

## Strategy and Assets Committee

**Meeting Date:** Tuesday, 11 October, 2016

**Location:** Council Chambers, City Administrative Centre, Bridge Road, Nowra

## Attachments (Under Separate Cover)

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**Summary of Submissions – Berry District Park Master Plan – Re-Exhibition & Preferred Name**

**20 July – 24 August 2016 – File Number 49929e**

No.	Submitter	Submission content	Staff analysis / <b>Recommended changes</b>
1	Arthur Lidbetter	I feel that this location would be a poor choice for a criterion track. Fast bikes racing around a track where tourist and young people walk is an accident waiting to happen. The land at the eastern end of the Berry Sport and Recreation Centre on the corner of Moeyan Hill Rd and Coolangatta Rd would be ideal spot. It is my understanding that this would be a preferred site for the. With the Berry Alliance bike/walking path plans and the Berry Rotary loop there will be bike tracks out to Sport and Rec in the near future. This will mean that there is also a bike track one third of the way to Shoalhaven Heads. I understand that that this community would like a dual bike walk path to Berry. This The Criterion track could be used by Sport and Rec when not in use. The center of the track could be used as cycle education space. The centre already have a cyclo-cross track built on their centre, accessible via Moeyan Rd. This could become a cycle hub with large events attracted (not really possible in the town) to the area. The centre has accommodation for 180 people and large dining area to cater for events. The Shoalhaven is an ideal cycling destination with the mountains so close and with the Avanti team using Nowra as its base there are lots opportunities if done properly.	<p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
2	Jennifer Mors	The adventure playground is far too small and needs to be enlarged to enable 'running and jumping' on grass and around trees. Dog area seems to have disappeared - off and on leash areas important for visitors and residents. More seating for picnics and older residents. Connected pathways around entire park please. Footpath/cyclepath needs to run all the way from west end of North Street to oval. Aboriginal name for the park preferred. All areas need to be accessible to visitors and residents - unrestricted. Road closure at western end of Albany Street unresolved - traffic issues with turning vehicles, garbage trucks and frustrated drivers (near pre-school - signage required plus a defined cul-de-sac, private road needs differentiating from main road, and drainage remains a major issue.	<p>The adventure playground is in a proposed area of 5,500m<sup>2</sup>, this is an extensive playground. Currently one of the largest in the city is 550m<sup>2</sup>. Equipment space feeds into other areas of the park for both passive and active recreation usage. In addition, the land to the west is an open sports field that can be utilized for unstructured play. There is also a picnic area in the north eastern corner of the park. A network of pathways run along north street into and around the park.</p> <p>A replacement Dog Off-lease Area will be investigated as part of the Shoalhaven Wide Access Areas for Dog review.</p> <p>Preferred Aboriginal name for the park noted.</p> <p>Traffic concern are outside the scope of the Master Plan.</p> <p><b>No recommended changes</b></p>

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3	Margaret R Vella	<p>Thank you for the information concerning this. It is good that community use will be made of the area, but I do have a qualm or two. While not keen on having the cycling track so close, one supposes it will at least not be noisy!</p> <p>My chief concern is that with a parking area in the vicinity, and long-vehicle parking, there will be a considerable increase in traffic. There is no continuous paved footpath on the southern side of the street. Much of it is grassed and uneven. This means that many people walk on the road which will be made much more unsafe by increased traffic. There are a number of older people living along here and the lack of even footpath can be very limiting for them, especially if they are a little unsteady on their feet or reliant on walkers to get about.</p> <p>The shared path in the new park could be hazardous for older people too. Some cyclists are not thoughtful about letting pedestrians know they are coming up behind and that is a problem for those who are not quick on their feet, or not able to hear what is happening behind them.</p> <p>I would like to ask that, while you have the work going on over the road and no doubt on the road as well, that the footpath be paved and proper guttering installed on the south side.</p> <p>The aboriginal name, Boongaree, seems a good one. It is nice to acknowledge that their people have been here so long.</p>	<p>Comments acknowledged</p> <p>The parking has been designed for access to the park and the CBD if required as overflow. A pedestrian path has been provided / constructed on the northern side of North Street.</p> <p>The plan indicates path connections along Alexander and Prince Alfred Street to connect the park with the CBD.</p> <p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p>No footpath or guttering is proposed on the south side of North Street and would require significant additional resources to adjust road levels and duplicates the path on the northern side of North Street.</p> <p>Boongaree Park noted.</p> <p><b>No recommended changes.</b></p>
4	Robert Pymm	<p>Just looking at the plan which is good but didn't see mention of where the off-lease area for dogs will be. I think this is an important factor encouraging stop-offs from the bypass.... Good public toilets, the kids playground and an off-leash area are key amenities for travellers. Will there be provision for dogs??</p>	<p>Dog Area to be looked at as part of the Shoalhaven Wide Access Areas for Dog review.</p> <p><b>No recommended changes.</b></p>
5	D. Armstrong	<p>Whilst I knew Bill Bramley from 1965 until his recent death I cannot agree with naming the park after him or any past or current Berry resident. Boongaree could be acceptable I consider an explanation of this name being the name by which the Berry area was known at settlement time should be displayed and adequate described at the entry signage for Berry. Some years back I was responsible for organizing the then Berry Apex Club to press for the naming of Mark Radium Park to record the history of an outstanding show horse that was trained and</p>	<p>Preferred name of Boongaree Park &amp; First Lee noted.</p> <p><b>No recommended changes.</b></p>

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		ridden by a then Berry resident. In view of this I consider that consideration could be given to naming the park after for example a trotter trained and driven by the late Kevin Robinson. A suggestion could be "First Lee" who did Berry proud winning the Interdominion race some years back.	
6	Sally Nicholls	<p>Many thanks for inviting submissions for the proposed name change from Berry District Park to another name.</p> <p>Berry has a history of recognising its Scottish/English heritage by the naming of its streets to reflect this long association. A drive through Berry will reveal such names as:</p> <p>Prince Alfred Street Queen Street King Street Princess Street Edward Street Clarence Street Victoria Street Alexandra Street George Street Albert Street</p> <p>In recognition of Queen Elizabeth's 90th birthday and as our longest serving Queen, I would like to suggest changing the name from Berry District Park to:</p> <p style="text-align: center;"><b>QUEEN ELIZABETH PARK, OR</b></p> <p style="text-align: center;"><b>ELIZABETH PARK</b></p> <p>I am hopeful that serious consideration will be given to this suggestion.</p>	<p>Submission appears to be a form letter.</p> <p>Preferred name of Queen Elizabeth Park or Elizabeth noted.</p> <p><b>No recommended changes.</b></p>
7	Catherine Barlow	R Fitness Stations are located too far from the town centre, requiring users to potentially bike, (or drive which is counterproductive). Fitness Stations should be relocated to near F parking i.e. closer to the town centre and within walking distance for most people. Once again cars are given precedence over people.	<p>The fitness stations are designed to be on the shared pathway as part of a walking and exercise experience, they are located close to both car parking spaces on North Street and Woodhill Mountain Road. The car spaces are located at the entry to the park to avoid vehicle traffic in the park. The parking also allows for overflow parking from the CBD</p> <p><b>No recommended changes.</b></p>

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8	John & Carol McDonald	<p>Many thanks for inviting submissions for the proposed name change from Berry District Park to another name.</p> <p>Berry has a history of recognising its Scottish/English heritage by the naming of its streets to reflect this long association. A drive through Berry will reveal such names as:</p> <p>Prince Alfred Street Queen Street King Street Princess Street Edward Street Clarence Street Victoria Street Alexandra Street George Street Albert Street</p> <p>In recognition of Queen Elizabeth's 90th birthday and as our longest serving Queen, I would like to suggest changing the name from Berry District Park to:</p> <p><b>ELIZABETH PARK</b></p> <p>I am hopeful that serious consideration will be given to this suggestion.</p>	<p>Submission appears to be a form letter.</p> <p>Preferred name of Queen Elizabeth Park or Elizabeth noted.</p> <p><b>No recommended changes.</b></p>
9	David Brawn	<p>I have reviewed the latest Master Plan document and have two comments to make:</p> <p><u>Adventure Playground</u></p> <p>This proposal is an excellent idea, and I think it rated highly during the recent Berry Strategic Planning process. I fully support it. However, I understand that the best adventure playgrounds are much larger than the area shown on the Plan. I recommend that the area allocated be increased significantly by allocating a proportion of the multi-purpose area (H1) to the Adventure Playground. I also recommend that time is spent researching established Adventure Playgrounds around Australia and internationally to develop an optimal plan regarding size and functionality so that it can be World class.</p>	<p>The adventure playground is in a proposed area of 5500m<sup>2</sup>, this is an extensive playground. Currently one of the largest in the city is 550m<sup>2</sup>. Equipment space feeds into other areas of the park for both passive and active recreation.</p> <p>The plan is a master plan and future development of the park will be further developed at detailed design stage. Council staff will use their collective skills and previous experiences to ensure that the park provides great play opportunities and accessibility.</p>
		<p><u>Criterium Track</u></p> <p>As I understand it, there is no interest in this facility in the Berry community, and it was not even considered as part of the recent Strategic Planning</p>	<p>Council were approached by the cycling group to secure a site in the Shoalhaven; however, Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp;</p>

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		programme. I also understand that the manager of the NSW Sport and Rec is prepared to host the track at his place. So I recommend that H2 is removed from the Plan.	professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport & Recreation site and are no longer interested in Berry District Park.  <b>Recommended change - Remove Criterium Track from Master Plan</b>
10	Lynette Clark	I strongly oppose the inclusion of a Criterium Bicycle Track in the Berry District Park complex. A racing or training for racing track is incompatible with the other leisure activities of the park. The safety aspects are a serious consideration. An appropriate name for the park would be "Berry Community Park".	Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track & professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport & Recreation site and are no longer interested in Berry District Park.  <b>Recommended change - Remove Criterium Track from Master Plan</b>
11	Owen Paton	I am writing to express my very strong objection to the proposed alterations suggested for the new park plan. The inclusion of a bike racing track around the park is entirely inappropriate and will undoubtedly result in accidents most likely involving young children or the elderly. You only need to reference the many problems surrounding the bike racing in Centennial Park in Sydney. I have no objections to bike racers but there are many more appropriate places for such activities.	Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track & professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport & Recreation site and are no longer interested in Berry District Park.  <b>Recommended change - Remove Criterium Track from Master Plan</b>
12	Carol Hampson	Although the proposed plan has many good points I see no place for a Criterium cycle track in a family/community area. This would be much better sited at the Sport and Recreation Centre on Coolangata Road.	Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track & professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport & Recreation site and are no longer interested in Berry District Park.
		Also, there is a need for a properly fenced dog off lead area where dogs and owners can socialize safely without annoying other park users. The previous area, no longer available, was underused because of inadequate fencing. A petition pertaining to this matter, signed by many local dog owners, was submitted to the Council last year.	There is no dog off leash area identified in this space at this point, the city wide dog review may identify one in the future.  <b>No recommended changes</b>
13	Tony Hampson	Although the proposed plan has many good points I see no place for a Criterium cycle track in a family/community area.	Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track & professional BMX track

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		<p>Would the Council cover the insurance costs of any accidents between cyclists and users of the Park? Having provided the facility surely you would be liable! This track would be much better sited at the Sport and Recreation Centre on Coolangata Road.</p>	<p>at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
14	Michael Fletcher	<p>It is with some concern that I am emailing to you.</p> <p>The proposed inclusion of a 950 metre criterium cycling track at the expense of the dog off leash area and a community garden is hard to fathom. An activity of this size and type would sit far better at the Sport and Recreational Centre outside Berry. I am sure if Council was to fund the construction at the S &amp; R site, S &amp; R would gladly manage and maintain it into the future.</p>	<p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
15	Margaret Street	<p>While I support some changes made in the revised Master Plan, I strongly oppose the addition of a criterium track for the following reasons:</p> <p>1 The RMS has made this residual land available to the Berry community for community use. The amenity of the North Street area was significantly impacted by the bypass and noise mound construction. Any use of this land should come from an expressed need within the Berry community.</p> <p>2 A bike racing track that is adjacent to a children's playground, a car park that will be heavily utilised on the weekends in particular, and a shared pathway that will become part of Berry trails for recreational use, raises serious safety concerns. There should also be concern for the safety of the riders when the track runs alongside a street heavily trafficked on Sundays in particular.</p> <p>3 The suggestion of the addition of the criterium track appears to be an expedient solution to two problems facing council - what to do with the final "triangle" in the park and where to relocate the criterium track. Time and more consultation may have found other solutions.</p> <p>4 Imposition of a criterium track will effectively prevent this land acquiring any other usage. There is strong support in the Berry community for a well designed dog off-leash area in North Street. In addition, many visitors parking in the future car park and, in particular, the long vehicle car park may travel with a dog requiring a safe exercise area. A community garden was also mooted. An easily accessible area in town with good soil would provide a</p>	<p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p>

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		<p>healthy lifestyle option, particularly to seniors who find their driving restricted. An open area of land is a good family friendly option. There should be no rush to impose a defined usage of this land.</p> <p>5 The top area of the proposed park used to be peaceful rural land with expansive views to the creek and the escarpment. Its future use should reflect a more leisurely pace of life, particularly for the many seniors who live in villas and houses along North Street. Their quality of life has been significantly impacted, what remains should be safeguarded.</p> <p>6 The original Master Plan consultation and further consultation for the draft Berry Strategic Plan make clear the value the Berry Community places on the future park. There was no suggestion in either consultation process of a need for a criterium track. I believe that this suggested imposition of a specialist regional facility has tainted the original intent of both the RMS and SCC.</p>	<p>There is no dog off leash area identified in this space at this point, the city wide dog review may identify one in the future.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
16	John Underwood	<p>Thank you for seeing me today at Council. As I explained The Berry Forum has established a sub-committee to help guide the development of the new district park the Council has designated between the new highway and North St in Berry. We know that Council controls the pursestrings and will be making all decisions on what the development will contain.</p> <p>The Rotary Club of Berry has a substantial sum dedicated to building a childrens' adventure playground and they will want a say in how it develops. There may be other sources of funds to commit to the project once we swing into action and ask the people of Berry for their suggestions.</p> <p>The Park Committee is charged with liaising with Council, and other stakeholders in the project, to ensure that the park turns into something Berry will welcome and will become a favourite site to visit and use for recreation by both residents and visitors. I hope you will appreciate whatever advice or feedback we can give you. We will help you to gather the views of Berry residents to round-out the plan and help ensure the outcome matches the vision.</p> <p>This committee was established today. We have yet to meet but there is a meeting of the Berry Forum on Thursday 11th when we will announce this decision. Council has documents on the plan for the park on display at present and is asking for comments and feedback. The cutoff date is 24th. Can we request that Council extend this date by two weeks to give us an opportunity to ask residents to look at the plans online and to make a comment.</p>	<p>Comments noted. Council would encourage the development of the park in conjunction with a community reference group that could involve representation from the Rotary Club, Berry Forum Park Committee and Council.</p> <p><b>No recommended changes</b></p>



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		I am the Chair of the new committee but you will know many of the other members because most have had dealings with Council in the past. I will send you their names once the announcement has been made.	
17	David & Judith Ball	<p>We strongly support the Berry District Park project vision to provide unique recreation facilities that build on the existing successes of the area. The Master Plan has been informed by extensive consultation with RMS, site user groups and 'those with a broader interest in the town's future'. The realisation of the plan will be a significant district and regional asset. It is therefore essential that any changes to the Master Plan be consistent with the Master Plan's broad based vision and design.</p> <p><b><u>Changes to the originally exhibited Plan.</u></b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Removal of long vehicle parking area shown on North Street.</li> <li><input type="checkbox"/> Provision of more long-vehicle parking in the off street car parking area within Berry District Park.</li> <li><input type="checkbox"/> Provision of a toilet block at the off street car parking area within Berry District Park.</li> <li><input type="checkbox"/> Hatch area for potential expansion of the proposed adventure playground north of the existing site.</li> <li><input type="checkbox"/> Spacing fitness equipment stations along the walking path within the Park.</li> </ul> <p>We consider that these changes are consistent with the Project vision, however, the inclusion of</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> a 950 metre criterium cycling track</li> </ul> <p>as presented in the revised Master Plan, is not appropriate for the following reasons:</p> <p><b><u>Criterium Cycling Track</u></b></p> <ul style="list-style-type: none"> <li>• A significant section of the proposed criterium track in Berry District Park encircles the Area identified as <i>Rural and Community use</i>, designated for passive recreation.</li> <li>• The remaining section of the criterium track encircles the <i>Multipurpose Area</i> and the <i>Off Street Parking</i> at Alexandra St intersection. The <i>Multipurpose Area</i> of the park cannot be accessed from the car park, without crossing the criterium track.</li> <li>• The Master Plan report notes that '<i>As a consequence of the bypass road design, the width of the area has been significantly reduced and its useability for any sporting and active recreation is relatively limited</i>'.</li> </ul>	<p>Comments acknowledged</p> <p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p>

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		<p>A 4 metre wide criterium track in these areas would not only reduce the passive recreation area unacceptably, but would represent a serious safety risk.</p> <ul style="list-style-type: none"> <li>• Criterium cycling is <b>racing</b>. For the safety of the cyclists and the public, a criterium track needs to be dedicated to that purpose and self contained.</li> </ul> <p>Noosa Council's criterium track web site carries a warning that <i>'High speed users of this circuit regularly exceed speeds of 50 kph.</i> Other rules of the Noosa criterium complex include:</p> <ul style="list-style-type: none"> <li>• <i>no dogs or pedestrians including joggers</i></li> <li>• <i>no motorised vehicles</i></li> <li>• <i>no skateboards or scooters</i></li> </ul> <ul style="list-style-type: none"> <li>• A criterium track is not compatible with shared pathways, passive recreation or parking</li> <li>• Criterium cyclists would reasonably expect to be able to use the criterium track for purpose at the same times as passive recreational users of the park, not just during criterium events.</li> <li>• Therefore sharing or crossing the criterium track would be unpredictably dangerous, especially for the most vulnerable members of the community.</li> <li>• For safety reasons, making part of the shared walkway a criterium (racing) track, effectively severs the connection of the passive recreation area with the recreational hub.</li> </ul> <p><b><u>Consideration of an alternative site for a Criterium Track.</u></b></p> <p>A criterium cycling track in our district would be an excellent new recreation and training facility for all cyclists to use and enjoy but it needs to be a <b>self-contained road circuit dedicated to that use</b>, free from pedestrians.</p> <p>Inclusion of a criterium cycling track in the Berry District Park is constrained by space, multi-use and risk.</p> <p><b>Berry Sport and Recreation Centre</b> is a more suitable location and we ask that consideration be given to offering the opportunity to Sport and Recreation to 'home' a criterium cycling track for the district.</p> <ul style="list-style-type: none"> <li>• Larger space for a self-contained road circuit dedicated to a criterium track;</li> <li>• Consistent with Sport and Recreation activities;</li> <li>• This location would facilitate use of the criterium track by a broader and more diverse range of community members and beyond;</li> <li>• Sport and Recreation would be more likely to view a criterium track as an asset;</li> </ul>	

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		<ul style="list-style-type: none"> <li>Location of a criterium track in Berry District Park would pose a serious liability for Council.</li> </ul>	<b>Recommended change - Remove Criterium Track from Master Plan</b>
18	Gail Paton	<p>I was surprised and disappointed to see provision made in the plan for a criterium bike track. It was not something canvassed when council sought submissions before and seems a most inappropriately located facility next to a proposed children's playground. I can see no provision for a off leash dog area in the plan which many residents did request.</p>	<p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p>There is no dog off leash area identified in this space at this point, the city wide dog review may identify one in the future.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
19	Margaret Street	<p>I would like to add a suggestion for a park name to my earlier submission. Broughton was an early name for the first settlement of Berry. I feel Broughton Park would be a name with significance for all and a reference to the heritage of the town.</p>	<p>Preferred name of Broughton Park noted.</p> <p><b>No recommended changes</b></p>
20	Sally Nicholls	<p>I refer to the Re-exhibition of the above Berry District Master Plan and your letter to me of 18 July, 2016.</p> <p>It would appear that Council has not considered the number of retirement villages and the aging population of Berry in this revised Plan. Even Gareth Ward, MP, in his letter to me of 4 August 2016, acknowledged the number of retirement villages and the aging of the Berry community.</p> <p>Berry is surrounded by rich dairy farmland, wineries, the Illawarra escarpment, the National Park and the shores of Seven Mile Beach. It is a place of great natural beauty, and it is this beauty which draws people from far and wide to marvel at the wonder of it all. They flock here, too, to enjoy the historic value of its heritage, the country markets, cafes, and the serenity of the landscape. Although the residents are the backbone of Berry, these visitors are welcomed by them.</p> <p>I attended numerous meetings held by the RMS prior to the commencement of the Berry By-pass. Residents were promised this land, currently referred to as the Berry District Park, for passive enjoyment. The attendees at these meetings were shown plans of the combined pedestrian/bicycle pathway along North Street, a dog off-leash area, as well as the beautification of the grassland by the planting of plants and shrubs. When completed, we were told it would be a stunning asset, not only for Berry, but also for the people of the Shoalhaven.</p>	<p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p>The park and surrounding land has extensive pathways to and through the park back to the CBD along with many passive recreational areas. The exercise equipment has would be for all ages and abilities.</p>

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		<p>I find it absolutely abhorrent that Council is now considering a 950 meter criterium track, provision of off-street parking to include more long vehicle parking, and a toilet block on the land which was promised to the Berry residents by the Roads &amp; Maritime Service.</p> <p>A criterium cycling track would not only be hideous, it would be dangerous so close to the pedestrian/cycle pathway. The pedestrian/cycle pathway will be used by the young and old alike, some walking with babies in strollers, some walking their dogs, and others simply getting their daily exercise. This is what was promised!</p> <p>. A far more suitable venue for the criterium cycling track would be at the Sport and Recreation property in Coolangatta Road where the young, and not so young, could race to their hearts content.</p> <p>. A far more suitable location for the toilet block would be closer to the Berry shops and cafes which would make for quick and easy access in time of need.</p> <p>. With the completion of the by-pass it is highly unlikely that long vehicles will exit into Berry, thereby negating the need for Council to provide for long vehicle parking.</p> <p>. An off-leash dog park to be included in the Berry District Master Plan.</p> <p>I urge Council to consider my objections to this proposed Berry District Park Master Plan, and to include an off-leash dog park for the social enjoyment of all.</p>	<p>Comment in relation to the toilet block is noted. There is currently a public toilet in the CBD at Alexandra Street and in Apex Park. The toilet block is to meet needs of long vehicles and other users.</p> <p>There is no dog off leash area identified in this space currently, the city wide dog review will address this in the future.</p> <p>The initial consultation identified need for long vehicle parking. When the by-pass is completed and traffic counts are undertaken, Council will better understand parking requirements for Berry.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
21	Sally Nicholls	<p>I object to this Master Plan in its present form. RMS stated that it would be given to the people of Berry for a park, open space, an area of peace and tranquil activities for everyone to enjoy, both residents and visitors alike.</p> <p><b>1. Off-street car park</b></p> <p>The off-street parking area at North and Alexandra Streets is not justified. There is ample kerbside parking for both cars and long vehicles along North Street itself.</p> <p>I live only three homes east of Alexandra Street, in North Street. Even on the busiest days of the year (Market Day) there are only 10-16 vehicles parked in this area. There are never any vehicles parked in North Street, east of my home. On a normal Sunday there are very few vehicles parked in North</p>	<p>1. Council made the changes to parking in line with the initial community engagement and feedback of the draft plan.</p>

