

Delivery Program

for the financial years

2022/23

to 2025/26

Gunnedah

Shire Council



ADOPTED: 15 JANUARY 2025 | RESOLUTION I.1/25



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Mayor's Introduction



On behalf of my fellow Councillors, I am proud to present the first Delivery Program for the Council elected in December last year. Elections were delayed for over a year due to the effects of COVID-19. The Delivery Program covers the four financial years 2022/23 to 2025/26. It sets out the work Council plans to do to help achieve the desired future for Gunnedah Shire that is described in the Community Strategic Plan 2017 to 2027. The Community Strategic Plan has also been reviewed to ensure it remains current and reflects the priorities of the communities that make up Gunnedah Shire. Over the past four years, Council has continued to engage with the community about a range of plans and policies and we are grateful for the contributions and involvement from many of you. Your thoughts and suggestions are valued and have been heard.

When reading the Delivery Program, you will see how it connects to the four themes and outcomes of the overarching strategic plan. It shows where Council plays a role and details the projects and programs that will be carried out over the four years. Overall, it contains 149 actions, which is an ambitious work schedule to which we are all committed. We look forward to working with all players across the community on the Delivery Program to help build the future of our Shire.

Together we can achieve great things.

Thank you,

Councillor Jamie Chaffey Mayor.

*Pictured above:
Your Council (from Left)*

*Councillor **Kate McGrath**,
Councillor **Robert Hoddle**,
Councillor **Ann Luke**,
Councillor **Murray O'Keefe**,
Councillor **Jamie Chaffey** Mayor,
Councillor **Rob Hooke** Deputy Mayor,
Councillor **Colleen Fuller**,
Councillor **David Moses**,
Councillor **Juliana McArthur**.*

General Manager's Overview



I am pleased to present the Delivery Program for 2022/23 to 2025/26.

The Delivery Program is an essential component of our Integrated Planning and Reporting Framework. It is a four-year plan that links the Community Strategic Plan strategies to corresponding actions.

The unusual times described in last year's Delivery Program introduction continue. It is the "new normal" to live with the COVID-19 pandemic, plus we are also seeing the aftermath effect – prices increasing and heightened scarcity of resources and contractors. This has occurred largely following stimulus funding from the state and federal government, in an attempt to increase new projects. The global impacts of the Russian invasion of Ukraine have exacerbated things further, causing an additional upward pressure on pricing and commodity availability. This stimulus funding, however, provided a significant opportunity for capital expansion and renewal which normally would not have been possible without requiring significant revenue increases from the community.

Gunnedah Shire Council's dedicated staff continue to strive, delivering efficient and quality everyday services, continually improving processes and practices, in addition to delivering the extraordinarily expanded and accelerated capital works program. The Delivery Program aims to achieve Council's continued financial sustainability whilst planning for growth and a positive future for our community.

The 10-year Community Strategic Plan was endorsed in the 2017-18 financial year and has set the future blueprint for Gunnedah Shire. Engaging with the community and building on their ideas has formed the direction for the next 10 years and has resulted in the completion of many major and minor projects already.

This Delivery Program continues Council's focus on the realisation of shared visions with the Gunnedah Shire community and has been reviewed by the newly elected Council.

Eric Groth
General Manager

Integrated Planning and Reporting Framework

Community Strategic Plan	Council Delivery Program	Council Annual Operational Plan	Council Annual Report
<p>The Community Strategic Plan covers the ten-year period 2017 to 2027. It sets out the future direction the community wants for Gunnedah Shire. It is a community owned document with the following parts:</p>	<p>The four-year Delivery Program sets out the actions Council will take to achieve the strategic outcomes where it has a role. It aligns with the elected term of the Councillors and is supported by the following resource documents:</p>	<p>Council's annual Operational Plan details the budget and tasks to be undertaken for the financial year</p>	<p>The Annual Report for Council sets out financial performance and the accomplishments of Council for the financial year</p>
<p>The vision for the Shire: “A prosperous, caring and proud community reflected in the achievements and aspirations of the people.”</p>	<ul style="list-style-type: none"> • Workforce Plan • Asset Management Plan • Long Term Financial Plan 	<p>It connects to the Delivery Program at the action level and allocates responsibility for the completion of tasks.</p>	<p>It shows the progress being made to achieve the Delivery Program</p>
<p>The values that will guide our culture and future choices. Community Spirit Environmental Care Lifestyle Access</p>	<p>Council can have three roles: (1) Provider – where it is legally required to provide a service or chooses to do so. (2) Facilitator – where Council assists other groups or organisations (3) Advocate – where Council speaks up and lobbies on issues important to the community</p>	<p>Consequently, it is organised around the management structure of Council</p>	
<p>Four themes that group similar outcomes: 1. Engaging and Supporting the Community 2. Building Our Shire's Economy 3. Retaining Our Quality of Life 4. Protecting and Enjoying Our Beautiful Surrounds</p>	<p>The actions Council takes will either be programs that happen from year to year or projects that have a beginning and an end</p> <p>Everything can't be done at once, so priorities need to be set over the four years</p>		
<p>The desired Strategic Outcomes and Strategies for each theme. What the community wants to see happen</p>	<p>The Delivery Program connects to the Community Strategic Plan at the Strategic Outcome level</p>		
<p>To achieve this desired future, everyone needs to play a part so the plan lists who needs to work together to achieve the strategic outcomes</p>	<p>Responsibility for completion of actions is set at Directorate level</p>		
<p>Performance indicators to measure progress</p>			

Reading the plan

The draft Delivery Program covers the 2022/23 (year 1), 2023/24 (year 2), 2024/25 (year 3) and 2025/26 (year 4) financial years.

It is organised around the themes of the Community Strategic Plan and the associated Strategic Outcomes. The Strategic Outcomes are highlighted. The strategies for each Strategic Outcome are also listed, and Council's actions align with the strategies.

It is important to note that Council cannot do everything, so there may be no actions for some strategies.

The actions Council takes will either be programs that happen from year to year or projects that have a beginning and an end.

The shading in the year columns show when the action is scheduled to happen.

Responsibility for completion of the action is set at Council Directorate Level. GM is General Manager, CS is Corporate Services, IS is Infrastructure Services and PES is Planning and Environmental Services.

The following table shows the layout:

Theme (I)

Community Strategic Plan Outcomes and Strategies	Code	Council Delivery Program Actions	Year 1	Year 2	Year 3	Year 4	Resp
I: Strategic Outcome							
I.1.1 Strategy	I.1.1.1	Action					CS
I.1.2 Strategy	I.1.2.1	Action					GM

Financial Projections

Projected financial snapshot 2022/23 to 2025/26	2022/23	2023/24	2024/25	2025/26
Income from Continuing Operations	\$	\$	\$	\$
Rates & Annual Charges	20,412,394	20,943,770	21,488,973	22,048,368
User Charges & Fees	9,515,754	9,741,193	9,993,399	10,253,080
Other Revenues	849,572	860,514	872,306	884,919
Grants & Contributions provided for Operating Purposes	13,845,290	14,283,519	14,622,918	14,181,692
Grants & Contributions provided for Capital Purposes	1,604,494	1,203,543	1,233,632	1,264,472
Interest & Investment Revenue	859,150	775,261	792,407	819,905
Total Income from Continuing Operations	47,086,654	47,807,800	48,003,635	49,452,436
Expenses from Continuing Operations				
Employee Benefits & On-Costs	19,335,701	19,675,925	20,122,392	20,581,960
Borrowing Costs	744,876	697,526	658,704	618,217
Materials & Contracts	10,940,469	10,916,449	11,041,706	10,932,952
Depreciation & Amortisation and Impairment of non-financial assets	13,017,561	13,412,296	12,975,312	12,744,228
Other Expenses	1,507,867	1,886,579	2,076,500	2,189,669
Total Expenses from Continuing Operations	45,546,474	46,588,775	46,874,614	47,067,026
Operating result from Continuing Operations	1,540,179	1,219,025	2,129,021	2,385,410
Net Operating Result for the Year	1,540,179	1,219,025	2,129,021	2,385,410
Net Operating Result before Grants and Contributions provided for Capital Purposes	(64,315)	15,482	895,389	1,120,938

