

ATTACHMENT ONE



Insight for
Business & Government

2011 Kiama Council Community Survey **Management Report**

Prepared for



Prepared by
IRIS Research Ltd

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Executive summary

This report presents the results of the Kiama Council Community Survey, 2011. IRIS Research was commissioned by Council to conduct a comprehensive telephone based survey among the area's residents. The survey sought a range of resident attitudes and opinions as input to Council's ongoing strategic planning and quality improvement process.

The 2011 survey was conducted on the IRIS Computer-Assisted Telephone Interviewing (CATI) system during August. A total of 531 interviews were conducted with residents from the Kiama Local Government Area (LGA). To qualify for an interview, respondents had to have been a resident in the Council area for at least the last 6 months and aged 18 years or older. The survey achieved a completion rate of 70%, which is considered a good response for a telephone survey.

The main findings of the 2011 survey are summarised under the key report headings over the next few pages.

OVERALL SATISFACTION

Results showed that three out of four Kiama LGA residents (76.0%) were either satisfied (60.8%) or very satisfied (15.2%) with Kiama Council's overall performance, while only a small proportion of residents (3.2%) were dissatisfied with the performance by Council. Given the satisfaction ratings provided by residents, a mean satisfaction score of 3.88 was achieved. Not only is this considered a 'high' satisfaction score, it also showed that Kiama Council is performing above the benchmark set by comparable Councils to Kiama.

INDIVIDUAL COUNCIL SERVICES AND FACILITIES

An in-depth analysis of importance and satisfaction ratings for Council services and facilities has highlighted the priority areas for improvement. Table E1 outlines the services and facilities that were identified as not meeting resident expectations in either quadrant or gap analysis. Initially there were 31 services and facilities measured in this survey, however after applying both forms of

Mo-ris et to be added to Wyong or a new Central Coast council, reflecting expected patterns of urban growth and an orientation towards Sydney. Also, the Beresfield area of Newcastle, which is separated by a major wetland from the rest of the city, could be transferred to Maitland.

Port Stephens council appears likely to remain sustainable in its present form well into the future, and there are no pressing boundary issues. The only change that might be considered in the shorter term is the possible transfer of the area west of the Williams River to an amalgamated Dungog-Maitland. This needs to be investigated further.

Map 5: Options for Hunter Councils



14.2 Central Coast

Gosford and Wyong exhibit very strong socio-economic and functional linkages. The two councils already form a regional organisation and have been planning a joint water corporation for several years. Amalgamation has been discussed from time to time and recently came close to fruition, but the impetus appears once again to have been lost. The 2031 projected population for the two combined is about 390,000 – large but not exceptional.

Options for the Central Coast are a full amalgamation or a multi-purpose Joint Organisation. The Panel does not believe a separate water corporation should proceed before those options have been properly evaluated. The potential for an amalgamation warrants further investigation, but if that option is rejected or deferred indefinitely, then a Joint Organisation should be established and should assume responsibility for water along with other strategic functions.

14.3 Illawarra

For the purposes of this report, the Illawarra region is defined as the areas of Wollongong, Shellharbour and Kiama. This definition accords with the approach favoured by DP&I. The Panel has some concerns about the exclusion of Shoalhaven, which was previously included in the Illawarra for the purposes of the State Plan, and which has longstanding links to the north through the Southern Councils group and its predecessor regional organisations. However, it understands that inclusion of Shoalhaven in the South East-Tablelands region is the preferred option for the preparation of a new Regional Growth Plan, and specifically for integrated planning along the south coast.

Table 10: Characteristics of Illawarra Region Councils

Council	TCorp FSR and Outlook	Population 2011	Projected 2031 Population
Kiama	Moderate-Neutral	20,832	29,300
Shellharbour	Moderate-Negative	66,054	89,300
Wollongong	Moderate-Neutral	201,215	234,000

All three councils are currently rated Moderate by TCorp. Shellharbour has a Negative Outlook, but has implemented a Special Rate Variation to address the issues involved. In terms of economic, social, environmental and transport linkages, and for strategic planning purposes, the councils form a well-established region and have cooperated for many years through regional organisations, although shared services activity is very limited.

Like the Hunter, the Illawarra faces major economic and social challenges, coupled with substantial urban growth in Wollongong and Shellharbour. The Panel has considered whether a merger or mergers are necessary at this stage. It has taken into account a combination of four key factors:

- Each council appears sustainable for at least the medium term
- Existing boundaries do not pose significant urban management problems
- Water supply and sewerage are handled separately by Sydney Water
- Kiama's distinctive rural and coastal setting and 'country town' character, compared to Wollongong and Shellharbour.

On that basis, the Panel considers that closer collaboration through a Joint Organisation should enable a sufficient response to regional challenges for some time to come. Emerging issues should be kept under review. If amalgamation options need to be revisited, the Panel suggests that Shoalhaven might be a more appropriate partner for Kiama than Wollongong-Shellharbour, although the new definition of the region could present an obstacle.

Recommendations for Hunter, Central Coast and Illawarra

47 Seek evidence-based responses from Hunter and Central Coast councils to the Panel's proposals for mergers and boundary changes, and refer both the proposals and responses to the proposed Ministerial Advisory Group (section 18.1) for review, with the possibility of subsequent referrals to the Boundaries Commission (14.1 and 14.2)

48 Defer negotiations for the establishment of a Central Coast Joint Organisation pending investigation of a possible merger of Gosford and Wyong councils (14.2)

49 Pursue the establishment of Joint Organisations for the Hunter and Illawarra in accordance with Recommendation 35 (14.1 and 14.3)

ATTACHMENT THREE



New South Wales State and Local Government Area Population, Household and Dwelling Projections: 2014 Final

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KIAMA



TOTALS:	2011	2016	2021	2026	2031
Total Population	20,800	22,000	23,150	24,300	25,450
Total Households	8,100	8,800	9,400	9,950	10,550
Average Household Size	2.54	2.46	2.42	2.39	2.36
Implied Dwellings	9,900	10,750	11,500	12,200	12,900

