and Equipment Replacement	Reserve	\$0	\$950,000	\$950,000
Werris Creek Industrial Precinct Southern Access	Grants/Reserve	\$0	\$2,287,500	\$2,287,500

Planned Capital Works Program 2020-2021				
Project	Funding Source	Renewal	New/Upgrade	Budget
Loan Principal Repayments General Fund	Reserve	\$0	\$62,527	\$62,527
Regional Road REPAIR Rehabilitation Project	Grants	\$650,000	\$0	\$650,000
Regional Road Rehabilitation Project	Grants	\$102,700	\$0	\$102,700
Regional Road Guardrail maintenance/replacement	Grants	\$40,000	\$0	\$40,000
Bitumen Resealing on Regional Roads	Grants	\$782,000	\$0	\$782,000
Line Marking and Signage	Grants	\$77,700	\$0	\$77,700
Local Road Rehabilitation Project	Grants	\$1,262,600	\$0	\$1,262,600
Culvert/Causeway New Construction	Grants	\$0	\$260,000	\$260,000
Bitumen Resealing on Local Roads	Grants/SRV	\$889,000	\$0	\$889,000
Gravel Resheeting	Grants/SRV	\$625,000	\$0	\$625,000.
Bitumen Resealing on Urban Roads	Grants/SRV	\$215,000	\$0	\$215,000.
Stormwater Drainage Improvements	Grants	\$70,000	\$0	\$70,000.
Street Lighting Program	Grants	\$25,000	\$0	\$25,000
Gravel Re-sheeting	Grants	\$35,000	\$0	\$35,000
Street Lighting – LED Upgrade	Reserve	\$0	\$165,000	\$165,000
Main Relining	Sewer Fund	\$220,000	\$0	\$220,000
Quirindi Sewer Pump Station No 2 Upgrade	Sewer Fund	\$120,000	\$0	\$120,000
Quirindi Sewer Treatment Plant Upgrade	Sewer Fund	\$300,000	\$0	\$300,000
Werris Creek Sewer Treatment Plant Reuse	Sewer Fund	\$200,000	\$0	\$200,000
Quirindi SPS No 4 Electrical and Mechanical Renewal	Sewer Fund	\$20,000	\$0	\$20,000
Contribution to Plant Fund for Sewer Ute	Sewer Fund	\$60,000	\$0	\$60,000
Quipolly Water Treatment Plant	Loans/Reserve/Grants	\$13,700,000	\$0	\$13,700,000
Centre Street (Cross-Perkins) Water Main Replacement	Water Fund	\$58,000	\$0	\$58,000
Quipolly Dam Loan Principal Repayments (Existing Loan)	Water Fund	\$0	\$174,461	\$174,461

Planned Capital Works Program 2020-2021				
Project	Funding Source	Renewal	New/Upgrade	Budget
Quipolly WTP Loan Principal Repayments (New Loan)	Water Fund	\$0	\$315,884	\$315,884
Water Quality Monitoring Equipment	Water Fund	\$15,000	\$0	\$15,000
Telemetry Repeater and Link Radio Upgrade	Water Fund	\$125,000	\$0	\$125,000
Contribution to Plant Fund for Water Ute	Water Fund	\$60,000	\$0	\$60,000
System Chlorine Analyser	Water Fund	\$26,000	\$0	\$26,000
	TOTAL	\$21,998,000	\$6,165,372	\$28,163,372

PART 4 –
Revenue Policy

Objective

Section 405 of the *Local Government Act 1993* (the Act) requires Liverpool Plains Shire Council to adopt a Revenue Policy each year as part of its Integrated Planning and Reporting (IP&R) framework.

This Revenue Policy forms part of Liverpool Plains Shire Council's combined Delivery Program and Operational Plan and provides information regarding the levying of Council's rates, its fees and charges, and other major income sources.

Summary

Council's Revenue Policy is adopted on an annual basis and details how Council will levy ordinary land rates, charges and fees, as well as the anticipated revenue that will be derived from each separate rate, charge and fee.

Consistent with clause 201 of the *Local Government (General) Regulation 2005* (the Regulation), this Revenue Policy comprises:

1. Statement of estimated income and expenditure;
2. Statement of ordinary rates;
3. Statement of charges;
4. Statement of fees;
5. Statement of Council's pricing methodology for determining the prices of approved fees; and
6. Statement of proposed borrowings.

Estimated Income and Expenditure 2020-2021

Pursuant to section 491 of the Act, Council may obtain income from:

- Rates;
- Charges;
- Fees;
- Grants;
- Borrowings; and
- Investments.

Rates and charges provide Council with a major source of revenue, which is used to meet the costs of providing services to residents and businesses of the Liverpool Plains Shire local government area.

The combined Delivery Program and Operational Plan is structured around four key outcome areas. *Table 1* lists Council's estimated 2020-2021 income and expenditure according to each outcome area.

Table 1: Consolidated Income Statement by Function 2020-2021			
	Income	Expenditure	Operating Result
Community	\$2,652,347	\$4,916,711	-\$2,264,364
Governance	\$10,524,913	\$5,436,860	\$5,088,053
Environment	\$6,920,720	\$7,140,253	-\$219,533
Economy	\$4,670,602	\$11,780,438	-\$7,109,837

TOTAL	\$24,768,581	\$29,274,262	-\$4,505,680
Table 2: Consolidated Income Statement 2020-2021			
Income from Continuing Operations		Estimate	
Rates and Annual Charges		\$11,161,007	
User Charges and Fees		\$4,370,778	
Interest and Investment Revenue		\$352,596	
Other Revenues		\$405,094	
Operating Grants and Contributions		\$6,354,107	
Capital Grants and Contributions		\$2,125,000	
Total Income from Continuing Operations		\$24,768,581	
Expenditure from Continuing Operations		Estimate	
Employee Costs		\$11,370,435	
Borrowing Costs		\$368,736	
Materials and Contracts		\$6,098,409	
Depreciation and Amortisation		\$9,999,459	
Other Expenses		\$1,437,223	
Total Expenses from Continuing Operations		\$29,274,262	
Net Operating Result		-\$4,505,680	
Net Operating Result before Capital Income		-\$6,630,680	

copy of Council's planned Capital Works Program, is contained in **Part 3 – Budget**.

The figures detailed in *Table 2* will be used in the 2020-2021 Financial Statements for comparison to actual results.

Further information regarding Council's estimated 2020-2021 income and expenditure, including detailed Budget Programs and a

Ordinary Rates

Section 494 of the Act requires Council to make and levy ordinary rates on all rateable lands, based on independent valuations provided by Property NSW on behalf of the NSW Valuer General.

Each year, the NSW Independent Pricing and Regulatory Tribunal (IPART) determines the allowance annual increase in general income for councils, known as the rate peg. The rate peg is based on the change in the Local Government Cost Index (LGCI) and consideration of a productivity factor. The rate for the 2020-2021 year is 2.6 per cent.

Rating Categories

In accordance with section 493 and 514 of the Act, all parcels of rateable land within Council's local government area have been declared to be within one of the following categories:

- Farmland;
- Residential;
- Business; and
- Mining.

Before making an ordinary rate, a council may determine a sub-category or sub-categories for one or more categories of rateable land in its area. A sub-category may be determined for the category:

- "Farmland" according to the intensity of the land use, the irrigability of the land, or economic factors affecting the land;
- "Residential" according to whether the land is rural residential land or is within a centre of population;

- "Mining" according to the kind of mining involved; or
- "Business" according to a centre of activity.

Rating Structure

Section 497(b) of the Act provides the method of structure for Council's Ordinary Rates.

Council in its Ordinary Rate has a base amount to which an ad valorem rate, calculated using property valuations provided by Property NSW on behalf of the NSW Valuer General, is added. This is known as the "base and ad valorem" rating method.

