

OP 5.4.3b Task	Review and update database of community organisations and contacts in Shire	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		Performance Measure			
	Responsible Officer				
	DCS	<ul style="list-style-type: none"> Information accessible. 			

FUTURE DIRECTION 6: LEADERSHIP

STRATEGIC OUTCOME 6.1: GOOD GOVERNANCE ACROSS OUR COMMUNITIES

DP6.1.1 Action	Councilors to exhibit leadership on Council and participate in Council and regional committees and well as community organisations.	Responsible Department			
		General Manager			

OP 6.1.1a Task	Council delegates participate in committees and community organisations.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
Responsible Officer		Performance Measure			
GM		• Delegate Reports included in Council's Business Papers.			

DP6.1.2 Action	Promote resource sharing and collaboration with regional organisations	Responsible department			
		General Manager			
OP 6.1.2a Task	Active participation in the WBC Alliance, Centroc and Central Tablelands Water.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		√	√	√	√
		Performance Measure			
	Responsible Officer				
	GM	<ul style="list-style-type: none"> Regional organisations remain strong and provide valuable outcomes. 			
DP6.1.3 Action	Encourage sound governance practice in community organisations	Responsible department			
		Corporate Services			
OP 6.1.3a Task	Develop program with groups to build capacity.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
				√	√
		Performance Measure			
	Responsible Officer				
	DCS	<ul style="list-style-type: none"> Training programs identified and promoted as available. 			

DP6.2.1 Action	Identify and engage with Shire Community Groups.	Responsible department			
		Corporate Services			
OP 6.2.1a Task	Identify social, sporting, business groups across the Shire.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
		Performance Measure			
		Responsible Officer			
		DCS			
• Maintain communication distribution lists and communicate regularly.					

OP 6.2.1b Task	Utilise Social Media to communicate with the broader community.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
		Performance Measure			
		Responsible Officer			
		DCS			
• Social media networks monitored and updated.					

DP6.2.2 Action	Implement Council's Community Engagement Plan.	Responsible department Corporate Services			
---------------------------------	--	---	--	--	--

OP 6.2.2a Task	Council conduct community surveys, as required to enhance its community services and needs.	Quarter to be delivered			
		1st	2nd	3rd	4th
	Responsible Officer	✓	✓	✓	✓
	DCS	Performance Measure • Utilise online surveys.			

DP6.2.3 Action	Develop communications between Councilors and the community to provide community opinion.	Responsible department General Manager			
---------------------------------	---	--	--	--	--

OP 6.2.3a Task	Ongoing promotion of Councilor communication through electronic and print media.	Quarter to be delivered			
		1st	2nd	3rd	4th
	Responsible Officer	✓	✓	✓	✓
	GM	Performance Measure • Strategies and communications put in place.			

DP6.2.4 Action	Manage a customer request system to assist communications between community and council	Responsible department Corporate Services			
		Quarter to be delivered			
OP 6.2.4a Task	Monthly activity report provided to Management.	1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
		Performance Measure			
	Responsible Officer DCS	<ul style="list-style-type: none"> Reports provided to Management Team. 			

STRATEGIC OUTCOME 6.3 A WELL RUN COUNCIL ORGANISATION

DP6.3.1 Action	Provide a framework for the efficient and effective administration of Council.	Responsible department Corporate Services, General Manager			
OP 6.3.1a Task	Implement internal audit program.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
	Responsible Officer	Performance Measure			
	DCS	• Business process reviews undertaken.			
OP 6.3.1b Task	Review of policies every 4 years.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
	Responsible Officer	Performance Measure			
	DCS	• 25% of policies reviewed.			

OP 6.3.1d Task	Undertake a Better Practice Review of the Council activities.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
		Performance Measure			
		• Review progressed.			
OP 6.3.1d Task	Provide training for Councillors and staff	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
			✓	✓	
		Performance Measure			
		• Identified Training programs for Councillors and staff			

DP6.3.2 Action	Maintain a stable and secure financial structure for Council.	Responsible department			
		Corporate Services			

OP 6.3.2a Task	Review ten year financial plan.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
				✓	✓
		Responsible Officer		Performance Measure	
		DCS		• Plan reviewed and updated.	

OP 6.3.2b Task	Review and report on Council's budget performance.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
Responsible Officer		Performance Measure			
DCS		• Quarterly Budget review to Council.			

OP 6.3.2c Task	Council's annual statements completed per statutory requirements.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓			
Responsible Officer		Performance Measure			
DCS		• Audited statements lodged with OLG within statutory timeframe.			

DP6.3.3 Action	Support actions for the sustainable future of local government.	Responsible department
		General Manager

OP 6.3.3a Task	Attend meetings with State and Local Government authorities to review changes identified in review documents.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
		Responsible Officer		Performance Measure	
		GM		• Meetings attended.	

OP 6.3.3b Task	Work with councils in region to review Joint Organisations and Shared Services arrangements.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
		Responsible Officer		Performance Measure	
		GM		• Meetings attended.	

OP 6.3.3c Task	Review by Council of documents under the Integrated Planning and Reporting process to deliver sustainable services and assets across the Blayney Shire.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
					✓
		Responsible Officer		Performance Measure	
		GM		• Meetings attended.	