CHANGE:	2011-16	2016-21	2021-26	2026-31
Total Population Change	1,200	1,150	1,150	1,100
Average Annual Population Growth	1.1%	1.0%	1.0%	0.9%
Total Household Change	700	600	550	550
Average Annual Household Growth	1.7%	1.3%	1.2%	1.1%

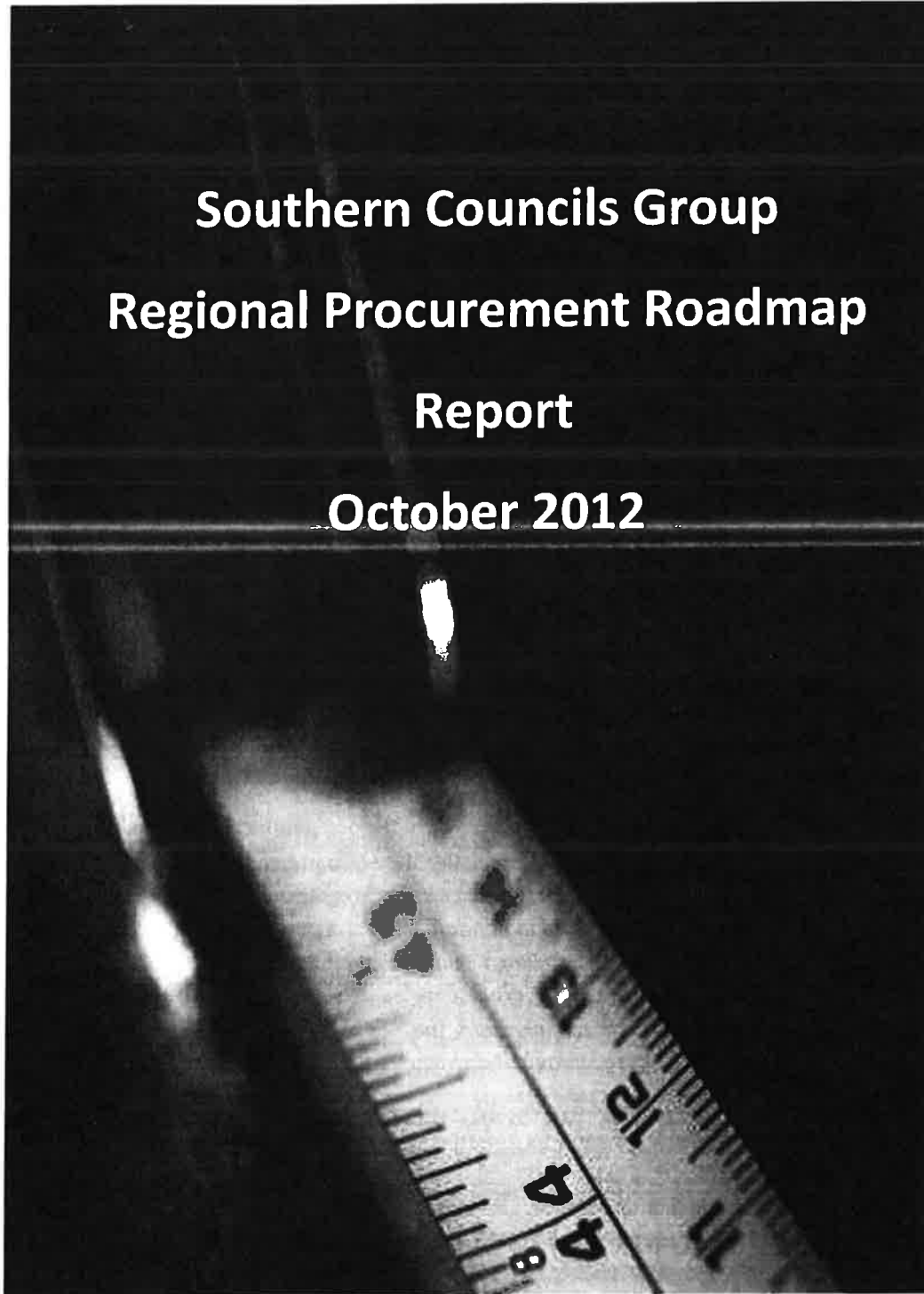
AGE GROUPS	2011	2016	2021	2026	2031
0-4	1,050	1,100	1,150	1,150	1,150
5-9	1,250	1,300	1,350	1,400	1,400
10-14	1,350	1,400	1,450	1,500	1,600
15-19	1,450	1,300	1,350	1,400	1,450
20-24	1,100	800	700	700	750
25-29	900	950	800	700	750
30-34	850	1,100	1,150	1,000	950
35-39	1,150	1,100	1,350	1,400	1,300
40-44	1,300	1,400	1,350	1,600	1,650
45-49	1,450	1,400	1,500	1,450	1,700
50-54	1,700	1,550	1,500	1,600	1,550
55-59	1,650	1,800	1,650	1,600	1,700
60-64	1,450	1,750	1,900	1,800	1,750
65-69	1,250	1,500	1,800	1,950	1,900
70-74	950	1,200	1,450	1,700	1,900
75-79	800	850	1,100	1,350	1,600
80-84	600	650	750	950	1,200
85+	600	750	850	950	1,200

HOUSEHOLD TYPES:	2011	2016	2021	2026	2031
Couple only	2,650	3,000	3,300	3,550	3,750
Couple with children	2,700	2,800	2,900	2,950	3,050
Single parent	700	750	750	800	800
Other family households	50	50	50	50	50
Multiple-family households	150	150	150	200	200
<i>Total family households</i>	<i>6,250</i>	<i>6,750</i>	<i>7,150</i>	<i>7,550</i>	<i>7,850</i>
Lone person	1,700	1,950	2,100	2,300	2,550
Group	100	100	100	100	100
<i>Total non-family households</i>	<i>1,850</i>	<i>2,050</i>	<i>2,250</i>	<i>2,450</i>	<i>2,650</i>
Total	8,100	8,800	9,400	9,950	10,550