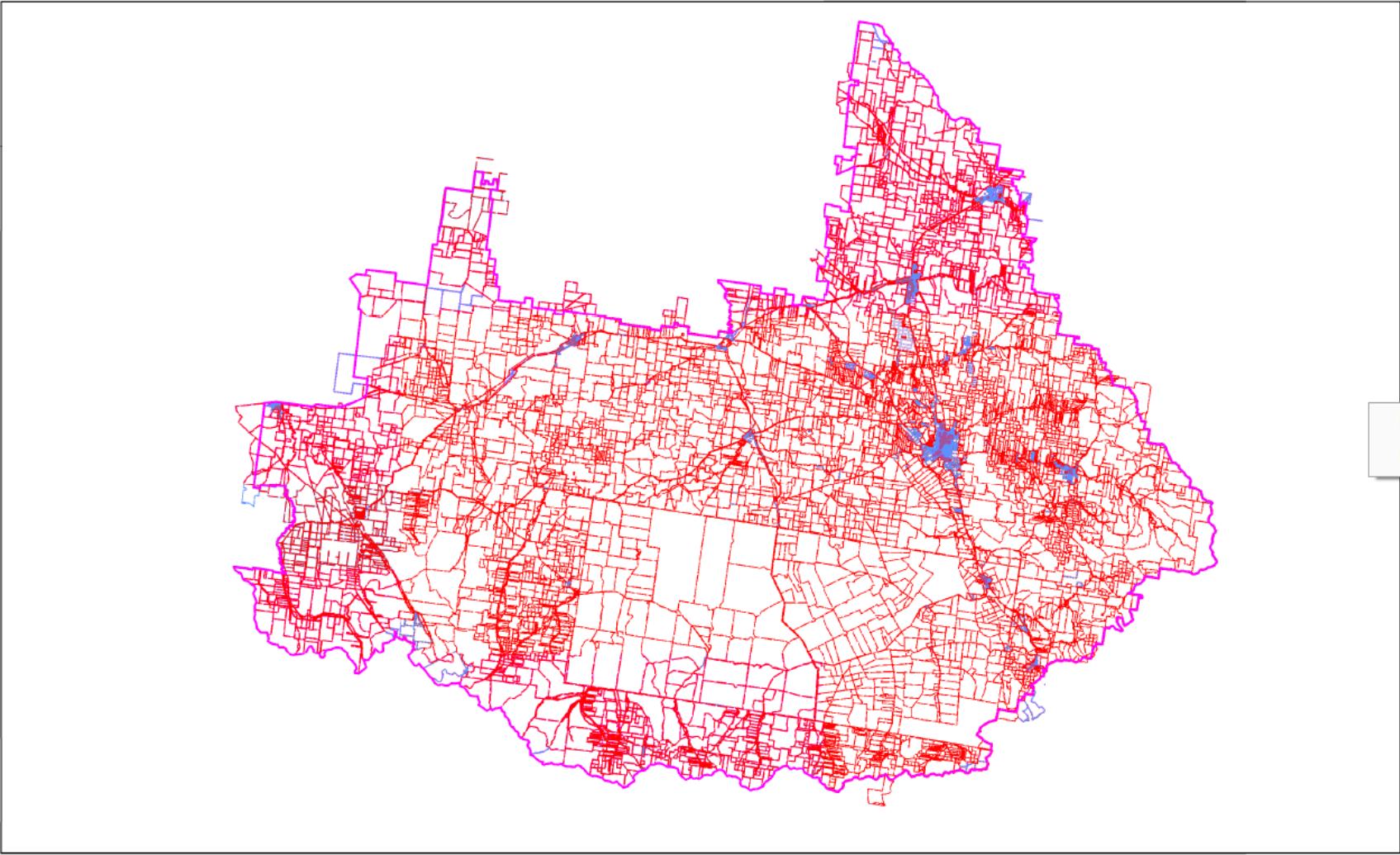
The *Valuation of Land Act 1916* requires Council to levy rates using the most recent land valuations. All properties in the Liverpool Plains Shire local government area were revalued in 2019 and those valuations have been used to calculate and levy the 2020-2021 Ordinary Rate.

As detailed in *Table 3*, Council's rating structure includes the four categories specified above, and 12 sub-categories.



Table 3: Rating Category and Sub-Category Definitions

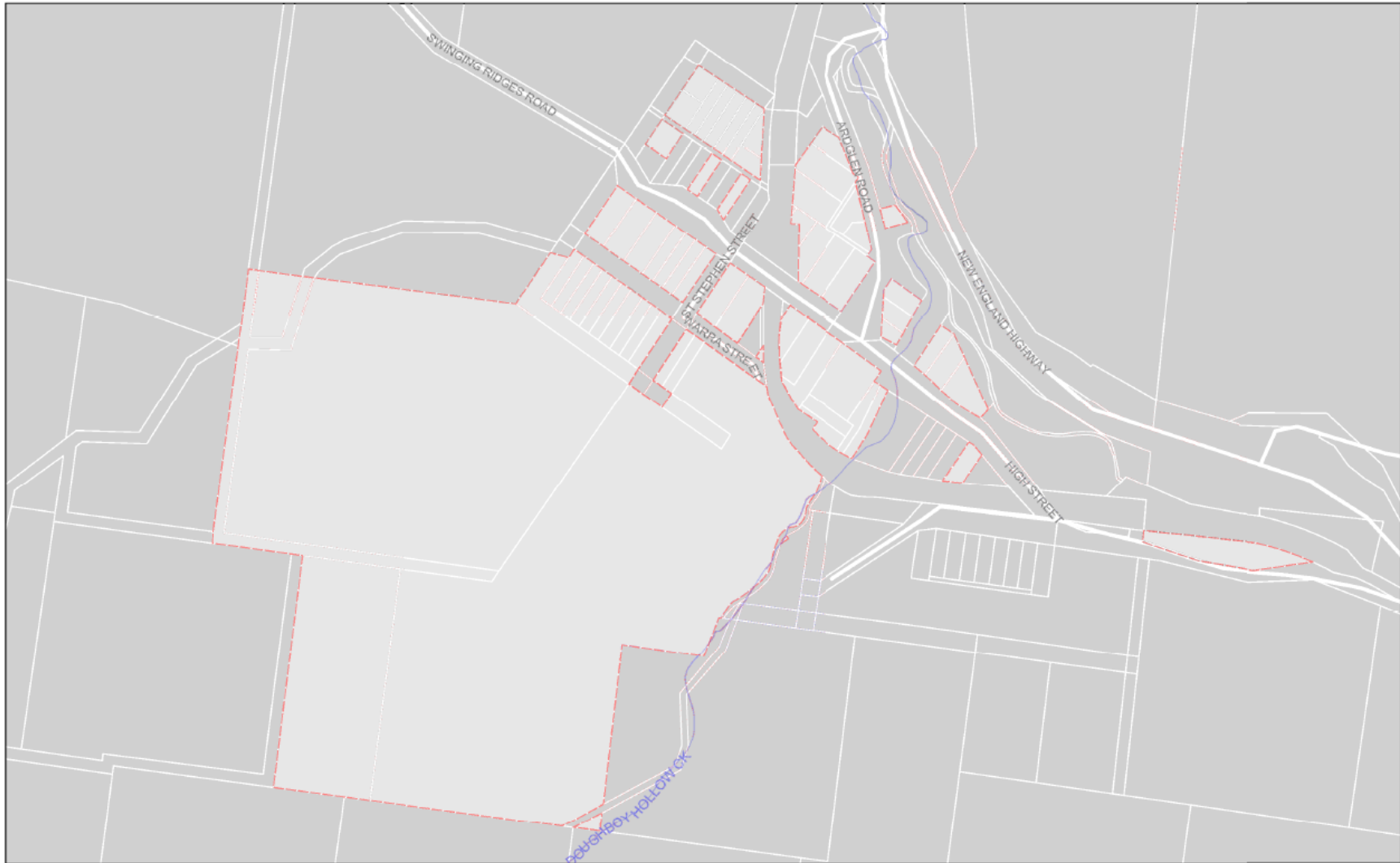
Category/Sub-Category	Definition
Farmland	All land conforming to section 515 (Farmland) of the Act. The rate will apply to all genuine farming properties as defined by the Act, and will be rated on the lowest tier of the rating structure.
Residential – Quirindi & Werris Creek	All land conforming to section 516 (Residential) of the Act situated in the towns of Quirindi and Werris Creek, and defined as properties connected to or able to be connected to the Quirindi or Werris Creek water supply system.
Residential – Rural	All land conforming to section 516 (Residential) of the Act, together with the definition of Rural Residential land.
Residential – Villages	<p>a) All land conforming to section 516 (Residential) of the Act, situated within the following villages, and defined as properties connected to or able to be connected to the Blackville, Caroonna, Premer, Spring Ridge, Wallabadah and Willow Tree water supply systems:</p> <ul style="list-style-type: none"> • Blackville • Caroonna • Premer • Spring Ridge • Walhallow • Wallabadah • Willow Tree <p>b) All land conforming to section 516 (Residential) of the Act, and situated within the following villages not connected or able to be connected to a village water supply:</p> <ul style="list-style-type: none"> • Ardglan • Braefield • Colly Blue • Currabubula • Pine Ridge
Business	All land conforming to section 518 (Business) of the Act, excluding:

	<p>a) The towns of Quirindi and Werris Creek being defined as properties connected to or able to be connected to the Quirindi and Werris Creek water supply systems;</p> <p>b) The villages of Premer, Spring Ridge, Wallabadah and Willow Tree being defined as properties connected to or able to be connected to the Premer, Spring Ridge, Wallabadah and Willow Tree water supply systems; and</p> <p>c) Those properties situated within the village of Currabubula.</p>
Business – Quirindi, Premer, Spring Ridge, Wallabadah and Werris Creek	All land conforming to section 518 (Business) of the Act, situated within the towns or villages, being defined as connected to or able to be connected to the Quirindi, Premer, Spring Ridge, Wallabadah and Werris Creek water supply systems.
Business - Villages	All land conforming to section 518 (Business) of the Act situated within the village of Willow Tree, defined as properties connected to or able to be connected to the Willow Tree water supply system, and those properties situated within the village of Currabubula.
Mining	All land conforming to section 517 (Mining) of the Act with the dominant use being a metalliferous mine.
Mining - Coal	All land conforming to Section 517 (Mining) of the Act with the dominant use being a coal mine.



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	<p>Liverpool Plains Shire Council Ordinary Rate Category FARMLAND</p>	<p>Legend</p> <ul style="list-style-type: none"> Rate Boundary Other categories Shire Boundary 	
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Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
ARDGLEN