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		<p>Street. Long vehicles are very infrequent and certainly do not justify an off-street parking area.</p> <p>Overnight stays by caravans, etc, will occur and the provision of toilets and water will encourage camping in the park.</p> <p><b>2. Toilet Block</b></p> <p>The proposed toilet block at North and Alexandra Streets is not warranted due to the small number of people using this area. It would be an unsightly, ugly building on an isolated area of the park and would spoil the ambience of what should be a garden area for all residents and visitors alike.</p> <p>A toilet block built there would be offensive, and certainly devalue the properties in North Street. A very strong objection to this proposal is lodged.</p> <p>This toilet block should be located at the eastern end of North Street in proximity to the proposed theme park.</p> <p>An existing toilet building is located at Alexandra and Albert Streets, only one block from North Street. It is not needed in North and Alexandra Streets. There are other locations near the Queen Street area which would also be suitable, ie behind the museum and near the rural fire station.</p> <p><b>3. Criterium Cycle Track</b></p> <p>A criterium cycle race track will dominate the entire park and spoil the park's appearance. Almost 1 km of black bitumen? laid out in circular configurations would render the park useless for most purposes and is not desired by residents.</p> <p>RMS dedicated this area to the people of Berry for a parkland. A communal garden, native shrubs and plants, grevilleas, bottlebrush, etc. to attract the birdlife and other small animals which are now absent due to the by-pass activity.</p> <p>A serious conflict would also arise with pet dogs, even if leashed, and bikes racing in the circuit beside the shared walking/bicycle pathway would most surely excite many dogs. Dogs love bikes.</p> <p>A proposal of this nature is not suitable in this area and is very UN-BERRY. It does nothing for the local residents, mostly retired, and if needed, the circuit should be located at the Dept of Sport and Recreation in Coolangatta Road which is there for this very purpose, and has more than ample room.</p> <p><b>4. Angle parking</b></p>	<p>2. Toilet block This was identified as a need by the community in the initial consultation. The toilet block is to meet needs of long vehicles and other park users.</p> <p>3. Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p>

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		<p>Angle parking in North Street is unnecessary and would be very dangerous. Unnecessary because the street is always vacant, and dangerous due to the reversing movements of vehicles into and out of spaces. This would occur on a public street where vehicles travel at mostly not less than 50 km. The accident potential is very high and angle parking should not even be considered. This is a public street, not a supermarket parking area.</p> <p>Additionally, vehicles angle-parked will reflect the sun off windscreens across onto the homes facing north, causing a nuisance with the very strong glare. I have already experienced this and object to a potential row of glaring windscreens into my home. This nuisance can be done without.</p> <p><b>5. Shade Trees</b></p> <p>Shade trees along North Street will obscure the panoramic vista of the escarpment to the north, which is greatly admired by the residents all the time, and visitors who stop and appreciate the majestic views.</p> <p><b>6. Proposed Name Change</b></p> <p>I would like to suggest <i>Berry Village Park</i>, <i>Berry Town Park</i>, or <i>David Berry Park</i>.</p>	<p>3. Council made the changes to parking in line with the initial community engagement of the draft plan. The initial consultation identified a need for additional parking to assist with park users and overflow from the CBD. When the by-pass is completed and traffic/visitor information is undertaken, Council will better understanding parking requirements for Berry.</p> <p>4. This is a master plan, detailed design has not been undertaken. Landscaping would be addressed at the detailed design stage and blocking of views could be addressed at this point with appropriate trees being chosen.</p> <p>5. Council through re-exhibition of the Berry District Park Master Plan (concept plan only) seek at the same time community feedback on the proposed name change from Berry District Park to:</p> <p>Preferred names of Berry Village Park, Berry Town Park or David Berry Park noted.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
22	Grahame Sweeney	<p>With reference to the re-exhibited Master Pan for the Berry District Park there are a number of comments I wish to make.</p> <p>1. The proposed criterium cycle race track as positioned on the Master Plan would in my opinion be totally unacceptable to the wider community of Berry in so far as making best use of a potentially major community recreational space. My understanding is that it will likely be used for the best part of every Sunday morning by the Nowra Velo Club. • From a safety perspective it will need to be fenced as it runs alongside a shared pathway, a public carpark, toilet block and the proposed adventure playground. • It therefore negates the potential use of the majority of the rest of the area for the primary time of the week when most of the weekend tourists are in town and when local families may wish to get out and enjoy their weekend leisure time. The centre space inside the raceway will be inaccessible during the prime time of the week. • And, once a 4 metre wide tarred roadway is constructed, then any of the</p>	<p>1. Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p>2. The adventure playground is in a proposed area of 5500m2, this is an extensive playground. Currently one of the largest in the city is 550m2. Equipment space feeds into other areas of the park for both passive and active recreation.</p>

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		<p>suggested alternate uses for the centre space (such as community event space or additional sports fields) may as well be forgotten. The alternate option to leave it as a cow paddock will no doubt become reality, and the lowest cost denominator wins. • Plus, if as we have heard that it is not intended to be fenced, then this raises all sorts of safety issues, and clearly it is in totally the wrong position. A racetrack (no matter whether if it is 2 wheels or 4) should not be positioned alongside the general public thoroughfares and particularly not near children's play facilities. • Then there are parking considerations. Every Sunday morning, the prime positions along North Street will become occupied by the cycling fraternity to the detriment of the many shopping visitors that come to Berry on a Sunday. Council will in effect be adding parking facilities, not for the true visiting tourists, but for the benefit of the crowd of cyclists who come with bikes strapped to the roofs of their cars. The only acceptable options in my opinion are to either reposition the cycle raceway to the rear of the area alongside the Site Boundary fence of the bypass embankment (and be suitably safety fenced), or relocate it to another area entirely, such as the Berry Sport and Recreation Centre, which we understand are keen to have it.</p> <p>2. The Adventure Playground and Parkland is a major wish of the Berry community as witnessed by its Very High Priority ranking in the Berry Strategic Plan, yet it is seemingly squeezed into the area of the previous designated dog off leash area which is no larger than the size of 4 tennis courts. How many families can be comfortably catered for in that amount of area? And how far do parents and children have to walk to access the toilet block at E? The desired concept of the Berry community is to have a nature based adventure playground and parkland with rest areas, BBQs and family amphitheatre, not a set of off-the-shelf play equipment stacked on top of each other. The Berry District Park provides the opportunity to plan something really special for all of the community. It is recommended that the Adventure Playground and Parkland should be re-oriented horizontally between the two parking areas F and G and closest to the shared pathway along North Street. This way, the senior's fitness stations could also be spread out along the shared pathway in this area, rather than be positioned at R where it is considered they will get very little use. One just has to have a look at the layout of the fitness stations at Warri Beach Gerringong to see what is possible.</p> <p>3. There is no dog off leash area accommodated within the Master Plan. This was highlighted by many people within the preparation of the Berry Strategic Plan.</p> <p>4. The shared pathway B is shown as crossing the entrance of the parking area F. From a safety perspective, it is recommended to go around the back of the parking area.</p>	<p>3. There is no dog off leash area identified in this space currently, the city wide dog review will address this in the future.</p> <p>4. This pathway is RMS's responsibility and was identified in their contract with Fulton Hogan.</p> <p>5. The distance across the carpark is approx. 50 meters. The positioning allows for open surveillance with the car park having no solid structures and also ensuring the toilet is not so prominent for the adjoining residences. The toilet block is to meet needs of long vehicles and other park users.</p> <p>6. The long vehicle parking area can be addressed at detailed design stage but any car parking would meet the relevant Australian Standards and council requirements.</p> <p><b>Recommended change - Remove Criterion Track from Master Plan</b></p>

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		<p>5. The positioning of the toilet block E is poorly located. All of the people in the on-street parking spots are forced to walk the greatest distance to access the toilets. They should be located nearer to North Street for the convenience of everyone, and would also be less likely to be vandalised after hours.</p> <p>6. The design of the long vehicle parking area F does not appear suitable for maneuvering long caravans and fifth wheelers. Surely, it should be designed like all of the truck stops you see along major highways where the long vehicle spaces are angled, allowing easy drive in and drive out.</p>	
23	John & Judith Burgess	<p>We submit the following, in objection and in relation to Shoalhaven Council's recent amended and exhibited proposed plan for the Berry District Park – specifically the inclusion of a Criterium Track.</p> <p>In particular, we object to the process of Council in respect of the recent and unadvertised recommendation by Council Administration to quietly recommend, in agenda, a recommendation to include a Criterium Track in The Berry District Park Master Plan. This significant and specific inclusion was followed by a supporting vote passed by Councilors' also without afore notice to the affected residents of Berry Township.</p> <p>To drop in a "monkey on the shoulder" of Councillors, being where to place a Criterium Track. Notably after the disused local Shoalhaven Waste Disposal site in North Nowra was deemed "too gassy" and unhealthy to solve a problem of locating a cycling track, appears to be less than considerate of Council to Berry residents.</p> <p>The RMS has inevitably released several unused portions of land south of the new Berry bypass and north of the long established North Street in Berry. This is a long narrow strip of land.</p> <p>Residents in most of North Street Berry have been "the most exposed and inevitably the most at loss" in personal amenity and land value, in light of exposure to the Berry highway bypass project".</p> <p>While there may be both political and general public value in converting residual unused portions of land, defaulted from planning the highway bypass,</p>	<p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>



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		<p>in to common use, it behoves Council to respect the rights of those residents in North Street Berry and move to protect the remaining limited remnant rural character of the land within in the view of their properties in a passive manner and in protection of rural character .</p> <p>The prospect of a Criterium Track, in frequent use serving the 300 members of local cycling clubs and many visitors from elsewhere, virtually every weekend of the year and in potential private control, of the cycling organization, is abhorrent and inconsistent with future passive use and inconsistent with to the espoused Council advertising of Berry as a 'Village Environment'.</p> <p>In objection and consideration of the above, we request that Shoalhaven Council Administration and Councillors consider the following objections, comments and questions, in relation to the current proposal to include a Criterium Track in the Berry Regional Park Plan as currently exhibited:</p> <ol style="list-style-type: none"> <li>1. The media (SCR 19/2/14) provided the public with the best indication of the cycling organisation's needs in relation to suitable Criterium Track and BMX facility. A 10 hectare area, two tracks and adjacent parking for approximately 200 vehicles.</li> <li>2. How can these previously stated parameters be met in a proposed 3.5 hectare site, in the Berry District Park? How can this restricted site possibly meet the needs of this active sporting group without seriously deteriorating the quality of the other passive leisure activities also allowed for?</li> <li>3. Who will manage the function of the Criterium Track and how will this preclude residents and visitors from frequent access?</li> <li>4. Will a private licence be given to the Cycling Organization to control and manage both the Criterium Track and BMX facility?</li> <li>5. Whose funds will be used to develop and,maintain the Criterium Track?</li> <li>6. Will night use be allowed and will lighting interfere with resident amenity along North Street?</li> </ol>	

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		These are but a few of the unanswered points that serve to raise concern and objection to the proposed inclusion of a Criterium Track in the Berry district Park Plan. We trust that Council will more closely examine how the real needs of the cycling organization (as publicized) will be met in this location without deteriorating the concept of the District Park.	
24	Rotary Club of Berry - Paul Anderson	<p>The Rotary Club of Berry has responded to the Berry District Park Master Plan and our submission regarding the plan is attached.</p> <p>A severe oversight on my part has been to miss the closing date for such submissions and I beg Councils indulgence to accept the attached submission on this most important planning process. The Rotary Club of Berry is well represented on the Berry Forum and the Berry District Park subcommittee and is vitally interested in the planning outcomes.</p> <p>I would be happy to reply to any queries you may have regarding our submission or they may be referred to our subcommittee representative Grahame Sweeney.</p>	Acknowledged and accepted late submission from the Berry Forum District Park Sub-committee received- see submission no. 26
		<p>I refer to the re-exhibited Master Plan for the District Park in North Street Berry and provide the following comments on behalf of the members of the Rotary Club of Berry.</p> <p>The Rotary Club of Berry has been promoting the concept for a nature based adventure playground and parkland along North St for some time. This proposal has been fully supported by the wider community of Berry as evidenced by the Very High Priority ranking given to the concept in the recently completed Berry Strategic Plan.</p> <p>We thank Council for including a version of an adventure playground within the Master Plan however unfortunately the plan falls way short of what is desired.</p>	<p>Council was originally approached by the The Rotary Club of Berry Gerringong Inc (14/2/13) to seek support to develop an 'adventure playground' which we gave in principle support to.</p> <p>The master plan is a conceptual plan identifying spaces for opportunities to occur but is not detail designed, which is where the equipment and use of space would be determined and can include the concept of nature based adventure playground.</p>
		And, the proposed inclusion of a 4 metre wide tarred track for cycle racing around the perimeter of the main area of the District Park is considered both unsuitable and unsafe for the area and is certainly not preferred. If this were to go ahead the District Park risks becoming little more than a cow paddock with a raceway around it ... a very poor image for the township of Berry as <i>'the Gateway to the Shoahaven'</i> ... and a huge opportunity lost.	Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track & professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport & Recreation site and are no longer interested in Berry District Park.
		<p>A good example of the vision that the Rotary Club has for the District Park is provided by the country town of Blayney NSW which has a heritage park. The description of their park (as follows) largely epitomises our vision for the Berry District Park.</p> <p><i>"the Heritage Park in Blayney is a multi-purpose, vibrant open space containing a number of different facilities catering for children, adults, families</i></p>	<p>Council was originally approached by the The Rotary Club of Berry Gerringong Inc (14/2/13) to seek support to develop an 'adventure playground' which we gave in principle support to.</p> <p>The master plan is a conceptual plan identifying spaces for opportunities to occur but is not detail designed, which is where</p>


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		<p><i>and groups, walkers and cyclists, making it an ideal place for locals, visitors and travelers passing through.</i></p> <p><i>The range of facilities the park provides are -</i></p> <ul style="list-style-type: none"> <li>• <i>Heritage Park Adventure Playground.</i></li> <li>• <i>A carefully designed, exciting children's play area with innovative and out of the ordinary facilities.</i></li> <li>• <i>Slides, swings and climbing frames for young children.</i></li> <li>• <i>A comet, a flying fox and a space net.</i></li> <li>• <i>The popular Mouse House - a timber lined cylinder large enough for children to walk through it. When children walk or run inside it - it rotates.</i></li> <li>• <i>A shaded sandpit area and a toy train for the younger children.</i></li> <li>• <i>Cycle/Walking path weaving around the perimeter.</i></li> <li>• <i>Barbecue Shelters and BBQ and Picnic facilities.</i></li> <li>• <i>Shaded Seating areas.</i></li> <li>• <i>A constructed creek, shallow ponds and landscaping with rocks and foot bridges.</i></li> <li>• <i>A giant chess board under shade.</i></li> <li>• <i>A shaded amphitheatre for large gatherings.</i></li> <li>• <i>'Off leash' dog walking areas.</i></li> <li>• <i>Accessible toilet facilities."</i></li> </ul>	<p>the equipment and use of space would be determined and can include the concepts of "heritage."</p>
		<p>As you may be aware, together with Council's most appreciated financial support, the Rotary Club of Berry organises a number of community events throughout the year. This includes the Berry Celtic Festival, the Berry Small Farm Field Days, New Years Eve Family Fireworks Spectacular, and an Australia Day breakfast.</p> <p>During the last two years the Club has been setting aside a portion of funds raised as seed money for the establishment of the nature playground. We are very hopeful to gain State Government grant money to go towards its construction.</p> <p>To fulfill the Club's vision of a nature playground and parkland the area nominated for the adventure playground needs to be reoriented and enlarged, so that it borders North Street spreading between the carparks F and Q. The proposed area within the Master Plan condenses a range of equipment into a small section of the overall park, which is no larger than the current size of the tennis courts at the Sporting Complex. The proposed senior's fitness stations can then be positioned along the shared pathway bordering North Street in such a manner that they appear to be part of the parkland playground ... a fun, inviting recreational area for all ages.</p>	<p>The adventure playground is in a proposed area of 5500m2, this is an extensive playground. Currently one of the largest in the city is 550m2. Equipment space feeds into other areas of the park for both passive and active recreation.</p> <p>The adventure playground is located on Council owned land. The land as mentioned on north street west of the existing site is RMS land. Council staff do not support expanding the playground into the adjacent proposed sportsground area as this is the only opportunity in the short to medium to provide additional sportsgrounds for the northern Shoalhaven. In addition, should nre or existing sport (i.e. soccer) be based in Berry (i.e. currently Shoalhaven Heads provides for Berry) or sports numbers increase this opportunity would be lost to provide for this need. An option to further expand the proposed adventure playground would be to expand the north east towards the area currently known as "Camp Quality."</p>

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25	Max & Elaine Crisp – Mayoral letter	<p>We ask Council to please review its current proposed layout, removing the criterium cycle raceway, and better utilise the available space, making it a visually appealing, attractive usable space for all concerned.</p> <p>We were both surprised and concerned to see a one kilometre high speed cycle path added to the latest issue of the Berry District Park plan. We consider that such a facility in a park likely to be used by family groups is a great hazard to itinerant small children and elder citizens ; as well as to the cyclists themselves .</p> <p>The only way for such a track to be made safe would be to enclose it in a high chain wire fence with lockable gated access. Unless the substantial non-track area inside the high speed cycle path is to be barred to other potential park users for safety reasons, a second internal security fence will be required . Overhead structures could make access to the internal area safe for non-cycling users, Leaving aside the visual aspects of such a structure i.e fences and footbridge(s) in our opinion the funds needed to provide such a facility could be better spent elsewhere .</p> <p>We are cyclists ourselves and are not decrying the usefulness of such a criterium facility for a relatively small number of riders , but we strongly urge the Council not to locate it a public park providing recreation for family groups . A reduced fencing requirement in a non-park area could minimise the costs to Council.</p> <p>Thank you for considering our concerns.</p>	<p><b>Recommended change - Remove Criterium Track from Master Plan</b></p> <p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>
26	THE BERRY FORUM District Park Sub-committee	<p><b><u>Submission to Council for the re-exhibited Master Plan for the Berry District Park.</u></b></p> <p>From The Berry Forum (Sub Committee) 6<sup>th</sup> September 2016</p> <p><u>Introduction</u></p> <p>The Berry Forum recently established a Berry District Park Sub-Committee as a direct result of the outcome of the Berry Community Strategic Plan which issued its Exhibition Draft Report at the beginning of August 2016.</p> <p>The Berry Community Strategic Plan process included a phase of engagement around ideas generation, with 540 surveys completed by residents, businesses and visitors. Outcomes were subsequently organised into seven themes, and a community forum attended by 200 people then identified the highest priorities.</p> <p>Theme 3 of the Berry Community Strategic Plan relates to <i>Recreation, Community and Cultural Facilities</i>. Its objective is to build a strong and engaged community through the provision of quality sporting, leisure and cultural facilities and activities.</p>	<p>Introduction – acknowledged</p>

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		<p>The Plan states, <i>"The design and implementation of the Adventure Playground proposal is one of the very high priorities in the Strategic Plan. The planning of this playground should be incorporated into the planning for the District / North Street Park along with a number of other priorities such as a dog off leash area."</i></p> <p>The Berry District Park Sub-Committee was formed on 8th August with members from the Committee of the Berry Forum, representatives of the Rotary Club of Berry, the Berry Chamber of Commerce, Berry Landcare plus younger representatives of the community of Berry.</p> <p>The Sub-Committee's role is seen as being:</p> <ol style="list-style-type: none"> <li>1. The principal coordinator of communications with Council regarding the Berry District Park.</li> <li>2. To ensure the interests of Berry are represented in planning for the Park.</li> <li>3. To canvass all stakeholders, and to assist in identifying required resources and explore funding options.</li> </ol> <p>The committee has just been formed so we have yet to deliberate on many of the aspects that will require our consideration. The development of the park will obviously be an extended project for all parties concerned with the outcome. Construction will be spread over several years and many concepts and suggestions will be floated before building actually starts, and even during the building phase ideas may change in ways that suggest something new or different be added to the vision. The committee is intent on seeing the project through to completion. The following comments are therefore intended as an initial response to Council's current exhibition and should be taken in the context that they are preliminary to a more detailed assessment of what the residents of and visitors to Berry might want in the way of a district park.</p> <p><u>Committee's Response to Amended Plan</u></p> <p>We understand Council is currently seeking feedback on the following issues.</p> <ul style="list-style-type: none"> <li>• A 950 metre criterium cycling track.</li> <li>• Removal of long vehicle parking area on North Street.</li> <li>• Provision of more long vehicle parking in the off street car parking area within Berry District Park.</li> <li>• Provision of a toilet block at the off street car parking area within Berry District Park.</li> <li>• Area for potential expansion of the proposed adventure playground north of the existing site.</li> <li>• Spacing fitness equipment stations along the walking path within the Park.</li> </ul>	

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		<ul style="list-style-type: none"> <li>Proposed name change from Berry District Park</li> </ul>	
		<p><u>Criterion Cycling Track.</u></p> <p>No supporting justification has been provided for the Criterion cycling facility, which was added to the Master Plan after the initial public exhibition period. Further, there appears to be little or no support for such a facility being located along North Street from within the Berry Community.</p> <p>There appears to be very few of these tracks constructed in any State in Australia, which is probably due to the cost of construction and the significant requirements which have to be carefully considered and addressed.</p> <p>For example, Hume City Council in Victoria recently completed a feasibility study, which estimated the construction cost at around \$2 million. Refer <a href="https://www.hume.vic.gov.au/files/sharedassets/hume_website/sports_rec/sports_rec_redesign/final_criterion_cycling_facility_feasibility_study_web_version.pdf">https://www.hume.vic.gov.au/files/sharedassets/hume_website/sports_rec/sports_rec_redesign/final_criterion_cycling_facility_feasibility_study_web_version.pdf</a></p> <p>A criterium is intended to be used for high speed cycling and we believe that as such it is not suited to a park where users of the space will be a mix of all age groups from the very young to the very old. It has also been suggested that the proposed cycling track at the Berry District Park would only be used on Sunday mornings and would be available for public use at other times. It would seem inconceivable that such a costly construction could be justified for minimal patronage and that the frequency of high-speed usage of the track would increase significantly (see City of Casey Criterion track usage) This would be not a desired outcome for other users of the park.</p> <p>The proposed siting of the cycle track in the Master Plan would compress the area available for the adventure playground and disenfranchise other activities, and allow no room for future expansion. The track's immediate proximity to the playground, toilets and parking areas would also be a significant public safety concern.</p> <p>Based on this analysis, the Berry Forum cannot support the proposed inclusion of the Criterion cycling facility with the Berry District Park.</p>	<p>Council has received feedback that Shoalhaven Cycle Committee have been in discussions with Berry Sport and Recreation in relation to locating both a criterium track &amp; professional BMX track at Berry Sport and Recreation Centre. As they would be able to locate both facilities at this site, the Shoalhaven Cycle Committee have indicated a clear preference for the Berry Sport &amp; Recreation site and are no longer interested in Berry District Park.</p>
		<p><u>Removal of long vehicle parking area on North Street</u></p> <p>The Berry Forum supports the removal of long vehicle parking on North Street and instead providing for the maximum possible number of angled car parking spaces on the northern side of the street.</p>	<p>Support acknowledged</p>