ATTACHMENT FOUR

Plan Level	Plan No.	Plan description	Measure/s	
OP Activity	4.15.2.1	Ensure continued development of Council's geographical information system (GIS)	<ul style="list-style-type: none"> System availability meets agreed service standards 	Manager Information Services
OP Activity	4.15.2.2	Provide accurate and timely property and spatial information to meet customer requirements	<ul style="list-style-type: none"> Software systems maintained 	Manager Information Services
CSP Strategy	4.2	Ensure finances are managed responsibly to meet the goals of the Community Strategic Plan and to protect financial investments and assets		
DP Action	4.2.1	Ensure all statutory accounting and reporting is carried out to meet legislation	<ul style="list-style-type: none"> Legislative requirements met 	Director Corporate and Commercial Services
OP Activity	4.2.1.1	Ensure compliance with Office of Local Government's calendar of legislative requirements	<ul style="list-style-type: none"> All legislative requirements met by due date 	Manager Corporate Services
DP Action	4.2.2	Ensure internal audit controls are in place	<ul style="list-style-type: none"> Maintain and implement recommendations of internal audit and risk committee and internal review process 	Director Corporate and Commercial Services
OP Activity	4.2.2.1	Implement recommendations of Internal Audit and Risk Committee	<ul style="list-style-type: none"> All recommendations implemented 	Manager Corporate Services
DP Action	4.2.3	Ensure maximum revenue return is achieved	<ul style="list-style-type: none"> Maintain investment returns comparable to leading managed funds Ensure timely issue of rates notices 	Director Corporate and Commercial Services
OP Activity	4.2.3.1	Maintain investment returns comparable to the RBA Bank Bill (90 day) Index	<ul style="list-style-type: none"> Maintain returns at 0.5% above the 90 day bank bill rate 	Manager Corporate Services
CSP Strategy	4.3	Identify opportunities to diversify and expand new and existing funding sources to meet community needs		
DP Action	4.3.1	Manage Council's commercial activities in a sustainable manner	<ul style="list-style-type: none"> Return from commercial activity 	Director Corporate and Commercial Services
OP Activity	4.3.1.1	Ensure opportunities for additional grant funding are investigated	<ul style="list-style-type: none"> All known opportunities are investigated 	Corporate Planner
DP Action	4.3.2	Investigate surplus Council owned land and buildings to maximise return" and "Generate return from surplus land and buildings	<ul style="list-style-type: none"> Maintain or increase return from surplus land and buildings 	Director Environment and Works
OP Activity	4.3.2.1	Ensure all surplus land and building assets are leased or sold	<ul style="list-style-type: none"> Number of assets/properties leased or sold 	Manager Property
DP Action	4.3.3	Investigate opportunities for new Council commercial activities	<ul style="list-style-type: none"> Increase in number of Council commercial activities 	Director Corporate and Commercial Services

**Southern Councils Group
Regional Procurement Roadmap
Report
October 2012**



Background

Procurement has been increasingly acknowledged world-wide as a vital strategic tool to reduce costs and improve performance outcomes. Yet while significant procurement reform and development programs are underway in both the public and private sectors, it is only recently that local government has begun to focus attention on the opportunities available in this area. Procurement Development Programs are now underway in Victoria and South Australia focussed on supporting individual councils, regional groups and the sector as a whole to develop and embed improved procurement practice.

Estimates suggest that NSW Councils spend more than \$7 billion through procurement each year on the goods and services needed to support council operations. For most councils, procurement accounts for more than half of their overall annual expenditure and business activity. Research undertaken in Victoria by Ernst and Young in 2008, highlighted that significant savings of up to 15 – 20% are available through improved procurement practice and increased collaboration. The importance of good council-wide procurement practice has been further underlined recently in NSW with ICAC highlighting Government procurement performance and probity as a priority area of focus.

Despite the scale of the activity and the opportunities available however, the profile and understanding of procurement within councils is still low-medium in many instances, where it is considered as primarily an administrative and compliance function. There are significant opportunities available to raise the profile, capability and performance of council procurement in NSW (as in other states).

Local Government Programs

To address similar issues and opportunities in Victoria, the State Department of Planning and Community Development (DPCD) undertook the Procurement Excellence Program (PEP) focussing on embedding improved procurement practice across Victorian local government. PMMS Consulting Group was engaged by DPCD to assist councils in undertaking a review of their procurement operations. Driven by the Procurement Capability Assessment (PCA) process developed and implemented by PMMS across three hundred public and private sector organisations, the PEP reviewed council procurement practice and facilitated the development of a Procurement Roadmap for 77 Victorian councils.

In South Australia, 39 Councils took part in the Local Government Association's Procurement Development Review as part of their 'Year of Procurement'. A pilot Procurement Roadmap Program is now underway including both metropolitan and regional councils.

In NSW, Local Government Procurement and PMMS announced a the NSW LG Procurement Roadmap Program, following a highly successful Pilot in late 2011. Nineteen diverse councils from across the State took part in the first stage of this program completed in June 2012, designed to raise the profile and performance of procurement across the sector.

ATTACHMENT SIX

2.0

Well planned and managed spaces, places and environment



Plan Level	Plan No.	Plan description	Measure/s	Responsibility
CSP Strategy	2.1	Maintain the separation and distinct nature of the towns and villages of our local area		
DP Action	2.1.1	Implement and review the Urban Strategy	<ul style="list-style-type: none"> The Kiama Urban Strategy is reviewed as required 	Director Environmental Services
OP Activity	2.1.1.1	Provide timely information and achieve milestones identified by Department of Planning and Environment	<ul style="list-style-type: none"> Urban Strategy nominated Planning Proposals are tracked and reported. 	Manager Strategic Planning
OP Activity	2.1.1.2	Planning Proposals reviewed against objectives of the Urban Strategy and reported	<ul style="list-style-type: none"> Reporting completed 	Manager Strategic Planning
OP Activity	2.1.1.3	Development standards for infill development are reviewed having regard to Planning and Environment Urban Feasibility Model	<ul style="list-style-type: none"> Demonstrated review/consultation reported as required 	Manager Strategic Planning
CSP Strategy	2.10	Effectively manage the transport network of roads, footpaths and cycleways to cater for current and future generations		
DP Action	2.10.1	Manage the road infrastructure for the community by the implementation of the Road Asset Management Plan actions	<ul style="list-style-type: none"> Maintain or increase community satisfaction with the road network Optimal renewal of road infrastructure The Roads Asset Management Plan is fully funded Capital works are delivered in accordance with Delivery Program 	Director Engineering and Works
OP Activity	2.10.1.1	Undertake a road asset renewal program	<ul style="list-style-type: none"> Percentage of renewal program completed Percentage of renewals updated in the Asset Management Information System Percentage of scheduled designs completed Renewal Budget v Actual expenditure percentage 	Manager Works Manager Design and Development