OP 6.3.4a Task	Promote activities that reduce the volume of greenhouse gases emitted into the atmosphere.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
	Responsible Officer	✓	✓	✓	✓
	D PES	Performance Measure			
		• Attend regional organisation meetings and provide information on Council's website.			

OP 6.3.4 Action	Develop strategies that respond to the impact of climate change on the community.	Responsible department
		Planning and Environmental Services

STRATEGIC OUTCOME 6.4: A SAFE COMMUNITY

DP6.4.1 Action	Provide support for emergency management in Blayney Shire in accordance with SEFRM Act	Responsible department			
		Infrastructure Services			
OP 6.4.1a Task	Provide executive support to the Local Emergency Operations Controller and the Local Emergency Management Committee.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		√	√	√	√
	Responsible Officer	Performance Measure			
		DIS			
		<ul style="list-style-type: none"> • LEMO (DIS) organises and attends meetings. • ERM reviewed. • Displan reviewed. • Exercises conducted with support of Council. • The EOC is maintained in a state of readiness. 			
OP 6.4.1b Task	Support the operation of the SES.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		√	√	√	√
	Responsible Officer	Performance Measure			
		DIS			
		<ul style="list-style-type: none"> • Provide accommodation and support for SES unit. 			

DP6.4.2 Action	Undertake regulatory responsibilities for environmental health and animal control	Responsible department Planning and Environmental Services			
---------------------------------	---	--	--	--	--

OP 6.4.2a Task	Provide the statutory animal control services	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
	Responsible Officer	✓	✓	✓	✓
	D PES	Performance Measure <ul style="list-style-type: none">Animal control services provided			

DP6.4.3 Action	Educate communities on road and pedestrian safety	Responsible department Infrastructure Services			
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OP 6.4.3a Task	Continued support to the role and function of a Road Safety Officer and implementation of the annual Road Safety Action Plan.	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
	Responsible Officer	✓	✓	✓	✓
	D IS	Performance Measure <ul style="list-style-type: none">Annual plan submitted and delivered.			

DP6.4.4 Action	Review risk management of council operations	Responsible department			
		General Manager			

OP 6.4.4a Task	Adoption and Review of Enterprise Risk Management Plan	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓			
		Performance Measure			
		• Plan completed.			

OP 6.4.4b Task	Implement Risk Management Plan	Quarter to be delivered			
		1 st	2 nd	3 rd	4 th
		✓	✓	✓	✓
		Performance Measure			
		• Implementation commenced.			

Responsible Officer					
GM					

Abbreviations

BLEP	Blayney Local Environmental Plan
CEEP2	Climate Energy Efficiency Program (Round 2)
CENTROC	Central NSW Region of Councils
DA	Development Application
DCP	Development Control Plan
DCS	Director Corporate Services
DIS	Director Infrastructure Services
DPES	Director Planning and Environmental Services
EOC	Emergency Operations Centre
ERM	Emergency Risk Management
GM	General Manager
LEMO	Local Emergency Management Officer
LLS	Local Land Services
NGO	Non-governmental organisation
OLG	Office of Local Government
PAMP	Pedestrian and Mobility Bike Plan
RFS	Rural Fire Service
RMCC	Routine Maintenance Council Contract
RMS	Roads & Maritime Services
SERM	State and Rescue Management Act, 1989
SES	State Emergency Service of NSW
WBC	Wellington, Blayney, Cabonne and Central Tablelands County Alliance of Councils



Operational Plan 2014 – 2015

Part 2 – Revenue Policy Including Financial Information and Schedule of Fees and Charges



The development of Blayney Shire Council Integrated Planning and Reporting documents has been managed as a collaborative project of the WBC Strategic Alliance of Councils with the assistance of Bob Campbell and Lynda Jones of Groupwork Pty Ltd

This collaboration has greatly benefited the process and will support these councils working together in the future to ensure the viability and sustainability of their individual councils and communities.



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Linking of Strategic Themes to Council Activities

Grow the wealth of the Shire	A centre for sports & culture	Preserve and enhance our heritage and rural landscapes	Develop and maintain Shire infrastructure	Develop strong and connected communities	Leadership
Quarries	Youth Services	Noxious Weeds	Waste Management	Public Halls	Corporate Support
Town Planning	Public Libraries	Blayney Showground	Street Cleaning	Sporting Grounds	Other Support Services
Building Control	Museums	Heritage Services	Urban Stormwater Drainage	Parks & Gardens	Governance
Tourism & Area Promotion	Centrepont Sport & Leisure		Public Cemeteries	Rural Fire Service	Animal Control
Industrial Development & Promotion	Other Cultural Services		Public Conveniences	Emergency Services	Health Administration
Real Estate			Urban Roads	Housing	General Purpose Revenues
Other Business			Rural Roads	Community Services Administration	
Sewerage Services			Bridges	Childcare	
			RTA Works	Aged & Disabled Services	
			Ancillary Roadworks		

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH OPERATIONAL PLAN PART 1

OVERALL APPROACH TO RATES AND CHARGES

There are two types of revenue raised from ratepayers. The general approach adopted by Council in its revenue policy is as follows for each type of revenue:

1. Fees and charges

These are the fees for particular services provided where the use of the service is discretionary or the charge only applies to the individual ratepayers who use the service. In these cases Council's policy is:

- where possible, to set the charges to recover the full attributed cost of providing the service; or
- where not possible, and therefore the cost of the service is subsidised by all ratepayers, to clearly show the extent of the subsidy. Some subsidies are unavoidable because of regulatory caps on the fee that can be charged.