Theme I: Engaging and Supporting the Community

Community Strategic Plan Theme (1) Outcomes and Strategies	Code	Council Delivery Program Actions	Year 1	Year 2	Year 3	Year 4	Resp
1.1 Community leadership is strengthened, and volunteers are engaged							
1.1.1 Increase volunteer opportunities especially for young people and people with disability	1.1.1.1	Help increase volunteer participation for young people via Youth Interagency					CS
1.1.2 Support and celebrate volunteers as positive role models	1.1.2.1	Promote and deliver the Australia Day program					CS
1.1.3 Build the capacity of community organisations and sporting groups to remain sustainable in the long term	1.1.3.1	Identify grant opportunities for community organisations and administer the section 356 Community and Sports Small Grants Program					PES
	1.1.3.2	Assess requests for financial assistance in the form of minor donations and distribute in accordance with Section 356 of the Local Government Act					GM
1.1.4 Encourage and support village hall committees and progress associations, service groups, action groups and other community organisations involved in delivering activities and programs that benefit the local community	1.1.4.1	Work with service groups, village progress associations and hall committees on community projects					PES
1.1.5 Work with Aboriginal and Torres Strait Islander communities on activities and programs	1.1.5.1	Work with the community members on the Gunnedah Shire Council Reconciliation Action Plan					PES
1.1.6 Work with multicultural communities on activities and programs	1.1.6.1	Engage with multicultural community organisations, including Multicultural Gunnedah, in relation to activities, programs and events					PES

THEME 1: ENGAGING AND SUPPORTING THE COMMUNITY

1.2 Council is a sustainable, ethical and efficient organisation						
1.2.1 Foster a strong organisational culture which strives for best practice and continued improvement in all operations	1.2.1.1	Provide training and induction on corporate policies and procedures				CS
	1.2.1.2	Implement employee performance management systems				GM
	1.2.1.3	Continually improve Council operations				GM
	1.2.1.4	Review current Human Resource policies and procedures				GM
	1.2.1.5	Update the Workforce Plan				GM
	1.2.1.6	Prepare a four-year implementation plan for service reviews				GM
	1.2.1.7	Deliver customer service to the community and across the organisation				CS
1.2.2 Position Council as an employer of choice, promoting a safe, healthy, inclusive and innovative working environment	1.2.2.1	Ensure workplace health and safety policies and procedures deliver a safe working environment				GM
	1.2.2.2	Design and implement a training and development plan for the organisation				GM
	1.2.2.3	Develop policies that assist employee recruitment and retention				GM
	1.2.2.4	Develop a succession plan for key positions in the organisation				GM
1.2.3 Share resources and undertake collaborative projects with others where there is a net community benefit to do so	1.2.3.1	Collaborate and share resources with other Councils and organisations in the community				GM
	1.2.3.2	Help the local emergency management committee review emergency management plans				IS

THEME 1: ENGAGING AND SUPPORTING THE COMMUNITY

1.2.4 Improve Council's financially sustainable position, delivering value for money services to the community	1.2.4.1	Ensure compliance with statutory reporting obligations					CS
	1.2.4.2	Work towards complying with new guidelines for Risk Management and Internal Audit for local councils in NSW					CS
	1.2.4.3	Deliver financial management services across the organisation, including systems and controls to communicate and manage Council's financial performance					CS
	1.2.4.4	Deliver information technology across the organisation, including the information technology capital works program					CS
	1.2.4.5	Manage Council's fleet and plant					IS
	1.2.4.6	Ensure rates and charges are modelled, levied and collected in accordance with statutory and Council requirements					CS
	1.2.4.7	Manage Council's loan portfolio					CS
	1.2.4.8	Maximise the return on Council's investment portfolio					CS
		1.2.4.9	Ensure the long-term financial sustainability of Council, including application for a Special Rate Variation.				
1.2.5 Continue to work so that Council has good governance and transparent decision-making	1.2.5.1	Deliver records management across the organisation					CS
	1.2.5.2	Comply with the Integrated Planning and Reporting process					CS
	1.2.5.3	Provide Council with business papers, meeting notices and minutes.					CS
	1.2.5.4	Provide a framework to manage risk across Council's operations					CS
	1.2.5.5	Manage Council's governance and policy framework, including internal audit via the Audit Committee					CS
1.3 Increased local investment from other sources including the State and Commonwealth governments, as well as developers							
1.3.1 Identify and secure grant funding and explore opportunities for partnerships to provide for new and upgraded assets, infrastructure and services	1.3.1.1	Document 'shovel-ready' projects to take advantage of grant opportunities					PES
	1.3.1.2	Identify funding opportunities to assist with delivery of projects in infrastructure strategies and asset management plans					IS
1.3.2 Build relationships with all levels of government and strongly advocate for our local interests and projects	1.3.2.1	Advocate our operational interests with local community groups, regional organisations and the State and Federal Governments					GM
1.3.3 Advocate for local facilities and services to receive funding from mining and other major developments	1.3.3.1	Make submissions for funding on major project applications					PES

THEME 1: ENGAGING AND SUPPORTING THE COMMUNITY

1.4 An engaged community that is involved in the decision-making process						
1.4.1 Build relationships with all levels of government and strongly advocate our local interests	1.4.1.1	Participate in organisations and groups that bring levels of government together				GM
1.4.2 Provide meaningful opportunities for the community to have a say in decision-making	1.4.2.1	Provide a range of engagement approaches for the community to provide feedback on Council activities				CS
1.4.3 Communicate information proactively through a range of mediums to reach target audiences	1.4.3.1	Deliver communication, media liaison and community engagement through a variety of platforms to provide information, promote Council services and gain community feedback. "Explain our why all the time"				CS
1.5 Strategically managed infrastructure						
1.5.1 Provide and maintain safe, serviceable and accessible public facilities, parks and infrastructure including roads, footpaths and stormwater drains	1.5.1.1	Operate and maintain Council quarries				IS
	1.5.1.2	Maintain and renew Council's regional road assets				IS
	1.5.1.3	Provide services and capital works for Gunnedah Memorial Park Cemetery, Hunter Street Cemetery and villages				IS
	1.5.1.4	Complete the Roads Maintenance Council Contract works for Transport NSW				IS
	1.5.1.5	Undertake the bridge maintenance program				IS
	1.5.1.6	Plan and deliver the kerb and gutter maintenance and renewal programs				IS
	1.5.1.7	Plan and deliver the rural sealed road maintenance and renewal programs				IS
	1.5.1.8	Plan and deliver the rural unsealed road maintenance and renewal programs				IS
	1.5.1.9	Plan and deliver the urban streets maintenance and renewal programs to ensure car, bicycle and pedestrian safety				IS
	1.5.1.10	Deliver the airport capital works and maintenance program				IS
	1.5.1.11	Deliver the commercial properties maintenance and renewal programs				IS
	1.5.1.12	Deliver the Gunnedah Regional Saleyards capital works and maintenance programs				GM
	1.5.1.13	Advance a future development plan for the Showground site as part of the Open Space Strategy				IS
	1.5.1.14	Review and implement the community housing capital works and maintenance programs				IS

THEME 1: ENGAGING AND SUPPORTING THE COMMUNITY

1.5.2 Provide and maintain efficient water and sewerage systems that support a growing community	1.5.2.1	Operate the Gunnedah sewage treatment plant to comply with licence conditions					IS
	1.5.2.2	Deliver sewerage services across the Shire in accordance with best practice					IS
	1.5.2.3	Deliver water services across the Shire in accordance with best practice					IS
	1.5.2.4	Ensure compliance with the Public Health Act Water Quality Assurance Framework					IS
	1.5.2.5	Maintain and renew Council’s water assets					IS
	1.5.2.6	Maintain and renew Council’s sewer assets					IS
1.5.3 Develop best practice asset management practices for sustainable development	1.5.3.1	Update asset management plans across the organisation, including asset revaluation programs					IS
	1.5.3.2	Deliver geographical information services across Council and to the community					CS
	1.5.3.3	Investigate strategies to ensure the local road network and regional transport provide for the future growth of Gunnedah Shire					IS
	1.5.3.4	Investigate strategies to ensure water and sewer infrastructure provides for the growth of Gunnedah Shire					IS
1.5.4 Implement and maintain strategies and developer contribution plans to require contributions to not unfairly burden ratepayers or future developers	1.5.4.1	Investigate, implement, and maintain strategies and developer contribution plans					PES IS

