



PENRITH

SHAPING OUR FUTURE

PENRITH CITY COMMUNITY PANEL INFORMATION PACK

August 2015

PENRITH
CITY COUNCIL

What local services and infrastructure do we need in Penrith?

What should we do, to what level of quality, and how should we pay for it?

WELCOME

MESSAGE FROM THE MAYOR

Welcome to the Penrith City Council Community Panel. Thank you for agreeing to take part in this innovative process. It's a fresh approach and one we're looking forward to sharing with you.

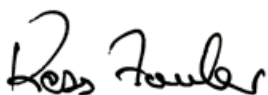
Our city is growing and changing at a rapid pace, both in terms of population and the demands that are placed on our services and finite resources. We must remain sustainable and use our resources wisely in order to deal with the challenges ahead.

You have the opportunity, as a member of the Community Panel, to help shape the future of our city. The process will be informed by access to information and financial data about Council. You will be briefed by experts from the newDemocracy Foundation (NDF), a not-for-profit group which designs frameworks for public deliberation and innovation in democratic models.

We appreciate your decision to represent your community in this unique and important process.

I hope you find the experience rewarding.

Thank you,



Councillor Ross Fowler OAM
Mayor



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THANKYOU FOR JOINING OUR COMMUNITY PANEL

Penrith City Council is undertaking an exciting and innovative new direction in deliberative democracy with the formation of this Community Panel to help shape the City's future.

The Penrith region is changing, and so are our communities. These changes bring new opportunities, but also challenges as well. So what do we need to do to make sure we're ready for the future?

Council is asking just that. To explore this issue and give us guidance, we've randomly selected a group of about 35 residents, including you, to be on our Community Panel.

To help Council undertake this process, we're working with not-for-profit research organisation newDemocracy. They coordinated the panel selection process and will also coordinate the running of the Panel.

Your role on the panel

As a Community Panel member you will be provided with information on what is currently happening in Penrith, the opportunities to improve our region, but also some of the challenges.

The Panel will meet 6 times from September to December in 2015 (see timetable page 16). The Panel will then come up with recommendations to improve the work Council does to put us in the best position to move into the future.

Your role as a member of the Panel

The Panel will make evidence-based deliberations, informed by expert advice and tools such as asset condition maps (showing the location and condition of assets and infrastructure, (i.e. roads and bus shelters), and detailed information on service delivery (such as the frequency of street sweeping).

The Panel can invite experts of their own choosing to provide information or further explain an issue. These could include but are not limited to expert groups, community groups and interest groups.

- The extent of an expert's speaker's role is in the hands of the Panel, not the organisers, facilitators or the Council.

- No minutes will be recorded during each session, therefore the Panel is encouraged to take down notes throughout the deliberations as the Panel will be required to produce a final report for Council.
- The Panel is encouraged to continue interacting with each other outside of the set workshop days (an online discussion forum for the use of the Panel and visible to the public will be operating as part of the process).
- You have agreed to attend all six workshops. This is essential for the process to be successful. After the Panel has completed its work, you will be paid for your participation.
- This Panel is convened solely for this specific decision: any future deliberative process requires commencing a fresh selection process.

The Council

Councillors will be invited to meet with and spend time with the Panel and to participate on day 2 in a 'speed dialogue' session.

While Councillors and Council staff may be in attendance during the workshops, either as subject experts or observers, they will not engage with the Panel during deliberations or interfere with the process.

The question being asked

Like every government, Council has more things to spend money on than we can afford. The Council's 2015/16 budget is \$237m. We have identified over \$298m of future infrastructure needs, over the medium to long term, that will require funding from other sources (i.e. \$298m in currently unfunded projects, over and above the budget of \$237m).

The question the Community Panel will consider is:

What local services and infrastructure do we need in Penrith?

What should we do, to what level of quality, and how should we pay for it?

PENRITH CITY: NEW WEST

Penrith City is moving in a new direction with an exciting future. The population is growing rapidly and now more than ever, the people of Penrith are seeking the business, employment, study, cultural and recreational opportunities that the City has to offer.

There are game changer developments in all those areas. Unlike more established areas of Sydney, we have the chance to build our own unique future and determine exactly how we want to shape it.

Penrith is a Growth City and the heart of the New West and the Community Panel is an exciting new model to better involve the community in our shared destiny.

We are a recognised Regional City Centre; a vital hub for regional business, health, education and employment. The announcement that Sydney's second airport will be built on Penrith's doorstep will enhance and boost that regional status.

Together these elements combine to make Penrith a growing, changing, thriving, exciting, dynamic and cosmopolitan City.

The City of Penrith

Penrith is just over 400 km² in size and home to over 194,000 people. It is home to many young people, and an increasing proportion of older people.

As a community, we are growing more culturally diverse, with more people speaking languages other than English at home. The top five languages are Arabic, Filipino / Tagalog, Italian, Maltese and Hindi. In 2011, the City had the third highest number of Aboriginal and Torres Strait Islander residents in NSW. Council's key role is to serve local residents, providing and maintaining the necessary services and community assets.