Plan Level	Plan No.	Plan description	Measure/s	Responsibility
OP Activity	2.10.1.2	Manage new road asset creation	<ul style="list-style-type: none"> New Asset Budget v Actual expenditure percentage Percentage of new asset program completed Percentage of scheduled designs completed Unscheduled Maintenance Budget v Actual expenditure percentage 	Manager Works Manager Design and Development Manager Works
OP Activity	2.10.1.3	Undertake maintenance program for roads, footpaths and cycleways	<ul style="list-style-type: none"> New Asset schedule created for following year Budget Renewal schedule created for following year Budget 	Manager Works
OP Activity	2.10.1.4	Maintain Road Asset Management Plan	<ul style="list-style-type: none"> New Asset schedule created for following year Budget Renewal schedule created for following year Budget 	Manager Works
DP Action	2.10.2	Manage footpaths and cycleway infrastructure for the community by the implementation of the Shared Pathway Asset Management Plan actions	<ul style="list-style-type: none"> Maintain or increase community satisfaction with the footpath and cycleway network Optimal renewal of footpath and cycleway infrastructure The Footpath and Cycleway Asset Management Plan is fully funded Capital works are delivered in accordance with Delivery Program 	Director Engineering and Works
OP Activity	2.10.2.1	Manage footpath and cycleway Asset Renewals	<ul style="list-style-type: none"> Percentage of renewal program completed Percentage of renewals updated in the Asset Management Information System Percentage of scheduled designs completed Renewal Budget v Actual expenditure percentage 	Manager Works Manager Design and Development
OP Activity	2.10.2.2	Manage New footpath and cycleway Asset creation	<ul style="list-style-type: none"> New Asset Budget v Actual expenditure percentage Percentage of new asset program completed Percentage of scheduled designs completed 	Manager Works
OP Activity	2.10.2.2	Manage footpath and cycleway Asset Maintenance and Operation	<ul style="list-style-type: none"> Unscheduled Maintenance Budget v Actual expenditure percentage 	Manager Works

Plan Level	Plan No.	Plan description	Measure/s	Responsibility
OP Activity	2.10.2.3	Maintain Shared Pathway Asset Management Plan	<ul style="list-style-type: none"> New Asset schedule created for following year Budget Renewal schedule created for following year budget 	Manager Works
CSP Strategy	2.11	Effectively manage the drainage network to cater for current and future generations		
DP Action	2.11.1	Manage drainage infrastructure for the community by the implementation of the Drainage Asset Management Plan actions	<ul style="list-style-type: none"> Maintain or increase community satisfaction with the drainage network Optimal renewal of drainage infrastructure The Drainage Asset Management Plan is fully funded Capital works are delivered in accordance with Delivery Program 	Director Engineering and Works
OP Activity	2.11.1.1	Manage drainage Asset Renewals	<ul style="list-style-type: none"> Percentage of renewal program completed Percentage of scheduled designs completed Renewal Budget v Actual expenditure percentage 	Manager Works
OP Activity	2.11.1.2	Manage New drainage Asset creation	<ul style="list-style-type: none"> New Asset Budget v Actual expenditure percentage Percentage of new asset program completed Percentage of scheduled designs completed 	Manager Works Manager Design and Development
OP Activity	2.11.1.3	Manage drainage Asset Maintenance and Operation including for gross pollutant traps and drainage pits	<ul style="list-style-type: none"> Unscheduled Maintenance Budget v Actual expenditure percentage 	Manager Works
OP Activity	2.11.1.4	Maintain Drainage Asset Management Plan	<ul style="list-style-type: none"> New Asset schedule created for following year Budget Renewal schedule created for following year Budget Number of scheduled studies completed 	Manager Works
OP Activity	2.11.1.5	Undertake the preparation of Flood Studies for identified catchments		Manager Design and Development
CSP Strategy	2.12	Effectively manage recreation and open space infrastructure to cater for current and future generations		

Plan Level	Plan No.	Plan description	Measure/s	Responsibility
DP Action	2.12.1	Manage recreation and open space infrastructure for the community by the implementation of the Recreation and Open Space Asset Management Plan actions	<ul style="list-style-type: none"> Maintain or increase community satisfaction with the recreation and open space infrastructure Optimal renewal of recreation and open space infrastructure The Recreation and Open Space Asset Management Plan is fully funded Capital works are delivered in accordance with Delivery Program 	Director Engineering and Works
OP Activity	2.12.1.1	Manage recreation and open space asset renewals	<ul style="list-style-type: none"> Percentage of scheduled designs completed Renewal Budget v Actual expenditure percentage Percentage of renewal program completed 	Manager Design and Development Manager Works
OP Activity	2.12.1.2	Manage new recreation and open space asset creation	<ul style="list-style-type: none"> New Asset Budget v Actual expenditure percentage Percentage of new asset program completed Percentage of scheduled designs completed Unscheduled Maintenance Budget v Actual expenditure percentage 	Manager Works Manager Design and Development
OP Activity	2.12.1.3	Maintain Recreation and Open Space Asset Management Plan, including reserves, sports fields, playgrounds and skate parks	<ul style="list-style-type: none"> New Asset schedule created for following year Budget Renewal schedule created for following year Budget 	Manager Works
OP Activity	2.12.1.4	Develop a Sun-safe program for Council's playgrounds	<ul style="list-style-type: none"> Program developed and reported to Council 	Manager Design and Development
DP Action	2.12.2	Pursue opportunities for the implementation of the Kiama Harbour Plan of Management	<ul style="list-style-type: none"> Kiama Harbour Plan of management implemented 	Director Engineering and Works
OP Activity	2.12.2.1	Implement Kiama Harbour and Blowhole Point Masterplan - pending successful funding application	<ul style="list-style-type: none"> Funding provided and Masterplan implemented 	Director Engineering and Works
CSP Strategy	2.13	Effectively manage other assets to cater for current and future generations (including car parks, community buildings, cemeteries and dams)		