Theme 2: Building Our Shire's Economy

Community Strategic Plan Theme (2) Outcomes and Strategies	Code	Council Delivery Program Actions	Year 1	Year 2	Year 3	Year 4	Resp
2.1 A growing population and diversified economy							
2.1.1 Develop a diversified and resilient economy.	2.1.1.1	Implement the Gunnedah Economic Development Strategy					PES
2.1.2 Support local business including small businesses across the Gunnedah Shire	2.1.2.1	Deliver a range of activities and assist with Small Business Month					GM
2.1.3 Actively encourage new industry to set up in the area	2.1.3.1	Provide support through the Business Partner Program and the business concierge service					PES
	2.1.3.2	Continue to develop Gunnedah Shire economic development marketing and promotional materials					PES
2.1.4 Support affordable and available stock of industrial and commercial property	2.1.4.1	Develop an Employment Lands Strategy for the Shire					PES
2.2 Access to our goods, services and markets							
2.2.1 Maintain adequate parking availability in business and industrial areas	2.2.1.1	Maintain and renew Council's carpark assets					IS PES
	2.2.1.2	Review the car parking strategy for Gunnedah					IS
2.2.2 Secure supply chains	2.2.2.1	Work with the Commonwealth Government to achieve the Gunnedah intermodal freight terminal					GM
	2.2.2.2	Pursue interest in and funding for the Gunnedah Processing Precinct					GM
	2.2.2.3	Undertake a local road network strategy					IS
	2.2.2.4	Leverage opportunities with the Inland Rail project					GM
2.2.3 Assess opportunities to sustainably maximise use of the airport to improve economic outcomes	2.2.3.1	Research economic opportunities for the airport					PES

THEME 2: BUILDING OUR SHIRE'S COMMUNITY

2.3 Increased tourism and promotion of the Gunnedah Shire						
2.3.1 Actively seek to bring business, sporting and cultural events to the Gunnedah Shire	2.3.1.1	Advise and support community groups and businesses conducting events that promote local tourism				CS
	2.3.1.2	Ensure the future development of the showground helps with the attraction of events				IS
	2.3.1.3	Support the delivery of a diverse range of events across the Shire including, Ag-Quip, NAIDOC Week and the Week of Speed				CS
2.3.2 Market Gunnedah Shire as a tourist destination.	2.3.2.1	Provide information services for visitors and the community				CS
2.3.3 Develop and support local tourist attractions	2.3.3.1	Implement agreed actions from the Destination Management Plan				CS
2.4 The Gunnedah Shire is an attractive place to invest						
2.4.1 Improve access to telecommunication, broadband and electrical services						
2.4.2 Work together so that the businesses, shops, the CBD and industrial areas are well presented	2.4.2.1	Secure Council ownership of the main street				GM
	2.4.2.2	Continue main street beautification				IS
2.5 Skilled workforce and quality local educational opportunities						
2.5.1 Encourage new residents, with skills, to the area to supplement our skilled workforce	2.5.1.1	Maintain and promote the Gunnedah live and job websites				PES
2.5.2 Advocate for quality educational services and seek opportunities in the tertiary sectors for facilities and courses that meet our regional training needs	2.5.2.1	Continue working with the Skills & Training Working Group				PES
	2.5.2.2	Coordinate and manage the Gunnedah Community Scholarship Fund				CS

Theme 3: Retaining Our Quality of Life

Community Strategic Plan Theme (3) Outcomes and Strategies	Code	Council Delivery Program Actions	Year 1	Year 2	Year 3	Year 4	Resp
3.1 Quality lifestyles and support for our older residents							
3.1.1 Maintain education, training and employment opportunities for older people							
3.1.2 Support of aged care facilities, as well as programs that support aged persons to remain independently living in their own home	3.1.2.1	Deliver aged care support services to eligible elderly people across GoCo's catchment					GoCo
	3.1.2.2	Deliver community transport to eligible elderly people and younger people with disabilities through the Go Co Community Transport Service					GoCo
3.2 Improved housing affordability							
3.2.1 Encourage a mix of housing types that is affordable, adaptable, accessible and suited to community needs	3.2.1.1	Adopt and implement the Gunnedah Shire Housing Strategy					PES
3.2.2 Lobby the State and Federal governments for measures to improve housing affordability and access to public housing stock	3.2.2.1	Seek opportunities to lobby government about increasing the provision of public housing					PES
3.3 Villages are vibrant and sustainable							
3.3.1 Support village hall committees and progress associations; build their capacity to deliver village improvement programs							
3.3.2 Advocate for quality transport links between Gunnedah and villages							
3.3.3 Implement initiatives that deliver attractive, well-serviced villages whilst retaining the unique identity of each location	3.3.3.1	Retain the character of the villages through the village beautification and improvement program					IS
	3.3.3.2	Deliver the halls and centres capital works and maintenance programs					IS
3.4 Reduced crime and anti-social behaviour							
3.4.1 Foster crime prevention and community safety through partnership with police and other community organisations	3.4.1.1	Collaborate with the Crime Prevention Working Group					PES
	3.4.1.2	Review and adopt the Crime Prevention Plan					PES
3.4.2 Lobby for continued increase in local police presence so that our town remains a safe and pleasant place to live	3.4.1.3	Deliver the Crime Prevention Plan					

THEME 3: RETAINING OUR QUALITY OF LIFE

3.4.3 Encourage community safety by incorporating crime prevention through environmental design principles in new development	3.4.3.1	Manage the CCTV Gunnedah CBD surveillance system in conjunction with the Crime Prevention Working Group					CS
	3.4.3.2	Assess development applications against “The Protocol for the Review of Development Applications between NSW Police and Gunnedah Shire Council”					PES
3.4.4 Strengthen partnership between government and community organisations to identify and develop solutions to address anti-social and at-risk behaviour, including substance abuse and domestic violence							
3.4.5 Compliance and enforcement of compliance with acts, regulations, building codes and standards, such as those related to planning, building, health, parking, animal control, illegal dumping and vegetation	3.4.5.1	Manage the enforcement of local laws					PES
	3.4.5.2	Provide parking control in the Gunnedah central business district and urban streets					PES
	3.4.5.3	Administer the companion animals legislation across the Shire					PES
	3.4.5.4	Provide environmental health services					PES
3.5 Our younger people are attracted, retained and developed							
3.5.1 Work together to provide creative activities for young people after school and during school holidays	3.5.1.1	Conduct school holiday programs and Youth Week					CS
3.5.2 Attract and retain young people and families to our area	3.5.2.1	Develop a youth strategy and define Council’s role					PES
3.5.3 Council and local business provide traineeships and apprenticeship opportunities for young people across a variety of industry sectors	3.5.3.1	Seek opportunities for the engagement of trainees and apprentices					GM
3.6 A healthy and active community participating in a diverse range of recreational and cultural activities							
3.6.1 Provide the right places, spaces and services to encourage healthy activity	3.6.1.1	Manage the swimming pool complex for safe use by the community.					IS
3.6.2 Educate the community about healthy lifestyles and disease prevention							
3.6.3 Council supports and facilitates arts and cultural programs in partnership with the community	3.6.3.1	Provide support and coordination for quality cultural services that meet community needs					CS
3.6.4 Maximise opportunities for better use, functionality and accessibility of cultural facilities and spaces	3.6.4.1	Increase access and participation in the venues and amenities in The Cultural Precinct					CS
	3.6.4.2	Develop a business case and funding strategy for the Cultural Precinct Master Plan					CS

THEME 3: RETAINING OUR QUALITY OF LIFE

3.6.5 Encourage use of open spaces, villages and facilities with a broad range of arts and cultural, sporting and recreational activities	3.6.5.1	Deliver library services across the Shire						CS
	3.6.5.2	Support opportunities to increase utilisation of the Show-ground, swimming pool and other key facilities						IS
3.6.6 Encourage safe cycling and walking through development of tracks, parks and cycle ways	3.6.6.1	Deliver the footpaths and bike tracks capital works and maintenance program						IS
	3.6.6.2	Develop and implement a strategy for cycling and walking						IS
3.6.7 Warmly welcome new residents and families, offering assistance to help them integrate into the community	3.6.7.1	Work with real estate agents to identify new residents so they can be welcomed						PES
3.7 Improved access to essential services								
3.7.1 Advocate for access to quality medical and mental health services and facilities								
3.7.2 Regularly review medical facilities and services so that they are adequate to meet the changing needs of a growing community and gaps are identified and addressed	3.7.2.1	Advocate for medical services that meet community needs						PES
3.7.3 Maintain services that support people with a disability, the socially disadvantaged and persons at risk								
3.7.4 Work to continuously improve accessibility, inclusivity and liveability within Gunnedah Shire	3.7.4.1	Participate in initiatives that aim to support low socioeconomic members of the community						PES
	3.7.4.2	Review the Disability Inclusion Plan						PES
3.7.5 Support initiatives which foster connectedness, resilience and opportunity within the early childhood community								