Legend

 Rate Boundary



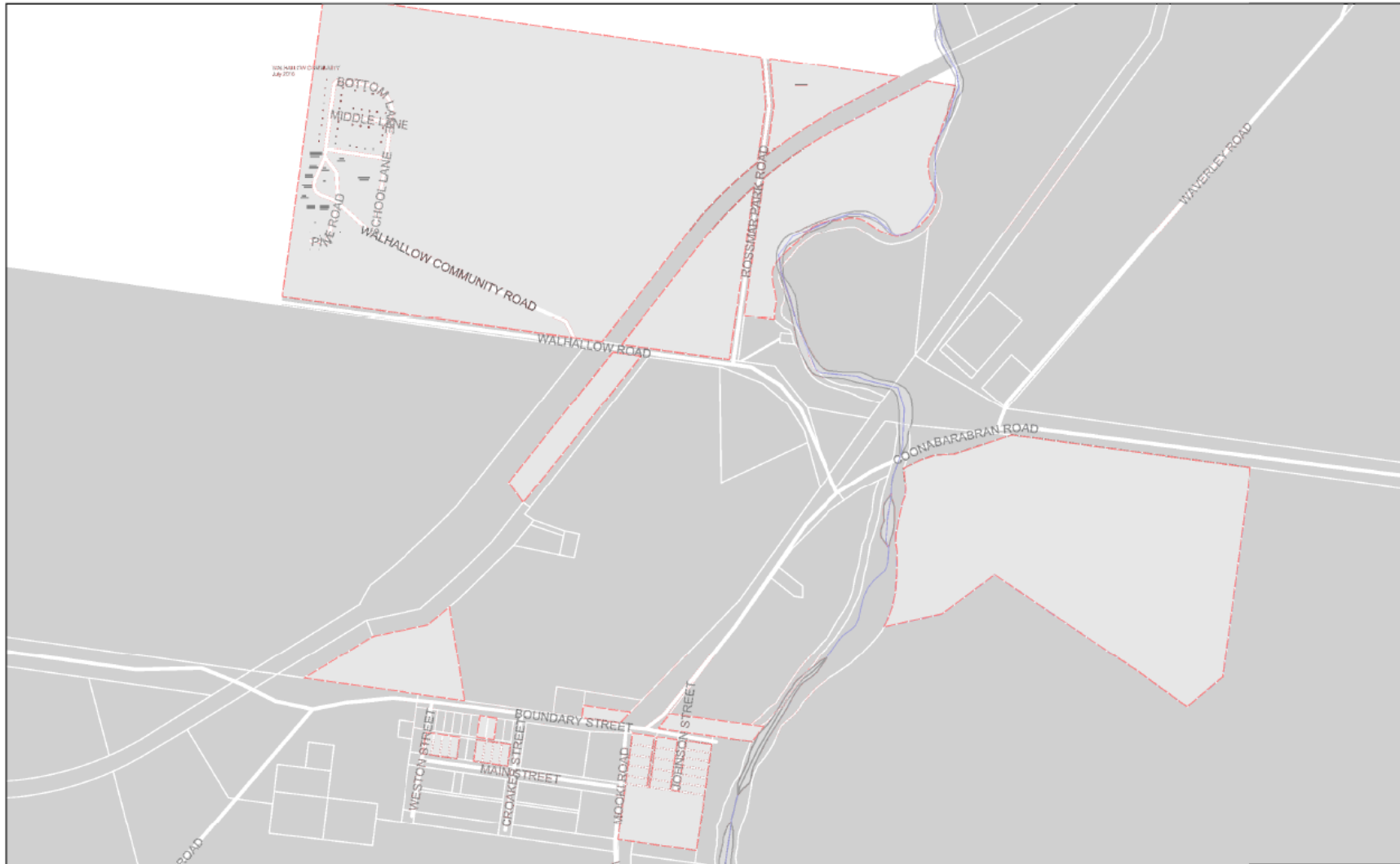


Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
BLACKVILLE

Legend

 Rate Boundary



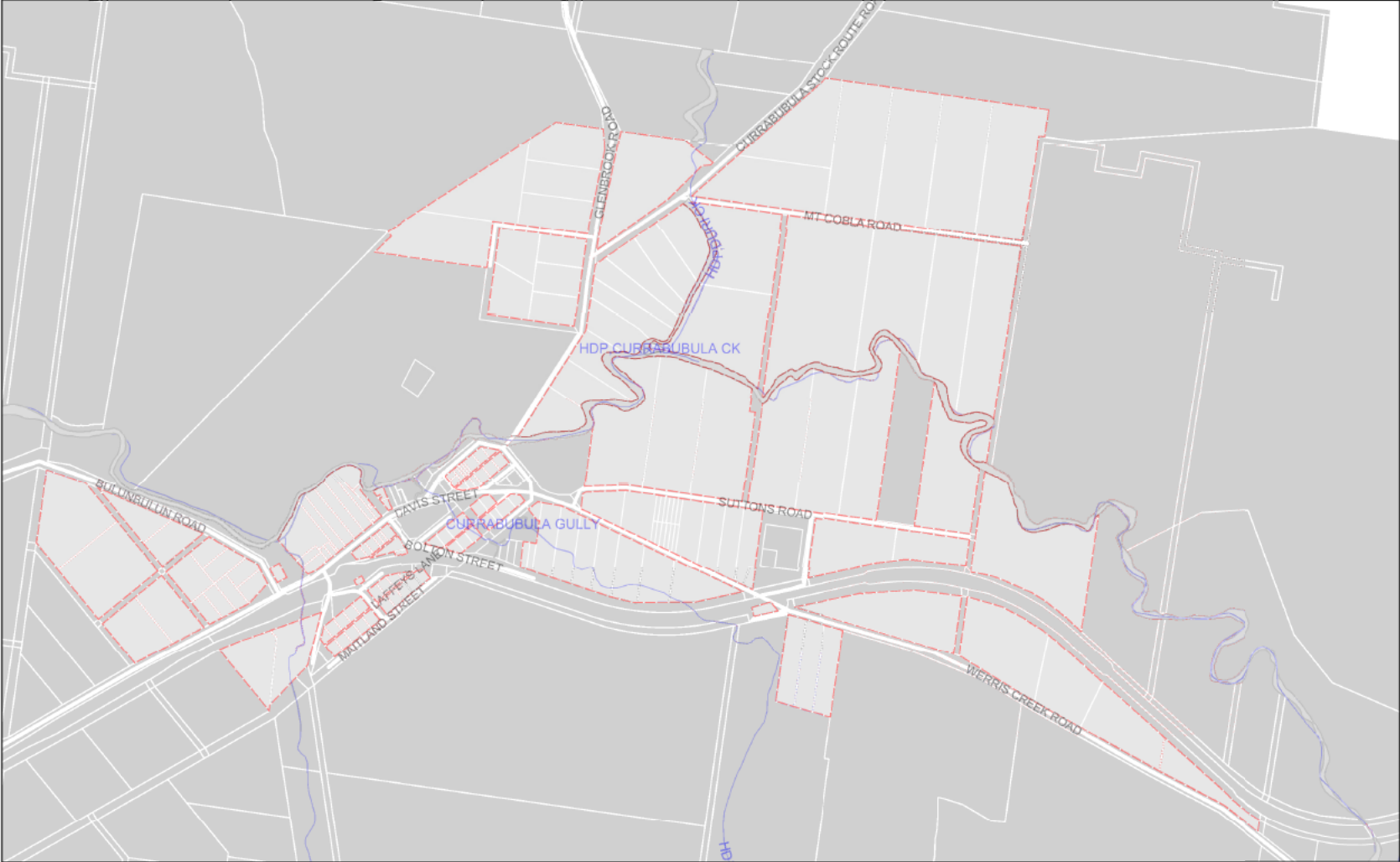


Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
CAROONA

Legend

 Rate Boundary



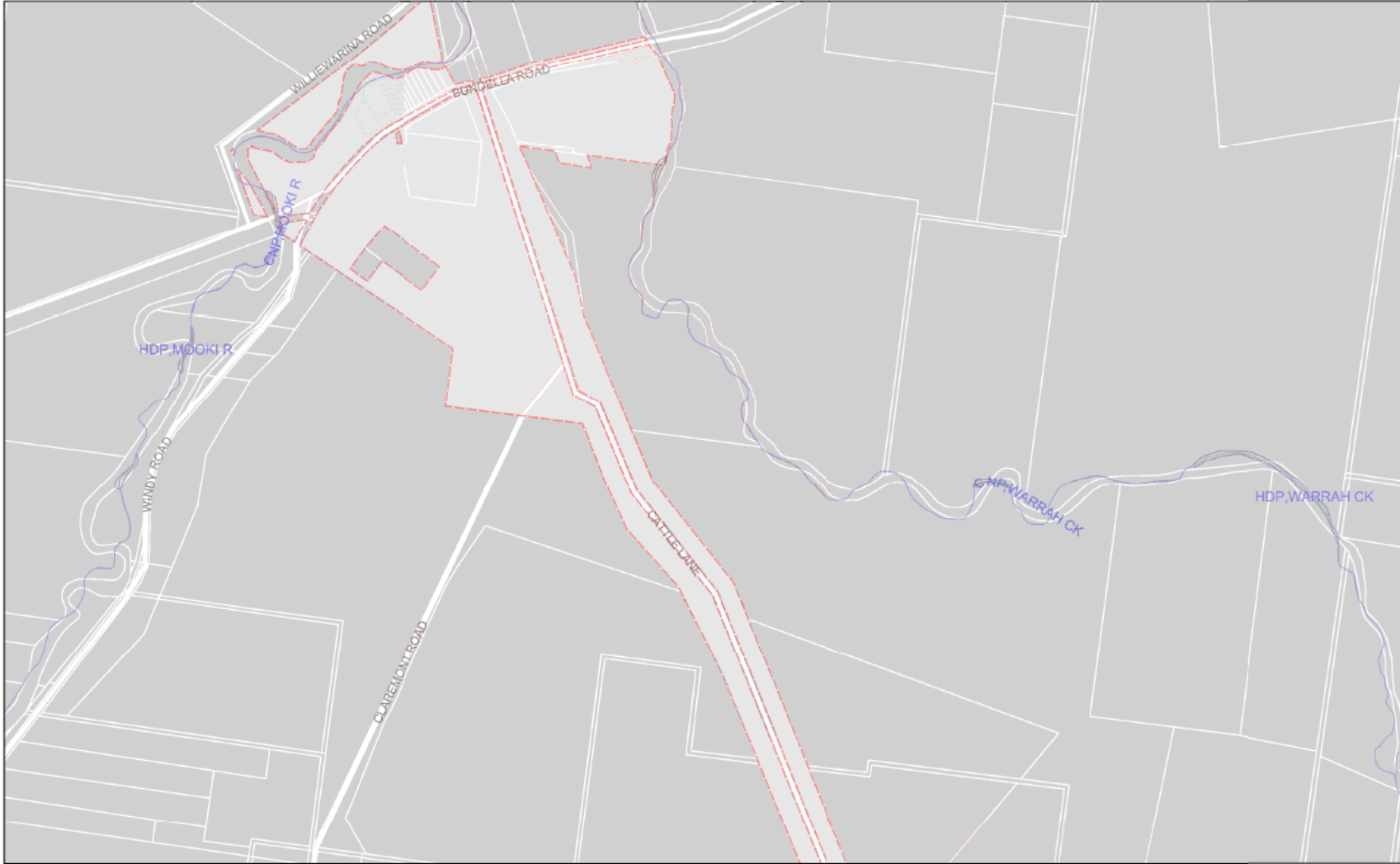


Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
CURRABUBULA

Legend

 Rate Boundary





Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
PINE RIDGE

Legend

 Rate Boundary



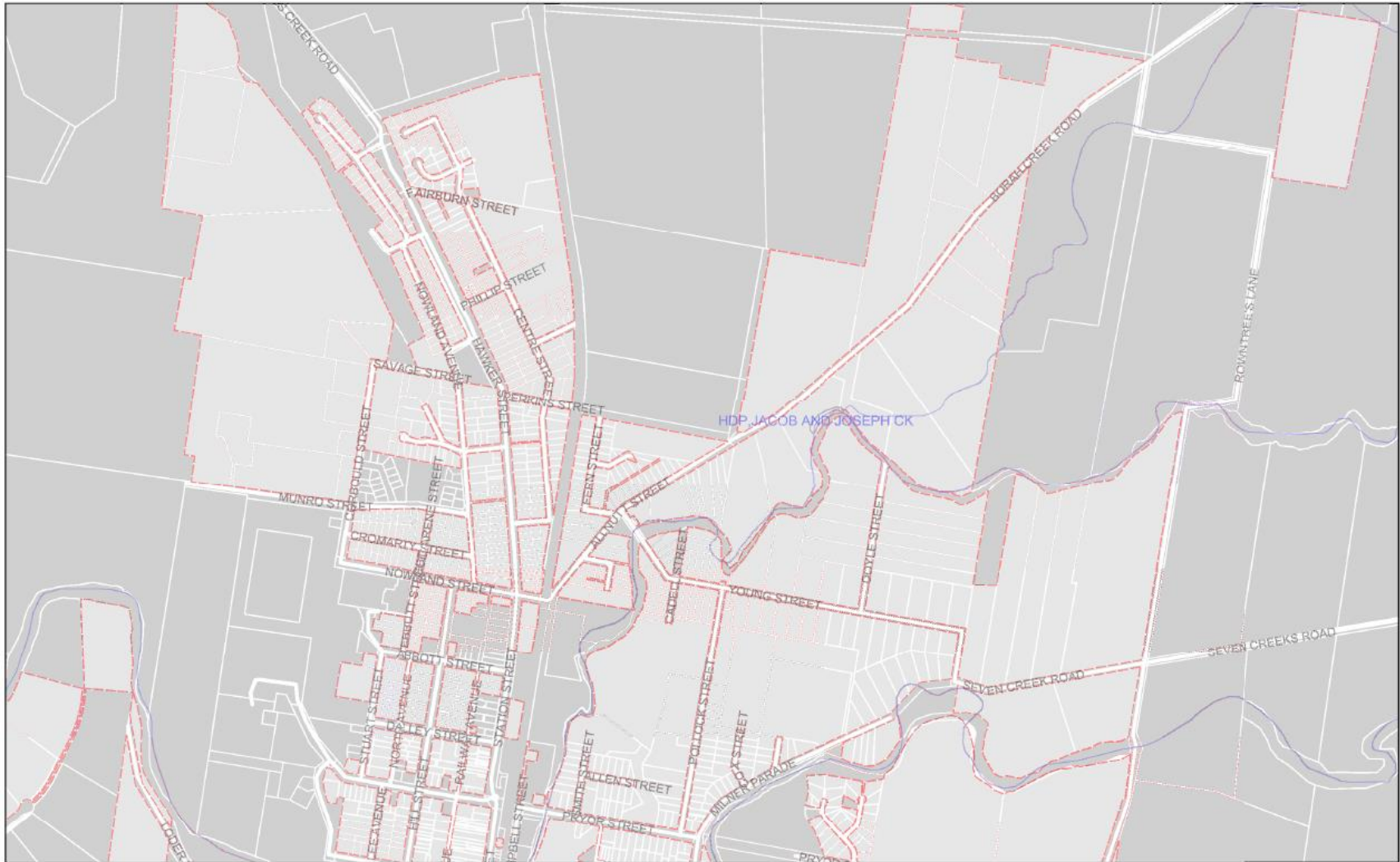


Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
PREMER

Legend

 Rate Boundary



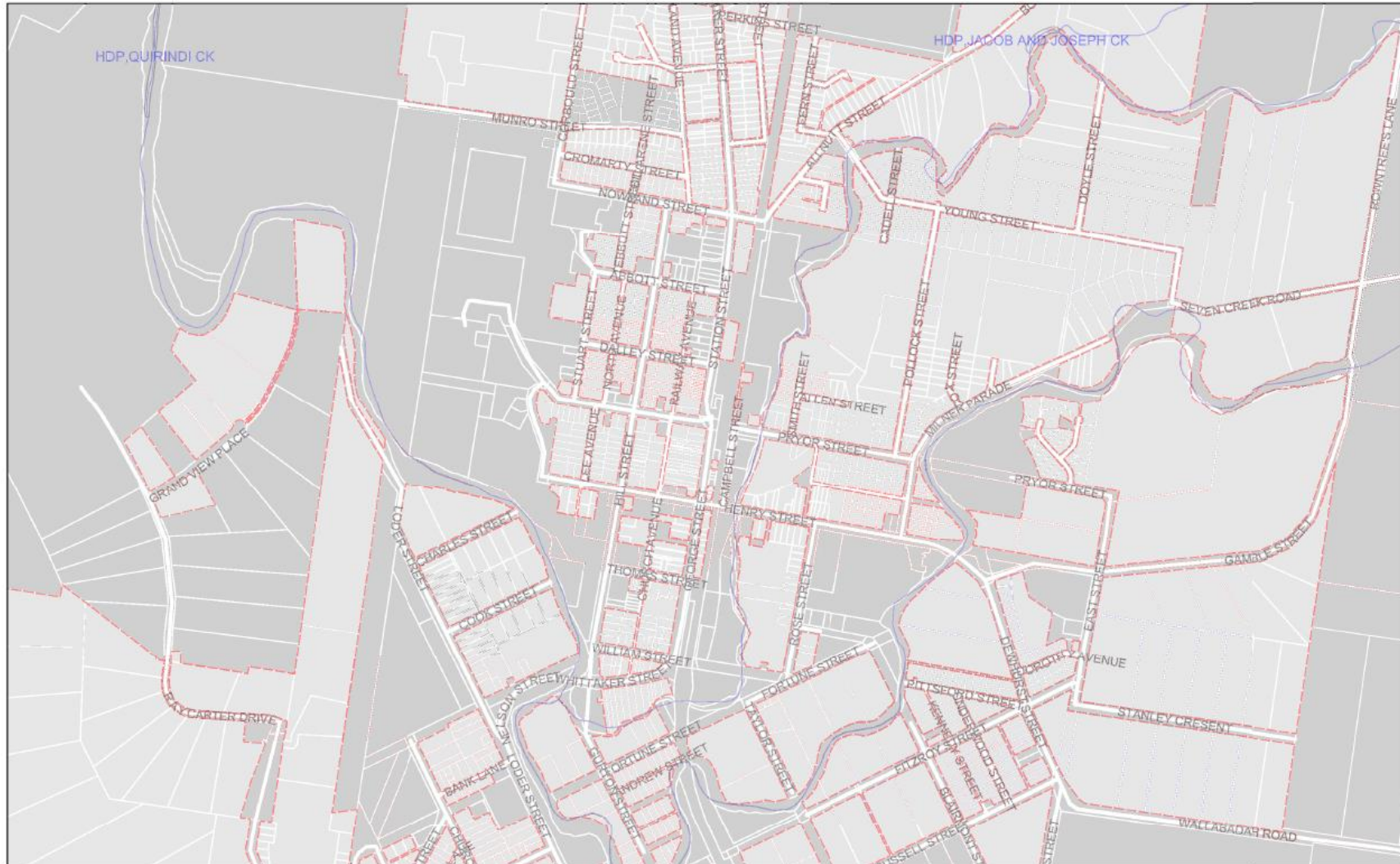


Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
QUIRINDI NORTH

Legend

 Rate Boundary



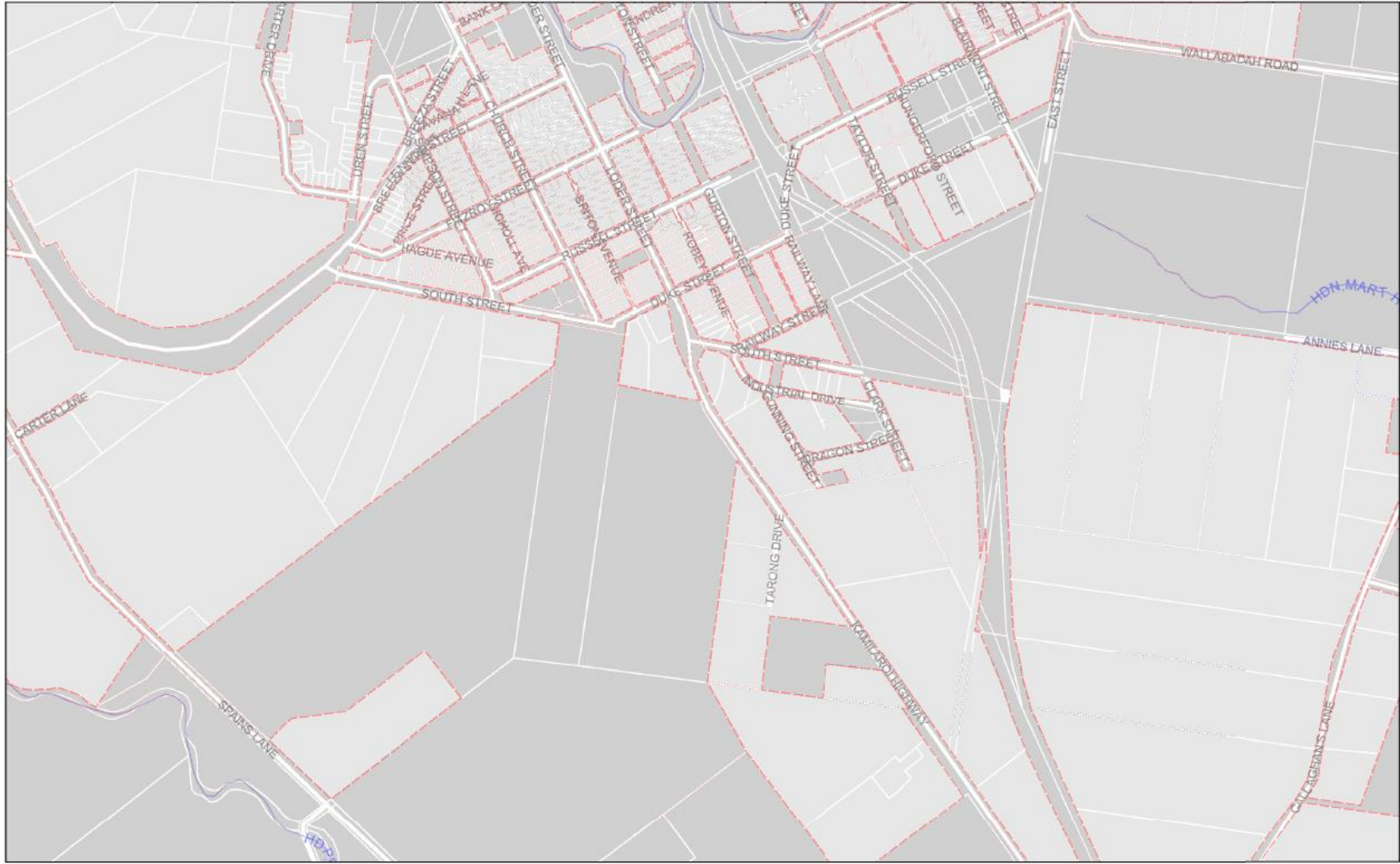


Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
QUIRINDI CENTRE

Legend

 Rate Boundary





Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
QUIRINDI SOUTH

Legend

 Rate Boundary



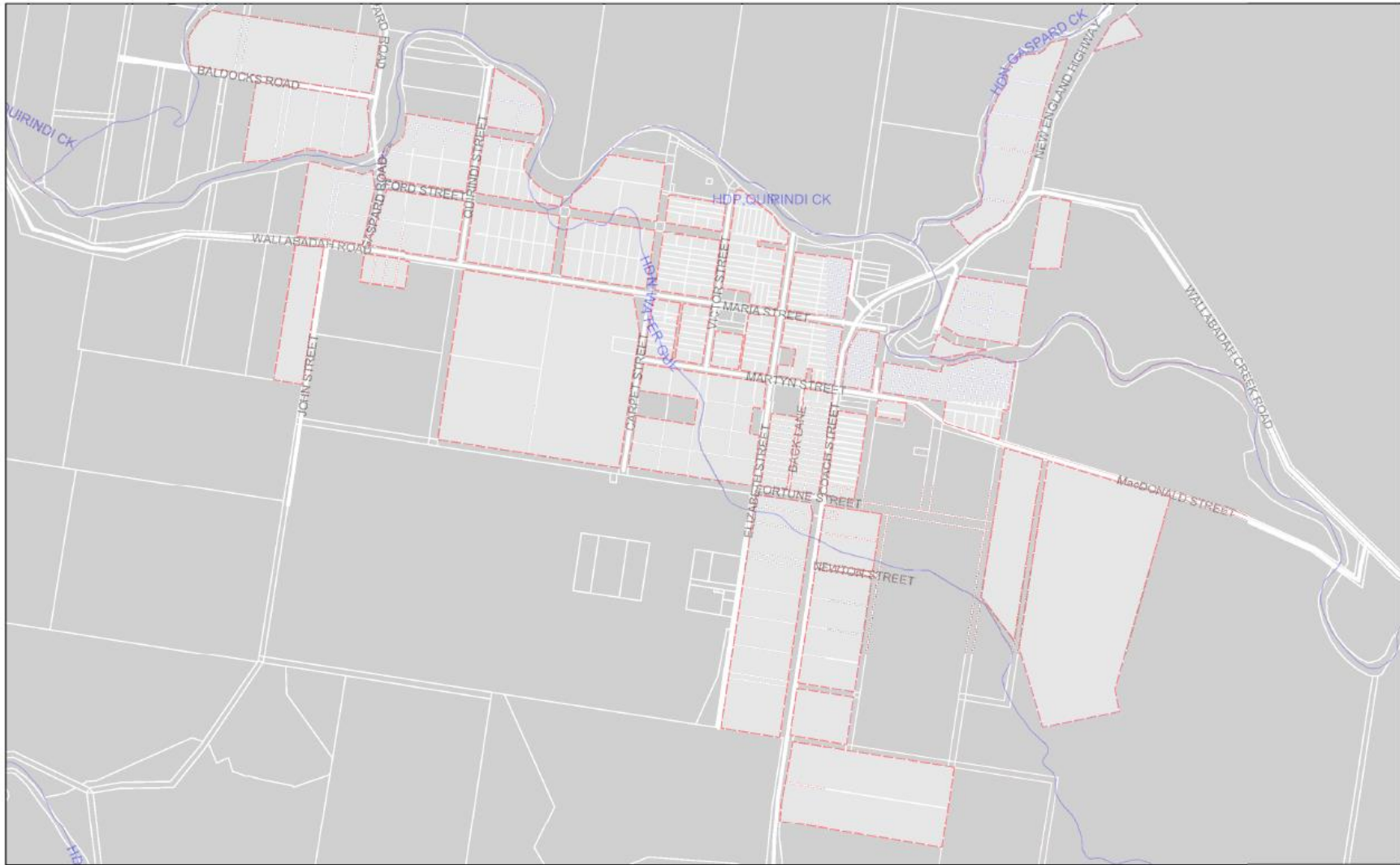


Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
SPRING RIDGE

Legend

 Rate Boundary

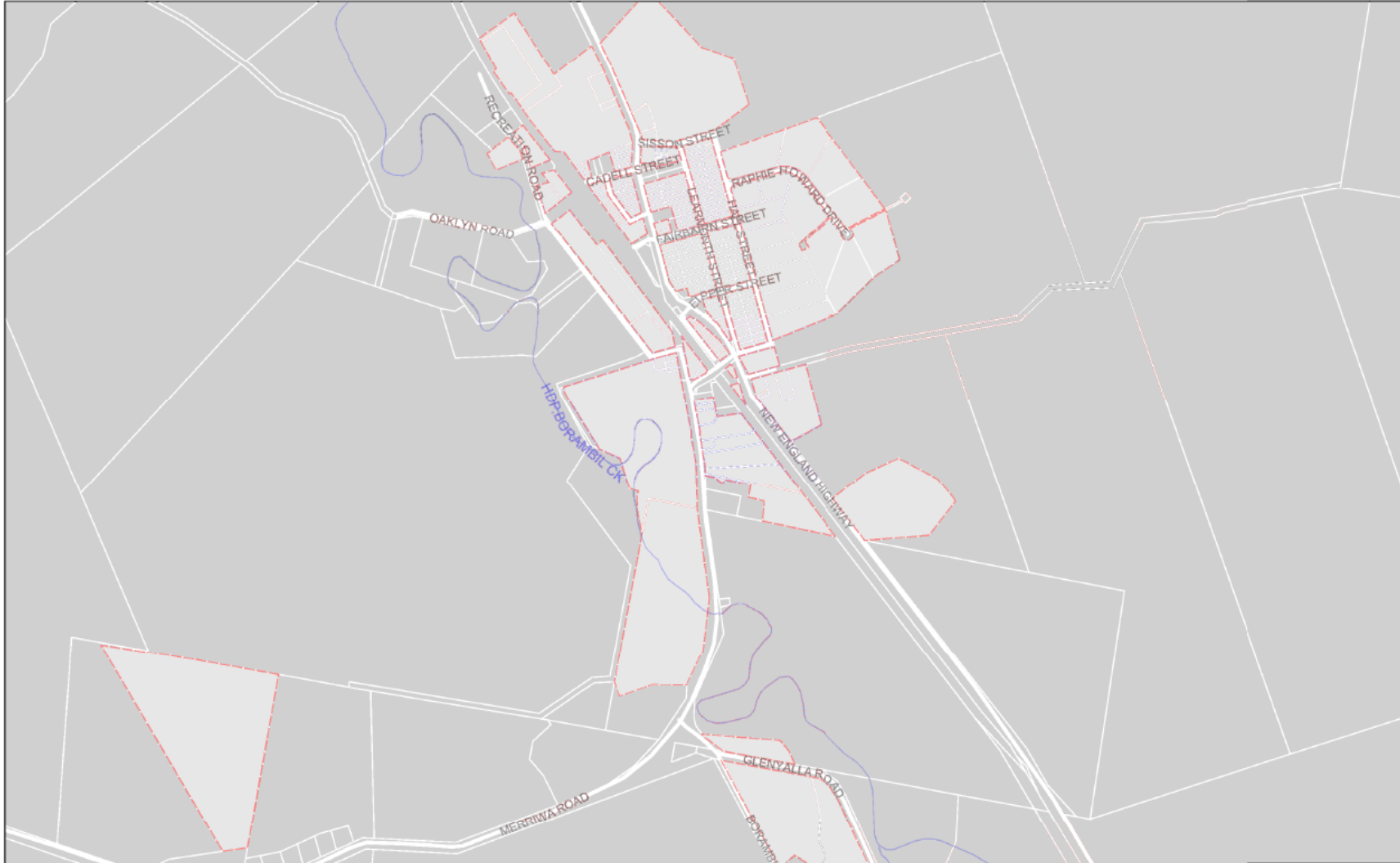




Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