Council is embarking on a program aimed at thoroughly investigating the roles and functions undertaken by Council and how these functions are funded. This will include a detailed review of the setting of fees and charges. The section below headed "Future Directions for Council Finance Reviews" (see page 29) explains in detail the rationale for this review and what it will entail.

The fees and charges for all services provided by Council is set out on pages 33 to 57

2. Rates

Rates are levied annually on each registered property owner in the Shire. Council's policy is to set rates at a level that will ensure Council's long term financial sustainability, taking into account:

- the services which the community expects Council to provide;
- the cost of maintaining and replacing assets;
- the expected level of income from grants;
- the servicing of a prudent level of borrowings, to preserve intergenerational equity; and
- the need to cover subsidies in the cost of providing services not fully recouped from fees and charges

but tempered by the community's ability to pay as ascertained through formal consultation.

3. Allocation of rate burden between ratepayers

Council recognises that rates are a tax and should therefore:

- comply with the principles of taxation including equity, efficiency, simplicity and sustainability; and
- be applied for the overall public benefit of all ratepayers.

In considering the rating structure for the Shire, Council seeks to achieve a reasonable and equitable distribution of the rate burden across all categories of ratepayers. It does this by structuring the rate by:

- dividing rateable land into sub-categories having similar characteristics;
- dividing the ordinary rate into:
 - a base rate; and
 - an ad valorem rate; and
- using special rates where appropriate for specific projects or well defined purposes.

Categories of rateable land

Under the Local Government Act there are 4 permissible categories of rateable land: residential, farmland, business and mining.

Councils have discretion to divide these categories into sub-categories for the purpose of making the ordinary rates applicable to each of them. Residential sub-categories must be rural residential or based on centres of population and business sub-categories must be based on centres of activity.

For the 2014/2015 year Council has resolved to simplify its rate structure and eliminate anomalies by reducing the number of sub-categories it uses from 14 to 9. This also consolidates sub-categories which had a small number of assessments: four of the sub-categories in 2013/2014 had 20 or fewer assessments. Council will be looking at introducing a category of "rural residential" in future years to remove current anomalies caused by the grouping of rural residential properties with smaller towns and village blocks.

Ordinary rates

Ordinary rates must be levied by Council each year. Each Council may structure its ordinary rate:

- entirely as an ad valorem rate (ie cents in the dollar on the Valuer-General's unimproved capital valuation), which may be subject to a minimum amount; or
- as a base amount plus an ad valorem amount, in which case the base amount for a category or sub-category cannot raise more than 50% of the rates for that category or sub-category.

Council has adopted a policy of using the second or two-part rating structure by levying a base amount plus an ad valorem amount, for the reasons explained below.

Base amounts

The base amount, which is a component of the ordinary rate, is a set dollar amount for each sub-category. Council uses a base amount in recognition of the fact that there are basic services provided by Council and general administrative and overhead costs that benefit all properties regardless of rateable value, which in equity should be borne equally by all ratepayers. It also avoids the uneven distribution of the rate burden that would result from a wholly ad valorem rate structure. Base amounts tend to eliminate highs and lows in the total rate burden within each sub-category.

In setting the base amount for each sub-category Council has sought to achieve a fair and equitable balance between the ratepayers in each sub-category and between sub-categories. In applying this principle for the 2014/2015 year Council has reduced the number of different levels of base amounts from 14 to 9, increased the base amounts in all sub-categories and therefore increased the overall percentage of the ordinary rate yield which comprises the base amount. The base amount however is still well within the 50% cap for all categories or sub-categories and generally less than comparable councils. The base amount is inclusive of the Community Centre special rate variation. There is a corresponding reduction in ad valorem rates.

In making these changes Council considered the impact on the average assessments in each category and sub-category, as well as the effect on the range of assessments within each.

Ad valorem rates

Once the base amount is set, the balance of the ordinary rates is calculated as a percentage of the Valuer-General's valuation for each parcel of land. It is a principle of local government rating in NSW that the majority of the rate burden is imposed based on the value of rateable property, so this must remain the primary and predominant determinant of overall rates.

The ad valorem rates must apply equally to all land in each sub-category. The reduction in the number of sub-categories for the 2014/2015 year has led to a corresponding reduction in the number of different ad valorem rates across the Shire.

The current base date for all valuations in the Shire is 1 July 2012.

Special rate variations

Special rate variations have been levied by Council for specific projects. They may be levied on all rateable land in the Shire or only part of it.