No.	Submitter	Submission content	Staff analysis / <b>Recommended changes</b>
		<p><u>Provision of more long vehicle parking in the off street car parking area within Berry District Park</u></p> <p>The Berry Forum supports the placement of at least 20 long vehicle parking in the proposed off street car park (shown as F on the Master Plan). However, we question the practicality of the layout shown which should be of a design that will enable long vehicles to turn easily and safely, without the need to reverse. The car park requires a separate entry and exit to eliminate the need to turn or reverse a large vehicle.</p>	<p>Acknowledged</p> <p>This can be addressed at detailed design stage, noting that the internal parking area at F allows long vehicles to front in and leave in a forward motion. All design would meet the necessary Australian standards.</p>
		<p><u>Provision of a toilet block at the off street car parking area within Berry District Park</u></p> <p>Obviously the provision of a toilet block is a vital component of the park, however it should be better positioned in order to make it more easily accessible to all. Whilst the proposed position may suit long vehicle parking, and in particular tourist buses, it has been identified that parents with young children playing at the playgrounds need to have it much closer. Also, as the majority of visitor car parking is placed along North Street, it makes better sense to also position it in a more accessible location, possibly by moving it eastward towards the Nature Park.</p> <p>However, the design and the positioning of the carpark and the toilet block is going to be contentious and we believe it is something worth discussing more extensively and taking opinions from the residents in North Street as this will have an impact on them as direct neighbours.</p> <p>There are suggestions for an information kiosk in the park given that many travellers will stop at the park for a rest. These visitors will sometimes need shelter while using the park so perhaps a covered area would provide such a benefit.</p>	<p>These toilets were included after the initial consultation and comment from the community.</p> <p>There is already toilets at the sporting fields/tennis courts in close proximity to the playground. The toilet block is to meet needs of long vehicle and other park users.</p> <p>Information kiosk facility/ notice board could be considered in the detailed design of the car parking area.</p>
		<p><u>Rotary's Proposed Adventure/Nature Playground</u></p> <p>Initial discussions within the Berry District Park Sub-Committee with the representatives from Rotary make it clear that there has been a significant misunderstanding between what the Council believes an adventure playground is and what Rotary is proposing and what the community supports and desires.</p>	<p>Council staff support the concept of an adventure/ nature playground and the proposed area is 5500m<sup>2</sup>, which is an extensive playground. Currently one of the largest in the city is 550m<sup>2</sup>. Detailed design of the park will show and demonstrate the items being requested and also cost provision of these facilities.</p>

No.	Submitter	Submission content	Staff analysis / <b>Recommended changes</b>
		<p>Rotary are proposing a nature based adventure playground and parkland along with covered BBQ and picnic areas. The aim is to provide kids with a lot more free play with nature's elements providing them with an opportunity to explore and learn a lot more than they would if the game and play was set out for them.</p>  <p>This concept will complement what are the preferred tourist coach stops around the country, those that combine easy accessible parking, with modern, clean toilet facilities together with covered picnic areas.</p>	
		<p><u>Area for potential expansion of the adventure playground north of the existing site</u></p> <p>The sub-committee has clarified with the RMS, matters in relation to the granting of land along North Street for community use, in that there is no restriction on what community facilities Council may construct on this land. It had been stated by Council that since the full extent of the park is not coming into Council ownership, this formed part of the basis for the decision regarding the location of the future extension for the adventure playground, being located to the north (on Council land) as opposed to the west on RMS land.</p> <p>The Rotary Club has been allocated an area on the eastern end of the park to develop this children's playground. Rotary will contribute a considerable amount in funding this particular project and will expect to oversee its final design and construction. Current thinking suggests the proposed area is too small and Rotary is looking to expand its allocation. Expanding west into H1 achieves two objectives. It gives Rotary more space and the sports grounds less. We know such a move traverses Council-owned land and RMS-owned land but we think these title-related issues can be overcome as RMS will relinquish all responsibilities over ownership and maintenance. In the amended plan any expansion by Rotary north of their allocated area is blocked by the skateboard park.</p>	<p>Council staff do not support expanding the playground into the adjacent proposed sportsground area as this is the only opportunity in the short to medium to provide additional sportsgrounds area for the northern Shoalhaven. In addition, should a new or existing sport (i.e. soccer) be based in Berry (i.e. currently Shoalhaven Heads provides for Berry) or sports numbers increase this opportunity would be lost to provide for this need. An option to further expand the proposed adventure playground would be to expand north east towards the area currently known as "Camp Qualify."</p>
		<p><u>Dog Off-Leash area</u></p>	<p>There is no dog off leash area identified in this space currently, the city wide dog review will address this in the future.</p>



No.	Submitter	Submission content	Staff analysis / <b>Recommended changes</b>
		<p>Not mentioned within the re-exhibited plan and an item that was clearly identified within Council's intention for the Berry District Park is that of providing a suitably sized fully fenced dog off-leash area. This was also identified within the Berry Community Strategic Plan as a priority.</p> <p>Two types of off-leash area are required:</p> <p>First a <u>controlled fenced</u> area .Visitors and those with caravans often bring a dog and they would greatly appreciate a space to run the dog off-leash. The triangle area designated H2 on the plan would work well for this purpose. This is the only area that would need fencing by council.</p> <p>Secondly, an off-leash area which allows dog owners to walk a section of land on which their dogs can socialize, similar to a beach area for dogs. Berry residents would also love an off-leash area to exercise their pets, a facility they lost to the new road works but it could be reinstated alongside the creek in the Camp Quality area.</p>	
		<p><u>Sports Grounds</u></p> <p>We believe that the sports grounds proposed in area H1 are excessive given that the existing sports grounds on council land on the eastern side already serve Berry quite well. On the amended plan these grounds constitute more than half the park and we think they should be halved in size.</p>	<p>As mentioned above, Council staff do not support expanding the playground into the adjacent proposed sports ground area as this is the only opportunity in the short to medium to provide additional sports grounds for the northern Shoalhaven. In addition, should a new or existing sport (i.e. soccer) be based in Berry (i.e. currently Shoalhaven Heads provides for Berry) or sports numbers increase this opportunity would be lost to provide for this need. An option to further expand the proposed adventure playground would be to expand north east towards the area currently known as "Camp Quality."</p>
		<p><u>The Shared Pathway</u></p> <p>As part of their obligation, Fulton Hogan will construct a shared walk/cycleway stretching from Kangaroo Valley Rd, along the northern edge of North St and meeting the existing path that winds through the sports grounds and Camp Quality. This will provide an extensive cycling track for everyone but particularly the under 12's. We would prefer a path that meanders a bit rather than one that is perfectly straight, perhaps a gentle winding around trees. Council could maybe bring some influence to bear on such an outcome. We would also like to see the path loop around the car park to avoid crossing a vehicle entry point. Perhaps council could also rule on this outcome.</p> <p>That there is no fence planned to run along the southern edge of the park is to be applauded. Fences tend to collect litter and become overgrown with grass. We note that there will be a high fence between the northern perimeter of the park and the new highway to prevent access to the highway</p> <p>We approve of the planned tree planting along North St but caution the use of any tall trees likely to block the view of the escarpment for North St residents</p>	<p>The pathway was negotiated at the contract stage of RMS bypass works.</p> <p>The master plan identifies pathways into and through the area.</p>

No.	Submitter	Submission content	Staff analysis / <b>Recommended changes</b>
		<p><u>Spacing fitness equipment stations along the walking path within the Park</u></p> <p>Rotary's proposal has always been one of having a play facility suitable for all ages and abilities. The siting of the senior's fitness stations should also be a component along the pathways adjoining or within the playground rather than the proposed position far away from everything else.</p> <p><b>The Berry Forum therefore requests that the design and positioning of the complete playground, parkland and picnic facilities be further discussed between all parties to ensure the most desirable outcome for all concerned.</b></p>	<p>Comment acknowledged; however, further consultation will delay completion of the master plan. It is recommended that detailed design process encourage the formation of a community reference group that could involve representation from the Rotary Club, Berry Forum Park Committee, Sporting groups and Council, etc.</p>
		<p><u>Proposed name change from Berry District Park</u></p> <p>The Berry District Park Sub-Committee has not had the chance to further engage with or research the community's feelings on the naming of the park. However, we note that Council are open to other suggestions than those that are currently proposed, and we would like to support for consideration the name 'Broughton Park' which links with the heritage of Berry. It also complements other names of heritage recognition within the area including that of Broughton Creek and Broughton Mall. The Berry Community Strategic Plan identified the importance of preserving the town's heritage character.</p>	<p>Preferred names of Broughton Park noted.</p>
		<p><u>Planning</u></p> <p>Fulton Hogan aim to vacate this area by the end of this year (December 2016) and will complete their end of the deal in regard to landscaping and the shared pathway. It is essential that planning start now to get the site "shovel-ready". The initial plan should designate the agreed siting of critical infrastructure – the pathway (FH), the car park, the toilets/kiosk/shelter (Council) and the adventure park (Rotary). Other elements can be added in due course. Not all these elements are known at this stage but it should not prevent or inhibit us from starting.</p>	<p>Fulton Hogan may be finishing with the site but RMNS wish to remain in control of the site until approximately 2018.</p>
		<p><u>Funding</u></p> <p>We know the total cost to finish the project will be considerable, in the \$millions. We do not expect Council to provide all this money. Funding will need to be supplemented by State and Federal grants and contributions from the Berry community. At this critical early stage however, we request that the \$100,000 provisionally approved in April for planning and detailed design be reinstated within the 2016/17 council budget.</p> <p><u>Maintenance</u></p>	<p><b>Funding</b> A budget bid was presented to the elected Council to consider by unfortunately was not approved.</p> <p>Maintenance will be considered by Council when care and control of the site is transferred from RMS to Council.</p>

No.	Submitter	Submission content	Staff analysis / <b>Recommended changes</b>
		Serious consideration needs to be given to the ongoing maintenance of the park and who will be responsible for the various aspects of upkeep of each facility. The Berry Strategic Plan considers the whole of Berry. The plan for this park needs to be considered in conjunction with this overall plan particularly in regard to sporting facilities.	
		<p><u>Berry Landcare and Camp Quality Park</u></p> <p>Berry Landcare has been active in the area since 1994 in partnership with the Berry Public School and is part of the Council's land care program. The plan should recognize this contribution and know that Landcare has a specific interest in Bundewallah Creek as an area for revegetation of the natural landscape in the riparian area which also forms part of the Berry Corridor, providing resilient vegetation connections which support the movement of wildlife between the escarpment and the sea.</p>	Comments acknowledged.
		<p><u>Conclusion</u></p> <p>The Berry District Park Sub-Committee looks forward to working with Council, and other stakeholders in the project, to ensure that the park turns into something that Berry and the Shoalhaven will welcome and become a favourite site to visit and use for recreation by both residents and visitors.</p> <p>For the past couple of years the Rotary Club has been actively raising funds to go towards developing the concept of a nature based adventure playground and parkland, and has also commenced discussions with the State Government in relation to obtaining grant funds for this project. It is therefore important that there is an agreed design 'shovel ready' as soon as possible, in order to qualify for grant funds as they become available.</p> <p>In addition, discussions with Fulton Hogan have indicated that they are willing to assist with basic landscape design of the park (earth mounds, tree trunk placement, rocks etc) whilst they still have the resources available locally.</p> <p>THE BERRY FORUM District Park Sub-committee John Underwood Chairman</p>	<p>Comments acknowledged and Council recognises the benefits of working with the Berry District Park Sub- Committee and other stakeholders to deliver the project. A significant challenge for the project will be to manage community expectations and obtain the significant funding to deliver the project.</p> <p><b>Recommended change - Remove Criterium Track from Master Plan</b></p>

**Community Services**

## Crime Prevention Plan 2016-2021



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## 1. CRIME PROFILE

### Priority 1: Steal from Retail & Priority 2: Assault (Domestic Violence)

These two offences were identified by BOCSAR data and local Police records as the most problematic for the Shoalhaven Local Government Area. They have therefore been nominated as the priority focus areas for the 2016-2021 Shoalhaven Crime Prevention Plan.

#### 1.1 Local Crime Priorities

##### Priority Area 1: Steal from Retail

The BOCSAR Local Government Area Ranking Tool showed there were 328 incidents of Steal from Retail in the 2014 calendar year as compared to 335 incidents in 2013 and 312 incidents of Stealing from Retail in 2012.

##### Trend

The recorded incidents of selected offences in the Shoalhaven LGA for Stealing from Retail from the BOCSAR Crime Trends Tool show an increase over the last 36 months (January 2012 to December 2014).

##### State Ranking

The BOCSAR Local Government Area Ranking Tool showed the Shoalhaven was ranked the 21<sup>st</sup> highest LGA for this type of crime in NSW in 2014, with a rate of 331.3 per 100,000 population. In 2013 Shoalhaven was ranked 23 with a rate of 343.1 per 100,000 population. Over the past 5 years Shoalhaven LGA has seen an 8.6% increase in Stealing from Retail. This steady incline is a concern as we have remained in the top 50 out of 140 LGA's in the past 5 years (2010-2014).

##### Comparison Analysis

Shellharbour was ranked 26 in 2013 and 27 in 2014, Kiama was ranked 116 in 2013 and 113 in 2014, Wollongong was ranked 20 in 2013 and 23 in 2014 and Wingecarribee was ranked 96 in 2013 and 63 in 2014. Besides Wollongong, our neighbouring LGA's are doing far better with regard to Stealing from Retail offences in comparison to the Shoalhaven LGA.

##### Capacity

Shoalhaven City Council has a mature and strong relationship with the Shoalhaven Local Area Command (LAC). Council's Community Safety Officer maintains regular weekly contact with the LAC discussing trends, hotspots and various community activities that can decrease criminal activity. Representatives from the LAC believe the increase in Steal from Retail offences has a direct correlation to the increase of the availability of the drug ICE in the area.

The approach advocated by Council will be to work with retailers and merchants to encourage target hardening. Council has partnered with Stockland and various other business networking groups to incorporate a Youth and Merchant Protocol/Customer Service Manual. Also, the LAC is implementing 'Operation Rampart' (a biweekly Police surge on the CBD) to isolate problems for the business owners and to give the CBD a strong sense of security.

#### Crime Trends Tool

The rate per 100,000 population for NSW as a whole for the priority area of the Shoalhaven. Steal from Retail was 294.8 in 2013 and 276.4 in 2014, and for Sydney was 1885.9 in 2013 and 1205.2 in 2014.

The Hotspot Map (2014) from the BOCSAR indicated that the highest crime density for Steal from Retail offences were in:

- Nowra
- Bomaderry
- Worrigee
- Shoalhaven Heads
- Sanctuary Point
- Sussex Inlet

The Shoalhaven Local Area Command data for Steal from Retail for the period of January 2014 to December 2014 showed that there were a total of 337 incidents.

The temporal type set indicates that majority of robberies occur on the weekend as opposed to during the week, except for Bomaderry which experiences an unusually high rate of robbery during the week.

#### Offences by Person

BOCSAR statistics for Persons of Interest (POIs) for Steal from Retail offences showed that majority were male between the ages of 20-29 with the second highest rate of offences are males aged 10-17. The highest female categories showed the same pattern.

#### Offences by Premise Type

The offences area as listed:

- Road/Street/Footpath - 35.6%
- Retail/Wholesale - 22.2%
- Residential - 11.1%
- Park/Bush/Garden - 11.1%
- Outdoor/Public Space - 4.4%
- Licensed Premises - 6.7%
- Carpark - 4.4%
- Public Transport - 2.2%
- Recreation - 2.2%



BOCSAR statistics for Persons of Interest (POIs) for Robbery offences showed that approximately:

- 84.8% were male
- 14.1% were female
- 1.1% other
- Most incidences occurred at night (75.6%) and were non-alcohol related (82.4%)

#### Priority Area 2: Assault (Domestic)

##### Total Number of Offences

The BOCSAR Local Government Area Ranking Tool showed there were 395 incidents in the 2014 calendar year as compared to 381 incidents in 2013 and 439 incidents in 2012. The Shoalhaven Local Area Command has an inflated number in their statistics. This inflation comes from multiple offences per event.

##### Trend

The recorded incidents of selected offences in the Shoalhaven LGA from the BOCSAR Crime Trends Tool show an increase over 12 months (July 2014-June 2015).

##### State Ranking

The BOCSAR Local Government Area Ranking Tool showed the Shoalhaven was ranked the 63<sup>rd</sup> highest LGA for this type of crime in NSW in 2014, with a rate of 411.5 per 100,000 population. In 2013 Shoalhaven was ranked 58 with a rate of 432.2 per 100,000 population. Over the past 3 years Shoalhaven LGA has seen an incremental decrease in Domestic Violence offences. The Shoalhaven City Council is still concerned as the number for these assault offences are still too high. The numbers need to be substantially decreased for positive community growth.

##### Comparative Analysis

Shellharbour was ranked 82 in 2013 and 69 in 2014, Kiama was ranked 120 in 2013 and 127 in 2014, Wollongong was ranked 79 in 2013 and 72 in 2014 and Wingecarribee was ranked 96 in 2013 and 63 in 2014. Besides Wollongong, our neighbouring LGA's are doing far better with regard to Domestic Violence offences in comparison to the Shoalhaven LGA.

##### Capacity

Shoalhaven City Council has a strong Community Development Team. The Community Safety Officer has developed a connection with the Local Area Command and together they are in weekly communication discussing trends, hot spots and various community activities that can decrease Domestic Violence.



The Shoalhaven Community is working together to decrease domestic violence. This unity will give the Shoalhaven City Council a strong foundation to see substantial decrease in the area. Multiple stakeholders contribute to a collective impact. Together the Shoalhaven can be a community with a reducing rate of domestic violence.

#### Crime Trends Tool

The rate per 100,000 population for NSW as a whole was 383.6 in 2013 and 392.3 in 2014 and for Sydney was 504.9 in 2013 and 526.8 in 2014.

The Hotspot Map (2014) from the BOCSAR indicated that the highest crime density for Steal from Retail offences was in:

- Nowra
- Bomaderry
- Worrigea
- Shoalhaven Heads
- Sanctuary Point
- Sussex Inlet

The Shoalhaven Local Area Command data for Domestic Violence for the period of January 2014 to December 2014 showed that there were a total of 2648 incidents.

The temporal type set indicates that majority of assaults occur on the weekend as opposed to during the week. December and January being the highest in offences (BOCSAR).

#### Offences by Person

BOCSAR statistics for Persons of Interest (POIs) showed that approximately 57.4% were male and 13% were female. Most incidences occurred on a weekend night (50%) and were non-alcohol related (63.9%).

#### Offences by Premise Type

The Premise Type from BOCSAR recorded the highest number of Domestic Violence assaults occurring in the residential area consisting of 364 incidents.

• Outdoor/Public Space	=	20 Incidents
• Personal Services	=	5 incidents
• Retail/Wholesale area	=	4 incidents
• Car parks:	=	6 incidents
• Licensed premise:	=	6 incidents
• Residential/Private:	=	323 incidents

## 1.2 Capacity

Local Governments are increasingly seen to be a key player in the development and implementation of community level crime prevention programs. Across Australia, virtually all government crime prevention agencies include local government in the development and delivery of their respective crime prevention strategies.

For a number of years the Shoalhaven City Council has been actively involved in working with various departments within Council, different organisations within the Shoalhaven, Connecting Communities, Community Consultative Bodies, Shoalhaven LAC, industry and business to increase community safety, reduce anti-social behaviour, crime and fear of crime in the Shoalhaven Local Government Area. Therefore, it is essential that the Shoalhaven City Council plays an active role in working with the aforementioned to investigate the nature of crime in the area and respond to these issues by developing local situations.

As evidenced through past experience with the development of crime prevention plans, the Shoalhaven City Council has the capacity to act as the lead agency in the development of the 2016 Crime Prevention Plan. The Shoalhaven City Council seeks to promote a holistic approach by involving all sectors of the community through partnerships to devise and implement an effective Crime Prevention Plan.

Shoalhaven City Council will prioritise:

- CPTED: Crime Prevention Through Environmental Design
- Neighbour Day
- Ambassador Program

This will include budgeting for programs and seeking support from stakeholders for their contribution in the Crime Prevention Plan. Implementing these programs will be driven by the Community Safety Officer and further implemented by the whole of the Shoalhaven City Council organisation.

Shoalhaven City Council has the capacity to implement the crime prevention strategies without additional funding, although this may reduce the reach of our programs. Examples without additional funding:

- A finite amount of Safety Audits for Residential and Business areas.
- A smaller amount of time in the field to propagate Community Connections/Neighbour Day.
- A smaller campaign for the Youth/Merchant Protocols and Ambassador Program.
- Less Territorial Reinforcement and Space/Activity Management tools employed.

## 1.3 Situational Analysis:

Utilizing CPTED qualifications, the Community Safety Officer is able to analyze hotspots and issue detailed safety audits to homes, businesses and local government assets. This is coupled with an increase in Closed Circuit Television (CCTV) systems across the Shoalhaven crime hotspots.

#### Surveillance

- CCTV presence has increased in the crime hot spots. Nowra CBD, East Nowra, Bomaderry and Sanctuary Point all have passive surveillance.
- East Nowra Shops have been audited and need an overhaul of appearance.
- Within Safety Audits, focus on shop front orientation and other visual tools that will assist in hardening the target.
- Introducing an 'Ambassador Program' for the Shoalhaven.

#### Territorial Reinforcement

- The installation of directional signage, such as guidance maps, in the Central Business District to assist locals and tourists with directions to certain locations.
- Signage for the annual White Ribbon Campaign throughout the Shoalhaven. This will provide awareness and a message that Shoalhaven is against Domestic Violence.
- Signage throughout the Shoalhaven for the annual Neighbour Day Campaign. The Neighbour Day Campaign is held in March each year and is used as a Shoalhaven wide communication tool. Focusing on the principles of the Neighbourhood Watch Program, Neighbour Day brings residents out of their homes and invites them to know their neighbours and break down barriers.
- Incorporating the Youth and Merchant Protocol and other business districts of the Shoalhaven will create a solidarity amongst the business owners against retail theft. Ambassadors will be extremely visible in the CBD.

#### Space/Activity Management

- Activating the Nowra CBD and other Shoalhaven assets with programs has seen a greater concentration of non-drinkers and families in the CBD. This activation has been the start of a revitalisation in the CBD.
- Utilising a place making approach to propagate familiarity in every community has seen a significant increase in community cohesiveness. These programs have given each community the strength to clean up their neighbourhoods, get to know each other better and realise the strengths of their community.
- Providing assistance to community members that want to clean up an area and implement night patrols.
- Give guidance and support to residents that want to clean up neglected and crime ridden areas.

#### Access Control

- Create a direct link for residents to the Community Development Unit, with particular access to the Community Development Officers. Each position has an ability to connect residents with each other. This connection falls directly in line with the Connecting Communities model. Residents that know they can have a direct impact on the decrease of Domestic Violence and Steal from Retail will have a collective impact on the positive social growth and decrease of crime in the Shoalhaven.
- Create a Connecting Communities Campaign that will be the thread through all programs within the Community Development Unit. This Campaign is infinite and will become the ideology throughout Council. Working directly with and for the Community will be beneficial and will see a significant decrease in criminal and anti-social behaviour.

#### **1.4 Stakeholders**

The Safer Community Action Team (SCAT) is composed of concerned Shoalhaven community members and service agencies. The aims of this team is to:

- Meet quarterly
- Increase Community Safety
- Reduce anti-social behaviour
- Reduce crime and fear in the Shoalhaven
- Assist with Place Making ideas in the Shoalhaven
- Foster relationships between:
  - Community
  - LAC
  - Shoalhaven City Council
  - Businesses

#### Stakeholders

Shoalhaven City Council	Shoalhaven Business Chamber
Nowra Revitalisation Committee	Nowra CBD Committee
PCYC	Shoalhaven Local Area Command
NSW Police	Nowra Stockland
YWCA Domestic Violence Sec	Drug and Alcohol Services
Bomaderry Community	Unifam Gambling Services
Nowra East Community	Anglicare
SAHSSI	Nowra CBD Users Association
Sanctuary Point Community	Habitat Personnel
Shoalhaven Heads Community	Sureway Employment
Sussex Inlet Community	Community Drug Action Team
Southern Interagency	Community Safety Precinct Committee
FACS Housing	SSPAN
Southern Cross Housing	Oolong House
Sexual Assault Counsellors	Waminda
SRC Regional Zone Committee	Local Flexi Learning Centres
Youth Advisory Committee	Police Aboriginal Consultative Committee
Youth Centre (3)	Pride Groups
Shoalhaven Liquor Accord	Community Consultative Bodies

## **2. MONITORING AND EVALUATION**

### **2.1 Monitoring**

Shoalhaven City Council will be the lead agency in overseeing the monitoring and evaluating of the Crime Prevention Plan. Shoalhaven City Council's Community Safety Officer will be responsible for the delivery of the Crime Prevention Plan. Project partners will be invited to participate and a verbal commitment to the Crime Prevention Plan will be obtained before particular tasks are assigned to the participating partners.