WALLABADAH

Legend





Liverpool Plains Shire Council
Ordinary Rate Category - Residential & Business
WILLOW TREE

Legend

 Rate Boundary



Rating Revenue

Total revenue raised from the levying of land rates continues to be capped by the State Government, with the IPART having set the 2020-2021 rate peg at 2.6 per cent. The rate peg applies only to rate income and does not include income from waste management service charges or water and sewerage service charges.

In 2020-2021, Council will increase the Ordinary Rate by 2.6 per cent, the maximum permissible increase determination advised by the IPART. As indicated in *Table 4*, this is expected to result in a total rate yield of \$7.70 million.

Table 4: Calculation of 2020/2021 Notional General Income Yield – Ordinary Rates						
Rating Category	Sub-Category	Number of Assessments	Ad Valorem Rate	Base Amount \$	Base Amount % of Yield	Notional Income Yield
Farmland		998	0.25914	\$343	7.72%	\$4,445,747
Residential	Quirindi	1222	0.9214	\$375	43.92%	\$1,042,848
	Rural	508	0.3969	\$412	43.23%	\$484,172
	Villages	535	1.0602	\$269	45.08%	\$319,609
	Werris Creek	681	1.1411	\$222	35.35%	\$427,669
Business		17	1.1214	\$281	36.56%	\$13,065
	Quirindi	146	2.7038	\$597	21.35%	\$408,816