Theme 4: Protecting and Enjoying Our Beautiful Surrounds

Community Strategic Plan Theme (4) Outcomes and Strategies	Code	Council Delivery Program Actions	Year 1	Year 2	Year 3	Year 4	Resp
4.1 Balance between development and environmental protection							
4.1.1 Lobby for planning controls that balance the need for mining, agriculture and the long-term future of the environment							
4.1.2 Ensure development does not negatively impact on flooding	4.1.2.1	Review the Black Jack Creek flood study and plan					PES
	4.1.2.2	Implement Council's Development Control Plan					PES
	4.1.2.3	Investigate the possibility of a weir across the Namoi River and a wetlands water feature					PES
4.2 Native fauna is secured, biodiversity protected, and native vegetation thrives							
4.2.1 Control of noxious weeds and invasive species.	4.2.1.1	Manage compliance with noxious weeds legislation and standards					IS
4.2.2 Protect wildlife habitat, corridors, stands of remnant vegetation and significant natural landscape and soil types	4.2.2.1	Implement State and Federal government requirements for wildlife habitat and natural landscapes					PES
4.2.3 Maintain systems for effective management of bushfires and the potential threats to residential areas	4.2.3.1	Assess developments against NSW legislation and Gunnedah bushfire mapping					PES
4.2.4 Identify, protect and nurture local populations of threatened species, especially the koala population	4.2.4.1	Advance the Gunnedah Shire Koala Sanctuary project					PES
4.3 A secure and high-quality water supply							
4.3.1 Support the protection of waterways							
4.3.2 Investigate opportunities to reduce water consumption	4.3.2.1	Collaborate with Save Water Alliance to deliver educational strategies about water consumption					IS
4.3.3 Secure water supplies to a level that will enable our community to remain sustainable and allows for future growth	4.3.3.1	Implement strategies to ensure the Shire's permanent water allocation is retained					IS

THEME 4: PROTECTING AND ENJOYING OUR BEAUTIFUL SURROUNDS

4.4 Our heritage is valued and protected							
4.4.1 Protect and maintain the appeal of our older buildings, recognising their value to our community	4.4.1.1	Implement controls to protect heritage structures					PES
4.4.2 Promote our heritage in partnership with the community, in particular Aboriginal groups in the area	4.4.2.1	Work with Aboriginal groups to recognise and retain Aboriginal heritage and culture					PES
4.5 Managed exposure and reduced contribution to climate change							
4.5.1 Develop strategies to assess risk and address the local impacts of climate change	4.5.1.1	Develop and implement Renewable Energy Options Strategy					PES
4.5.2 Encourage investment in efficient energy consumption	4.5.2.1	Identify opportunities to reduce the energy consumption of Council					IS
	4.5.2.2	Identify alternative energy sources					IS
4.5.3 Develop and implement a comprehensive community education program to promote sustainable living including sustainable environmental practices for homes, workplaces and public open spaces							
4.6 Our waste is sustainably managed and reduced							
4.6.1 Review and implement a waste management strategy	4.6.1.1	Implement the domestic waste capital works and maintenance program					PES
	4.6.1.2	Continue to be compliant and operate the facilities according to legislation, common standards and licence conditions where applicable					PES
4.6.2 Identify opportunities for increasing community recycling, both volume and type of waste	4.6.2.1	Enforce the contract provisions for waste collection contractors to promote strategies that encourage recycling and reduce waste					PES
4.6.3 Pursue opportunities to reduce the amount of waste produced by households and industry							

THEME 4: PROTECTING AND ENJOYING OUR BEAUTIFUL SURROUNDS

4.7 Enhanced streetscapes and open spaces in Gunnedah and villages							
4.7.1 Beautify the main street and improve the attractiveness of our urban streetscapes	4.7.1.1	Facilitate street lighting across the Shire					IS
	4.7.1.2	Deliver the street tree strategy					IS
	4.7.1.3	Undertake the street cleaning and maintenance program					IS
4.7.2 Beautify and improve the facilities available in our parks and gardens, open space, sporting and recreational areas	4.7.2.1	Implement the parks and gardens capital works and maintenance programs across the Shire					IS
	4.7.2.2	Implement the sporting grounds capital works and maintenance programs across the Shire					IS
	4.7.2.3	Deliver agreed Open Space Strategy actions					IS
4.7.3 Provide attractive town entrances to Gunnedah and villages							

Special Rate Variation

This document presents information about Gunnedah Shire Council's application to the Independent Pricing and Regulatory Tribunal of NSW (IPART) for a permanent 37.67% cumulative Special Rate Variation (SRV) to be implemented over two years – from 1 July 2025 to 30 June 2027.

The detailed breakdown for the application is as follows:

1. The SRV application is to be made to the Independent Pricing and Regulatory Tribunal (IPART) under section 508(A) of the *NSW Local Government Act 1993* for a cumulative value of 37.67% to be phased in over two years and retained permanently commencing in 2025-2026.
2. The proposed increase caps the increase on Residential, Business and Farmland rating categories at 15% per year (32.25% cumulative).
3. The balance of the revised SRV of 37.67% cumulative is to be sourced from the Mining rating category.
4. Council will also make an application to IPART under section 548 of the *NSW Local Government Act 1993* for the Maximum value of the Minimum ordinary rate for Residential, Business and Farmland rating categories to be set as follows to match the section 508(A) permanent SRV application value:

Category	2025-2026	2026-2027
Residential – Ordinary		
Residential – Rural	\$638.00	\$733.00
Residential – Gunnedah		
Business – Gunnedah	\$625.00	\$718.00
Farmland	\$638.00	\$733.00

5. Council will strive to achieve \$930,000 through efficiency gains and operational savings over the 3-year period 2025 to 2028 with a report to council by May 30th annually during this period on the progress of achieving these savings and/or efficiency gains.

This section includes information presented to the public during community engagement on the proposed SRV, as well as detailing the community impacts and benefits of the rate rise. Further information about the SRV can be found on Council's website.

The SRV can only be spent on the General Fund (excludes Water and Sewer Funds).

Background

Like many councils across NSW, Gunnedah Shire Council is facing the difficulty of maintaining its infrastructure and services within our existing income levels. The cost to deliver services and maintain community assets to current service levels increases above the rate peg amount each year. Combined with reduced financial assistance and ongoing cost shifting to Local Government by other levels of government, councils are under constant financial pressure to deliver the same services for less, which is not a sustainable model.

Council's long term financial plan shows that we are currently operating with an approximate \$ 3.1 million operating deficit in the General Fund (excluding domestic waste services).

This essentially means that we are spending \$3.1 million each year less than we should be to maintain our assets and services to our current targeted service levels.

Without addressing this gap, the residents and visitors of the Shire will see a deterioration in service levels and each year we fall behind, the cost of renewing infrastructure will rise, and we will eventually have to catch up, often at a higher cost than addressing the issues when known.

Council has limitations on how it can spend money that is received for services. For example, income received via water charges can only be spent on water related services. The same applies to wastewater and waste management services. This means that while Council may have significant funds in its bank account, only a portion of these can be used on General Fund activities such as roads, parks, gardens, libraries, and planning services.

Current forecasts show that without action, either through additional income or reduced expenditure, Council's unrestricted cash balance will move to a negative value within two financial years. A negative unrestricted cash balance is akin to being insolvent for a council and cannot be allowed to occur.

While Council continues to review operational efficiencies, and will continue to do so, because of limited ability to increase revenue in other areas, we are forced to consider an increase in rates via an SRV to secure the level of funding necessary to ensure that we can continue to maintain and renew our asset base.

At Council's ordinary meeting on 19 June 2024, Council endorsed the 2024/25 Operational Plan that included the action to start a conversation with the community about a potential SRV. The decision was made to consult prior to the 2024 NSW local government elections to ensure the community was fully informed on Council's financial position; and to create awareness of the options for Council and the community that could be presented to the newly elected Council for a decision on what action would be taken to address Council's financial sustainability.

On Friday, 2 August 2024 Council commenced community consultation and outlined that Council had four options to achieve financial sustainability into the future.

Option	Practical implications	Community Response
1. Reducing service levels, which will impact the asset base and local economy,	Significant long term asset deterioration impacting Councils core assets and services	The community did not want to see a reduction in service levels and in most cases wanted improvements, especially with roads.
2. Sell and/or dispose of assets that will reduce the associated on-going expenses,	Sell off unused or inefficient Council assets	The community does want Council to operate more efficiently, however as noted above, do not want to see a reduction in services.
3. Increase income raised through rates, user fee and charges, and other sources	A Special Rate Variation	The majority of the community did not want rates to increase, however, they also did not want to see a reduction in service levels and in most cases wanted improvements, especially with roads.
4. A combination of the above options.	A smaller Special Rate Variation than Option 3 combine with efficiency gains.	The preferred option, if an SRV is required, with the SRV to be smaller and implemented over a longer period to reduce the single year impact.

To ensure full transparency, the consultation focused on a potential SRV. Council consulted on an SRV of 38.88% to be implemented over two years and be retained permanently to address the current asset renewal gap and create some capacity to commence addressing the infrastructure backlog of works. The percentage increases were to be 24% in the first year and 12% in the second year which compounded gave an overall increase of 38.88% including the two years estimated rate peg values.