Council currently has two special rate variations in effect:

1. **The community centre special rate.** This is for funding the loan repayments for the re-development of the Blayney Community Centre. The revenue raised through this special rate is \$275,250 per annum, which was approved as a special variation on 14 April 2008. It is allocated equally across all assessments as part of the base amount. The amount for 2014/2015 is \$72.36 per assessment. This variation was approved for 10 years.
2. **The Cadia gold/copper special rate.** This is for funding roads, bridges, land acquisition, community infrastructure works and community contributions in the area affected by the Cadia mining activities. It is levied only on rateable land in the gold/copper mining sub-category. It is a permanent variation of \$1,620,432 which was approved commencing in the 2012/2013 year.

Council also has a special rate variation application before IPART to take effect 2014/15.

RATING STRUCTURE FOR 2014/2015

The table below sets out the base amounts and ad valorem rates which the Council has resolved to adopt for the 2014/2015 rating year

RATES SCHEDULE 2014/2015				
Category & sub category	Base rate	Ad valorem rate	Rate yield (\$)	Base rate (%)
Residential				
Ordinary Rate	250	0.00332028	700,856	40.74
Blayney	300	0.00599186	865,188	43.72
Millthorpe	300	0.00480870	252,741	38.22
Carcoar	250	0.00568539	46,553	47.26
Business				
Ordinary Rate	300	0.00683670	69,157	26.90
Blayney, Millthorpe & Carcoar	300	0.00943250	237,263	25.04
Farmland				
Ordinary Rate	300	0.00399670	1,909,592	11.45
Mining				
Ordinary Rate	1,000	0.05530450	14,273	7.01
Gold and Copper	1,000	0.05650130	4,029,543	0.02
			8,125,166	

For the information of ratepayers the following table provides other information in relation to rates in the Shire

OTHER RATES INFORMATION 2014/2015				
Category & sub category	Number of assessments	Average per assessment (\$)	% total rates from category	Land value (\$)
Residential	2,813	663.11	22.96	243,144,070
Ordinary Rate	1,142	613.71	8.63	125,096,660
Blayney	1,261	686.11	10.65	81,258,200
Millthorpe	322	784.91	3.11	32,470,600
Carcoar	88	529.01	0.57	4,318,610
Business	260	1,178.54	3.77	26,251,380
Ordinary Rate	62	1,115.44	0.85	7,394,940
Blayney, Millthorpe & Carcoar	198	1,198.30	2.92	18,856,440
Farmland	729	2,621.38	23.50	423,072,090
Ordinary Rate	729	2,621.38	23.50	423,072,090
Mining	2	2,021,907.89	49.77	71,540,000
Ordinary Rate	1	14,273.08	0.18	240,000
Gold and Copper	1	4,029,542.69	49.59	71,300,000
	3,804		100.00	764,007,540

4. Pensioner rates concessions

In accordance with NSW State government policy, as embodied in section 575 of the *Local Government Act 1993*, Council allows eligible pensioners a concession of \$250 on their assessments for rates and domestic waste management charges. Some part of this is recouped from government, but a substantial part of this concession falls to be borne by Council or, effectively, non-concessional ratepayers. For the 2013/2014 year pensioner concessions were allowed on 600 rate assessments. The rates yield in the tables above is gross revenue before allowing for these concessions.

5. Hardship policy

Ratepayers who are suffering genuine hardship in payment of their rates may apply to Council for special consideration. This may include agreement to a periodical payment arrangement or in some cases reduction or waiver of interest on overdue rates.

Full details are set out in the Pensioner and Rates Hardship Policy (policy 5E) available on Council's website

**BLAYNEY SHIRE COUNCIL
PROJECTED INCOME & EXPENDITURE STATEMENT
2014/2015 FINANCIAL YEAR**

	ORIGINAL 2013/14 \$'000	PROJECTED 2014/15 \$'000
Projected Income from Continuing Operations		
Revenue:		
Rates & Annual Charges*	7,836	8,424
User Charges & Fees	996	1,067
Interest & Investment Revenue	426	480
Other Revenues	272	364
Grants & Contributions provided for Operating Purposes	2,902	2,925
Grants & Contributions provided for Capital Purposes	800	695
Other Income:		
Net gains from the disposal of assets	-	-
Joint Ventures & Associated Entities	-	-
Total Projected Income from Continuing Operations	13,232	13,955
Projected Expenses from Continuing Operations		
Employee Benefits & On-Costs	5,361	4,831
Borrowing Costs	128	133
Materials & Contracts	2,879	3,548
Depreciation & Amortisation	4,556	4,779
Impairment	-	-
Other Expenses	1,485	1,545
Interest & Investment Losses	-	-
Net Losses from the Disposal of Assets	-	-
Joint Ventures & Associated Entities	-	-
Total Projected Expenses from Continuing Operations	14,409	14,836
Projected Operating Result from Continuing Operations	(1,177)	(881)
Discontinued Operations - Profit/(Loss)	-	-
Projected Net Profit/(Loss) from Discontinued Operations	-	-
Projected Net Operating Result for the Year	(1,177)	(881)
Projected Net Operating Result before Grants and Contributions provided for Capital Purposes	(1,977)	(1,576)

* The Valuer General is currently assessing the mining valuations which will likely have a material impact on the rates and annual charges figure. Any impact as a result of valuation changes will be addressed in the September 2014 Quarterly Budget Review.