Plan Level	Plan No.	Plan description	Measure/s	Responsibility
DP Action	2.13.1	Manage community buildings by the creation and implementation of the Community Buildings Asset Management Plan actions	<ul style="list-style-type: none"> • Maintain or increase community satisfaction with community buildings • Optimal renewal of community buildings infrastructure • The Community Buildings Asset Management Plan is fully funded • Capital works are delivered in accordance with Delivery Program 	Director Engineering and Works
OP Activity	2.13.1.1	Manage community asset renewals	<ul style="list-style-type: none"> • Percentage of renewal program completed • Percentage of renewals updated in the Asset Management Information System • Percentage of scheduled designs completed • Renewal Budget v Actual expenditure percentage 	Manager Works Manager Design and Development
OP Activity	2.13.1.2	Manage community buildings new asset creation	<ul style="list-style-type: none"> • New Asset Budget v Actual expenditure percentage • Percentage of new asset program completed • Percentage of scheduled designs completed 	Manager Works Manager Design and Development
OP Activity	2.13.1.3	Manage community buildings asset maintenance and operation	<ul style="list-style-type: none"> • Unscheduled Maintenance Budget v Actual expenditure percentage 	Manager Works
OP Activity	2.13.1.4	Create a Community Buildings Asset Management Plan	<ul style="list-style-type: none"> • New Asset schedule created for following year Budget • Renewal schedule created for following year Budget 	Manager Works
DP Action	2.13.2	Manage other assets and infrastructure by the creation and implementation of the Other Assets and Infrastructure Asset Management Plan actions	<ul style="list-style-type: none"> • Maintain or increase community satisfaction with other assets • Optimal renewal of other asset infrastructure • The Other Assets and Infrastructure Asset Management Plan is fully funded • Capital works are delivered in accordance with Delivery Program 	Director Engineering and Works

Plan Level	Plan No.	Plan description	Measure/s	Responsibility
OP Activity	2.13.2.1	Manage other asset and infrastructure asset renewals	<ul style="list-style-type: none"> Percentage of renewal program completed Percentage of scheduled designs completed Renewal Budget v Actual expenditure percentage 	Manager Works Manager Design and Development
OP Activity	2.13.2.2	Manage other asset and infrastructure new asset creation	<ul style="list-style-type: none"> New Asset Budget v Actual expenditure percentage Percentage of renewal program completed Percentage of scheduled designs completed 	Manager Works Manager Design and Development
OP Activity	2.13.2.3	Manage other asset and infrastructure asset maintenance and operation	<ul style="list-style-type: none"> Unscheduled Maintenance Budget v Actual expenditure percentage 	Manager Works
OP Activity	2.13.2.4	Create an Other Assets Asset Management Plan	<ul style="list-style-type: none"> New Asset schedule created for following year Budget Renewal schedule created for following year Budget 	Manager Works
DP Action	2.13.3	Manage Dam Infrastructure to comply with Dam Safety Act	<ul style="list-style-type: none"> Dam Infrastructure compliance 	Director Engineering and Works
OP Activity	2.13.3.1	Carry out studies of Fountaindale Dam to comply with requirements of Dam Safety Committee	<ul style="list-style-type: none"> Relevant studies completed 	Manager Works
DP Action	2.13.4	Investigate options to achieve compliance with Dam Safety Act and future development opportunities for Jerrara Dam	<ul style="list-style-type: none"> Jerrara Dam compliance 	Director Engineering and Works
OP Activity	2.13.4.1	Investigate all options for the future use of Jerrara Dam property	<ul style="list-style-type: none"> Investigations completed and reported to Council 	Director Engineering and Works
CSP Strategy	2.14	Minimise waste and manage it in an efficient and environmentally sensitive manner		
DP Action	2.14.1	Manage waste and recycling in accordance with adopted plans	<ul style="list-style-type: none"> Waste and recycling materials are collected and processed in accordance with adopted plans Waste is managed in accordance with minimisation targets 	Director Environmental Services and Director Engineering and Works

Blue Haven Aged Care Facility

Sub Account	Year 1 2015/16	Year 2 2016/17	Year 3 2017/18	Year 4 2018/19	Year 5 2019/20	Year 6 2020/21	Year 7 2021/22	Year 8 2022/23	Year 9 2023/24	Year 10 2024/25
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ATTACHMENT SEVEN

Capital Expenditure

Remediation	2,600,000									
Land Purchase	2,820,000									
Residential Subdivision	1,000,000	610,011								
RACF		11,054,649	18,732,652	6,212,674						
ILU's			6,768,222	842,434	1,963,583	4,327,421				
ALU's				1,542,367	3,400,955					
Barroul House Restoration					988,306					
	6,420,000	11,664,660	25,500,874	8,597,475	6,352,844	4,327,421	0	0	0	0

Funding Sources

Grant - Restart		4,820,000								
Land Sales		854,725	2,009,272							
Nursing Home Restricted Asset	1,900,000									
Hostel Restricted Asset	3,800,993	1,199,007								
ILU Restricted Asset	719,007	3,280,993								
Net RADs/Bonds Received						742,164	786,024	809,364	832,912	858,444
Net Proceeds - Initial Sales of Loan Licences						10,549,203	3,358,602			
Net Proceeds - Loan Licences Turnovers					48,211	220,844	444,312	749,282	999,454	1,183,511
	6,420,000	10,154,725	2,009,272	24,577,556	18,029,829	11,512,211	4,588,938	1,558,646	1,832,366	2,041,955

Operating Statement

Net Operating Income - RACF and Village-Surplus	808,933	2,230,247	2,684,007	2,774,017	2,883,762	3,023,542	3,146,401
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Scenario 3 - Modelled savings