SRV – Community Engagement	2025/26	2026/27	Total
Rate Peg (forecast)	5%	5%	10%
SRV above rate peg	19%	7%	26%
TOTAL	24%	12%	36%
Cumulative SRV over two years			38.88%

This simplified discussion from this consultation is outlined in the below table:

Operate Business as Usual	Manage a deteriorating asset base	Implement a Special Rate Variation
<p>This option would require Council to accept an unsustainable financial position and to decline to the point where assets would become practically unmanageable and the ability to provide ongoing services would be severely impacted due to funding limitations.</p> <p>This option would see Council have no cash reserves and a negative unrestricted funds balance by 2027/28, and eventually Council would likely face being placed in financial administration.</p>	<p>This option would require Council to reduce or cut services which may include the following:</p> <ul style="list-style-type: none"> • Reducing road maintenance (pothole patching, maintenance grading), • Reduced level of service in parks mowing and maintenance, toilet cleaning, • Reducing hours at libraries, swimming pools, customer service counter and museum, • Closing some sporting fields and parks, • Reduced activity in tourism marketing and events, • Reducing the economic development and regional activation programs, • Refusing grants for new assets (due to lack of funds to match grants/maintain assets), and • Ceasing the community grants program. <p>Service cuts such as the ones listed above would have significant impacts on the community and any further cuts to services would be determined through the Service Review program that is already underway.</p>	<p>Implement an SRV of 38.88% (cumulative) over two years which includes the rate peg (24% in year 1 and 12% in year 2).</p> <p>In two years, the SRV would generate an additional \$6.2 million over and above the \$1.5 million from the rate peg alone.</p> <p>The additional \$3 million per annum income from the SRV in 2025/26 would enable Council to address the infrastructure renewal funding shortfall of approximately \$3.1 million per annum and the additional \$1.5 million per annum income from the SRV in 2026/27 would enable Council to invest \$1.5 million annually into addressing the infrastructure renewal backlog.</p>
<p>This option was not seen as a practical option.</p>	<p>While seen as a realistic option, long term it is not a sustainable model and doesn't address that the community did not want to see a reduction in service levels and in most cases wanted improvements, especially with roads.</p>	<p>This option addresses the service level expectations, but the community advised if an SRV is required, they would want it to be smaller and preferably implemented over a longer period to reduce the single year impact (particularly noting the significance of the 24% first year increase).</p>

The Proposed SRV

Following the community engagement, the results of the engagement were presented to Council at its ordinary meeting on 30 October 2024 along with a revised SRV proposal considering the community's feedback through the engagement process.

Council deferred the report and requested an extraordinary meeting to allow further time to review the information and alternative options.

Council held an extraordinary meeting on 6 November 2024, where six alternative SRV options were presented and discussed. The Council subsequently resolved to give notice to IPART of the intention to apply for a 37.67% cumulative SRV over two years and be retained permanently.

To address concerns raised in the community engagement feedback, Council also resolved that the proposed SRV caps the increase on Residential, Business and Farmland rating categories at 15% per year (32.25% cumulative) with the balance of the revised SRV of 37.67% cumulative to be sourced from the Mining rating category (resulting in an 85.13% cumulative increase for this category).

Why an SRV

Financial sustainability for local governments is critical because they are responsible for directly providing the community with a wide range of public services and community infrastructure and facilities. This requires local governments to control and maintain a significant base of infrastructure assets. This requires not only significant up-front expenditure and investment but also on-going expenditure to maintain and renew assets as required during their useful lives.

Council has recognised that financial sustainability requires the following to comply with Chapter 3 of the *NSW Local Government Act 1993*:

- Council must achieve a fully funded operating position,
- Council must maintain sufficient cash reserves,
- Council must have an appropriately funded capital program,
- Council must maintain its asset base, and
- Expenditure on assets should be driven by asset management plans.

The NSW Treasury Corporation defines financial sustainability as *A local government will be financially sustainable over the long term when it is able to generate sufficient funds to provide the levels of service and infrastructure agreed with its community.*

Council has recognised that there are significant financial sustainability challenges in the General Fund. These challenges focus on the shortfall of funding available to appropriately address the asset renewal and maintenance requirements.

To address these challenges Council is applying for an SRV and will use the additional rate revenue to:

- Address the current infrastructure asset renewal gap,
- Create capacity to address the infrastructure backlog and provide opportunities for matched funding opportunities into the future, and
- General a sufficient level of recurrent revenue to maintain current service levels.

Where the SRV would be spent

The proposed SRV would generate additional revenue to address the maintenance and renewal of Council's assets and address the forecast unrestricted cash position. The portion above the rate peg component and the funds required to address the unrestricted cash position would be used to fund maintenance of local infrastructure, including:

- Maintenance and renewal of Council's transport network of roads, bridges, and associated assets,
- Maintenance and renewal of Council's open space and recreational assets, and
- Maintenance and renewal of Council's buildings and facilities.

Where the SRV would be spent
Additional \$2.1 million per annum for transport infrastructure renewal (sealed and unsealed roads, bridges, footpaths, kerb and gutter)
Additional \$500,000 per annum for open space asset renewal
Additional \$400,000 per annum for buildings (community halls, cultural precinct, library, Council offices, community housing)
Additional \$1.5 million per annum to commence addressing the backlog of works commencing with roads and building infrastructure

What would happen if the SRV is not implemented?

Council would need to defer necessary capital works and revise the basic range and levels of services provided to the community to avoid a deteriorating cash position, which is not sustainable in the long term. Service levels would need to reduce in the absence of additional funding being available.

Why maintaining assets is important

Asset management is the process for whole-of-life asset management from planning, acquisition/upgrade, operation, maintenance, renewal and disposal of assets. It encompasses the integration of asset and service delivery outcomes. As with many local governments, a major challenge for Council is the management of ageing assets in need of renewal and replacement.

Maintaining infrastructure assets such as sealed and unsealed roads, bridges, footpaths, kerb and guttering, stormwater, buildings and large recreational assets continues to create operational challenges as their condition and useful lives change over time. This is particularly challenging for those assets impacted by significant weather events.

The SRV funding would be used for managing Council's existing infrastructure. This includes renewal and ongoing maintenance of assets focused on transport (roads, bridges etc.), buildings and parks and garden assets.

Renewal activities extend the life of the asset, such as re-sheeting a section of road. Maintenance includes repairs, painting and replacement of broken fixtures. The SRV would be used to ensure assets are kept at current service standards and replaced at the planned replacement time, rather than allowing assets to deteriorate to a point at which major rehabilitation would be required.

One of Council's main roles in the community is to manage the assets it provides for the community to use as part of their daily lives. Without useable assets, the quality of life and potentially the safety of our community is negatively impacted.

It is important to reiterate that the SRV applies only to General Fund assets and the infrastructure that would be affected by funding provided by the SRV is included in the table below:

Asset	Volume	Asset	Volume
Sealed roads	429 km	Stormwater	49 km
Unsealed roads	899 km	Buildings	169 assets
Regional roads	91 km	Other Structures	69 assets
Bridges (incl. Culverts >6m)	19 assets	Open space and Recreations	230 assets
Footpaths	36 km	Plant and Equipment (as related to general fund assets)	565 assets
Kerb & gutter	145 km		

Why a balanced operating result is important

Council is proposing that the SRV funding be used to improve Council's financial sustainability by addressing the current General Fund operating deficit, as well as creating capacity to commence addressing the backlog of works required to bring Council's assets back closer to the targeted service levels.

Council is also required under the *NSW Local Government Act 1993* to achieve a fully funded operating position.

Whilst this may occur when viewing Council's consolidated position (i.e. General Fund, Water Fund and Sewer Fund), Council must ensure it can operate appropriately across all funds. The General Fund, excluding Domestic Waste Management, is forecasting an ongoing approximate \$3.1 million deficit. The means that the rates received are not adequately covering the expenditure required to provide services and renew assets as and when required.

The General Fund is critically important because it contains provision for all Council services apart from water and sewerage and the funding available supports the operational capacity of the organisation as well as maintenance of critical assets including sealed and unsealed roads, bridges, footpaths, kerb & guttering, stormwater, buildings and large recreational assets.

The below table shows how the SRV will impact the General Fund performance ratios as set by the Office of Local Government.