**BLAYNEY SHIRE COUNCIL
OPERATIONAL PLAN SUMMARY BY ACTIVITY
2014/15 FINANCIAL YEAR**

	\$ Operating Income	PROJECTED 2014/15 \$ Operating Expenditure	\$ Net Operating Result
GOVERNANCE	-	486,569	(486,569)
ADMINISTRATION	161,631	3,142,239	(2,980,608)
PUBLIC ORDER & SAFETY			
ANIMAL CONTROL	7,701	115,322	(107,621)
EMERGENCY SERVICES	-	42,754	(42,754)
RURAL FIRE SERVICE	6,518	396,265	(389,747)
	14,219	554,341	(540,122)
HEALTH			
ADMINISTRATION	28,340	428,763	(400,423)
	28,340	428,763	(400,423)
ENVIRONMENT			
DOMESTIC WASTE MANAGEMENT	867,297	636,795	230,502
NOXIOUS PLANTS	-	65,903	(65,903)
OTHER WASTE MANAGEMENT	130,471	121,641	8,830
STREET CLEANING	-	163,244	(163,244)
URBAN STORMWATER DRAINAGE	-	97,952	(97,952)
	997,768	1,085,535	(87,767)
COMMUNITY SERVICES & EDUCATION			
AGED & DISABLED	21,213	67,670	(46,457)
COMMUNITY SERVICES ADMINISTRATION	-	-	-
FAMILIES & CHILDREN SERVICES	-	11,190	(11,190)
YOUTH SERVICES	1,416	8,866	(7,450)
	22,629	87,726	(65,097)
HOUSING & COMMUNITY AMENITIES			
HOUSING	-	1,569	(1,569)
PUBLIC CEMETERIES	39,938	39,537	401
PUBLIC CONVENIENCES	-	85,969	(85,969)
TOWN PLANNING	142,952	257,158	(114,206)
	182,890	384,233	(201,343)
RECREATION & CULTURE			
COMMUNITY CENTRES	5,325	31,642	(26,317)
MULTI PURPOSE CENTRE	410,031	804,936	(394,905)
OTHER CULTURAL SERVICES	-	5,665	(5,665)
PARKS & GARDENS	2,793	599,750	(596,957)
PUBLIC HALLS	-	79,814	(79,814)
PUBLIC LIBRARIES	37,773	151,512	(113,739)

SHOWGROUND	2,396	37,537	(35,141)
SPORTING GROUNDS	5,819	399,000	(393,181)
	464,137	2,109,856	(1,645,719)
MINING MANUFACTURING & CONSTRUCTION			
BUILDING CONTROL	51,729	-	51,729
QUARRIES & PITS	137,827	128,596	9,231
	189,556	128,596	60,960
TRANSPORT & COMMUNICATION			
FOOTPATHS	-	144,482	(144,482)
KERB & GUTTERING	-	29,664	(29,664)
LOCAL BRIDGES	62,235	311,177	(248,942)
LOCAL ROADS	801,941	3,683,791	(2,881,850)
OTHER TRANSPORT & COMMUNICATION	-	16,289	(16,289)
REGIONAL BRIDGES	-	55,826	(55,826)
REGIONAL ROADS	246,171	213,900	32,271
STATE ROADS	59,236	58,664	572
STREET LIGHTING	15,821	117,074	(101,253)
	1,185,404	4,630,867	(3,445,463)
ECONOMIC AFFAIRS			
INDUSTRIAL DEVELOPMENT PROMOTION	4,034	13,483	(9,449)
OTHER BUSINESS UNDERTAKINGS	67,275	51,250	16,025
TOURISM & AREA DEVELOPMENT	-	88,437	(88,437)
	71,309	153,170	(81,861)
GENERAL PURPOSE REVENUE			
GENERAL PURPOSE REVENUES*	8,467,538	51,202	8,416,336
SEWERAGE SERVICES	1,474,693	1,592,918	(118,225)
SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS	13,260,114	14,836,015	(1,575,901)

* The Valuer General is currently assessing the mining valuations which will likely have a material impact on the rates and annual charges figure. Any impact as a result of valuation changes will be addressed in the September 2014 Quarterly Budget Review.

BLAYNEY SHIRE COUNCIL CAPITAL EXPENDITURE - 2014/2015

	Projected Budget 2014/2015 (\$)
Administration	
Building Capital Works	170,000
I.T. Project Based Expenses	4,913
I.T. Life Cycle Based Expenses	72,500
Light Vehicle Replacement	46,305
Purchase Plant - Minor	257,250
Purchase Plant - Major	560,805
Total Administration	1,111,773
Environment	
Waste Transfer Station	500,000
Total Environment	500,000
Recreation & Culture	
Library	
Library - Disability & Geographical Adjustment Acquisitions	6,351
Public Halls	
Building Capital Works - Public Halls	3,000
CentrePoint Multipurpose Centre	
Building Capital Works - CentrePoint	100,000
Sporting Grounds	
Building Capital Works - Sporting Grounds	145,950
Capital Works - Sporting Grounds Other	10,000
Parks & Gardens	
Village Enhancement Program	171,700
Building Capital Works - Parks & Gardens	17,000
Capital Works - Parks & Gardens Other	55,000
Showground	
Capital Works - Showground Other	48,000
Total Recreation & Culture	557,001
Transport & Communication	
Local Roads	
Rehabilitation Program	
- Errowanbang Rd	667,069
- Burnt Yards Rd	389,124
- Heavy Patching	411,600
Reseal Program	
- Hobbys Yards Rd	67,914
- Forest Reefs Rd	73,060
- Wimbledon Rd	138,915
- Neville Rd	71,001
- Gap Rd	46,305
- Urban Streets Program	223,808