ATTACHMENT EIGHT

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Materials & Contracts											
Existing LTFP	16,368	16,743	18,019	18,893	19,851	20,367	20,863	21,370	21,866	22,399	
Scenario 3	16,368	16,369	16,937	17,803	18,750	19,273	19,777	20,293	20,798	21,342	
	-	374	1,082	1,091	1,100	1,094	1,086	1,077	1,068	1,057	9,028
Employee Costs											
Existing LTFP	22,446	23,086	25,733	25,575	27,421	28,272	29,076	29,905	30,758	31,636	
Scenario 3	22,446	23,086	25,514	25,125	26,957	27,805	28,606	29,431	30,281	31,157	
	-	-	220	450	464	467	471	474	477	479	3,502
Fees and Charges											
Existing LTFP	14,745	15,111	15,680	15,370	17,264	18,101	18,577	19,082	19,628	20,166	
Scenario 3	14,745	15,184	15,755	15,447	17,343	18,182	18,660	19,167	19,715	20,255	
	-	(73)	(75)	(77)	(79)	(81)	(83)	(85)	(87)	(89)	(728)
Rates											
Existing LTFP	18,890	19,436	19,954	20,486	21,033	21,594	22,170	22,762	23,369	23,993	
Scenario 3	18,890	19,436	19,954	20,929	21,953	23,031	23,644	24,273	24,919	25,583	
	-	-	-	(442)	(921)	(1,437)	(1,474)	(1,511)	(1,550)	(1,590)	(8,925)

Increase in result for budget

(22,183)

ATTACHMENT NINE

Detailed Improvement Action Plan & supporting financial modelling (to be read in conjunction with Section3)

Summarise the key improvement actions that will be achieved in the first year of your plan

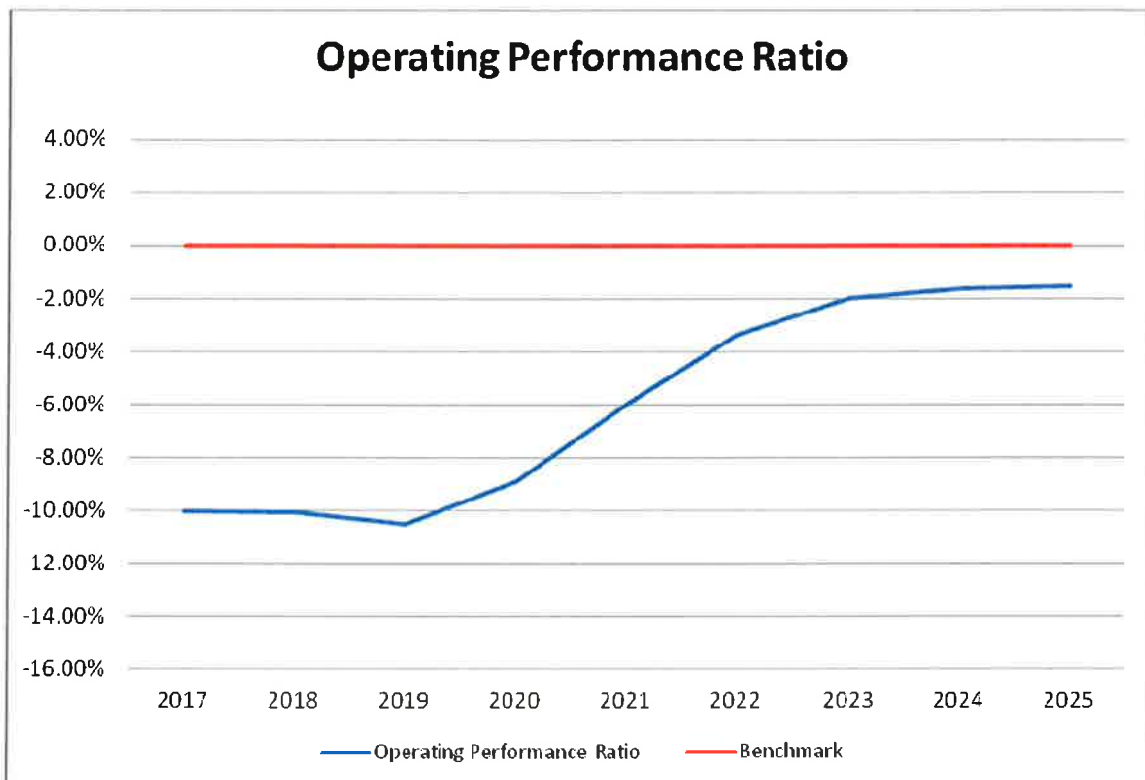
Action	Timeframe	Cost/benefit	Risk	Link to IP&R
Activity based accounting	Expanded to other key areas of Council by October 2017	Consultants may be required to assist in development ~\$30k. Benefits to Council over the life of the plan are expected to be significant	Ongoing financial loss to Council through failure to act and adopt improved strategic financial management practices	Link to CSP 4.2; DP 4.2.2 Mapped to financial management and risk. Develop specific OP activity
Commence development of internal 'funding allocation process' for new capital projects	Commence Oct 2015	Liaise with JO member organisations who have completed and implemented such a process. Some consultant input may be required (~\$30k).	Ongoing financial loss to Council through failure to act; potential reputational risk through inappropriate development	CSP 4.2 & 4.6; DP 4.2.2 & 4.6.1 Mapped to financial management and risk. Develop specific OP activity for this and the above activity

Internal efficiency review (Business Process Improvement)	Commence July 2015	Process to be undertaken with third party consultant working with staff . Process will help to redefine/review internal operations and identify organisational efficiencies. The process will inform various aspects of the IP&R documents including the Workforce MP as part of Resourcing Strategy; budget and LTFP and the OP/DP.	Ongoing financial risk through failure to act	CSP 4.9; DP 4.9.1 & CSP 4.14; DP 4.14.1 Mapped to workforce management and IP&R improvement (Resourcing Strategy) Develop specific OP activity
Undertake periodic Community Engagement Survey (incl. targeted approach to establishing 'satisfaction' of assets & infrastructure)	Complete April 2016	Approximate cost \$32,000	Potential reputational risk through lack of community engagement	CSP 4.1 & 4.5 DP 4.1.1 & 4.5.1 Mapped to governance (council autonomy) & community engagement/satisfaction
Review Fees and Charges	Complete by end April 2016	Opportunity for increased revenue	Ongoing (minor) financial risk through failure to act	CSP 4.2 DP 4.2.3 Mapped to financial management. OP to include specific activity.
Undertake review of status of commercial interests and	Review undertaken	Internal process to identify opportunities for increased revenue	Ongoing financial risk through	CSP 4.3; DP 4.3.1 & 4.3.2 Ongoing and reported