The performance measures will be used to monitor the progress of the strategies and they are: the number of safety audits carried out and increasing actions to be undertaken. For example, the number of Community members seeking information on crime prevention.

Commitments from various organisations to support the implementation of the Plan will also be a measure of performance. The evaluation of other statistical data will be collected, analysed and used as a performance measure.

The time frames will consist of 6-18 month time spans to allow the development of projects and the commencement of operating various tasks. Project partners will be assigned different tasks and responsibilities for the Crime Prevention Plan will be overseen by the Community Safety Officer.

### **2.2 Evaluation and Data Collection**

The data collected will be analysed and will include BOCSAR statistics indicating our rank in the State and comparing this to our neighbouring LGA's. This will alert us to the effectiveness of this Plan in reducing crime within the Shoalhaven. Shoalhaven City Council will also be able to utilise the statistics from our Local Area Command. These statistics will be utilised for an 'on the ground' look of what is actually happening. Weekly visits to the LAC give us a real time look of what is happening in the Shoalhaven.

Shoalhaven City Council will also evaluate Community members' perception of crime and their satisfaction with the measures being taken to address rates of Assault (Domestic) and Steal from Retail in the LGA. This will be measured by conducting surveys with members of the Community, business owners, schools and Community groups.

The impact of risk factors will be identified by using surveys to address the effectiveness of the educational programs.

In the event that another activity is seen to impact on strategies developed in the Crime Prevention Plan, actions will be taken to evaluate the effectiveness of the strategy or to change the strategy under consultation.

### 2.3 Program 1: Ambassador Program/Youth and Merchant Protocol

<b><u>Target Offence:</u></b>	Steal from Retail
<b><u>Project:</u></b>	Ambassador Program/Youth and Merchant Protocol
<b><u>Rationale:</u></b>	Create a better standard of customer service and Youth Engagement strategies in Shoalhaven CBD's.
<b><u>Objective:</u></b>	Decrease Steal from Retail, improve image of Youth of Shoalhaven, enhance Customer Service
<b><u>Lead Agency &amp; Partners:</u></b>	Shoalhaven City Council, Shoalhaven LAC, SCAT, Community Leaders, Youth Advisory Committee, Mission Australia, PCYC, Nowra Youthie, Southern Shoalhaven Youth Services, Nowra CBD Committee, Shoalhaven Business Chamber, Shoalhaven Professional Business Association, Nowra Stockland,
<b><u>Expected Outcome:</u></b>	A developed manual for the Protocol and a successful and sustainable Ambassador Program

Action	Performance Measures	Time Frames	Funding required	Milestones
<ul style="list-style-type: none"> <li>Develop Ambassador Teams</li> <li>Introduce a Communication strategy for businesses</li> <li>Working with Lead agencies to perfect the Youth and Merchant Protocols</li> </ul>	<ol style="list-style-type: none"> <li>Ambassador teams developed</li> <li>Communications strategy development</li> <li>Protocols developed and perfected with the help of the Ambassadors</li> </ol>	January 2017 February 2017 July 2017	\$2,000 \$2,000 \$2,000	<ol style="list-style-type: none"> <li>Decrease of criminal activity within the Shoalhaven.</li> <li>Nowra CBD businesses have handy information for communication from Ambassadors</li> <li>All Merchants of CBD on board.</li> </ol>
<ul style="list-style-type: none"> <li>Implement protocol to Ulladulla, Berry, Shoalhaven Heads, Kangaroo Valley and all Coastal Communities.</li> </ul>	<ol style="list-style-type: none"> <li>Verbal agreement for Protocol and Ambassador implementation</li> </ol>	February 2018	\$10,000	<ol style="list-style-type: none"> <li>All Shoalhaven Shops in agreement to utilising Protocol and to be part of the Ambassadors program.</li> </ol>
*Funding for projects subject to available grants*				

## 2.4 Program 2: Closed Circuit Television

<b><u>Target Offence:</u></b>	Steal from Retail
<b><u>Project:</u></b>	Closed Circuit Television (CCTV) installations
<b><u>Rationale:</u></b>	Create a sense of security in the CBD and other areas
<b><u>Objective:</u></b>	Decrease Steal from Retail and other criminal/anti-social behaviour.
<b><u>Lead Agency &amp; Partners:</u></b>	Shoalhaven City Council and Shoalhaven LAC
<b><u>Expected Outcome:</u></b>	Better surveillance, criminal activity decrease

Action	Performance Measures	Time Frames	Funding required	Milestones
<ul style="list-style-type: none"> <li>Install CCTV on Berry St and Egan's Lane</li> <li>Install more cameras in Sanctuary Point and Bomaderry</li> <li>Install cameras on Nowra Bridge</li> <li>Fibre installation from Shoalhaven City Council administration building to Local Area Command</li> <li>Set up schedule for the use of Portable CCTV trailers</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Decrease in crime statistics</li> </ul>	0-36 months	\$850,000	Active cameras and fibre installed by 2018.
*Funding for CCTV is dependent on successful Commonwealth grant applications*				



## 2.5 Program 3: White Ribbon Awareness Campaign

<b><u>Target Offence:</u></b>	Assault (domestic violence)
<b><u>Project:</u></b>	Utilise situational crime prevention techniques, such as information distribution and promotion, to reduce the incidence of domestic violence.
<b><u>Rationale:</u></b>	Research suggests that situational crime prevention techniques can reduce domestic violence by increasing the effort and risks of committing the offence and reducing the awards.
<b><u>Objective:</u></b>	To increase the awareness of domestic violence.
<b><u>Lead Agency &amp; Partners:</u></b>	Shoalhaven City Council, Shoalhaven LAC, SCAT, NSW Police-Regional domestic violence Coordinator, YWCA domestic violence, Nowra domestic violence Committee,
<b><u>Expected Outcome:</u></b>	Ensuring residents have access to information and that it is readily available to them. Ensuring that all service providers are working together efficiently for the sake of the victim(s).

Action	Performance Measures	Time Frames	Funding required	Milestones
<ul style="list-style-type: none"> <li>Shoalhaven City Council to work with all above agencies to focus on the dissemination of information throughout the Shoalhaven in a clear and concise manner</li> <li>Achieve White Ribbon Australia Workplace Accreditation.</li> </ul>	<ul style="list-style-type: none"> <li>The visual and continual presence of information throughout the Shoalhaven</li> <li>Accreditation approved throughout Council</li> </ul>	6 months-5 years  3 months	\$10, 000  \$0	Ensure that all areas of the Shoalhaven have current, relevant and Community driven information about domestic violence, how to stop it and how to help.
<ul style="list-style-type: none"> <li>Connect Tourism with DV Groups to create a campaign for Domestic Violence Awareness</li> </ul>	<ul style="list-style-type: none"> <li>Survey the Community through the Ambassadors</li> </ul>	January 2017 (Accreditation) January 2018 (Survey)	\$10, 000	Surpass areas of dispersal from last year.

\*Funding for projects subject to available grants\*



## 2.6 Program 4: Neighbour Day

**Target Offence:** Assault (domestic violence)

**Project:** Neighbour Day. A permanent Shoalhaven wide campaign. This campaign will be an effective tool for pulling residents/neighbours of the Shoalhaven together. It has the capacity to break down Community barriers and allow a bond of trust to form within a Neighbourhood.

**Rationale:** To break down barriers that create an isolated Community.

**Objective:** Instituting Neighbour Day as an annual event in the Shoalhaven. Residents will have the tools to step up and build a better Neighbourhood.

**Lead Agency & Partners:** Shoalhaven City Council, Shoalhaven Local Area Command, SCAT, Shoalhaven Community, Youth Advisory Committee

**Expected Outcome:** A better informed and more aware Community that is more likely to care and protect each other.

Action	Performance Measures	Time Frames	Funding required	Milestones
<ul style="list-style-type: none"> <li>Last Sunday of every March</li> <li>Neighbours get together to celebrate Community</li> <li>BBQ's, Picnics, Afternoon tea... Community's choice</li> </ul>	<ul style="list-style-type: none"> <li>Database of various Community events</li> <li>Map of "Neighbourlies" will be developed and utilised for future growth of Pride and CCB's</li> </ul>	<ol style="list-style-type: none"> <li>12 Months</li> <li>12-24 Months</li> <li>24-48 Months</li> <li>48-60 Months</li> </ol>	<ol style="list-style-type: none"> <li>\$2000</li> <li>\$5000</li> <li>\$5000</li> <li>\$5000</li> </ol>	<ol style="list-style-type: none"> <li>Have 6 Neighbourhoods by 2016</li> <li>Have 20 Neighbourhoods</li> <li>Have 50 Neighbourhoods</li> <li>All of Shoalhaven</li> </ol>

\*Funding for projects subject to available grants\*

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DRAFT

# **Report on Financial Sustainability**

**Shoalhaven City Council**

**General Fund**

**2<sup>nd</sup> Edition**

**September 2016**

SA16.7 - Attachment 1

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## Shoalhaven City Council

### Report on Strategic Direction

#### 1. Introduction

In October 2012 NSW Treasury Corporation presented a Financial Assessment and Benchmarking Report on Shoalhaven City Council. The analysis was based on historical performance, current financial position, and long term financial forecasts. Further to this it benchmarked Council against its peers using key ratios.

The review found that:

Council has been well managed over the review period based on the following observations:

- Whilst Council has incurred operating deficits (excluding grants and contributions for capital purposes), Council's underlying operating result (measured using EBITDA) has improved from \$40.3m in 2009 to \$45.1m in 2011.
- Approximately 76% of the Council's revenue base is derived from own sourced revenue (annual charges, and user charges and fees). They can rely upon these revenue streams on an ongoing basis for financial flexibility.
- The Council is facing pressure from rising employee costs, and material and contract costs above inflation but it has acknowledged the issue and is seeking to address this through expenditure review measures.

However the key observations from the review of the Council's 10 year forecasts for its General Fund are:

- The forecast shows deficit positions excluding capital grants and contributions in all forecast years, *this already has factored in Transformation Program savings year on year.*
- The Council's forecast liquidity position starts to weaken from 2015 when the Unrestricted Current Ratio falls to 1.74:1, limiting available funding.
- Council's level of fiscal flexibility, as indicated by its above benchmark Own Source Operating Revenue Ratio, is sound when excluding the impact of internal transactions.

In addition to this Council has reported \$43.1m of Infrastructure Backlog in 2011 which represents 2.3% of its infrastructure asset value of \$1,873m. However as part of the Fit for the Future analysis carried out it was determined that the level of infrastructure backlog reduced to \$10.4m if you utilised the service level expectations for assets, not the previous criteria based on higher standards which was utilised.

It should be recognised that the newly elected council in 2012 made a number of decisions to that commenced addressing the long term financial situation of the organisation. This included an increase in the general rate and to introduce an efficiency review. In response to this in February 2013 Blackadder Associates Pty Ltd prepared a report after an organisational structure and associated review, with an emphasis on savings and efficiencies and improvements to customer service. Council further sought direction on achieving financial sustainability. The review highlighted eight (8) areas for improvement:

- Alignment of Strategy to Operations
- Leadership
- Financial sustainability
- Asset Management
- Corporate Systems
- Project Management
- Organisational Culture
- Customer Service

More recently the Office of Local Government has released a roadmap for Stronger, Smarter Councils, where they have also announced funding for ensuring local government is Fit for the Future.

A Fit for the Future council should be:

- Sustainable
- Efficient
- Effectively manages infrastructure and delivers services for communities; and
- Has scale and capacity to engage effectively across community, industry and government.

Further to this the New Local Government Act will reflect that DP/OP guidelines will be amended to embed the principle of fiscal responsibility and improve financial and asset planning as part of IPR process from 2016.

The Office of Local Government see sustainable Councils as ones which:

- Saves money on bureaucracy and administration, freeing up funds for front-line services and community facilities
- Can contribute to projects and tackle issues that impact on its residents and extend beyond the council boundary:
- Has credibility and influence across councils, across government and with industry

During May 2015 Council submitted the Template 2 Submission with regard to Fit for the Future. This report highlighted that at that particular time Council would not meet all of the seven benchmarks set, and in fact only 3 of the 7 measures were achieved. The Own Source Revenue Ratio, the Debt Service Ratio and the Real Operating Expenditure per capita ratio.

Council determined that it could meet a further three benchmarks within the next four years by implementing the strategies covered in this report. These ratios included the Operating Performance Ratio, the Infrastructure Backlog Ratio and the Asset Maintenance Ratio.

One Ratio was highlighted as not being achievable, the Building and Infrastructure Asset Renewal Ratio, which was incongruent with the depreciation methodology used for Shoalhaven City Council.

Regardless of the above on 21<sup>st</sup> October 2015, Council was deemed to be “Fit for the Future” in that they met all seven (7) criteria. Council will now be measured by the OLG against this proposal.

This paper aims to expand on the Financial Sustainability theme by consolidating the above improvement areas and OLG direction for Fit for the Future Councils into a strategic plan for

Council in order to reduce the annual operating deficit and meet all 7 benchmarks set by the OLG and form a cohesive approach from all staff and Councillors to be focused on this challenge.

It needs to be noted that if Council's do not move towards/meet the Fit for the Future requirements the OLG can issue a "Performance Order" requiring Council to take the necessary financial steps to meet the criteria. If Council still is not meeting the criteria the OLG can appoint an external Financial Specialist to make the necessary decisions. Should this not produce the required results the OLG has the option of dismissing the Council and appointing Administrators to take control of the Council and make all the necessary decisions to make the organisation financially sustainable.

Council's current financial trajectory if no rate increases are made would see the need to cut on average \$11.69M each year or \$116.9M over 10 years from its ongoing service delivery. This would have very significant impacts on the community. The current Fit for the Future strategy (including 2 x 7.5% rate rises over rate peg increases) sees a shortfall of \$3.432 per year. This has come about as a result of increases in the Emergency Service Levy Council is required to pay of approximately \$870,000 per year and a reduction in the current and future years rate peg amount. The 2016/17 rate peg amount issued by IPART was 1.8%. In preparing the Fit for the Future application Council was advised to use 2.5% for all future years. The one year impact of this reduction is \$450,000 and has an extensive cumulative impact. The revised model has future year's rate peg increased set at 2%.

To now meet the Fit for the Future criteria two rate rises of 11.5% over the rate peg amount will be required. The basis for this and details of Council's position are outlined in detail in the remaining sections of this report.

## 2. Background statement/history

From 1859, the demand for Local Government by residents of the widely scattered settlements within the Shoalhaven saw a number of Municipal areas declared.

On the 1<sup>st</sup> July, 1948 the Shoalhaven Shire Council was formed by amalgamating the following Councils:

- Nowra Municipal Council
- Berry Municipal Council
- South Shoalhaven Municipal Council
- Broughton Vale Municipal Council
- Cambewarra Shire Council
- Clyde Shire Council
- Ulladulla Municipal Council

Subsequent to this Shoalhaven City Council was proclaimed on 1<sup>st</sup> August, 1979.

The amalgamation of these widely scatter townships culminated in some of the current day issues encountered, with the geographic expanse of infrastructure assets, duplication of Council assets, multiple views on priorities resulting in competing priorities for where monies should be spent.

Over this time Council has encountered many changes in terms of



- complexity of operations,
- diversity of services provided,
- infrastructure requirements or expectations,
- expansion of development and requirements for services,
- demand from local communities for provision of facilities.

At the same time staffing levels have increased to support these requirements, systems have not kept up with the times and technologies are fast overtaking Council capabilities.

And now given the age of some of Councils assets, Council is in the unfortunate position that a significant infrastructure backlog is evident, and with each passing year continues to grow as Council does not have the funds to support its maintenance.

The structure of Local Government Council hampers decision making with conflicting priorities between the elected Council (which is made up of the Mayor and 12 Councillors across 3 Wards) and Council administration, led by the General Manager, who is responsible for the day to day operations and ensuring that the decisions of the elected Council are implemented.

There are 4 Directorates reporting to the General Manager:

- Corporate and Community Services
- Planning and Development Services
- Assets and Works
- Shoalhaven Water

Currently Council employs approximately 908 FTE staff across these directorates, with the split for staff being 575 indoor staff and 333 outdoor staff.

This report will focus on General Fund, therefore all subsequent information in this document will relate to the financial sustainability of General Fund, in isolation from Shoalhaven Water.

Table 1 below shows a snapshot of the Long Term Financial Plan for General Fund based on the current Budget and Long Term Plan (which includes a 7.5% rate increase over rate peg for 2017/18 and 2018/19):

**General Fund Ten Year Financial Plan - Income Statement**

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	76,948	83,160	89,919	92,163	94,470	96,844	99,285	101,797	104,382	107,042
User Charges & Fees	44,223	45,974	47,891	49,817	51,903	53,996	56,265	58,541	61,008	63,484
Interest & Investment Revenue	1,991	2,042	2,094	2,147	2,202	2,258	2,315	2,374	2,434	2,496
Other Revenues	55,007	56,365	58,189	60,083	62,046	64,083	66,195	68,387	70,660	73,020
Grants & Contributions provided for Operating Purposes	18,863	16,104	16,420	16,745	17,078	17,419	17,770	18,129	18,499	18,877
Grants & Contributions provided for Capital Purposes	16,769	5,913	5,001	3,589	3,735	3,723	3,793	3,865	3,938	4,013
<b>Other Income:</b>										
Net gains from the disposal of assets										
<b>Total Income from Continuing Operations</b>	<b>213,802</b>	<b>209,557</b>	<b>219,514</b>	<b>224,542</b>	<b>231,434</b>	<b>238,322</b>	<b>245,623</b>	<b>253,093</b>	<b>260,922</b>	<b>268,933</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	61,403	62,888	64,414	66,025	67,675	69,367	71,101	72,879	74,701	76,252
Borrowing Costs	1,745	1,803	2,016	2,147	2,342	2,102	1,777	1,475	1,206	930
Materials & Contracts	48,851	49,998	51,248	52,529	53,843	55,189	56,568	57,983	59,432	60,918
Depreciation & Amortisation	40,329	41,337	42,370	43,430	44,515	45,628	46,769	47,938	49,137	50,365
Other Expenses	58,707	59,972	61,085	62,277	63,538	64,824	66,137	67,476	68,842	70,236
<b>Total Expenses from Continuing Operations</b>	<b>211,035</b>	<b>215,999</b>	<b>221,134</b>	<b>226,409</b>	<b>231,913</b>	<b>237,111</b>	<b>242,353</b>	<b>247,751</b>	<b>253,317</b>	<b>258,701</b>
<b>Net Operating Result for the Year</b>	<b>2,768</b>	<b>(6,441)</b>	<b>(1,621)</b>	<b>(1,866)</b>	<b>(479)</b>	<b>1,212</b>	<b>3,271</b>	<b>5,342</b>	<b>7,605</b>	<b>10,233</b>
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	(14,001)	(12,354)	(6,621)	(5,455)	(4,214)	(2,512)	(523)	1,477	3,667	6,219

**Table 1 - General Fund Income Statement**

Table 2 below shows the Cash flow Statement for General Fund. You can see from the below cash flow even though the rate increase is introduced in 2017/2018, cash depletes by almost \$7m and it takes a number of years to turn this situation around.

**General Fund Ten Year Financial Plan - Cash Flow Statement**

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Cash flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	76,947	83,155	89,911	92,151	94,455	96,825	99,263	101,771	104,352	107,008
User Charges & Fees	44,223	45,974	47,891	49,817	51,903	53,996	56,265	58,541	61,008	63,484
Interest & Investment Revenue Received	1,991	2,042	2,094	2,147	2,202	2,258	2,315	2,374	2,434	2,496
Grants & Contributions	35,633	22,017	21,421	20,333	20,813	21,143	21,563	21,994	22,437	22,891
Other	55,007	56,365	58,189	60,083	62,046	64,083	66,195	68,387	70,660	73,020
<b>Payments:</b>										
Employee benefits & On-costs	(61,403)	(62,888)	(64,414)	(66,025)	(67,675)	(69,367)	(71,101)	(72,879)	(74,701)	(76,252)
Materials & Contracts	(48,899)	(49,916)	(51,159)	(52,438)	(53,749)	(55,093)	(56,470)	(57,882)	(59,329)	(60,812)
Borrowing Costs	(1,745)	(1,803)	(2,016)	(2,147)	(2,342)	(2,102)	(1,777)	(1,475)	(1,206)	(930)
Other	(58,707)	(59,972)	(61,085)	(62,277)	(63,538)	(64,824)	(66,137)	(67,476)	(68,842)	(70,236)
<b>Net Cash Provided (or used in) Operating Activities</b>	<b>43,048</b>	<b>34,973</b>	<b>40,831</b>	<b>41,643</b>	<b>44,115</b>	<b>46,918</b>	<b>50,116</b>	<b>53,355</b>	<b>56,815</b>	<b>60,670</b>
<b>Cash flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	10,000	0	0	0	0	0	0	0	0	0
Sale of Investment Property	0	0	0	0	0	0	0	0	0	0
Sale of Real Estate Assets	1,710	1,800	2,000	1,000	0	0	0	0	0	0
Sale of Infrastructure, Property, Plant & Equipment	2,246	1,831	1,877	1,816	1,862	1,908	1,956	2,005	2,055	2,106
Sale of Interest in Joint Ventures & Associations	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0

**General Fund Ten Year Financial Plan - Cash Flow Statement - continued**

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Payments:</b>										
Purchase of Investment Securities	(3,000)	0	0	0	0	0	0	0	0	0
Purchase of Investment Property	0	0	0	0	0	0	0	0	0	0
Purchase of Infrastructure, Property, Plant & Equipment	(57,478)	(49,802)	(49,708)	(49,634)	(40,450)	(40,824)	(41,747)	(44,503)	(43,973)	(40,163)
Purchase of Real Estate Assets	(2,220)	(2,320)	(2,020)	(2,620)	(1,020)	(2,020)	(3,020)	(20)	(20)	(1,100)
Purchase of Interest in Joint Ventures & Associates	0	0	0	0	0	0	0	0	0	0
Deferred Debtors & Advances Made	0	0	0	0	0	0	0	0	0	0
<b>Net Cash Provided (or used in) Investing Activities</b>	<b>(48,742)</b>	<b>(48,491)</b>	<b>(47,851)</b>	<b>(49,438)</b>	<b>(39,608)</b>	<b>(40,936)</b>	<b>(42,812)</b>	<b>(42,518)</b>	<b>(41,939)</b>	<b>(39,157)</b>
<b>Cash flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowings & Advances	9,097	11,963	10,712	13,619	2,922	657	538	416	416	266
Other Financing Activity Receipts	0	0	0	0	0	0	0	0	0	0
<b>Payments:</b>										
Repayment of Borrowings & Advances	(10,222)	(5,229)	(6,328)	(7,561)	(8,080)	(8,160)	(8,037)	(7,137)	(7,443)	(6,925)
Repayment of Finance lease Liabilities	0	0	0	0	0	0	0	0	0	0
Other Financing Activity Payments	0	0	0	0	0	0	0	0	0	0
<b>Net Cash Provided (or used in) Financing Activities</b>	<b>(1,125)</b>	<b>6,734</b>	<b>4,383</b>	<b>6,058</b>	<b>(5,158)</b>	<b>(7,502)</b>	<b>(7,499)</b>	<b>(6,721)</b>	<b>(7,027)</b>	<b>(6,659)</b>
Net Increase/(Decrease) in Council's Reserves	(11,625)	(18,839)	(18,604)	(14,395)	(13,941)	(16,125)	(15,839)	(15,376)	(14,749)	(13,952)
Net Increase/(Decrease) in Council's Accumulated Funds	(2,194)	12,055	15,967	12,659	13,290	14,604	15,645	19,492	22,599	28,806
Net Increase/(Decrease) due to Investments	7,000	0	0	0	0	0	0	0	0	0
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(6,818)</b>	<b>(6,784)</b>	<b>(2,637)</b>	<b>(1,737)</b>	<b>(651)</b>	<b>(1,521)</b>	<b>(194)</b>	<b>4,116</b>	<b>7,849</b>	<b>14,855</b>
plus: Cash & Cash Equivalents - beginning of year	16,960	10,142	3,358	721	(1,015)	(1,667)	(3,187)	(3,381)	735	8,584
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>10,142</b>	<b>3,358</b>	<b>721</b>	<b>(1,015)</b>	<b>(1,667)</b>	<b>(3,187)</b>	<b>(3,381)</b>	<b>735</b>	<b>8,584</b>	<b>23,439</b>