	Premer	7	3.2957	\$328	42.85%	\$5,358
	Villages	52	0.7749	\$501	45.69%	\$57,021
	Spring Ridge	8	3.4752	\$401	44.05%	\$7,283
	Wallabadah	6	1.4762	\$467	46.44%	\$6,033
	Werris Creek	34	1.1866	\$463	42.78%	\$36,798
Mining	Mining	2	3.7633	\$2,157	20.41%	\$21,136
	Coal	2	1.2253	\$914	0.44%	\$418,651
Mixed	Residential	8	0.9214	\$375	0.00%	\$3,363
	Business	8	2.7038	\$597	0.00%	\$11,482
		4,234				\$7,709,051

Rate Instalment Dates

Under section 562 of the Act, annual rates and charges may be paid in a single instalment or by quarterly instalments payable on 31 August, 30 November, 28 February and 31 May.

Where a due date falls on a weekend, it is Council's practice to extend the payment date to the first working day after the due date.

Interest on Rates and Charges

In accordance with section 566 of the Act, Council charges interest on all rates and charges that remain unpaid after they become due and payable. Rates and charges become payable one month after the date of service of the rates notice, unless a person elects to pay the rates and charges by instalments. Where a person elects to pay by instalments, rates and charges become payable on the due date of the instalment.

The maximum interest rates are determined by the Minister for Local Government and published in the *NSW Government Gazette*. The Office of Local Government has advised that the maximum rate of interest payable on overdue rates and charges for the period 01 July 2020 to 31 December 2020 (inclusive) will be 0.0 per cent, and that the maximum rate of interest payable on overdue rates and charges for the period 01 January 2021 to 30 June 2021 (inclusive) will be 7.0 per cent.

Annual Service Charges

Under the relevant provisions of the Act, in 2020-2021 Council will levy annual service charges for waste management, water supply services, and sewer services.

Waste Management Charges

In accordance with sections 496 and 501 of the Act, Council will levy an annual charge for the provision of both domestic and commercial waste management services on each rateable and non-rateable property having access to the services.

In 2020-2021, Council will increase the levy charged by 3.0%, which is the minimum increase considered necessary for the maintenance of current service levels, funding of required capital works and in order to provide for future waste facility remediation works.

Table 5 details the 2020-2021 domestic and commercial waste management charges to be levied.