maximise existing and identify new revenue opportunities	every 6 months	through new and existing commercial activities	failure to act	every 6 months. Mapped to diversify and expand new & existing revenue sources
Review depreciation – review options to increase asset lives:	Complete by end Sep 2015 for some asset classes; full review by end June 2016	Internal review with ongoing assistance from asset management consultant	Ongoing financial risk if failure to act	CSP 4.2 ; DP 4.2.2 Mapped to financial management. Undertake as part of current OP internal audit activity
Fit for the Future Community engagement	Commence July 2015 and completed by June 2016	Ongoing benefit to Council by commencing an ongoing process that outlines the actions Council will need to undertake from this point forward as a result of F4F and Improvement Plan. Focus on financial sustainability; asset management and community expectations; actions (incl future need for rate increases)	Significant reputational risk through failure to properly and adequately engage with the community	CSP 4.1 & 4.5 DP 4.1.1 & 4.5.1 Mapped to governance (council autonomy) & community engagement/satisfaction

Scenario 1:

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Performance Ratio	-8.08%	-10.02%	-10.14%	-10.49%	-8.91%	-5.97%	-3.36%	-1.97%	-1.63%	-1.56%
Benchmark	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



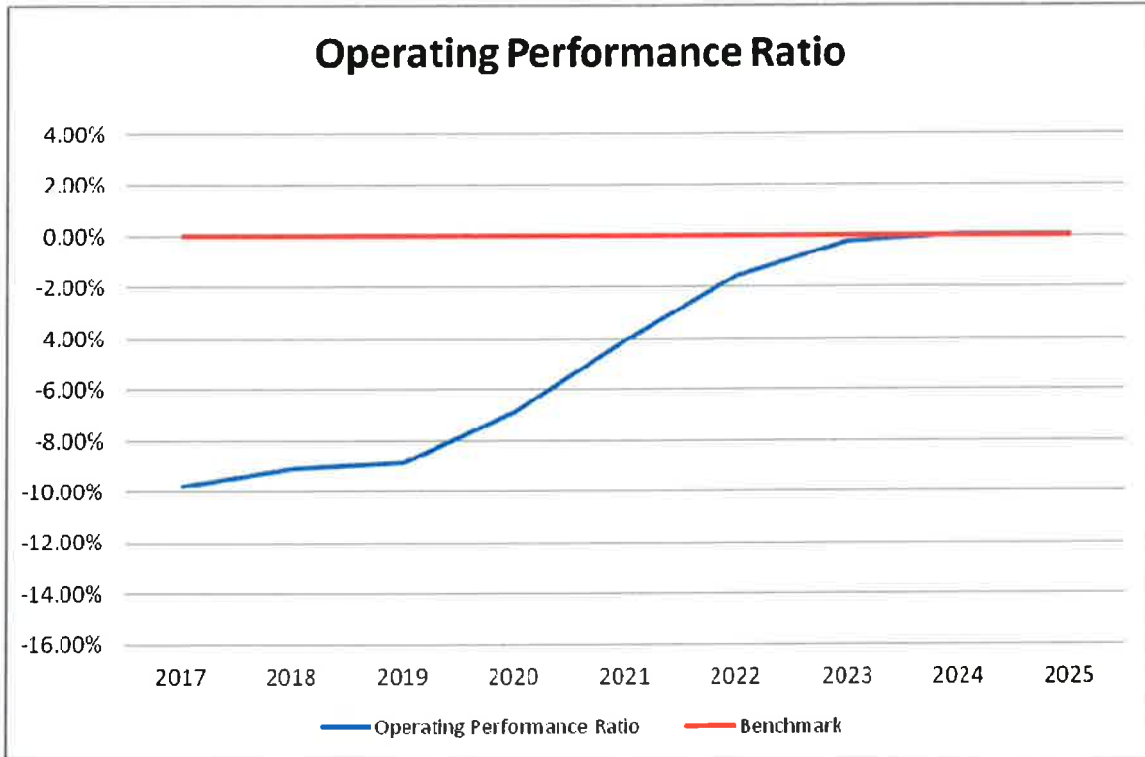
Efficiency savings

Fees & Charges - The completion of fees and charges by 2016/17 is proposed to identify the true cost of services with a view to obtaining possible increases in discretionary fees. Council is also involved in commercial activities that generate ongoing revenue and this will be one of the areas of review. The assumption is that an increase in fees charged (non statutory) in 2016/17 and a 2.5% consumer price index (CPI) increase each year over the rest of the Long Term Financial Plan (LTFP). It is anticipated a review could yield approximately \$700K extra revenue over the life of the LTFP.

Employee costs - As part of the efficiency review across the organisation it is anticipated that savings will be made in the 2017/18 and 2018/19 years. This review will focus on overtime costs, casuals wages, redesign of positions and natural attrition in some positions within the organisation. The savings can be made in these two years and using an assumption of wages growth of 3% per annum, this could yield approximately \$3.5M in savings over the life of the LTFP. Kiama's involvement in the Joint Organisation of Councils is likely to also generate savings in the medium to long term.