GENERAL FUND PERFORMANCE RATIOS	Description	Target	2024/25 Actual forecast	2025/26 forecast (No SRV)	2025/26 forecast (yr1 of 37.67% SRV)	2026/27 forecast (No SRV)	2026/27 forecast (yr2 of 37.67% SRV)
Operating Performance	Measures a council's achievement of containing operating expenditure within operating revenue.	>0%	-7.13%	-8.45%	-5.52%	-7.75%	0.52%
Own Source Operating Revenue	Measures fiscal flexibility. It is the degree of reliance on external funding sources such as grants and contributions.	>60%	42.29%	54.82%	56.48%	61.80%	65.06%

GENERAL FUND PERFORMANCE RATIOS	Description	Target	2024/25 Actual forecast	2025/26 forecast (No SRV)	2025/26 forecast (yr1 of 37.67% SRV)	2026/27 forecast (No SRV)	2026/27 forecast (yr2 of 37.67% SRV)
Building and Infrastructure Asset Renewal	Measures the rate at which infrastructure assets are being renewed relative to the rate at which they are depreciating.	>100%	111%	59.06%	59.06%	53.13%	97.78%
Debt Service Ratio	Measures the cost of debt servicing (principal and interest) against total operating revenue (excluding capital grants and contributions).	>2.00x	6.47	6.05	6.69	6.27	8.35

The above results demonstrate that Council's financial position moves towards meeting the target performance criteria only with the SRV.

Unrestricted Cash Position

It is also critical that Council closely monitors and manage its unrestricted cash position.

If Council was continue operating in a business-as-usual manner, the General Fund would move into a negative unrestricted cash position by 2027/28. This is the equivalent of running insolvent for a council and cannot be allowed to occur.

The proposed SRV will provide Council the funds to better maintain the infrastructure networks and assets funded from the General Fund in a manner that is closer to community expectations and maintain a positive unrestricted cash position.

Ratepayer Impacts

The following tables outline how the base case (rate peg only) and the proposed SRV would impact on each rating category. The tables also show the impact on the minimum rates where applicable. All rating impacts shown are based on the average rate for each rating category.

Council has resolved to apply for a permanent SRV of 37.67% cumulative to be phased in over two years from 2025-26 to 2026-27.

	2025/26	2026/27	Total
Rate Peg	4.7%	3.5% (forecast)	8.2%
SRV above rate peg	13.3%	13.17%	26.47%
TOTAL	18%	16.67%	34.67%
Cumulative SRV over two years			37.67%

To address concerns raised during the community engagement period, Council also resolved that the proposed increase caps the increase on Residential, Business and Farmland rating categories at 15% per year and the balance of the revised SRV of 37.67% cumulative is to be sourced from the Mining rating category.

This equates to the SRV application being:

- a 32.25% cumulative increase (21.80% above rate peg) applied to the Residential, Business, Farmland rating categories, and
- an 85.13% cumulative increase (64.33% above rate peg) applied to the Mining rating category.

The yearly increases would be applied as follows:

Category	Year 1 2025/26	Year 2 2026/27	Compounded increase % Change
Residential	15.00%	15.00%	32.25%
Business	15.00%	15.00%	32.25%
Farmland	15.00%	15.00%	32.25%
Mining	43.36%	28.87%	85.13%

These values include a rate peg of 4.7% in Year 1 and 3.5% in Year 2. The SRV is 26.47% above the rate peg limit.

The impact on individual ratepayers varies according to the rate category their property is in. Indicative information on the impact on the average ratepayer in each main category can be seen in the table below.

Category	2024/25 Average per annum	2025/26 Year 1 Increase / per annum	2025/26 Year 1 Increase / per week	2026/27 Year 2 Increase / per annum	2026/27 Year 2 Increase / per week	2026/27 Average per annum
Residential	\$1,106.16	\$165.93	\$3.19	\$190.81	\$3.67	\$1,462.90
Business	\$5,899.02	\$884.85	\$17.02	\$1,017.58	\$19.57	\$7,801.45
Farmland	\$5,336.54	\$800.49	\$15.39	\$920.55	\$17.70	\$7,057.58
Mining	\$316,615.92	\$138,232.82	\$2,658.32	\$131,297.32	\$2,524.95	\$586,146.06

The following tables show the more detailed breakdown of the impacts of the SRV and maximum Minimum Rate (MR) values by category, noting that the Mining category uses a base amount and not a minimum rate.

Residential

Category	Base Year 2024/25	Year 1 2025/26	Year 2 2026/27	Cumulative Increase
Average Residential rate under assumed rate peg	\$1,106	\$1,157	\$1,197	\$91
Annual increase rate peg (%)		4.7%	3.5%	11.62%
Annual increase with proposed SRV	\$1,106	\$1,272	\$1,463	\$357
Annual increase SRV (%)		15%	15%	32.25%
Cumulative impact of SRV above base year		\$166	\$357	
Difference between SRV and rate peg only		\$115	\$266	
Residential Minimum Rate under assumed rate peg	\$555	\$580	\$600	
Annual increase rate peg (%)		4.7%	3.5%	
Annual proposed MR increase (\$)	\$555	\$638	\$733	
Annual proposed MR increase (%)		15%	15%	32.25%
Cumulative impact of MR increase above base year		\$83	\$178	
Difference between the MR under rate peg only and proposed MR increase scenarios		\$58	\$133	

Business

Category	Base Year 2024/25	Year 1 2025/26	Year 2 2026/27	Cumulative Increase
Average Business rate under assumed rate peg	\$5,899	\$6,167	\$6,383	\$484
Annual increase rate peg (%)		4.70%	3.50%	11.62%
Annual increase with proposed SRV	\$5,899	\$6,784	\$7,801	\$1,902
Annual increase SRV (%)		15%	15%	32.25%
Cumulative impact of SRV above base year		\$885	\$1,902	
Difference between SRV and rate peg only		\$617	\$1,418	
Business Minimum Rate under assumed rate peg	\$544	\$568	\$587	
Annual increase rate peg (%)		4.7%	3.5%	
Annual proposed MR increase (\$)	\$544	\$625	\$718	
Annual proposed MR increase (%)		15%	15%	32.25%
Cumulative impact of MR increase above base year		\$81	\$174	
Difference between the MR under rate peg only and proposed MR increase scenarios		\$57	\$131	

Farmland

Category	Base Year 2024/25	Year 1 2025/26	Year 2 2026/27	Cumulative Increase
Average Farmland rate under assumed rate peg	\$5,337	\$5,579	\$5,775	\$438
Annual increase rate peg (%)		4.70%	3.50%	11.62%
Annual increase with proposed SRV	\$5,337	\$6,137	\$7,058	\$1,721
Annual increase SRV (%)		15%	15%	32.25%
Cumulative impact of SRV above base year		\$800	\$1,721	
Difference between SRV and rate peg only		\$558	\$1,283	
Farmland Minimum Rate under assumed rate peg	\$555	\$580	\$600	
Annual increase rate peg (%)		4.7%	3.5%	
Annual proposed MR increase (\$)	\$555	\$638	\$733	
Annual proposed MR increase (%)		15%	15%	32.25%
Cumulative impact of MR increase above base year		\$83	\$178	
Difference between the MR under rate peg only and proposed MR increase scenarios		\$58	\$133	