BLAYNEY SHIRE COUNCIL CAPITAL EXPENDITURE - 2014/2015

	Projected Budget 2014/2015 (\$)
Local Bridges	
- Bridge Replacement Program	365,295
Footpaths	
Capital Works - Footpaths (Inclusive of Village Enhancement Program)	123,068
Other Transport & Communication	
Building Capital Works - Other Transport	2,000
Total Transport & Communication	2,579,159
Economic Affairs	
Building Capital Works - Real Estate Development	16,000
Total Economic Affairs	16,000
Blayney Sewer	
Aeration Tank	100,000
Millthorpe Transfer Station Main Investigation and Augmentation	100,000
Telemetry Upgrade	140,000
Lining/Replacement of Sewer Mains	200,000
Replacement of Pumps in Sewerage Pump Stations	20,000
Man Hole Rehabilitation Program	100,000
Minor Plant Replacement	103,000
Total Blayney Sewer	763,000
Total Projected Capital Expenditure 2014/2015	5,526,933

Financial Assistance Program – S.356 Donations

Under Section 356 of the Local Government Act, Council may, in accordance with a resolution of Council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.

To facilitate the above, Blayney Shire Council developed the Financial Assistance Program to assist not-for-profit groups that offer a significant contribution to the social, economic and/or environmental wellbeing of the community.

There are four categories of financial assistance available under the program:

1. Recurrent financial assistance
2. Non-recurrent financial assistance (excluding private industry community funding)
3. Sporting related financial assistance
4. Special project financial assistance

Council has budgeted \$100,000 towards the program. Indicative funding levels are provided in the table below.

Funding Type	Maximum funding levels available annually per application
Recurrent Financial Assistance	Generally up to \$1,000 for new projects except school prizes. School prize of \$50 per School per annum.
Non- Recurrent Financial Assistance - Council: Projects of demonstrated broad community benefit, including school projects - the applicant must demonstrate the uniqueness of the project, how it will benefit the community and how it meets Council's vision statement(s) objectives.	Generally up to \$3,000 Special projects enhancing a community facility may receive up to \$10,000
Non- Recurrent Financial Assistance- Private Industry: Local projects and activities with a demonstrated broad benefit to the community that is based on environmental, greenhouse gas reduction, water conservation, tree planting or river care principles.	Generally up to \$3,000 Special projects enhancing a community facility may receive up to \$10,000
Rate Reimbursement: Not for profit only and general land rates component of rates only.	As specified on rates notice
Fees and Charges	As specified in Council's Fees and Charges.

Sporting Related: Financial Assistance for junior representatives is considered by Council's Sports Advisory Committee.	<ul style="list-style-type: none">• up to• \$100.00 for regional selection• \$300.00 for state selection• \$500.00 for national selection
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Council will not consider requests for financial support (cash or in-kind) outside of this program.

Please refer to Councils 'Financial Assistance Program – Guidelines and Application Form' for further information on how to apply.

Rating Structure for the 2014/2015 Rating Year - (Includes 6% Special Rate Variation)

As an organisation, Council is committed to providing revenue-raising policies, which are simple, fair, uniform and more importantly acceptable to the wider community. Council, at all times, strives to make more effective, efficient and economic use of all available resources by fostering a co-operative approach within the organisation specifically and the broader community generally.

The Local Government Act 1993 prescribes that Council may raise revenue in a number of different ways. These include rates, charges, fees, grants, borrowings and investments.

2014/2015 SOURCE OF FUNDS	AMOUNT \$'000	% OF INCOME
Rates & Annual Charges	\$8,424	60%
User Charges & Fees	\$1,067	8%
Grants, Subsidies & Contributions	\$3,620	26%
Investment Revenue	\$480	3%
Other revenue	\$364	3%
TOTAL	\$13,955	100%

Included in this Revenue Policy is Council's pricing policy, proposed borrowings and a schedule of Fees and Charges. Following are the forms of charges that Council will be levying on properties in the 2014/2015 Financial Year.