**Table 2 General Fund Cash Flow**

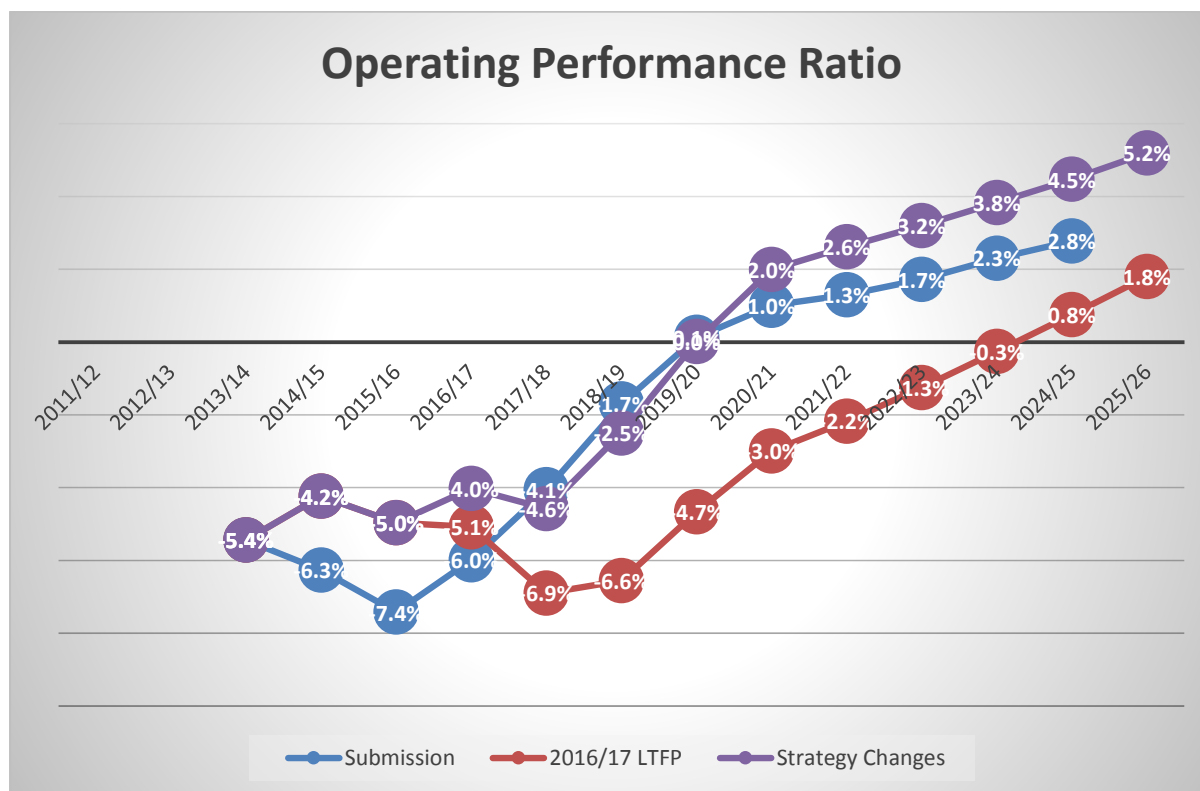
Fit for the Future Ratios, (based on 7.5% increase above rate peg for 2 years) are shown below, reflecting the work required to meet all 7 benchmarks by 2019/20, given only 4 of the 7 ratios are currently met.

Measure	Benchmark	2015/16 performance	Achieve FTF benchmark	Forecast 2016/17	Achieve FTF benchmark
<b>Operating Performance Ratio</b>	Breakeven over 3 years	-5.0%	No	-5.1%	No
<b>Own Source Revenue</b>	➤ 60%	81.2%	Yes	81.0%	Yes
<b>Building and Infrastructure</b>	➤ 100% (3)	62.6%	No	59.8%	No and trending down

e Asset Renewal	year avg)				
Infrastructur e Backlog Ratio	< 2%	0.8%	Yes	0.8%	Yes
Asset Maintenance Ratio	➤ 100% (3 year avg)	91.0%	No	91.0%	No
Debt Service Ratio	0<DSR>20%	4.1%	Yes	4.7%	Yes
Real Operating Expenditure per capita	Decrease over time	1484	No	1471	Yes

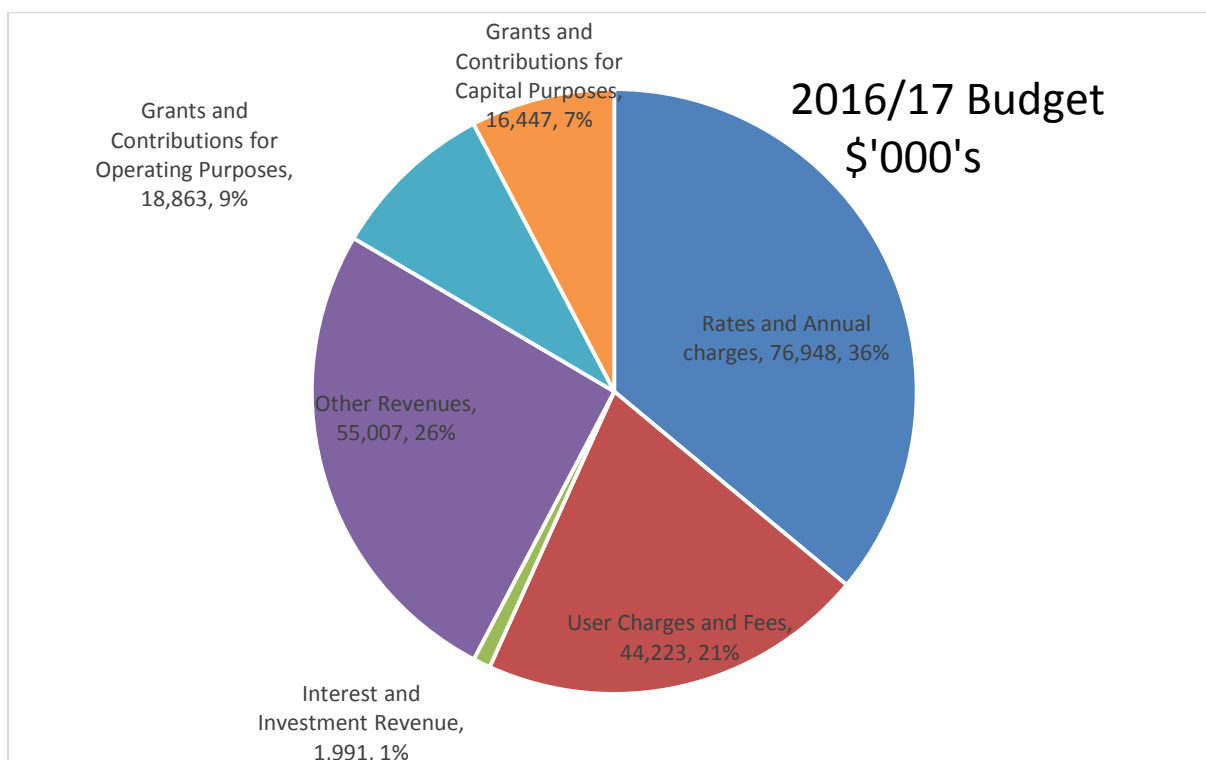
**Table 3 - Fit for the Future Ratios**

The size of the current operating gap before grants is substantial at - \$34m over the next 10 years. The Fit for the Future submission planned for Council to meet the operating performance ratio by 2020. However given the reduction in the rate peg along with further cost shifting from the State Government for emergency services, the forecast result for the next couple of years has deteriorated, even though the actual result from 2015/16 was better than expected. Figure 1 shows a comparative of the original submission, along with our current Long Term Financial Plan and in addition a further strategy, as covered later in this document, to achieve this ratio by 2019/2020. The latter strategy is the recommended approach.



**Figure 1 - Operating Performance Ratio before Grants**

Funding for the organisation comes from multiple sources as shown below in Figure 2:



**Figure 2 - Income Split**

What can be seen from these figures is that council only captures 36% of its revenue in General Fund from rates and annual charges and a high proportion comes from user fees and charges as well as other revenue items such as fines, rental income, waste levy, etc. But the risk which is obvious from the above split is the reliance on Grant funding which is at 16% overall and equates to \$35m in total. With increased cost shifting from Federal and State Governments to Local Government, Council could see this number diminish, placing more reliance on revenue Council generates from other services. This is further restricted by the fact that rates revenue is capped to a certain extent by IPART setting the rate peg.

### 3. Guiding Principals

Council needs to be guided by the Integrated Planning and Reporting regime but also by a shared sense of urgency and a shared vision. It needs to break down bureaucratic walls and create some currency around processes, technology and work habits to be able to move towards a future state, in unison with the elected council, not in opposition to. It is of utmost importance that elected Councillors are educated on the current financial situation of Council, which should guide them in decision making with the best financial outcomes in mind. Councillors are responsible for strategic planning for the whole community and a sustainable future, along with determining the financial strategy and allocating resources for council through the budgeting process, so it is of utmost importance that each proposal for expenditure needs to be supported by a business case and needs to be justified and prioritised in order of the below criteria:

- Is it work required for statutory purposes
- Is it to address emergency situations
- Is it to eliminate hazards or eliminate risks

- Is it to meet contractual obligations
- Is it to perform necessary renovations or repairs (which will reduce ongoing operating expense)
- Is it to replace equipment
- Is it funded by state or federal government departments
- Is it a continuation of an existing project which cannot be deferred
- Is it to satisfy a community need or provide an improved level of customer service

If not and not funded then it is a **desirable project for non-essential reasons** and should be deferred until funds are in place to pursue.

This criteria needs to be in front of mind of staff and councillors when approving capital budgets and needs to be incorporated into Council's planning cycle.

In addition to this, work needs to be carried out to ensure that carryover funding is kept to a minimum, below are some core principles to consider when requesting capital funding:

At "budget bid" stage a "business case" is required, covering the following:

- A delivery program, identifying each phase of the project
- A detailed cost estimate for each phase of the project
- A cash flow forecast to reflect the delivery program, so funds are allocated to the appropriate year
- Anticipated lead times for the supply of critical components
- Project relationship to the Strategic Plan or Asset Management Plan
- Design development phase needs to be undertaken preceding the financial year to which they are scheduled to be delivered
- Whole of life costs, particularly recognising any increase in future years operational expenditures needs to be considered from the outset of a capital request.

A list of projects suitable for grant funding should be developed to a stage where the design documentation can be completed quickly once funding is received. These projects should have project risks identified and preliminary cost estimates and construction programs prepared.

The overall capital works program should be prepared in conjunction with the budget preparation and the following should be identified:

- The project custodian responsible for project delivery
- The extent of works scheduled in that Financial Year
- The resource requirements and whether external resources might be required
- The lead times and delivery risks

Monthly reviews should be instigated and program slippages identified and strategies developed to deliver the project on time.

### 3.1 Organisational Vision

The Vision is to "Make the Shoalhaven a great place to live, work, stay and play". A shared vision is vital to achieve the outcomes desired. However the Vision needs to be able to be

directly related to the work that employees are doing, otherwise it is not a shared vision. Further definition is required to ensure that Councillors and Council staff are all working towards the same ultimate goal and every effort is made to streamline processes and continually improve the efficiency of the organisation.

A fully integrated suite of IP&R documents will help provide clarity to both the Councillors vision and the Council Strategy.

Council also surveys the Community on a regular basis, the most recent survey being completed in June 2016. Overall 87% of Shoalhaven residents recorded medium to high satisfaction with the performance of Council. This level of satisfaction was consistent across all demographic groupings, with statistical testing unable to identify any significant differences across segments of the resident population.

Normative data from the Australian Unity Wellbeing Index indicates that the average Personal Wellbeing Index for Australians is approximately 76 (Sep 14). Shoalhaven LGA's Personal Wellbeing Index was calculated as being 77.13 which is considered above average for Australian communities. Approximately 70% indicated they were highly satisfied with feeling part of the community.

The IP&R planning cycle is shown below in Figure 3, and shows the integration of community engagement with the strategic plan and subsequent delivery program and operational plan for Council.



Figure 3 -IP&R Planning Cycle

### 3.2 Mission Statement

Councils Mission is to “Enhance Shoalhaven’s strong communities, natural, rural and built environments and appropriate economic activities through strategic leadership, good management, community engagement and innovative use of resources”.

This mission statement should be driving how Council behave as an organisation. The internal factors of strategic leadership, good management, community engagement and innovative use of resources were all highlighted as part of a staff survey from 2014 as areas which require attention. Action plans were developed to respond to this survey, which should be related directly to the overarching Mission of Council.

The strategy map below in Figure 4 tries to further drill down on Council Vision and incorporate the Business Plan, underlying philosophies and KPI’s to encapsulate what drives Council and what we are ultimately trying to achieve.



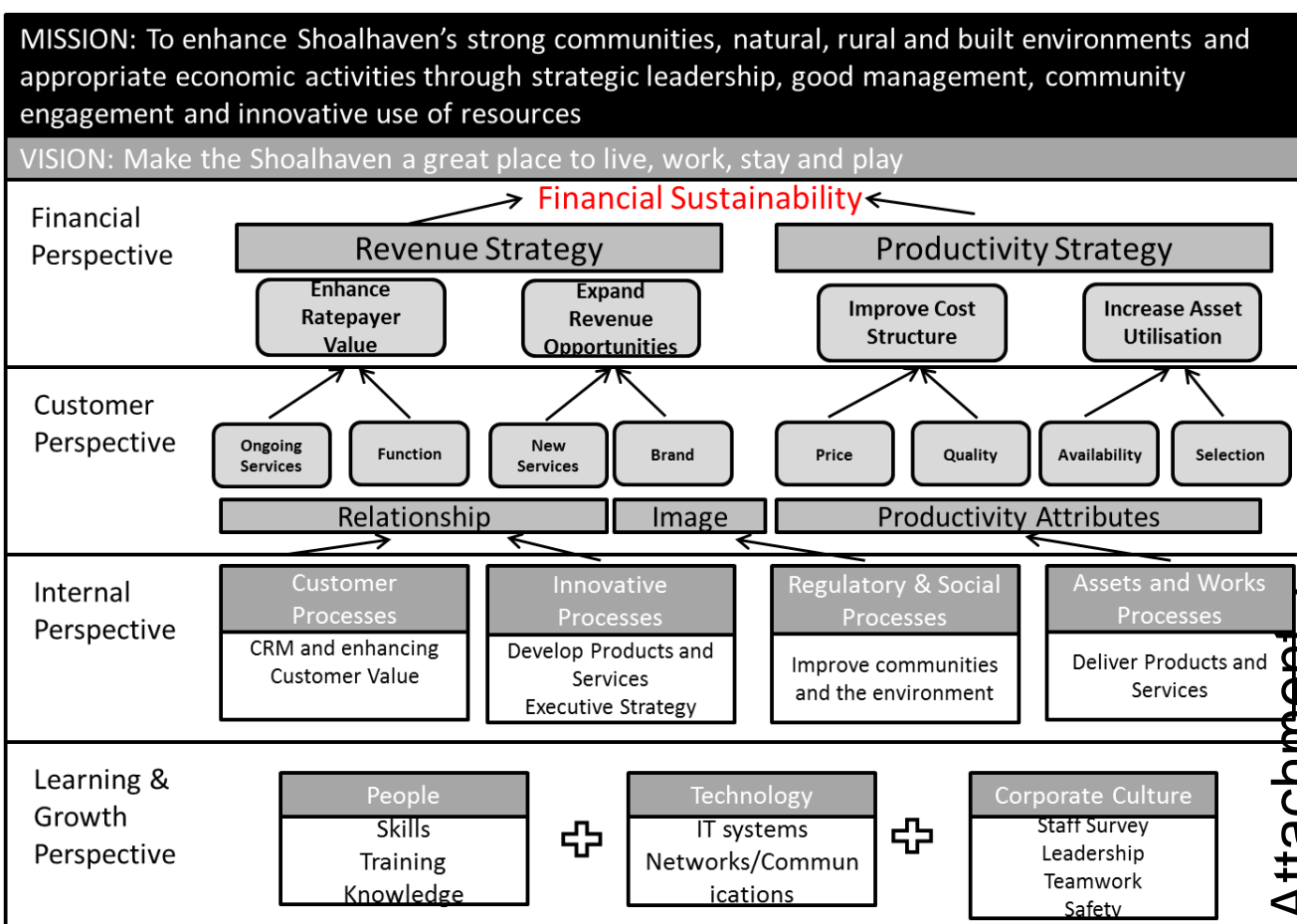


Figure 4 - Strategy Map

### 3.3 Values

Council's four key workplace values are aimed at driving a culture and organisation that staff wish to work for. These are:

- How we work together
- How we behave at work
- The sort of workplace we aspire to
- The way we lead and manage work

Below is a snapshot of Council Workplace Values (Figure 5), which are critical to implementing any changes across the organisation. Some of the values are inherent in making changes within an organisation to deliver a far superior level of service to the community ie deliver best value service, best practice organisation, preferred employer, drive customer service, improving our use of technology, innovative and empowered. These values also align directly to the Strategic goals suggested further on in this paper.

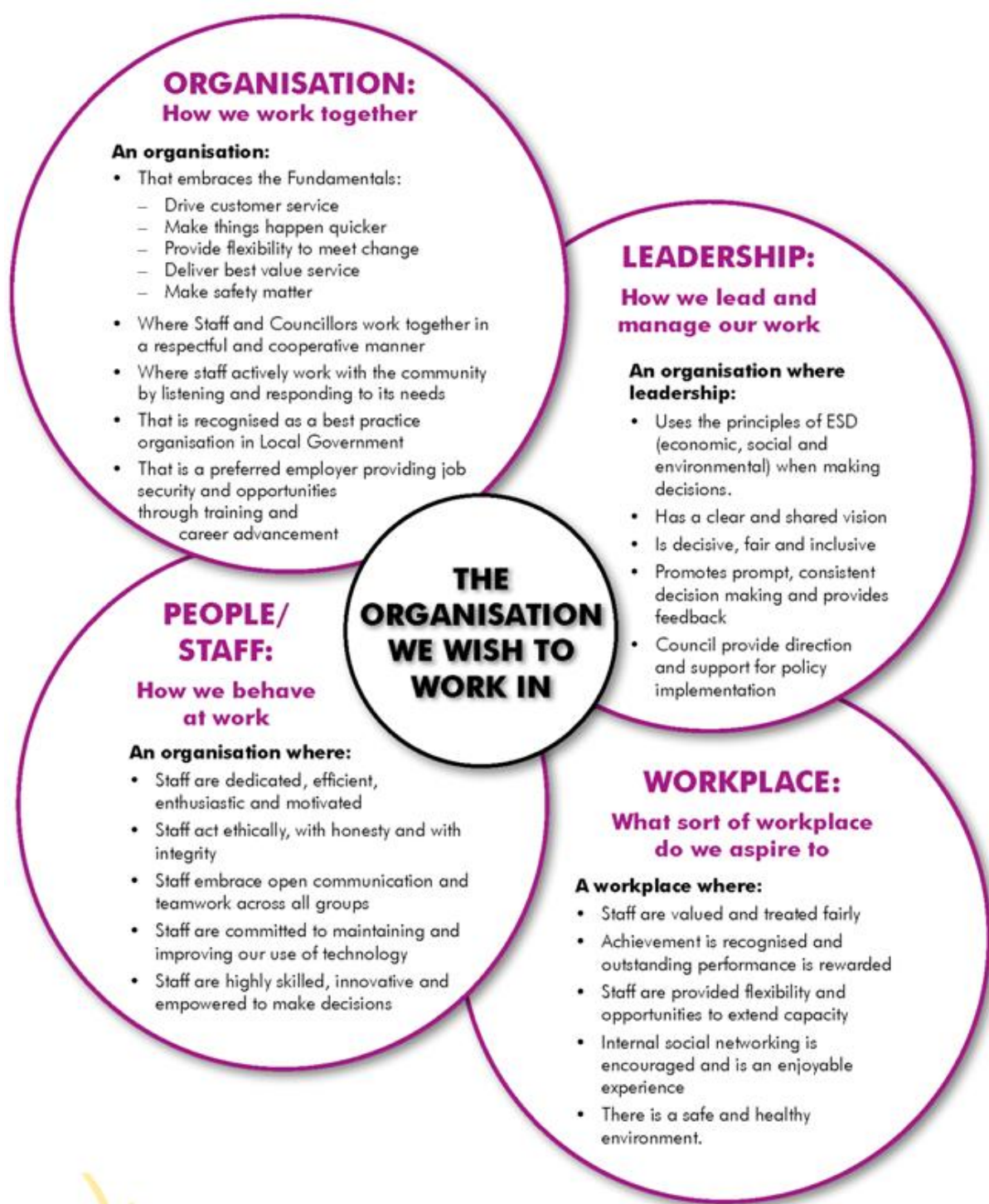


Figure 5 - Council Values

#### 4. SWOT Analysis

In order to be able to implement a plan for moving forward Council needs to position ourselves now, what is the status quo and how do we move from the current situation to an improved position in the future?

Below is a summary of our strengths, weaknesses, opportunities and threats to help us arrive at a detailed plan to move forward.

#### 4.1 Strengths

- We are a large Council and therefore have economies of Scale of which we can call on
- There are over 56,000 ratepayers within the Council area
- Council has dedicated, experienced and long serving employees with a high retention rate
- We are situated in a great location, close to major population centres of Sydney, Illawarra and Canberra
- Highly desirable tourist destination during holiday periods
- Tourism is increasing in the area, along with a strong rural sector and naval base
- We should see growth in future years, given the proximity to improvements in the road network to Sydney and Canberra.
- The sea change phenomenon is also contributing to growth
- We have been allowed to stand alone as a Council (no Merger)
- Strong bias towards strategic business and community management
- Council has a high Community Satisfaction rating from recent surveys

#### 4.2 Weaknesses

- Increasing aged population and demand for services, particularly transport to town and villages. This may impact on revenue collection in the longer term
- We are forecasting operating deficits (before Capital Grants and Contributions) for all of the next 10 years, ie \$116.9m in total over this time (without any rate increase)
- Given the council size we have multiple duplicated assets across the council area – which need maintenance and renewal, serving a thinly spread population and isolated villages
- We have significantly greater lengths of road networks per ratepayer to maintain than from a lower rating base.
- We have a backlog of infrastructure work required to bring our assets up to the standard required and this is continuing to deteriorate year on year.
- There is an aging workforce, which results in risks from a workers compensation viewpoint, and a loss of knowledge on retirement
- Higher levels of unemployment, 8.83% (March 2016) compared to 6.6% regional average means less disposable income and less ability to pay for services
- Unfunded S94 and other liabilities, such as asbestos affected properties and gas remediation requirements
- Council had to abort the implementation of Civica, resulting in reliance on poor systems until new systems can be implemented
- Still a long way to go with regard to e-commerce and automating processes.
- Population density in 2015 was only 0.22 persons/hectare, spread over 49 towns and separated by environmentally sensitive areas.