Mining

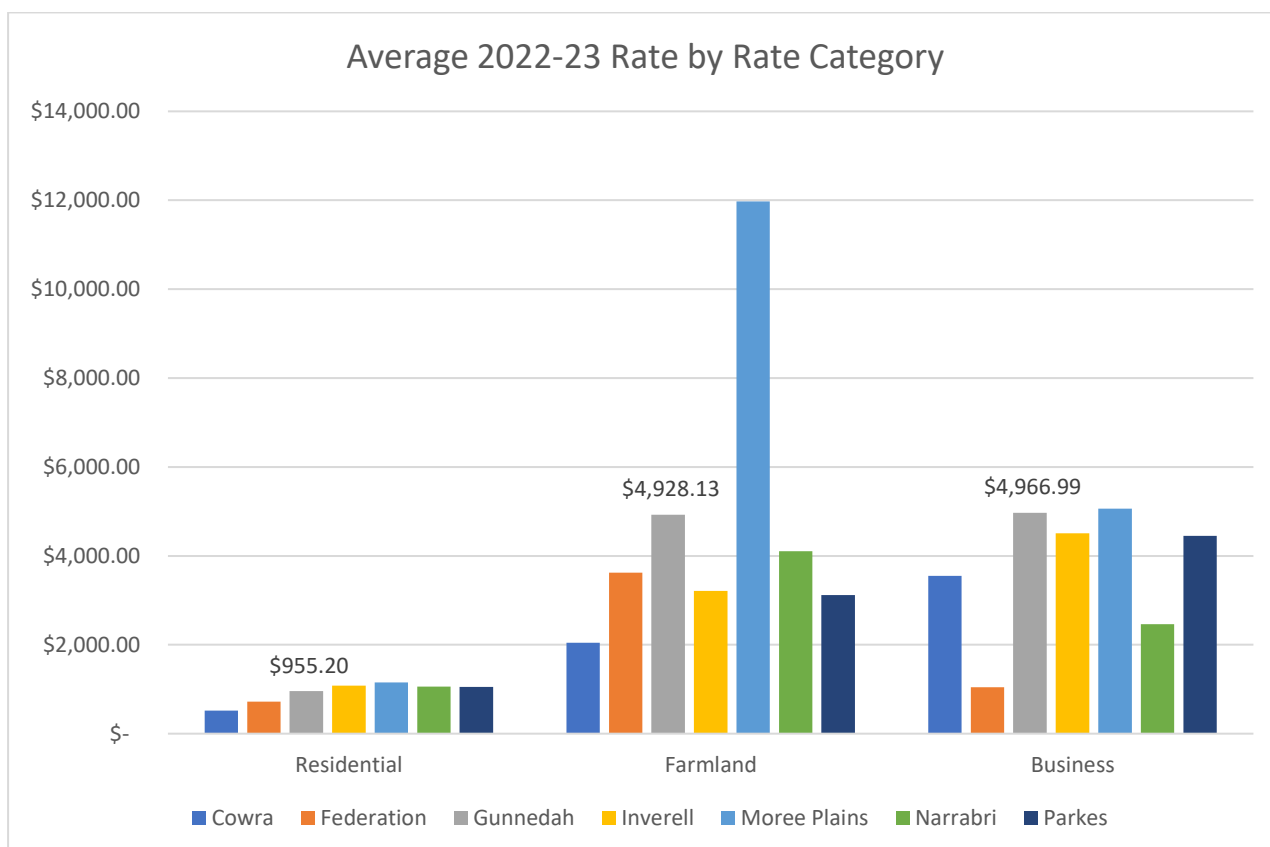
Category	Base Year 2024/25	Year 1 2025/26	Year 2 2026/27	Cumulative Increase
Average Mining rate under assumed rate peg	\$316,616	\$331,025	\$342,611	\$25,995
Annual increase rate peg (%)		4.70%	3.50%	11.62%
Annual increase with proposed SRV	\$316,616	\$454,848	\$586,146	\$269,530
Annual increase SRV (%)		43.66%	28.87%	85.13%
Cumulative impact of SRV above base year		\$138,232	\$269,530	
Difference between SRV and rate peg only		\$123,823	\$243,535	

Council is also reviewing the option to not apply or minimise increases to other charges levied on the rate notice during the SRV implementation period but has not made any determination on this at this time.

Rating Comparisons

Comparisons are difficult to make to other councils because of a range of factors, including the area of land in the Local Government Area, population density and the associated number of rateable assessments, the number and types of services provided and types of industry. Comparisons with financially stressed councils are also problematic because it might seem they are more efficient but, in fact, they have many challenges ahead of them.

Council has compared its average rates with six Group 11 councils with relatively similar population size and/or assets. The data is based on 2022-23 comparisons because this is the latest data available from the Office of Local Government's Comparative Council Information.



Without confirmation whether other councils listed in the above table are applying for a SRV, and for what amount, it is difficult to forecast the future comparisons between Gunnedah Shire Council (with the SRV added) and other councils.

However, we can show that the proposed SRV would result in average rates in 2026-27 of \$1,463 for residential, \$7,801 for business and \$7,058 for farmland.

In relation to the information above and including known rate variations or estimates for the other councils referenced, Gunnedah Shire Council would be placed the highest for Residential and Business Rates, and second highest for Farmland Rates within the group.

Capacity to Pay

Council is preparing a Capacity to Pay report to assess the level of advantage and disadvantage within the Gunnedah Shire Council Local Government Area. This report provides an analysis and evaluation of relative wealth and financial capacity whilst also looking at the financial vulnerability and exposure of different community groups within the local government area.

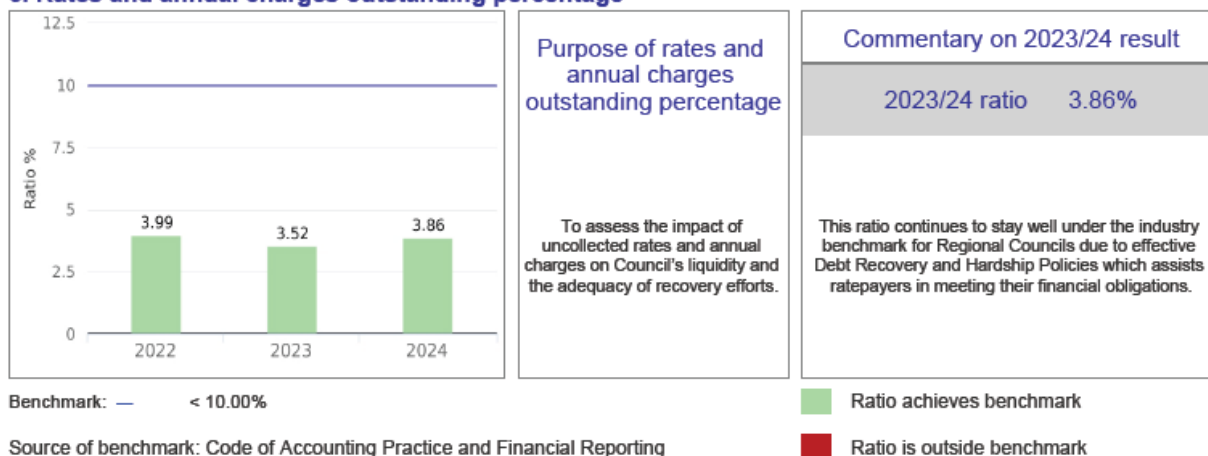
Some of the key findings from the report are noted below.

- Although there are pockets of significant wealth and advantage, there is also significant disadvantage.
- Additionally, we also noted that Gunnedah Shire Council has a relatively low proportion of outstanding rates at 3.86% (2024), a strong indicator of both capacity and willingness to pay rates especially given that the benchmark for outstanding rates is less than 10% for regional and rural areas.

Council recognises that circumstances of financial hardship can arise requiring respect and compassion. In cases of genuine hardship, Council will work with people to put affordable payment plans as set out in Council’s adopted Hardship Policy. For further information please refer to the Rates Frequently Asked Questions page on our website.

From the 2023/24 financial statements the rates and annual charges outstanding percentage has remained relatively stable over the past three years and remains well below benchmark.

5. Rates and annual charges outstanding percentage



Productivity Improvements

Through the community consultation, the community was very vocal that if Council is seeking to increase rates, they want to see Council ensure it is operating as efficiently possible and only seeking to increase rates by the smallest amount possible. Council is constantly seeking ways to drive improvements through innovation and efficiency gains, as well as working hard to keep operating costs under control.

Council's decision at the meeting on 6 November 2024 supported this feedback from the community with the inclusion of the following: *Council will strive to achieve \$930,000 through efficiency gains and operational savings over the 3-year period 2025 to 2028 with a report to council by May 30th annually during this period.*

Council has actively sought additional revenue opportunities through State and Federal Government grants, reviewing service pricing and maximising the investment portfolio and will continue to do so. Should the SRV application be successful, Council will also seek to use the capacity to match future grant opportunities with a view of reducing any additional future financial burden on the community as far as possible. Council will also continue to advocate for increased funding from other levels of government in areas such as financial assistance grants as it has done so for many years.

Council has made significant efforts to improve operations and deliver services to the community without increasing rates over several years.

Council's strategic approach to achieve a financially sustainable future is as follows:

- Long-term financial sustainability based on service levels that provide a good quality of life for the residents, ratepayers and visitors of the Gunnedah Shire,
- A continuous improvement approach to achieving operational efficiencies and maximising the use and flexibility of the organisation's resources,
- An engaged community that understands the service levels Council can provide with the available resources,
- A planned and resourced service review program,
- A detailed approach to asset management, and
- A collaborative approach to solutions working with other Councils and private sector organisations to maximise the efficiency of Councils operations.

Council last undertook an SRV in 2013/14 and in the years since, has continued to make efficiency gains and absorb newly added costs without seeking to raise rates. There have been:

- multiple restructures,
- changes to functions,
- where appropriate, reduce service levels driven by resource constraints,
- the implementation of reviews driven by the audit, risk and improvement committee,
- the development of formal service review program,
- review of procurement processes,
- undertaking organisational structural changes to align skills and qualifications of employees to better align with service delivery and organisational requirements,
- opportunities to redeploy and internally transfer employees in consultation with employees,
- review of IT opportunities to realise efficiency gains,
- review assets that can be sold or disposed of to reduce operational costs,

- review avenues for increased revenue via operations; an example of this includes the increased scale of the GoCo operations,
- review strategies and business plans of Council’s commercial business units,
- undertake a major review of all fees and charges,
- investigate further opportunities for economies of scope (shared services); an example of this is the shared agreement with Liverpool Plains Shire Council regarding economic development, and
- develop budget management, project management and business planning systems and skills.