Rating Structure for the 2014/2015 Rating Year - (Includes 6% Special Rate Variation)						
Name of Category/Sub Category	Number of Assessments (A)	Base Rate (B)	Ad Valorem (C)	Land Value (D)	Total Yield (E)	% Yield from Base Amount
Residential						
Ordinary Rate	1 142	\$ 250.00	0.00332028	\$ 125,096,660	\$ 700,856	40.74%
Sub Category - Blayney	1261	\$ 300.00	0.00599186	\$ 81,258,200	\$ 865,188	43.72%
Sub Category - Millthorpe	322	\$ 300.00	0.00480870	\$ 32,470,600	\$ 252,741	38.22%
Sub Category - Carcoar	88	\$ 250.00	0.00568539	\$ 4,318,610	\$ 46,553	47.26%
Business						
Ordinary Rate	62	\$ 300.00	0.00683670	\$ 7,394,940	\$ 69,157	26.90%
Sub Category - Business Blayney, Millthorpe & Carcoar	198	\$ 300.00	0.00943250	\$ 18,856,440	\$ 237,263	25.04%
Farmland						
Ordinary Rate	729	\$ 300.00	0.00399670	\$ 423,072,090	\$ 1,909,592	11.45%
Mining						
Ordinary Rate	1	\$ 1,000.00	0.05530450	\$ 240,000	\$ 14,273	7.01%
Sub Category - Mining Gold / Copper Combined	1	\$ 1,000.00	0.05650130	\$ 71,300,000	\$ 4,029,543	0.02%
Total Yield	3,804			\$ 764,007,540	\$ 8,125,166	

Please note category name changes:

Ordinary Rate - Residential includes smaller villages and other areas throughout the shire

Ordinary Rate - Business includes smaller villages and other areas throughout the shire

The Approved 6% Special Rate Variation excludes the Special Rate Variations in place and equates in real terms to a 4.69% or \$287,912 increase to Councils general income (total rates yield) for 2014/15

Please note new mining sub category Gold & Copper combined

The following example shows how to calculate total yield for each category or sub-category:

$$\text{Ordinary Rate - Residential } (A \times B) + (C \times D) = E$$

$$(1142 \times \$250) + (0.00332028 \times 125,096,660) = \$700,856$$

Ordinary Rates are applied to properties on the basis of independent valuations supplied to Council on all rateable properties within the Shire boundaries by Land and Property Information NSW. All of the valuations used in the 2014/15 rating period have a base date of 1 July 2012.

i) a base amount; plus

- ii) an ad valorem component (i.e. a rate levied on the unimproved land value).

Each property is categorised into one of four rating categories. The property is then sub-categorised which determines the base amount and the ad valorem rate that is levied on that property.

Please note these Ordinary Rates include the Special Variation that was approved by the Minister of Local Government for the 2008/09 rating year. This Special Variation is for the purpose of "funding the loan repayments for the re-development of the Blayney Community Centre" (14th April 2008).

Council has been granted approval for a permanent 2 year special rate variation of 4.69% for 2014/15 and 5.11% for 2015/16. This has been promoted as a 6% special variation to general income, excluding application to existing special rate variations, as the impact on some rate categories will be to this level. The purpose of the application is for funding infrastructure maintenance / renewal with a view to enhancing Council's financial sustainability.

These amounts include the rate-peg approved by the Minister for Local Government and will not be additional to the rate-peg

Summary of Revenue Applicable to Fixed Term Special Variations to General Income - S.508 (2) Approved for 2008/09 to 2017/18 Rating Years Inclusive:	\$275,250
Blayney Shire Community Centre	

Review of Base Rates

As part of the Special Rates Variation community consultation process held across the Shire in 2013 Council was regularly questioned on the current rating structure. In particular Council's base rates were questioned as to how these rates reflect the use of services and costs to ratepayers that may or may not use the services provided by Council.

Base rates are used by Councils to reflect the costs of service provision and operational requirements of the organisation. In principle, the base rates should reflect the required costs that need to be met by a Council and its community before other works or services are provided. This includes costs associated with insurance, contributions to the NSW Rural Fire Brigade and Town Fire Brigades, libraries, museums, electricity and gas and some wages.

Under Local Government Legislation Council is allowed to raise up to 50% of its rates income from base rates and the remainder from ad valorem rates based on the Valuer General's assessment of a property's Unimproved Capital Value (UCV). In past years Council has set its base rates well below the 50% mark. As the costs of living have increased and government subsidies to Council have reduced, the cost of common services of Council to operate have increased. Therefore requiring a review of base rates.

The requests by the community to have the base rate reassessed have been undertaken by Council and are reflected in this Revenue Policy. The review of base rates has identified that a small number of rate payers are paying below the minimum rates whilst a small number of rate payers are paying well above the average rate across the Shire. Council has reviewed the base rate to bring rates closer to the average and to ensure that all land owners are contributing at a fairer level. This means that people paying below the minimum rate will see a greater increase in their rates as the base amount has been raised whilst people paying well above the average will see a slight fall or remain similar to last year's rates.

Changes in the base rate are different to the changes that the 6% Special Rate Variation has forecast when both these changes are added together, they will increase some rates well above the 6% change that ratepayers expected.

The new base rates and averages for each rate category are shown in the proposed rating structures above.

Rating Structure for the 2014/2015 Rating Year - (Includes 6% Special Rate Variation)**Annual Charges****For Residential Properties**

A uniform sewerage charge will be applied to all residential customers in accordance with the Department of Environment, Climate Change and Water Best Practice sewer pricing guidelines.