#### 4.3 Opportunities

- We have the capacity to borrow more to fund infrastructure works and new projects
- Borrowing rates have reduced for NSW Councils, through Treasury Corporation for infrastructure type investments
- Develop systems to provide better information to manage assets and provide management data

- We have the opportunity to develop monthly KPI's which will give us a better indication of how we are travelling in a more timely manner
- We are in a better position to offer service provision to smaller councils
- With changes to transportability of people and the culture of using cars to attend social functions, shop, take children to school, etc, we have the opportunity to rationalise some facilities to reduce costs. (We currently have the Ross report, which is about to go to Council)
- To implement new systems to bring about technology improvements and efficiencies.
- Good proximity for resource sharing with Illawarra Councils
- Increase of commercial development in the smaller villages may reduce the transport needs of isolated residents
- Shoalhaven average rates are 80% of the average rates of surrounding councils and group 5 councils, therefore there is capacity for an increase.
- Increasing the use of technology based communication by residents may provide a closer relationship with council, and overcome the tyranny of distance.

#### 4.4 Threats

- Further cost shifting from State and Federal Governments
- Further reductions in Grant Funding
- Increases in CPI risk increases to current cost structures
- Reductions in Australian Dollar would also further push costs up.
- Increasing unplanned reduction in services as assets fail over time in the future
- Reductions in Interest Rates resulting in decreased income from investments
- Dividends from Shoalhaven Water may not always be available given some of the significant expenditures required in future years.
- Decreasing condition of infrastructure due to inability to fund appropriate level of service
- Inability to meet higher community expectations for service delivery
- Further decrease in manufacturing viability further increasing local unemployment
- Adverse impacts of climate change, rising sea level and more intense severe weather events

## 5. Major Goals

### 5.1 Overall Objective – Financial sustainability

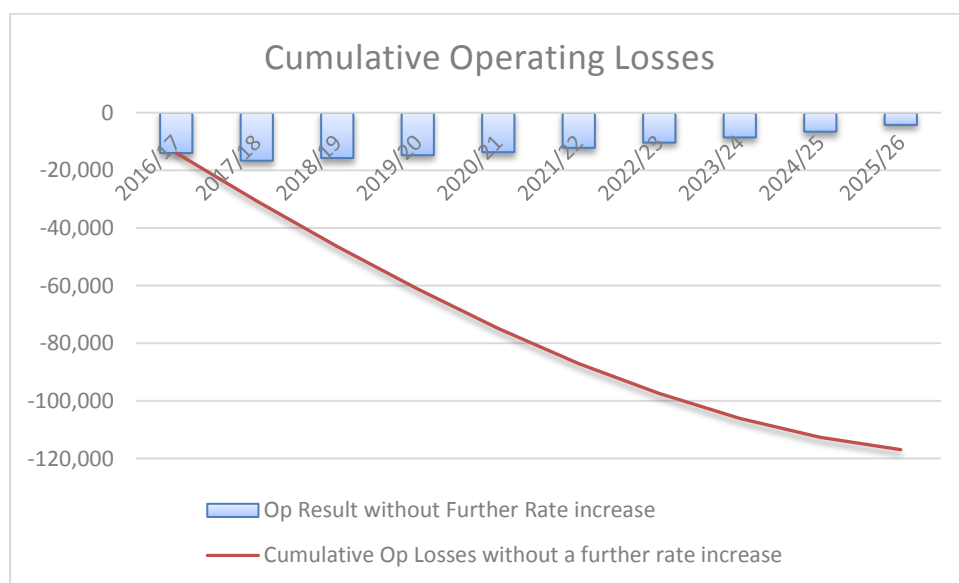
The current operating deficit is the driving force for this strategic plan, below is a snapshot of the General Fund LTFP (Table 4) with all but 3 of the next 10 years showing operating deficits before Grants, with this year exceeding \$14m (ie before the rate increase is implemented). It should be noted that this is not a cash result but shows the effect of significant depreciation (a non cash item) as a result of asset revaluations in accordance with Accounting Standard AASB 13. When an asset is purchased it generally has a life of more than one year, so depreciation is a way of transferring a portion of the assets costs from the balance sheet to the profit and loss during each year of the assets life. It is a way of matching the cost of the asset to the revenue generated from that asset, over its useful life. Without depreciation the entire cost of the asset would need to be recognised or expensed at the time of the purchase, so it cannot be ignored in reviewing results.

**General Fund Ten Year Financial Plan - Income Statement**

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	76,948	83,160	89,919	92,163	94,470	96,844	99,285	101,797	104,382	107,042
User Charges & Fees	44,223	45,974	47,891	49,817	51,903	53,996	56,265	58,541	61,008	63,484
Interest & Investment Revenue	1,991	2,042	2,094	2,147	2,202	2,258	2,315	2,374	2,434	2,496
Other Revenues	55,007	56,365	58,189	60,083	62,046	64,083	66,195	68,387	70,660	73,020
Grants & Contributions provided for Operating Purposes	18,863	16,104	16,420	16,745	17,078	17,419	17,770	18,129	18,499	18,877
Grants & Contributions provided for Capital Purposes	16,769	5,913	5,001	3,589	3,735	3,723	3,793	3,865	3,938	4,013
<b>Other Income:</b>										
Net gains from the disposal of assets										
<b>Total Income from Continuing Operations</b>	<b>213,802</b>	<b>209,557</b>	<b>219,514</b>	<b>224,542</b>	<b>231,434</b>	<b>238,322</b>	<b>245,623</b>	<b>253,093</b>	<b>260,922</b>	<b>268,933</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	61,403	62,888	64,414	66,025	67,675	69,367	71,101	72,879	74,701	76,252
Borrowing Costs	1,745	1,803	2,016	2,147	2,342	2,102	1,777	1,475	1,206	930
Materials & Contracts	48,851	49,998	51,248	52,529	53,843	55,189	56,568	57,983	59,432	60,918
Depreciation & Amortisation	40,329	41,337	42,370	43,430	44,515	45,628	46,769	47,938	49,137	50,365
Other Expenses	58,707	59,972	61,085	62,277	63,538	64,824	66,137	67,476	68,842	70,236
<b>Total Expenses from Continuing Operations</b>	<b>211,035</b>	<b>215,999</b>	<b>221,134</b>	<b>226,409</b>	<b>231,913</b>	<b>237,111</b>	<b>242,353</b>	<b>247,751</b>	<b>253,317</b>	<b>258,701</b>
<b>Net Operating Result for the Year</b>	<b>2,768</b>	<b>(6,441)</b>	<b>(1,621)</b>	<b>(1,866)</b>	<b>(479)</b>	<b>1,212</b>	<b>3,271</b>	<b>5,342</b>	<b>7,605</b>	<b>10,233</b>
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	(14,001)	(12,354)	(6,621)	(5,455)	(4,214)	(2,512)	(523)	1,477	3,667	6,219

**Table 4 - General Fund Income Statement (including two 7.5% above rate peg increases)**

Figure 6 below shows the cumulative effect of the deficit operating mode, resulting in over \$116.9m over the next 10 years, if no special rate is applied at all



**Figure 6 - Cumulative Losses with no SRV**

Further to this, Table 5 shows the Key Financial indicators, with a number of areas of some concern, particularly the unrestricted current ratio which is deteriorating year on year, the aim is for this ratio to be greater than 1.5:1 for financial sustainability and we see it moving from over 2.3:1 in 2015/2016 to as low as 1.47:1 2021/2022. The other measure which highlights the gap in capital spending to depreciation is the Building Infrastructure Renewals Ratio which is well below the 100% target, shown in Table 6.

Indicator	Target	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Unrestricted Current Ratio	2:1	2.3:1	2.08:1	1.9:1	1.74:1	1.67:1	1.49:1	1.47:1	1.47:1	1.75:1	2.27:1
Debt Service Ratio	Between 10% and 20%	6.13%	3.41%	3.84%	4.34%	4.52%	4.32%	4.05%	3.47%	3.42%	3.01%
Rates & Annual Charges Coverage Ratio	Below 50%	35.85%	39.56%	40.85%	40.92%	40.67%	40.47%	40.23%	40.01%	39.75%	39.50%
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	5%	6.07%	5.65%	5.25%	5.14%	5.04%	4.94%	4.84%	4.75%	4.67%	4.58%
Operating Surplus	Breakeven operation position or better over any five year period \$,000	-9,280	-7,560	-1,708	-378	1,075	2,998	5,176	7,462	10,008	13,013
Operating Surplus Ratio	An operating surplus ratio between 0% and 15% over any five year period	-4.65%	-3.67%	-0.79%	-0.17%	0.47%	1.26%	2.11%	2.95%	3.84%	4.83%

**Table 5 General Purpose KPI's**

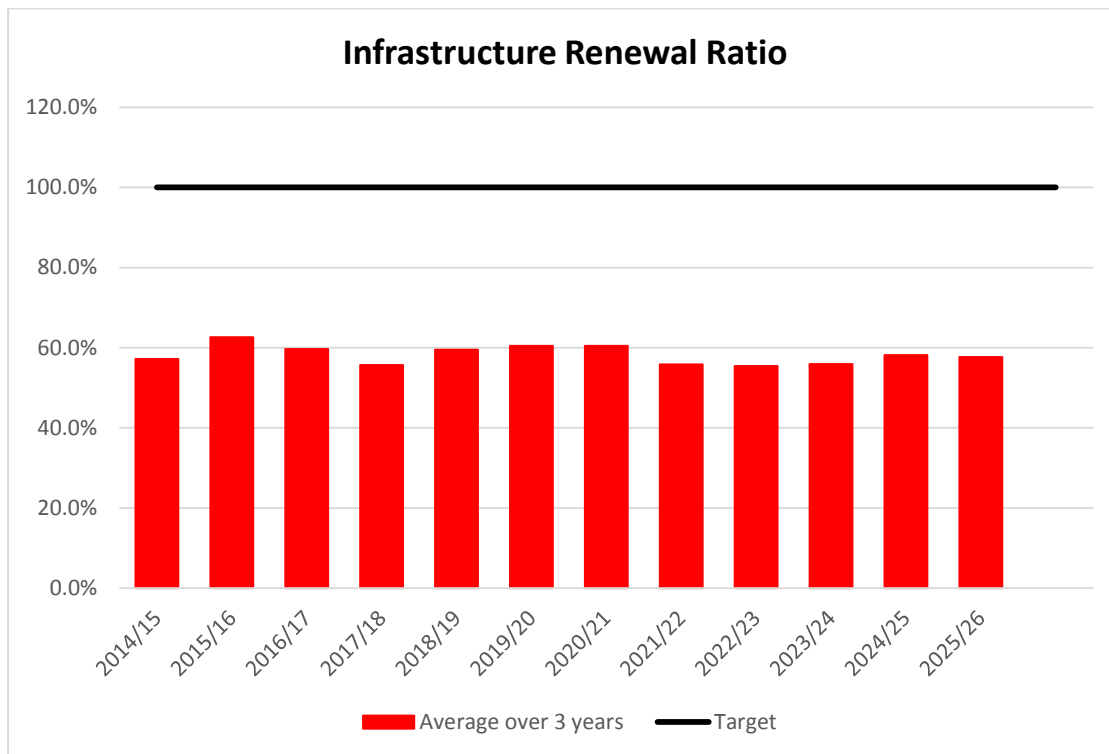
Loan Interest Coverage is averaging around 1.4% over the next 10 years, which is low in terms of the benchmark ratio of 5% of operating income, but it needs to be reiterated that unless Council can generate additional revenue or reduce its overall cost base this ratio does not give a clear picture of council capabilities.

The Building and Infrastructure Asset Renewal Ratio or the capital expenditure ratio measures the extent to which Council are replacing assets compared with the rate at which we are depreciating or consuming them. See Table 6 and Figure 7 below showing this measure and the issues Council have in terms of meeting this criteria, ie. This percentage is substantially less than 100% for all future years. The dollar impact of this shortfall is in the table below and further analysed in the graph below:

Indicator	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Capital Spend	22,092	18,575	20,624	19,105	24,119	23,312	20,703	20,455	24,461	22,971	24,898	25,636
Depreciation	33,767	34,029	34,880	35,752	36,645	37,562	38,501	39,463	40,450	41,461	42,497	43,560
Shortfall	(11,675)	(15,454)	(14,255)	(16,647)	(12,526)	(14,249)	(17,798)	(19,008)	(15,989)	(18,490)	(17,599)	(17,924)

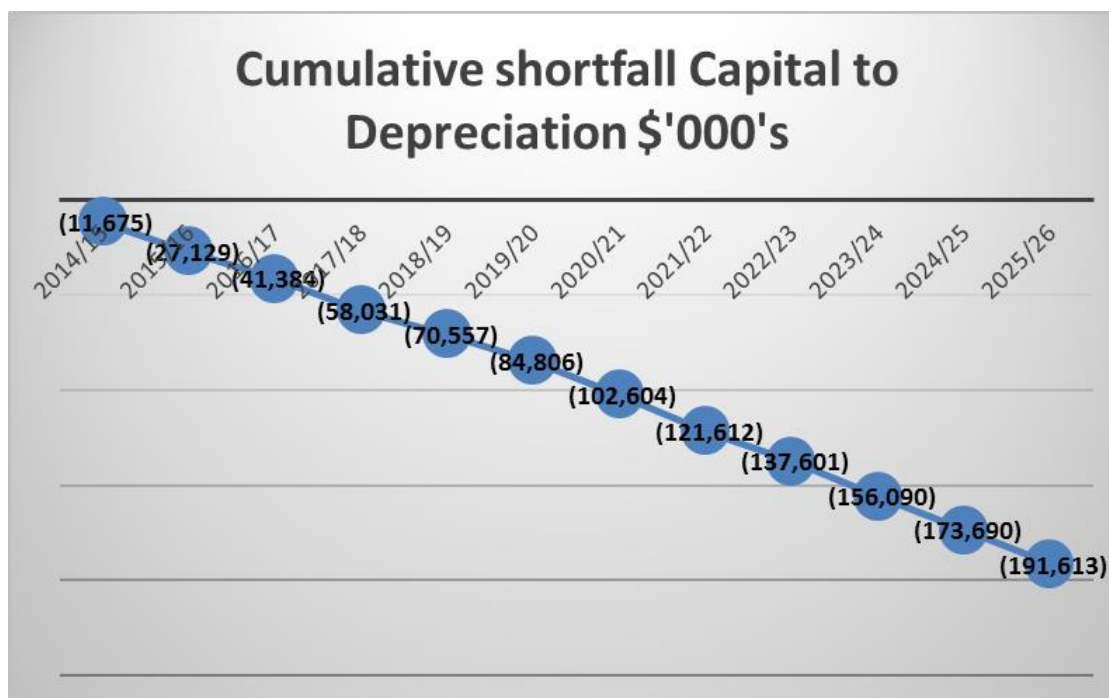
**Table 6 Capex to Depreciation**





**Figure 7 Asset Sustainability Ratio**

The cumulative shortfall of capital spend is shown below in Figure 8, highlighting the shortfall in Capital Spend:



**Figure 8 - Cumulative shortfall Capex to Depreciation**

With changes to the Accounting treatment of valuation of assets, each year Council is required to make fair value adjustments to certain categories of assets. Below is Figure 9

which shows historical asset values and the resultant depreciation increases in the subsequent years. This obviously has an impact on the overall operating result, which may further impact on our future results as assets are further increased in value and greater depreciation is required.

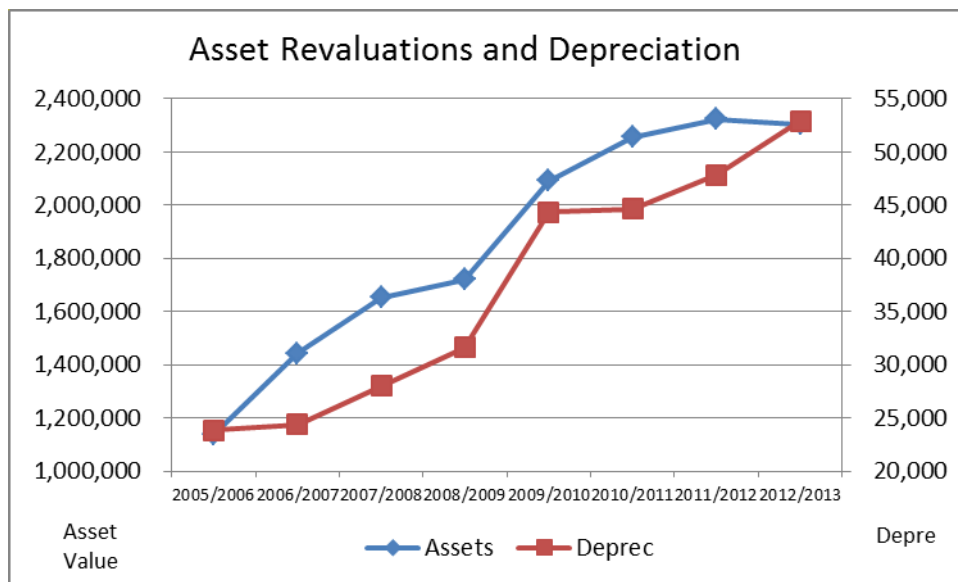


Figure 9 - Asset Revaluations to Depreciation

However if we are to also cover the annual shortfalls created from infrastructure funding deficits as well as cover the infrastructure backlog Figure 10 below shows what the operating deficit would look like. Note that this chart below includes the 7.5% for 2 consecutive years above rate peg increase

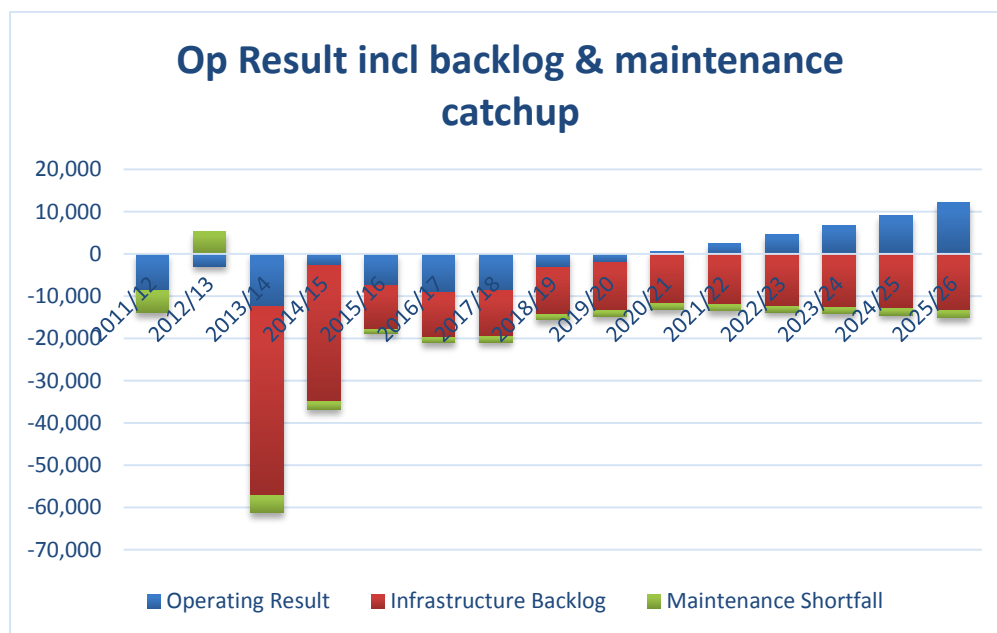


Figure 10 - Cumulative impact of Op Result + backlog + maintenance

The overarching objective is to reduce Councils overall deficit to a balanced operating plan and the subsequent objectives and recommendations will ultimately achieve financial sustainability within a 4 year timeframe from the end of 2015/16 financial year.



There are a number of levers to pull with regard to achieving this goal, which are covered below in detail. It is important that Council see the urgency and importance to take the necessary action to address this issue. It is also important that the organisation take a long lens to this and put plans in place over a number of years, not just the next 1 – 2 years.

In providing the required strategic leadership Council needs to take the community along this longer term journey to sustainability. The Fit for the Future strategies have been included in the below recommendations, in line with the Report submitted to the Office of Local Government.

## 5.2 Increase Revenue

### 5.2.1 Rates Increase

Future rating strategies need to be considered in terms of anticipated growth in the city, future services and service levels, along with changes to Government Funding. A review was carried out in 2015/16 by KPMG with regard to business rates in the Shoalhaven. The outcome of the review was a fairer distribution of rates across residential and business ratepayers, all but eliminating historical inequities for Nowra CBD ratepayers. More work is still required with regard to the much lower rates currently charged to Dairy Farmers,

Further work has also been completed to assess the level of rating increase required in the future to assist with reducing the overall backlog of infrastructure requirements as well as enabling financial sustainability moving forward. **The financial projections result in a requirement to increase rates over and above rate peg by 23% in total, 11.5% in 2017/18 and 11.5% in 2018/19. This is on top of a rate peg estimated at 2% for each of these years and into the future.**

This proposal for a rate increase has also factored in growth estimates in the future, which has resulted in increased costs of servicing the growing community and additional stress on infrastructures already in place and in some instances additional infrastructure.

Further consideration needs to be factored in with regard to the demographics of the Shoalhaven, the education levels which are lower than National average, the level of unemployment at 13% in 2013. These factors impact on the ability to pay and are important considerations in keeping the increase in rates at the minimum level to achieve Councils objectives. On the flip side the location and lifestyle make the area a growth area in terms of population, with estimates that the population will exceed 130,000 by 2036. There is a thriving defence industry, it is a regional manufacturing centre and a growing educational hub, and natural resources and tourism go hand in hand to increase the population movement.

It has been found through studies done by the SA Centre for Economic Studies that CPI is not an appropriate indicator to consider in relation to Council rates. Secondly, council rates are determined by more than average costs in a previous year. Local Government sets property rates in response to various factors including general price inflation affecting local government, policy decisions regarding changes in the level of services and community infrastructure provided to local communities, changes in demand for particular services and changes in financial support provided by other levels of government. It was found that a more reliable independent measure is the Local Government Pricing Index which was

developed by the ABS on behalf of the South Australian Government Financial Management Group.

A further consideration is the comparison of residential rates of other councils within our Council Group, which further shows there is scope to increase rates by more than CPI and to still be under “like” councils rates. The Group Average for Ordinary Residential Rates is \$1110.

Council	Average Rates 2015	Average Household Income #	Ratio	At 2.0%	Differential
<b>Shoalhaven</b>	<b>\$888</b>	<b>\$50,363</b>	<b>1.76%</b>	<b>\$1007</b>	<b>\$120</b>
Coffs Harbour	\$978	\$54,077	1.81%	\$1081	\$104
Port Macquarie	\$1097	\$52,167	2.10%	\$1043	-\$54
Lake Macquarie	\$1178	\$57,304	2.06%	\$1146	-\$32
Wollongong	\$1183	\$65,926	1.79%	\$1318	\$136
Tweed	\$1335	\$51,220	2.61%	\$1024	-\$311

# Source- ABS Household income 2011, Council rates data 2014/15

**Table 7 - Rate comparison**

Table 7 shows a 50% difference between residential rates at Shoalhaven compared to those of Tweed Council. It also highlights that household income for the Shoalhaven is the lowest and that our rates as a percentage of household income are low compared to a number of councils. If we looked bringing Shoalhaven’s rates up to the average for all Group 5 councils it would mean an increase of \$215, which equates to a 24.3% increase in rates.