Asset Management Transformation

Council is currently rebuilding and addressing key gaps in its asset management plans and framework. Council is working with an external partner to bring its asset management plans up to date and ensure appropriately skilled staff can successfully perform strategic asset management functions as well as creating an environment to improve asset management processes and software improvements based on quality data.

A significant improvement is being made through the integration of infrastructure and finance functions which will:

- Reduce double handling of asset data, reduce errors and allow for better prioritisation of works,
- Conduct and implement asset condition assessments and data improvement for more efficient financial management and improved understanding of asset performance and to provide forward works plans for inclusion in future budgets,
- Road reclassifications to transfer management to state government,
- Activation and maximise the utilisation of assets e.g. quarries, and
- Building relationships with new business partners such as Koala Sanctuary partner to utilise our assets.

Recent productivity gains resulting in actual cash savings have included:

Product Improvement – Cost Savings	One-off	Ongoing
Savings in the internal audit program		\$26,000
Insurance savings (excluding workers compensation)		\$130,000
LED Street Lighting electricity savings		\$64,613
Obtained external grant to upgrade IT system in lieu of IT funds	\$80,000	
Obtained external grant to undertake review of Development Control and S7.12 Plans in lieu of utilising Planning funds	\$202,500	
Sewerage Treatment Plant solar system electricity savings		\$23,261
Total	\$282,500	\$243,874

The above list is not exhaustive and Council is continuing to identify improvements that have resulted in savings through the quarterly budget review process and service review program.

The planned improvements for the future include:

- Review of vacant positions,
- Review of new revenue opportunities, and
- Continuation of the Council service review program.

Specific Projects planned for future improvements include:

- Improved asset management systems and processes
 - Conduct and implement asset condition assessments and data improvement for more efficient financial management and improved understanding of asset performance and to provide forward works plans for inclusion in future budgets,
 - Road reclassifications to transfer management to state government,
 - Activation and maximising the utilisation of assets e.g. quarries, and
 - Building relationships with new business partners such as the Koala Park operator.
- Improved customer service systems and processes
 - Improved response timeliness to customer requests,
 - Review the community engagement website for usability, cost efficiency and integration, and
 - Implementation of new customer service system.
- Upgraded website
 - Improved external communications.
- Review cost saving opportunities

As part of the SRV application Council is preparing a cost containment and productivity report that will contain further information on what Council has already achieved along with future plans and this will be available prior to the submission of the application.

Community Engagement

Community consultation has been mentioned throughout the document. As mentioned, due to the timing of the NSW Council elections, the consultation was undertaken prior to the elections and the report of the outcomes presented to the new Council at its ordinary meeting on 30 October 2024.

The formal SRV engagement process ran from 2 August 2024 to 6 September 2024. Council used a variety of methods and tools to engage with the community including:

- Face to face sessions in villages throughout the shire, a Town Hall style meeting and information stands in the main street
- Social media including Facebook, LinkedIn and Instagram
- A phone survey independently run by a research house
- Council's website
- Radio
- Newspaper
- Media releases
- Councils' operational plans
- A survey accessible from Councils website
- Internal staff briefings

Throughout the engagement process, we achieved the following reach:

Type of Engagement	Reach
Internal Staff briefings	140
Face to face community sessions	420
Council SRV webpage	1,144 views by 678 visitors
Webpage Rates calculator	821 views by 632 visitors
Social Media	<ul style="list-style-type: none"> • 37,500 post reach • 75 Direct shares A reel discussing the SRV and showcasing the Rates Calculator available on Council's website was played 2,400 times with a reach of 1,400.
News articles	>20 articles across radio, TV and print
Media releases and media calls	Significant community reach
Written submissions	26 submissions were received and presented to Council at its 30 October 2024 meeting

The key feedback regarding the potential SRV of 38.88% implemented over two years was;

- the community does not want to pay more rates (noting current difficult times and costs)
- the community does not want to see a reduction in service levels and wants to see an increase in some areas (especially in the condition of Council's roads)
- if an SRV is required, then it should be phased in over a longer period to reduce the single year impact on residents and ratepayers (especially those on fixed incomes)
- the split of how an SRV is applied should be reviewed so the balance is right between farmland and residential rates to be more of a user pays model
- Council needs to ensure it is transparent in its decision making, engaging with the community and operating as efficiently as possible, with the right balance of indoor and outdoor staff along with ensuring that current funds and resources are being maximised for the shire
- Only 26% of the 38.88% is above the rate peg that will occur regardless of the SRV
- Council needs to look at non-rate revenue that can help address the asset renewal gap without large rate rises being required and find a solution so large SRVs are not needed in the future

The highest support for the SRV came through the phone survey, which is also the most independent and community wide aspect of the engagement, with 39% of phone survey respondents “somewhat supportive” of the proposed SRV option.

While the feedback provided by the community indicated a clear view of not wanting to pay more rates, there was also a clear view that the community does not want to see any service level reduction. Without additional funding, maintaining current service levels will not be possible.

The revised SRV endorsed for the SRV application was restructured and is an overall lower value based on the community feedback from the consultation process. The SRV is now lower for Residential, Business, Farmland rating categories than what was originally proposed. In the original SRV proposal, these rating categories would have experienced an increase of 38.88% over two years. Under the revised SRV proposal the increase is capped to 32.25% over two years.

A full summary of Council’s community engagement in relation to the SRV was presented to the Ordinary Council Meeting, held on 30 October 2024.

Next Steps

Following the public exhibition of the revised Integrated Planning & Reporting documents updated to provide greater detail regarding the endorsed SRV application values, Council will prepare Special Rate Variation and Minimum Rate applications to be presented to Council in January 2025 and, if endorsed, will lodge these with IPART by 3 February 2025.

Find Out More

Council’s website contains further information on the SRV, including an easy to use rates calculator where you only need to enter your rates assessment number or address to see the impact the SRV would have.

<https://www.gunnedah.nsw.gov.au/index.php/council/the-future-of-gunnedah/proposed-special-rate-variation>

Enquiries on the SRV can also be directed to Council’s customer service team on (02) 6740 2100 or council@gunnedah.nsw.gov.au

UPDATE FOLLOWING SECOND ROUND SRV ENGAGEMENT

Council undertook a second round of community engagement following the determination to update the SRV proposal to 37.67% over two years.

The second round of engagement ran from 7 November to 19 December 2024. Council used a variety of methods and tools to engage with the community including:

- Direct mail out to all ratepayers,
- Social media including Facebook,
- A dedicated SRV page on Council’s website including rates calculator,
- Radio,
- Media releases.

Throughout the engagement process, Council achieved the following reach:

Type of Engagement	Reach
Direct letter to ratepayers	6,451 ratepayers (over 10,000 property owners including shared property owners)
Council SRV webpage	214 views by 100 visitors
Social Media	2,386 post reach
News articles	Multiple articles across radio, TV and print
Media releases and media calls	Significant community reach
Written submissions	27 submissions were received and presented to Council at its 15 January 2025 meeting

The common themes from the 27 written submissions regarding the potential SRV of 37.67% implemented over two years was that:

- Property owners and residents predominately do not want an increase in rates given the current cost of living challenges,
- Residents want/expect to see an improvement in Council services (roads in particular),
- Rural ratepayers, particularly a number of farmers, expressed concern, and in some cases anger, about paying higher rates with limited visible benefits, especially regarding road maintenance. They suggested the increased rate burden associated with the SRV should be more attributed on a user pays model and allocated to residential ratepayers, and
- Council should tighten its belt and reduce its expense rather than just raising rates, and they want Council to ensure it is operating as efficiently as possible and has the right balance of indoor/outdoor staff.

To ease the impact on ratepayers, should the SRV be approved, at its ordinary meeting in December 2024, Council endorsed:

“That Council freezes increases to Waste Management and Sewerage Annual Charges during the proposed Special Rate Variation (SRV) implementation period, subject to the SRV being approved by IPART and those service areas maintaining a financially sustainable outlook.”

Further Improvement

During the community engagement period Council was also successful in obtaining a grant for \$120,000 to upgrade Council’s customer service system. This work was planned to be funded by Council and this grant enables a saving of \$120,000 as compared to forecast expenditure.



Gunnedah

Shire

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