Scenario 2:

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Performance Ratio	-8.08%	-9.76%	-9.08%	-8.85%	-6.89%	-4.06%	-1.55%	-0.23%	0.06%	0.08%
Benchmark	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



Efficiency savings

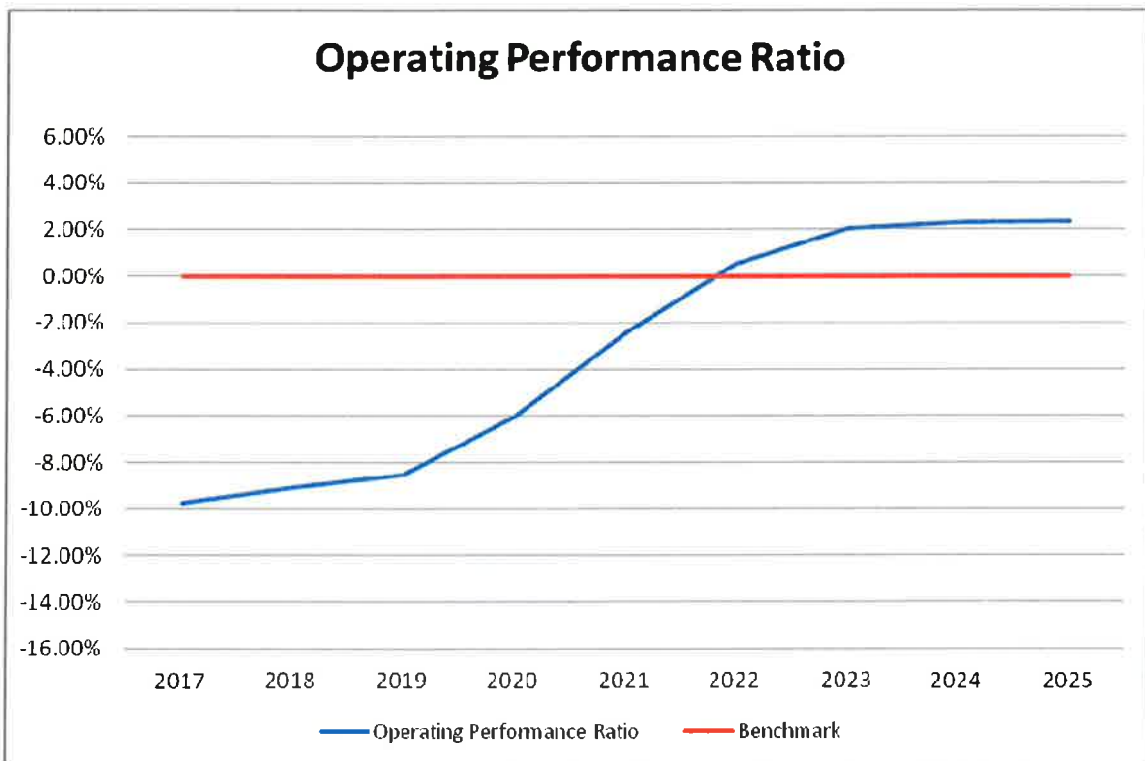
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Materials and contracts – Cost saving associated with Regional Procurement opportunities could yield substantial savings to Councils involved. Research undertaken in Victoria by Ernst and Young in 2008, and quoted in the Southern Councils Group Regional Procurement Roadmap Report highlighted that significant savings of up to 15 – 20% are available through improved procurement practice and increased collaboration. A conservative approach taken in Kiama in the years 2016/17 to 2019/20 compounded over the life of the LTFP would generate savings of \$9M in procurements costs.

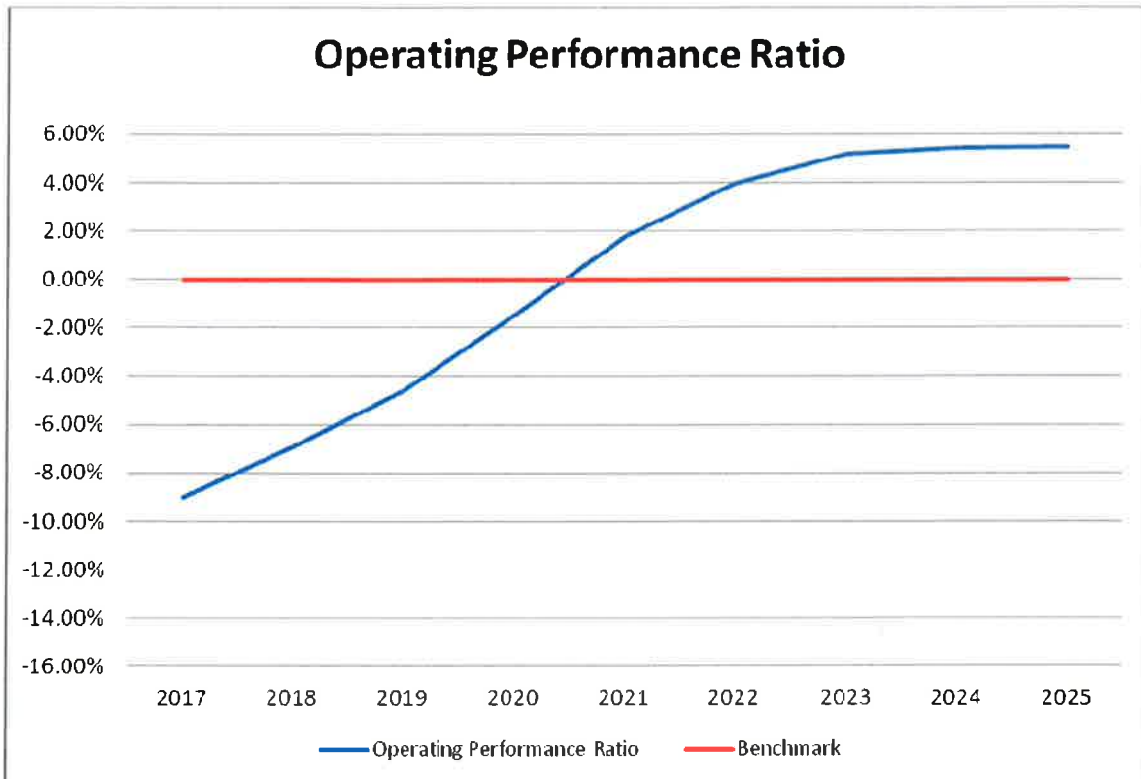
Scenario 3:

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Performance Ratio	-8.08%	-9.76%	-9.08%	-8.55%	-6.06%	-2.45%	0.52%	2.05%	2.32%	2.34%
Benchmark	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



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Rate increase – Rate increase at year 2, 3 & 4 - 2016/17, 2017/18 & 2018/19 by 7% plus rate peg of 2.5% then revert back to annual increase of 2.5% including 0.5% for rate growth. Increased revenue of \$28M over the life of the plan.