In addition to this, given the demographics of Shoalhaven City Council and the level of infrastructure in relation to the population in comparison terms, our level of rates should be above the average, given the higher number of pools, public halls, open space and road lengths to maintain. A special rate variation submission is fundamental to improving future sustainability. See table 8 below for some of these comparative measures, which have significant impact on the overall expenditure required to maintain the infrastructure, which should warrant higher rates than some other councils with less infrastructure:

Your Public Facilities	LGA	Group Average
Public Pools	12	11
Public Halls	27	24
Open Public Space	2019	1462
Total Road length (km)	1,707	1193.0
Road Length per '000 capita (metre)	18.3	11.2
Roads, Bridges and Footpath expenditure per capita (\$)	272.32	250.05

**Table 8 - Council Facilities**

Further analysis was carried out on comparatives of Area of Council, income levels within Council and the rates being charged. Figure 11 below shows the relationship for Area Size and taxable income, which shows the bigger the council area the lower average taxable income and the second chart Figure 12 shows a comparison of average rates to the % of

rates to taxable income. This shows the percentage for Shoalhaven at 1.76% of taxable income, the lowest in the group

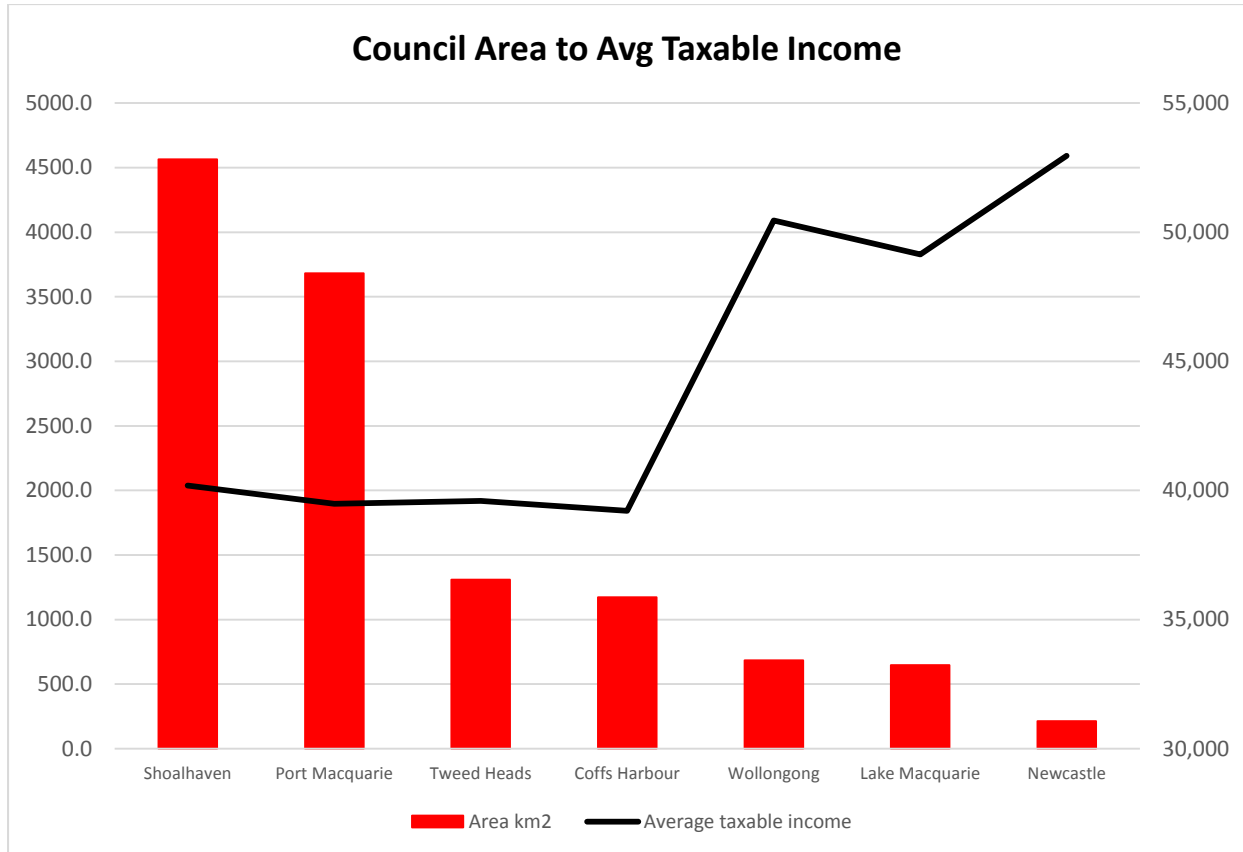


Figure 11 Council Area to Taxable Income

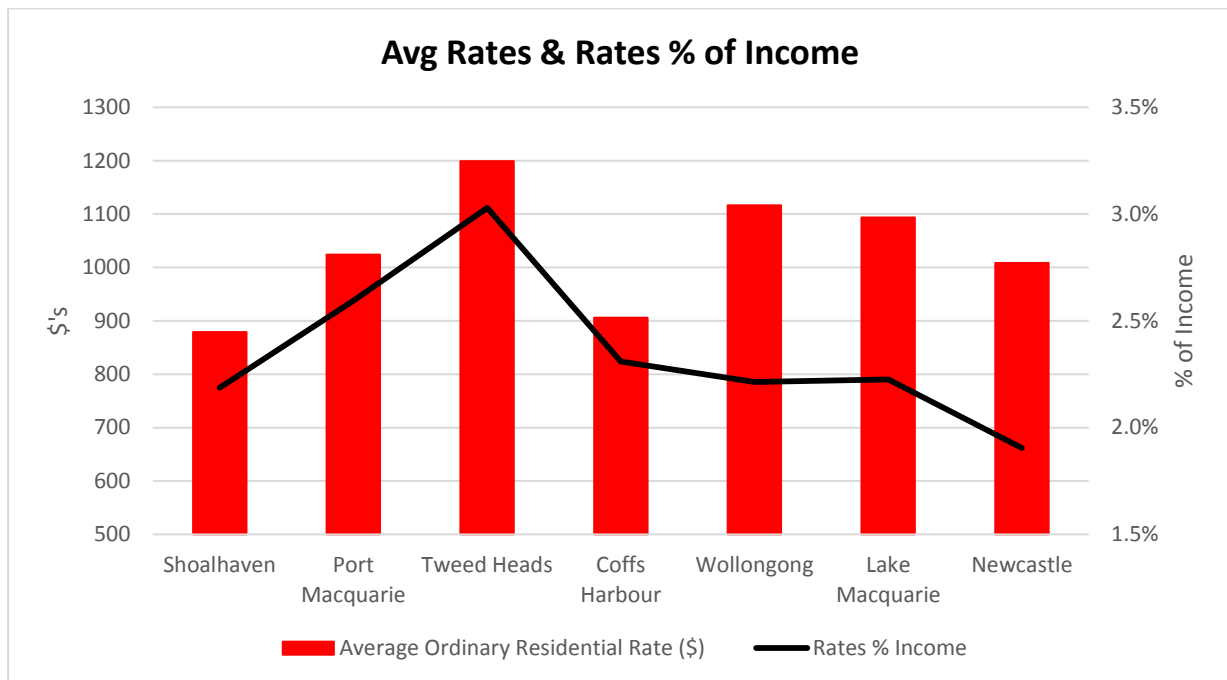


Figure 12 Avg Rates as % Taxable Income – based on 2013/14 OLG comparative data

Below Figure 13 shows a snapshot of comparatives of rates with a 5%, 10%, 15%, 20% and 25% increase in Shoalhaven Council's rates, which still shows lower rates relative to all other councils in our Group and locally, except Eurobodalla.

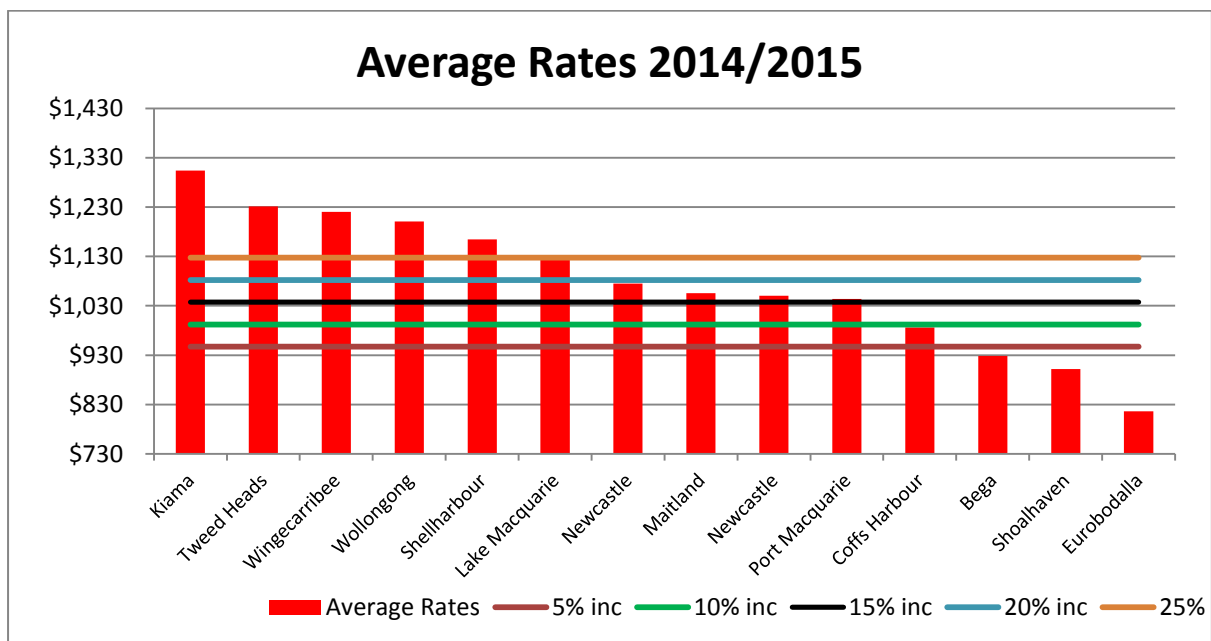


Figure 13 - Rate increases

In terms of revenue these type increases would equate to the following in terms of total revenue dollars:

	\$'000's
5% Inc	2950
10% Inc	5900
15% Inc	8850
20% Inc	11800
25% Inc	14750

### 5.2.2 Fees and Charges

In addition to rates, Council have the opportunity to review fees and charges, along with leases in an effort to increase the level of income generated from the delivery of services or hiring/leasing of properties. As part of fee setting the philosophy of user pay should be high on the agenda. The project team covering fees and charges have consultants currently reviewing fees and charges for opportunities to increase revenue or introduce new fees. A draft report from LKS Quaero on this analysis should be available by October 2016.

The number of Public Facilities, as summarised in Figure 14, obviously drives a certain cost structure and should be taken into consideration when reviewing increases to fees and charges, as well as rates.

A further consideration with the setting of fees and charges is how Council charge for the high influx of tourists around the summer period. We currently see approximately 3.1 million tourists converging on the area within a short period of time and require infrastructure to cater for this influx. Given that tourists do not pay rates in the Council area and benefit from heavily subsidised fees and charges we need to look at a mechanism to capture some revenue from this influx, perhaps by setting higher fees and charges all year round and subsidising for rate payers through yearly passes, regular hirer rates etc, ie a discount for ratepayers

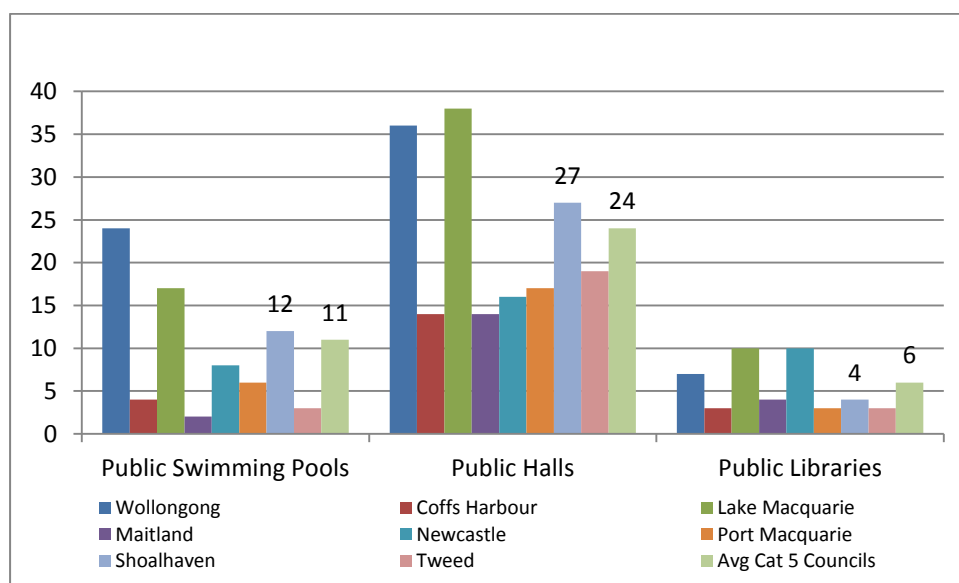


Figure 14 - comparison of facilities

An additional way to bolster Council revenue is by promotion of these public facilities. If council can bundle up a marketing campaign to sell the benefits of these facilities, they could attract events or conferences to the area and increase Tourism but also increase the returns on Local Council infrastructure.

### **5.2.3 Increases DA Fees and introduce value added services**

An increase to DA charges has the ability to increase Council revenue, but at the same time it can hamper growth in the city. There needs to be a balance between economic development and the amount of fees being charged and these charges will rise and fall with the inherent business cycle of economic activity. These fees are also regulated by state government, so are not as easily increased as desired. In order to increase DA fees outside this cycle Council would need to consider what else we have on offer to promote business and development in the area, ie by developing zoning policies that support business, by economic development and tourism working towards increasing tourism, investment etc.

In addition to this Council should look into the introduction of Value add services to the community, including but not limited to Bush Fire assessments, pre-purchase inspections etc. The issues of independence in DA approvals would certainly need to be covered off if a decision was made to go down this path.

### **5.2.4 Introduction of Parking fees**

As traffic increases around the major centres and popular tourist areas, parking demand will increase and “user pay” parking will become a viable strategy to increase parking turnover.

## **5.3 Reduce Cost Structure – drive efficiency**

There are a number of opportunities to improve the cost structure of Council.

### **5.3.1 Continuous Improvement**

Fundamental to cost reductions is the introduction to the concept of Lean or continuous improvement. This is a philosophy which needs to be driven from the top of the organisation and filtered out to all levels within the organisation. This takes commitment and dollars in terms of training and allowing time for teams to hold meetings to review processes and look for efficiencies.

Value streams are a good tool to link all horizontal processes that run across vertical organisational silos and removing wasteful activity that adds no value for the customer. All staff would need their induction to include Lean and in-house learning programs would need to be introduced to educate staff to be able to work in projects teams. Lean is also about changing culture to one where staff feel empowered, equipped and supported to improve their work as part of their everyday job.

Major areas impacted by customer calls would be an ideal starting point for review, and this could be incorporated with the introduction of the Customer Service Centre. This would review outdated practices and better utilise technology to ultimately improve customer service and at the same time reduce costs. The introduction of e-commerce will further reduce workload, introduce a one stop shop for customers and reduce reliance on high staffing levels.

The culture of service, teamwork and continuous improvement, needs to be a journey that continues forever and becomes a way of working, it needs to be inherent in everything we do by way of quality systems, process mapping and re-engineering. The key point to make here is that a reduction in complexity will lead to reduced costs.

In 2015 Council approved a Continuous Improvement team within the organisation. This team is currently involved in a number of system implementations and then will focus on process reviews across the organisation.

### 5.3.2 Outsourcing

A second opportunity for cost reduction is to review service levels of internally provided functions and look at outsourcing those which are not competitive with outside providers. Some of the areas which were reviewed in the last few years are the SEC, payroll, printing, audit and family day care to name a few of the TTF projects completed. This process compared the services provided against the cost of providing these services and determined where benefits would be gained from outsourcing or alternatively what improvements could be made internally to reduce costs or improve service, an example of one change was the introduction of a time and attendance system for all timesheet employees which will result in improvements in Councils cost structure along with streamlined processed.

As an alternative to outsourcing Council could increase revenue by setting up a shared service function and taking on work of other councils. This could lead to further economies of scale with reduced staffing requirements, particularly when system functionality is available to enable the best possible outcome for these processes. This strategy is underway with the Illawarra Joint Organisation of Councils.

### 5.3.3 Use of Technology

The improved use of technology will also assist in other areas of council, particularly in the finance area, where significant gains can be made by elimination of duplication and improvements in reporting and automation of processes. The implementation of new systems is instrumental in making these changes happen. The current systems rely heavily on individuals to hold things together and to understand the history of systems. This dependence on a few individuals leaves Council very vulnerable and does not allow for sharing of information, as people remain isolated from open and transparent information systems.

The integrated nature of an ERP system will help break down the silos in different work areas in council and should drive further reductions in staffing levels into the future, which should ultimately reduce costs.

The use of electronic commerce will further enhance customer service to the community and allow for self help portals which will drive further efficiencies. Considerable work is required to ensure the technology delivers as promised, so Council will need to commit dedicated resources to achieve the desired outcome.

E-recruitment is another area where Council will be able to save significant money in terms of advertising for recruitment of new staff, the more this is done on line through search engines such as Seek and Linked In the less it will cost Council in paper media advertising. Phase 1 of this project has now been implemented.



### 5.3.4 Procurement

Another potential savings area is in procurement. Currently we spend \$99.3m on our top 100 suppliers, if we could save .5% of this spend it equates to \$497k. The current Illawarra Pilot Joint Organisation are looking at options for targeting savings and this should be driven more robustly to ensure savings are achieved, by prioritising big ticket items, such as motor vehicles, asphalt, energy etc. A number of shared tenders have been raised in the last couple of years and all Councils in the Illawarra will continue to work together to find further synergies and savings.

### 5.3.5 Staff Changes and conditions of employment

The previous organisational changes rolled out a restructure by Group and Section, with \$2.8m in savings having been achieved in salaries and wages. The growing population, increases in building activity and related planning and assessment requirements and the requirement to continue to meet community needs will see the organisation needing to consider staffing/resourcing levels on an ongoing basis.

### 5.3.6 Energy Management

In line with the sustainability of operations, Council should also be considering the use of solar power to further reduce operating costs, particularly with regard to big energy use sites. Energy audits carried out in 2007 should be reviewed to see that the actions to reduce costs, energy consumption, green-house gas emissions and increasing management commitment have been responded to.

### 5.3.7 KPI Reporting

Monthly KPI's should be introduced in line with the Strategic Plan, to measure performance, which will then aid in management and assist to drive improvements and cost savings.

Some KPI's which could be introduced to monitor overall cost reductions are shown in Table 9 below, these need to be in line with Performance Management targets and compared to the IRIS survey results to determine if they will drive the desired community outcomes:

Strategy	KPI	Target
<b>Revenue – Enhance Ratepayer Value, ongoing Services</b>	Operating Profit/No of Ratepayers	➤ 0
<b>Revenue – Enhance Ratepayer Value, Function</b>	% uptake Formsport or BPAYview	➤ 10%
<b>Revenue – Expand Revenue – New Services</b>	Revenue Growth = increase in revenue/last years revenue as %	➤ 6%
<b>Revenue – Expand Revenue – Brand – Shoalhaven area</b>	Increase in economic activity	➤ 6.2% increase
<b>Improve Cost Structure – Price</b>	Procurement Savings	➤ \$200k
<b>Improve Cost Structure – Quality</b>	Savings from Continuous Improvement efficiencies	➤ \$200k
<b>Improve Asset Utilisation – Availability</b>	Percentage Preventative Maintenance/Total Maintenance Costs	➤ 80%
<b>Improve Asset Utilisation – Selection</b>	Life Cycle Costing completed on all new assets	➤ 80%
<b>Customer Satisfaction</b>	Community Satisfaction Rating	➤ 90%
<b>Innovation – No. of new services</b>	No. of New Services	➤ 2 per annum



	No of DA's and turnaround time	➤ 1400 per annum < 60 days
<b>Improve Social Processes</b>	Expenditure on community health and safety/Avg population	➤ \$100 per capita
<b>Deliver Products and Services</b>	Reduction in Asset Backlog – Capex Expenditure/Depreciation	➤ 100%
<b>Training</b>	Avg Training Cost per FTE	➤ \$750 per FTE
<b>Software Upgrade Implementation</b>	Modules go live dates meet plan	Within plan and budget
<b>Leadership Training</b>	Managers Trained	➤ 80%
<b>Health and Wellbeing of Staff – Safety</b>	LTI	Hours Lost/Total hours worked as a %

Table 9 Suggested KPI's

### 5.3.8 Joint Organisation

Council has undertaken collaborative discussions with Wollongong, Kiama and Shellharbour councils with a view to extend opportunities for joint regional partnerships. A Joint Organisation has been formed and agreement to prioritise the following regional services:

- Regional procurement tenders
- Regional training opportunities
- Shared internal services ie. Code of conduct
- Asset Management service procurement eg fire safety, building maintenance, cleaning
- Professional services

Work on a number of these services is continuing with the JO including Fleet and Energy tenders.

### 5.3.9 Better Management of Fringe Benefits Tax

There is potential to reduce Council's Fringe Benefit Tax Liability by continuing to increase lease back fees year on year until the FBT cost of leaseback vehicles is negated. Some vehicles are now being fully recovered with further increases of 10% or \$10 to go through this year on others.

### 5.3.10 Better Management of Leave Liabilities

Any leave liabilities Council has are automatically inflated each year when the award increases are applied. One way to improve this situation is to ensure that all staff take their leave entitlements as they fall due and keep any amounts owing under award limits. This does not save cash in terms of paying the leave, but does save in the cost of increasing provisions each year. The cost of increasing the leave provisions each year is in the vicinity of \$450k based on \$16.3m of annual and long service leave provisions at the end of June 2016.

The changes to the Local Government Award in terms of Salary Sacrificing Long Service Leave over and above that set by the Act will also assist in reducing Long

Service Leave entitlements and therefore reduce future exposure to wage increases if staff take up this option.

#### 5.3.11 Reduced Service Levels

There are a number of services provided to the community which Council could consider reducing, such as partly funded special projects officers, operating Nowra Pool all year round etc. Extensive Community consultation would be required as part of this strategy but could reap significant cost reductions if agreement could be reached.

#### 5.3.12 Improved Fuel Efficiencies

Council operates a large fleet of vehicles, there may be some opportunity to reduce costs in this area. The total Fuel cost for Council is \$2m, just a 2% reduction would result in a saving of \$40k.

### 5.4 Service Sustainability

There should be a full review of the services Council provide and questions posed as to

- whether the service is broadly valued
- does it align to the Long Term strategic direction of Council,
- is Local government the right organisation to be providing the services,
- what are the issues or risks with not providing the service and
- if Council does not provide the service, who will?

Where it is not possible to withdraw from provision of critical services, it might be prudent to review the level of support provided to some services and look at cutting the level of service if feasible. As an alternate to this a review of the delivery method may be possible, to look at other options for delivery eg are there some services we can deliver electronically as opposed to manually.

Other questions to ask are:

- Are there additional or new income producing opportunities?
- Is there unmet demand for the service, and if so how do we capture this demand?
- Is there an ability or willingness to pay for services we might be providing for free or at a subsidised rate at present?
- Are there growth areas where we are not providing services?
- Does the continuing delivery of services, maintenance or renewal works programs remain a sustainable option, supported by operations, works and projects?

### 5.5 Asset Utilisation

The utilisation of assets in an organisation is a critical component of return on investment, along with driving customer satisfaction in terms of reliability, cost and function. We know for Shoalhaven our assets are aging and our available funding is not sufficient to keep up with the current ongoing maintenance requirements, not to mention the backlog of infrastructure works required to bring our assets up to an acceptable level. This backlog is estimated to be \$10m, which has reduced significantly from the amounts set prior to Fit for the Future analysis.

The decrease in CPI increase on Financial Assistance Grant Funding will lead to a further reduction in operating expenditure of \$400k per year, which will impact considerably over the next 3 years totalling \$1.2m.