For Non-Residential Properties...

A two-part tariff, being a Connection Charge and a Usage Charge will be applied. Non-Residential properties include multiple occupancies, such as non-strata flats and units, and those properties which are categorised as "Business" for rating purposes.

The **Connection Charge** is determined by multiplying the access charge applicable to the water service connection size, by the Sewerage Discharge Factor (SDF).

The **Usage Charge** is determined by multiplying the number of kilolitres of water consumed, by the SDF, and then by \$1.15.

Council will issue sewer usage charges every three months in arrears, which will be included on the rates instalment notice.

The SDF is a customer's estimated volume discharged into the sewerage system to the customers total water consumption. For non-residential properties the SDF varies based on the usage requirements of a customer's enterprise.

Note:

The SDF will vary for individual properties, and is based upon NSW Office of Water, Liquid Trade Waste Regulation Guidelines – April 2009.

Residential				
	Access Charge	No of Properties	Total Yield	
Connected	\$529.00	1143	\$604,647	
Vacant/Unmetered	\$273.00	97	\$26,481	
The			\$631,128	
Non Residential				
	Annual Charge (Prior to SDF Factor)	No of Properties	Quarter Charge before SDF	Min. quarterly amount charged
20mm Water Service	\$436.00	131	\$109	\$132
25mm Water Service	\$676.00	19	\$169	\$132
32mm Water Service	\$1,108.00	16	\$277	\$132
40mm Water Service	\$1,732.00	10	\$433	\$132
50mm Water Service	\$2,704.00	21	\$676	\$132
80mm Water Service	\$6,920.00	1	\$1,730	
100mm Water Service	\$10,812.00	7	\$2,703	
150mm Water Service	\$24,328.00	2	\$6,082	
Vacant/Unmetered	\$273.00	46		
ESTIMATED TOTAL YIELD				\$ 290,000

Examples:Example 1 - Non Residential Property (Blayney)

Industry/Building: Office Building
 Connection Size: 20mm
 Estimated Usage per Quarter: 16 Kilo litres
 Sewerage Discharge Factor: 95%
 Yearly Access Charge: \$436

Based on the above information the quarterly access charge would be calculated as follows:

Annual Charge:	$\$436 / 4$	=	\$109
Usage Charge:	$16 \times \$1.15$	=	\$18.40
			<u>\$127.40</u>
Application of SDF:	$\$127.4 \times 95\%$	=	\$121.03

As this charge is below the minimum then the customer would be charged **\$132**. This is to ensure that the non residential charge does not fall below the residential charge.

Example 2 - Non Residential Property (Blayney)

Industry/Building: Restaurant
 Connection Size: 20mm
 Estimated Usage per Quarter: 170 Kilo litres
 Sewerage Discharge Factor: 95%
 Yearly Access Charge: \$436

Based on the above information the quarterly access charge would be calculated as follows:

Annual Charge:	$\$436 / 4$	=	\$109
Usage Charge:	$170 \times \$1.15$	=	\$195.50
			<u>\$304.50</u>
Application of SDF:	$\$304.50 \times 95\%$	=	\$289.28

As this charge is above the minimum then the customer would be charged the calculated fee above of **\$289.28**.

Millthorpe Sewerage Service
Annual Charges

For Residential Properties...

A uniform sewerage charge will be applied to all residential customers in accordance with the Department of Environment, Climate Change and Water Best Practice sewer pricing guidelines.

For Non-Residential Properties...

A two-part tariff, being a Connection Charge and a Usage Charge will be applied. Non-Residential properties include multiple occupancies, such as non-strata flats and units, and those properties which are categorised as "Business" for rating purposes.

The **Usage Charge** is determined by multiplying the number of kilolitres of water consumed, by the SDF, and then by \$1.15.

Council will issue sewer usage charges every three months in arrears, which will be included on the rates instalment notice.

The SDF is a customer's estimated volume discharged into the sewerage system to the customers total water consumption. For non-residential properties the SDF varies based on the usage requirements of a customer's enterprise.

Note:

The SDF will vary for individual properties, and is based upon NSW Office of Water, Liquid Trade Waste Regulation Guidelines – April 2009

Residential					
	Access Charge	No of Properties	Total Yield		
Connected	\$840.00	305	\$256,200		
Vacant/Unmetered	\$748.00	46	\$34,408		
			\$290,608		
Non Residential					
	Annual Charge (Prior to SDF Factor)	No of Properties	Quarter Charge before SDF	Min. quarterly amount charged	TOTAL YIELD
20mm Water Service	\$740.00	31	\$185	\$210	
25mm Water Service	\$1,156.00	1	\$289	\$210	
32mm Water Service	\$1,892.00	0	\$473	\$210	
40mm Water Service	\$2,956.00	1	\$739	\$210	
50mm Water Service	\$4,624.00	4	\$1,156	\$210	
80mm Water Service	\$11,832.00	0	\$2,958		
100mm Water Service	\$18,484.00	0	\$4,621		
150mm Water Service	\$41,592.00	0	\$10,398		
Vacant/Unmetered	\$748.00	0			
ESTIMATED TOTAL YIELD					\$ 50,000