Table 5: Waste Management Charges 2020-2021			
Waste Group	Applicable Charges	2019-2020 Charge	2020-2021 Charge
Residential – Quirindi, Werris Creek, Wallabadah, Willow Tree and Currabubula	Occupied		
	Tip Facility Charge	\$93	\$95
	DWM Charge	\$396	\$408
	Unoccupied		
	Tip Facility Charge	\$93	\$95
	DWM Charge	\$62	\$64
Business – Quirindi, Werris Creek, Wallabadah, Willow Tree and Currabubula	Occupied		
	Tip Facility Charge	\$93	\$95
	CWM Charge	\$396	\$408
All Other Businesses	Tip Facility Charge	\$93	\$95
All Rural Properties	Tip Facility Charge	\$93	\$95
Additional Services	240 Litre Fortnightly Co-Mingled Recycling Service (Per annum)	\$139	\$143

	240 Litre Weekly MGB Service (Per annum)	\$273	\$286
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Water Supply Service Charges

In accordance with sections 501 and 502 of the Act, Council will levy a charge on all properties connected to or capable of being connected to Council's water supply systems. The proposed access and user charges detailed in *Table 6*.

In 2020-2021, the combined water service operations has a forecast operating surplus of \$689,682 before capital movements including infrastructure renewals and loan principal repayments.

Table 6: Water Supply Service Charges 2020-2021				
	Access Charge 2019-2020	Access Charge 2020-2021	First Step Usage – Up to 300KL	Second Step Usage – above 300KL
Vacant Lots Unoccupied (Residential and Non-Residential)	\$708	\$730	\$1.95/KL	\$2.60/KL
Standard (Residential and Non-Residential) 20mm WSC	\$708	\$730	\$1.95/KL	\$2.60/KL
Standard (Residential and Non-Residential) 25mm WSC	\$986	\$1,023	\$1.95/KL	\$2.60/KL
Standard (Residential and Non-Residential) 32mm WSC	\$1,428	\$1,482	\$1.95/KL	\$2.60/KL
Standard (Residential and Non-Residential) 40mm WSC	\$1,779	\$1,846	\$1.95/KL	\$2.60/KL
Standard (Residential and Non-Residential) 50mm WSC	\$2,779	\$2,885	\$1.95/KL	\$2.60/KL
Standard (Residential and Non-Residential) 80mm WSC	\$7,117	\$7,388	\$1.95/KL	\$2.60/KL
Standard (Residential and Non-Residential) 100mm WSC	\$11,119	\$11,543	\$1.95/KL	\$2.60/KL
Quipolly Dam Raw Water Access Charge 20mm	\$708	\$730	\$0.87c/KL	\$1.15/KL
Recreational Usage	Variable - Meter Size	Variable - Meter Size	\$0.60c/KL	N/A

Sewer Service Charges

In accordance with sections 501 and 502 of the Act, Council will levy a charge on all consumers connected to, or capable of being connected to Council's sewer systems for sewer services. The charges are detailed in *Table 7*.

Council's 2020-2021 Budget for sewer services has a forecasted deficit of \$179,994, before capital movements.

Table 7: Sewer Service Charges 2020-2021			
Standard Charges	Access Charge 2019-2020	Access Charge 2020-2021	Usage Charge 2020-2021
Standard Residential Charge 20mm WSC	\$574	\$592	\$0
Standard Residential Charge 25mm WSC	\$547	\$592	\$0
Vacant Lots Unoccupied (Residential and Non-Residential)	\$574	\$592	\$0
Standard Non-Residential Charge 20 mm WSC	\$372	\$390	\$1.99c/KL
Standard Non-Residential Charge 25mm WSC	\$547	\$592	\$1.99c/KL
Standard Non-Residential Charge 32mm WSC	\$853	\$879	\$1.99c/KL
Standard Non-Residential Charge 40mm WSC and Over	\$1,304	\$1,344	\$1.99c/KL

Annual Fees and Charges

Council levies a range of annual fees and charges, with the income from these fees and charges helping us provide services, facilities and infrastructure for our community.

Consistent with section 608 of the Act, Council approves with this Revenue Policy a Schedule of Fees and Charges for its activities and services to apply in 2020-2021. The schedule is contained at Part 5 of the combined Delivery Program and Operational Plan, and should be read in conjunction with this Revenue Policy.

Our fees and charges are intended to cover costs associated with:

- Supply of a product, service or commodity;
- Giving of information;
- Providing a service in connection with Council's regulatory functions, including receiving an application for approval, granting an approval, making an inspection and issuing a certificate; and
- Allowing admission to, and use of, a public building or enclosure.

Many fees and charges are determined by legislation and regulation, with Council having no ability to amend or alter them. These are known as "statutory fees" and may change during the financial year without notice.

Each year, Council reviews all fees and charges not subject to regulatory control, prior to finalisation of the combined Delivery

Program and Operational Plan. This review is guided by the following principles:

- That community facility charges represent a fair and reasonable cost, and if applicable identify a level of Community Service Obligation (CSO).
- Where a CSO is identified, that the charge is determined on the proportion of CSO and client classification (organisation contributions).
- Regulatory fees and charges fixed by the statute of relevant industry bodies are correctly levied (e.g. Section 603 Certificates, Development Applications, and Companion Animal registration fees)
- The recoupment of Government imposed taxes and levies, including GST.
- The competitive neutrality principles of the National Competition Policy.
- Where no CSO is identified, the fees and charges for other goods and services are levied on a full cost recovery basis where possible.
- Any other factors as specified by regulation.

Council has adopted the philosophy of 'Shire-wide' fees and charges for the use of community, recreational and cultural facilities, acknowledging that some charges may vary as Council identifies differing levels of Community Service Obligations in accordance with a client classification. The fees and charges are levied with a view to reducing the subsidisation required from ordinary rate funds for the ongoing operation and maintenance of the services.

Pricing Methodology

Council consistently updates and applies the equitable pricing methodology throughout the organisation to service delivery areas. Council supports the user pays principle in the assessment and levying of fees and charges, acknowledging the need for supplementation from Council at times due to Community Service Obligations.

All fees and charges levied that are subject to Goods and Services Tax (GST) are recorded as such in the Schedule of Fees and Charges. Division 81 of the GST legislation details those fees that are exempt from GST, and these fees do not include GST charges in their cost in the Schedule of Fees and Charges.

Interest on Overdue Rates and Charges

Council's current policy is to adopt the maximum permissible interest rate for each year on overdue rates, charges on a simple interest basis.

Waiver or Reduction of Fees

Section 610E of the Act allows Council to waive payment of, or reduce, certain fees if it is satisfied that the case falls within a category of hardship or any other category that Council has determined.

Council will directly, or through delegated authority, assess and make determinations on requests for the reduction or waiver of fees in accordance with the following principles:

- (a) compliance with relevant legislation;
- (b) compliance with any applicable Council policy or procedure;
- (c) fairness, consistency and equity; and
- (d) transparency.

Proposed Borrowings

Council's borrowings are governed by the relevant provisions of the Act and Regulation. A council may borrow at any time for any purpose allowed under the Act. A council may borrow by way of overdraft or loan or by any other means approved by the Minister. The Minister may impose limitations or restrictions on borrowings by a particular council.

The proposed loan program detailed in *Table 8* reflects the loan-borrowing program to be adopted by Council for the 2020-2021 financial year:

Table 8: Proposed Loan Program 2020-2021	
Project	Total
Quipolly Water Project – New Loan	\$3,425,000
Quipolly Dam Upgrade – Existing Loan 114*	\$1,972,209
Quipolly Dam Upgrade – Existing Loan 112*	\$1,486,464
Urban Stormwater – Existing Loan 111*	\$630,473
Total Borrowings	\$7,514,146

The new loan for the Quipolly Water Project is proposed to be borrowed from TCorp, the financial markets partner of the NSW public sector, for a period of 20 years.

The loan will be secured by Council's Rates income. Over the period of two financial years, it is estimated that Council will borrow \$8 million for the Quipolly Water Project.

PART 5 –
Schedule of Fees and Charges