Figure 15 below shows the current gap between revenue (less Capital Grants and Contributions) and expenses for 2016/17, ie approximately \$14m, if we add to this the run rate of backlog of \$10m this becomes a \$24m gap, and if we further add to this the catch up for required maintenance this adds an additional \$1m to expenses and widens the gap to \$25m for the coming year. Obviously this number is totally unsustainable, and requires some drastic measures to turn things around.

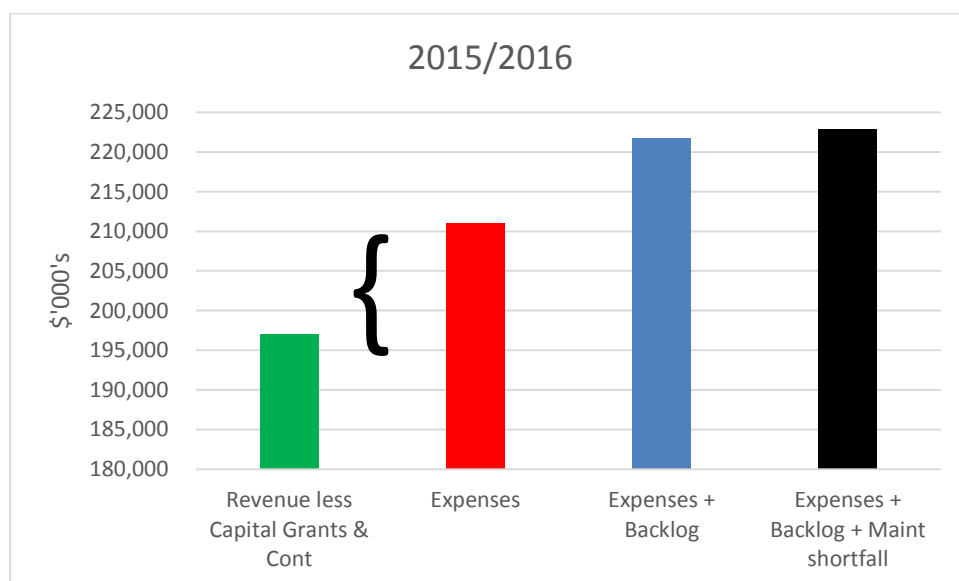


Figure 15 - Gap analysis

### 5.5.1 Only commit to Justified Renewal Projects

Council needs to review opportunities to slow down this rate of deterioration, and one way to do this is to only commit capital to renewal projects which have a cost benefit, ie the cost of the investment is recouped from the savings made in maintenance and other operational costs to keep the asset in working mode.

When decisions are being made, with regard to investment in new capital items, a full life cycle costing should be prepared. This will ensure that the assets are not going to be an intergenerational burden on the community. Asset Management Planning needs to encapsulate all phases of life cycle costing and forecast these costs into the Long Term Financial Plan.

### 5.5.2 Selling off Under-utilised Assets

Another serious consideration is to review ownership of assets surplus to needs or costing Council money, ie where the rental income does not cover the costs if commercially leased. This would result in a reduction in operational expenditure ie less maintenance, less overheads and reduction in depreciation etc.

Further to this Council should look at selling off any land surplus to needs, once again this would reduce operating costs to maintain the land and is in line with Lean principles to reduce redundant assets and drive costs down.

There are approximately 7 properties earmarked for sale, where due diligence is still required. These properties have a combined market value of \$6m in total, with differing rateability and potential for use.

### 5.5.3 Asset Rationalisation/Optimisation

In order to improve the Utilisation of assets, one needs to firstly look at the rationalisation of the existing asset base. When reviews are carried out on the profitability of assets and the return on assets employed, those with negative operating results and with negative returns on assets should be reviewed to see if there are other similar assets nearby which could cater for the current levels of demand. If this is the case there may be an opportunity to sell off duplicated facilities. If there are no other similar facilities nearby then we should look at increasing the use of the existing facility.

In the first instance we could look at promoting the facility to improve patronage. Secondly Council should look at introducing new uses within the existing facility, this could be by introducing a gym to a pool complex or a café to a Library or a Visitor information centre to a Pool complex, similar to the arrangement at Ulladulla Civic Centre.

From financial analysis completed as part of the fees and charges TTF project team it was found that those facilities which were multi-use lost less money and had better returns on assets employed than those facilities with a single purpose.

An observation in this area is that Ulladulla Civic Centre operating budget did increase, but if like type facilities surrounding it were rationalised, the savings could more than offset this increase ie closing Milton library.

A further example of issues that can arise with the introduction of new or improved facilities is with the rebuilding of Nowra Pool. Whilst it will improve the pool facility at Nowra, it leaves less funds for maintenance or improvement of Bomaderry pool, it will require more funding for amenities, it will be an intergenerational burden on council and the legacy will exist for many years to come, where a consolidated approach to improvements to the Bomaderry Aquatic Centre may have been a much more financially viable option longer term.

Below is a list of principles which should be followed when reviewing our current Asset base and any plans for future developments:

The Asset must be:

- Fit for purpose – does it meet the needs of the service?
- Fit for use – is it in an acceptable condition?
- Fit for the future – will the asset meet future needs of the service?

### Core Principles

- Is there a need for the asset, is the asset still providing a required service to the community. Is the service provision what the customers expect?
- Is there a more cost effective way to provide that service?

- If an asset is underutilised, then prior to any decisions to construct another similar asset, the potential for using the existing under-utilised asset, should be considered. What does demand forecasting look like?
- Where an asset is under-utilised or under-performing, an assessment must be made about continuing to fund the asset.
- Any rationalisations should be undertaken within the IPR framework that takes account of service delivery needs, corporate objectives, financial and budgetary constraints and the Council's overall resource allocation objectives.
- Are there alternate methods of service delivery through other Council facilities, providers and levels of government or the private sector or regional opportunities?
- Are there disposal options including transfer for alternative use, rental, sale and/or leaseback, and demolition should be considered when reviewing acquisition plans.
- Does the asset have high operational costs with little income producing opportunity, if so a review of similar assets close by should be carried out before any further monies are sunk into the existing asset?

#### **5.5.4 Pensioner Rates Deferral**

This policy was reviewed during the last term of Council, bringing payment terms in line with other rate payers. Council. This has contributed to improved cash collections by over \$3.3m year on year, which the change to this policy has aided the improvement.

#### **5.6 Review Capacity to borrow**

There is no right or wrong level of debt, but it must be able to be supported by the income Council generates and the cash flows which result.

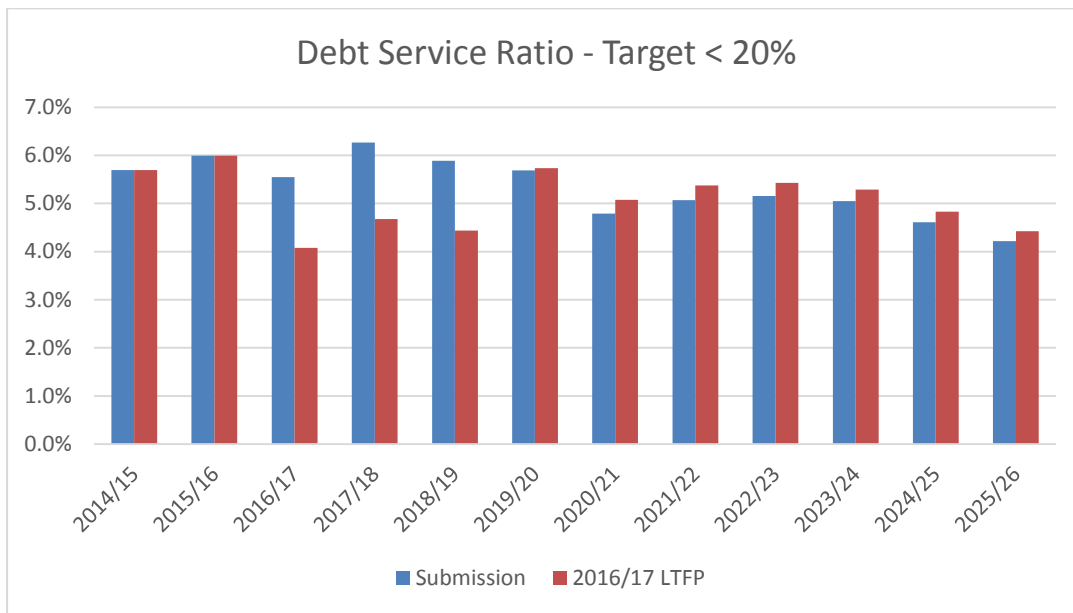
Whilst it has historically been prudent to keep debt levels as low as possible, borrowing is a valid way to finance ongoing infrastructure requirements. Deferral of infrastructure replacement/ maintenance is often more detrimental to the long term capabilities of council then borrowing to finance such renewal or replacement spending. The spending may be justified now due to greater cost in the future of deferring this activity.

Generally however, a council with an operating deficit would find it difficult to justify the additional debt, unless there is a cost benefit of replacing assets over the cost of maintaining these assets.

Council is forecasting operating deficits for 7 of the next 10 years and should never consider funding this deficit with debt, other means need to be sought out to raise the level of additional funding required. Council should only borrow to fund activities or developments which are core to council's activities and agreed priorities. Each request for funding should be supported by a cost benefit analysis, showing whole of life cost of the investment.

The most recent loans drawn down were taken out at 2.74% through TCorp for Jerrerra Infrastructure work and 3.24% for other council requirements.

A snapshot of our Debt Service Ratio for the next ten years is shown in Figure 16 below:



**Figure 16 - Debt Service Ratio**

As can be seen our debt service ratio is well below the guidelines set of below 20%, also industry norms suggest that for non-growing Councils the debt service ratio should remain below 10%. Council is well within these guidelines but it is one area where Council need to consider further borrowings for New and Growth assets, especially given the very low interest rates at present.

Given the fact that Council expenses are in excess of overall operating income by a considerable amount year on year, Council would find it difficult to justify taking out additional loans unless the interest repayments are less than the cost of maintaining the existing asset requiring renewal. Further to this the term of debt funding should never exceed the life of the asset it is used to fund.

The important consideration to address with further debt funding, is full cost/benefit analysis to ensure that there are financial gains to be had by Council in borrowing additional funds.

Below is a list of core principles to follow when decisions are being made with regard to loan funding:

- NEVER borrow to fund operating deficits
- Only borrow to fund activities core to Councils agreed priorities (ie they must be in the Long Term Financial Plan) unless under circumstances of emergency
- Each funding request needs to be supported by full life cycle costing analysis
- Only fund to borrow if interest repayments are less than the cost of maintaining the existing asset requiring renewal
- The term of debt funding should never exceed the life of the asset it is used to fund
- The specific capital project should only be considered for loan funding, if it is to be beneficial to the majority of ratepayers.
- Debt servicing cost should not exceed 2% of annual general income.
- Loans should not be taken out over more than 20 years

- All loans should be taken out in accordance with relevant statutory requirements as contained in the Local Government Act (1993) and the Local Government (General) Regulations 2005.
- Three written quotes should always be sought or a loan tender called
- No borrowing from any source outside the Commonwealth of Australia nor in any currency other than Australian currency

## 5.7 Cultural change

An observation is that there while there has been an increased sense of urgency within Council more still needs to be done to address the financial situation. Legislation and bureaucracy can slow things down however the organisation must continually make efforts to break through these issues. The other barriers to progress relate to out of date systems which rely heavily on human intervention on an individual basis, which gives great power to some individuals and excludes others from taking ownership. This is being addressed in the renewal of a large number of Council's systems.

Even though Council is a Local Government Authority and we are guided by legislation and at times bureaucracy we need to treat council like a business not a government agency, we need to get lean and keen.

In order to achieve "lean and keen" Council needs to make a cultural shift, from "this is the way we do things here" to "how can we do things better?" Council has recently established a Business Improvement Unit which will utilise the Lean model to drive efficiency improvements across the organisation.

This change is being driven from the top, with the four main principles being:

- Satisfy your customers – internal and external
- Continually improve through small steps – its evolutionary and ongoing
- Involve everyone in improvement – it will only work if everyone is on board
- Control processes through measurement and KPI's- which are displayed for all

A cultural change such as this can save an organisation considerable time and money and improve customer service. Investment in staffing, training and systems is being made to ensure the organisation can meet this challenge.

## 5.8 Increase Renewal Expenditure

In order to achieve some of the Fit for the Future Ratios, Council's submission highlighted the need to increase Renewal Expenditure over a period of time as shown below:

- 2016/17 \$1,919,267
- 2017/18 \$4,026,523
- 2018/19 \$5,544,174
- 2019/20 \$2,660,522
- 2020/21 \$2,392,427
- 2021/22 \$2,649,376
- 2022/23 \$2,986,863
- 2023/24 \$2,834,299
- 2024/25 \$3,191,979



These figures have been reviewed as part of the Long Term Financial Plan review and are summarised below:

- 2017/18 - \$1,500,000
- 2018/19 - \$4,687,917
- 2019/20 - \$4,694,232
- 2020/21 - \$4,238,077
- 2021/22 - \$4,637,347
- 2022/23 - \$4,223,718
- 2023/24 - \$4,650,482
- 2024/25 - \$ 2,433,989
- 2025/26 - \$3,259,180

### 5.9 Increase Maintenance Expenditure

In order to achieve some of the Fit for the Future Ratios, Council also highlighted the need to increase expenditure on maintenance over a period of time, as shown below:

- 2017/18 - \$0
- 2018/19 - \$700,000
- 2019/20 - \$730,000
- 2020/21 - \$1,400,000
- 2021/22 - \$1,500,000
- 2022/23 - \$1,530,000
- 2023/24 - \$2,060,900
- 2024/25 - \$2,092,727

These expenses have been reviewed as part of the Long Term Planning process and these figures have now been included as follows. Adjustments have been made to assist with achieving the operating result benchmark required:

- 2018/19 - \$0
- 2019/20 - \$0
- 2020/21 - \$1,050,625
- 2021/22 - \$1,076,891
- 2022/23 - \$1,103,813
- 2023/24 - \$1,131,408
- 2024/25 - \$1,159,693
- 2025/26 - \$1,188,686

### 5.9 Other Non financial improvements

There are a number of non-financial improvements which should ultimately improvement the overall efficiency and effectiveness of Council. These strategies are covered below:



### 5.9.1 Leadership Development

This program intends to develop leadership capability within Council to ensure constructive and consistent leadership across the organisation.

### 5.9.2 Business Planning

The development of a business planning model which aligns to the strategic plan and annual operational plan will develop accountabilities within the organisation and more meaningful goals with milestones and performance indicators.

### 5.9.3 Staff Climate Survey

The aim is to undertake a bi-annual staff climate survey to identify the key corporate priorities to be incorporated into Council operations, by way of localised action plans for cultural improvement. The survey will also establish a base line against which progress on improving organisational culture can be measured every two years. This should ultimately result in improved efficiency and service delivery.

### 5.9.4 Project Management Methodology

The development of a project planning and management methodology for management of both capital and non-capital projects, consistently applied across the organisation will result in improved project management and project cost structures.

### 5.9.5 Capital Works Carry-overs

Council has also reviewed the effectiveness of project planning in order to improve the management of capital expenditure and more efficient use of money and resources.

### 5.9.6 Customer Service – One stop shop

The development of a one-stop approach to customer service and the establishment of a call centre to answer 80% of all queries at the first point of call, should improve efficiencies and improve the overall customer service experience.

### 5.9.7 Branding and Marketing

A complete review of Council's branding and marketing has been carried out, so that there is a centralised "whole of organisation approach" to Council's image, identity and brand across all services and associated logos, publications and communications, with marketing appropriately targeted at the right demographic, resulting in scrutiny of Council's printing expenditure and where possible reductions made.

## 6. Risks

Council has considerable risks facing them into the future on top of the main financial risk of replacing and maintaining our current asset base to the level required. The following risk factors have been taken into consideration in our Long Term Financial Plan:

- Reduction in CPI on Financial Assistance Grant – with a negative financial impact of \$1.2m over the next 3 years

- The Adaptation Plan covers off Climate Change, and the impact on our operating plans.
- Interest Rate Risk – given falling interest rates Council has factored in reduce interest income, however if rates continue to fall, there may be some exposure in the longer term.

In addition to these risk factors which have been taken into consideration for future financial plans there are a number of areas where no changes have been factored into the Long Term Plan. These areas have been considered but without detailed information it is difficult to include in these plans:

- Increase in services such as Ulladulla Civic Centre, CCTV and other new assets and the long term financial burden from some of these
- Climate Change, in terms of future energy prices, as well as the impact of waste energy. Also in terms of investing more in solar installations for energy, these are unknown until specific projects are considered in terms of the upfront capital cost and then ultimately the savings achieved.
- For the majority of our financial forecasts we have continued to use a 2.5% increase for expenses year on year. This is not reflective of reality and does not review our cost structure year on year to understand if the increase is required or is adequate. . For rates we have tended to see that increases approved by IPART have not been consistent with the CPI and for expenses, where specific increases are unknown at this time
- Our approach to interest rates has been kept very deliberately conservative. But with the appointment of an investment advisor we are finding that by extending our deposit terms we are slowly improving the interest rates achieved. But the major risk in this area is that our returns are being eroded by the overall reduction in rates, which we are trying to abate for as long as possible. Alternately interest rates on borrowings are coming down but are always at the mercy of the Reserve bank and the major banks. The one positive on the horizon is that T Corp have offered some very low interest rate loans for Infrastructure projects, which are reflected in \$7.2m of loans for 2016/17 onwards. The impact of a .5% decrease in borrowing interest rates on a \$10m loan is approximately \$300k over a 10 year period.
- The impact on the AUD rate of a 15% reduction in exchange rate would mean that imported costs would increase and therefore drive increases in major commodities such as oil, asphalt etc. The assumption is that the AUD will remain at the existing level ie .75 to USD and this needs to be addressed with closer scrutiny of the impact.
- The level of restricted assets continues to increase thereby limiting funds available for General Council spend. Some of this funding is from Section 94 contributions where developers provide for future infrastructure as part of their Development consents. These contributions only cover the actual cost of the infrastructure, and not ongoing maintenance and renewal costs, so in the short term we see a positive income effect, but longer term we start seeing an ever increasing liability. In some instances where there has been a Section 94 contribution Council has a requirement to match that funding, this fund matching obviously has an impact on Councils cash flow and needs to be considered in the future plans of council, so timing and spend will need to be determined. To enable this, Council needs a clear plan around infrastructure requirements. At present the total exposure to council is in the vicinity of \$116m. Council is also currently undertaking a full review of social infrastructure

requirements, in an effort to clearly define the requirements and to align this plan to the Section 94 monies currently held. This review may assist to bring into line funding requirements with available funding. Along with this a Contributions Panel is being established to review all Section 94 funding, programs, projects etc.

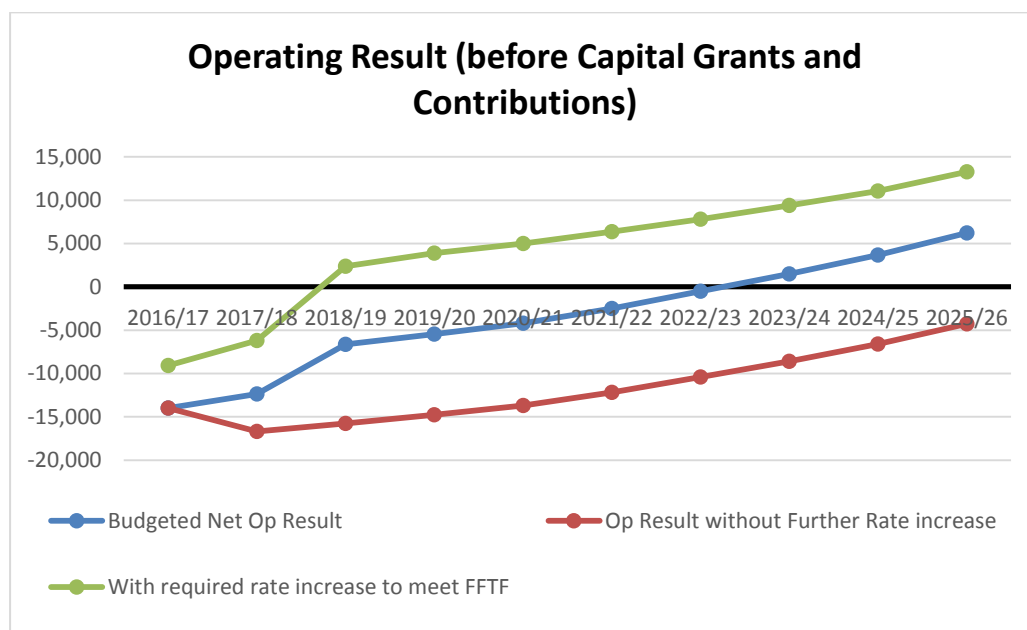
- Unfunded liabilities also pose an additional threat on Councils future financial sustainability. Currently there are contingent liabilities in the following areas:
  - Gasworks remediation and subsequent costs in relation to this work -, with remediation works yet to be assessed.
  - Asbestos issues at 180 (Asset Management Plan 2008) properties with a cost to clean up estimated at \$4.2m. This figure does not include asbestos removal at Shoalwater or Holiday Haven sites.
  - Leave entitlements provision where only 33% of the liability is funded by the reserve -with an overall difference of \$17m still to be funded.
  - As mentioned above Section 94 contribution exposures could culminate in a council liability in the vicinity of \$115m, currently we hold \$26m for this purpose in restricted assets, therefore leaving \$89m unfunded. A review of the entire Section 94 Plan is currently being undertaken.

## 7. Evaluation

Reporting will play a major part in evaluating the success of this strategic direction. Council needs to put in place or improve transparency of reporting in a number of areas:

- Monthly financial reporting to show progress against plan
- Monthly KPI Indicators – showing progress against the major areas in the strategic plan
- The LTFP needs to be guided by the strategies put in place and the overarching programs Council is aiming to achieve.
- Returns on investments will continue to be reported monthly through the investment report.
- Reporting on restricted assets will continue as part of the Monthly investment report
- Reporting of actuals against targeted savings plans

Figure 17 below shows the movement from forecast deficit to the revised operating surplus as a result of the implementation of the above savings plan and revenue strategy, this will need to be charted to ensure if actions are in alignment with our plans.



**Figure 17 - Operating Result Scenarios**

One thing to note from the above chart, the operating result before capital Grants increases to \$13m, however the investment in Asset renewal at the same time may need to utilise this additional cash to increase spend towards achieving the infrastructure renewal ratio, which still only achieves a result of 60.8%, meaning more funds are actually required to meet the OLG FFTF benchmark of 100% for this ratio.

## 8. Recommendations

The following recommendations are proposed to ensure a way forward to a sustainable financial future for Council:

- Start Community dialogue immediately around a rate increase in the vicinity of 27% over 2 years, (including rate peg of 2% each year)
- Review fee structures including discounts to rate payers.
- Introduce continuous improvement principles throughout Council, including addressing the culture
- Market testing where practical and where it supports financial sustainability principles
- Optimisation of the use of technology to enable reengineered processes
- Introduce procurement savings targets
- Review conditions of employment eg spread of hours
- Investigate energy management initiatives
- Rationalise assets where possible – consolidate facilities, better utilisation of facilities and sell off of surplus assets
- Cut services to reduce costs
- Improve debtor management
- Continue to implement the non-financial initiatives
- Add the following checklist to all Council reports for Capital Funding requests:
  - a. Is it work required for statutory purposes

- b. Is it to address emergency situations
- c. Is it to eliminate hazards or eliminate risks
- d. Is it to meet contractual obligations
- e. Is it to perform necessary renovations or repairs (which will reduce ongoing operating expense)
- f. Is it to replace equipment
- g. Is it funded by state or federal government departments
- h. Is it a continuation of an existing project which cannot be deferred
- i. Is it to satisfy a community need or provide an improved level of customer service