There are many opportunities, but also challenges, to growth and change. Not least of these is understanding the optimum level of local services and assets Council should provide, given available resources.

The state government's recent Plan for Growing Sydney predicts a population of 271,000 for Penrith by 2031. The City will need another 32,000 new dwellings to house our new residents, and our current 2031 target of 40,000 new jobs will also have to increase.

FAST FACTS



61,506 separate households

25% have children aged 15 and under



194,134 estimated resident population

15%
of our population
is aged 60+



52% are households
with children



51% of our working residents work outside of the LGA



7.24 BILLION gross regional product



21% population born overseas



12,380 local businesses

71,022 local jobs



ABOUT THE ORGANISATION

Council operates under the NSW Local Government Act 1993 and is responsible for providing services and administering assets for the local government area. Council's responsibilities are to:

- Exercise community leadership
- Provide appropriate services and facilities for the community
- Properly manage and conserve the local environment
- Involve and engage with our communities
- Keep the local community informed about our activities
- Ensure that provided services are managed efficiently and effectively
- Have regard for the long term effect of our decisions and
- Be a responsible employer.

More than 135 other pieces of legislation also influence and affect the work of councils including the Environmental Planning and Assessment Act 1979, the Roads Act 1993, Rural Fires Act 1997, Companion Animals Act 1998, and the Work Health and Safety Act 2011.

Governance

Elected by the community, the Council is the decision-making body that represent the community's interests in the Penrith Local Government Area. The current Council was elected in September 2012 and will serve until the next local government election in September 2016. The Penrith Local Government Area is made up of three wards, with five Councillors representing each ward.

The administration, headed by the General Manager appointed by the Council, delivers the vision guided by our Community Strategic Plan. It delivers the four-year Delivery Program and annual Operational Plan and budget.

Our people

Council employs a total of 1,209 staff in full time, part time, temporary and casual positions. We have a diverse workforce which includes a wide range of professional, semi-professional, skilled and unskilled workers including engineers, planners, labourers, mechanics, child care workers, environmental officers, youth workers, enforcement officers, administrators, IT professionals, accountants and librarians.

SERVICE DELIVERY

Council is responsible for delivering these 44 services

Governance & Corporate Services	<ul style="list-style-type: none"> Corporate Governance Council and Corporate Support Legal Services Records Management Risk Management & Insurance City Partnerships Marketing Communications Customer Service Corporate Planning Sustainability Planning Business Improvement Information Technology GIS / Mapping
Corporate Finance & Workforce	<ul style="list-style-type: none"> Financial Services Purchasing & Supply Workforce & Workplace Property Development & Management
Emergency Services, Regulation & Waste	<ul style="list-style-type: none"> Emergency Services Management Regulatory Control Waste Management
Environment & Health	<ul style="list-style-type: none"> Environmental Health
Community Wellbeing	<ul style="list-style-type: none"> Community & Cultural Development
Parks & Recreation	<ul style="list-style-type: none"> Recreation & Leisure Facilities Management Bushland Management City Parks
Children's Services	<ul style="list-style-type: none"> Children's Services
Community Facilities	<ul style="list-style-type: none"> Cemeteries Neighbourhood Facilities Management
Libraries	<ul style="list-style-type: none"> Libraries
Public Spaces & Community Safety	<ul style="list-style-type: none"> Community Safety Public Domain Maintenance
Advocacy, Planning & Development	<ul style="list-style-type: none"> City Planning Regional Planning & Advocacy Fire Safety, Certification & Compliance Development Applications
Roads, Footpaths & Buildings	<ul style="list-style-type: none"> Building Maintenance & Construction Civil Construction & Maintenance Fleet & Plant Maintenance
Traffic, Parking & Drainage	<ul style="list-style-type: none"> Development Engineering Floodplain & Stormwater Management Traffic Management, Parking & Road Safety
City Places & Projects	<ul style="list-style-type: none"> Design & Project Management Place Management

OUR VISION AND GOALS

A sustainable and prosperous Regional City with a harmony of urban and rural qualities.

Our goals are expressed as Outcomes in our Community Plan.

- Outcome 1** We can work close to home - Provide jobs, education and training opportunities close to home.
- Outcome 2** We plan for our future growth - Provide the infrastructure and services that are needed to support growth.
- Outcome 3** We can get around the City - Improve roads, public transport, footpaths and cycleways.
- Outcome 4** We have safe, vibrant places - Provide clean, safe, attractive public spaces and places.
- Outcome 5** We care for our environment - Look after our environment by protecting the bushland, rivers, creeks and waterways; encouraging people to use resources wisely.
- Outcome 6** We are healthy and share strong community spirit - Encourage health and wellbeing. Access to outdoor areas, sport and recreational and community, social and cultural services.
- Outcome 7** We have confidence in our Council - A responsible Council managing its finances, maintaining assets and public areas and delivering value for money.

ACHIEVING OUR VISION AND GOALS

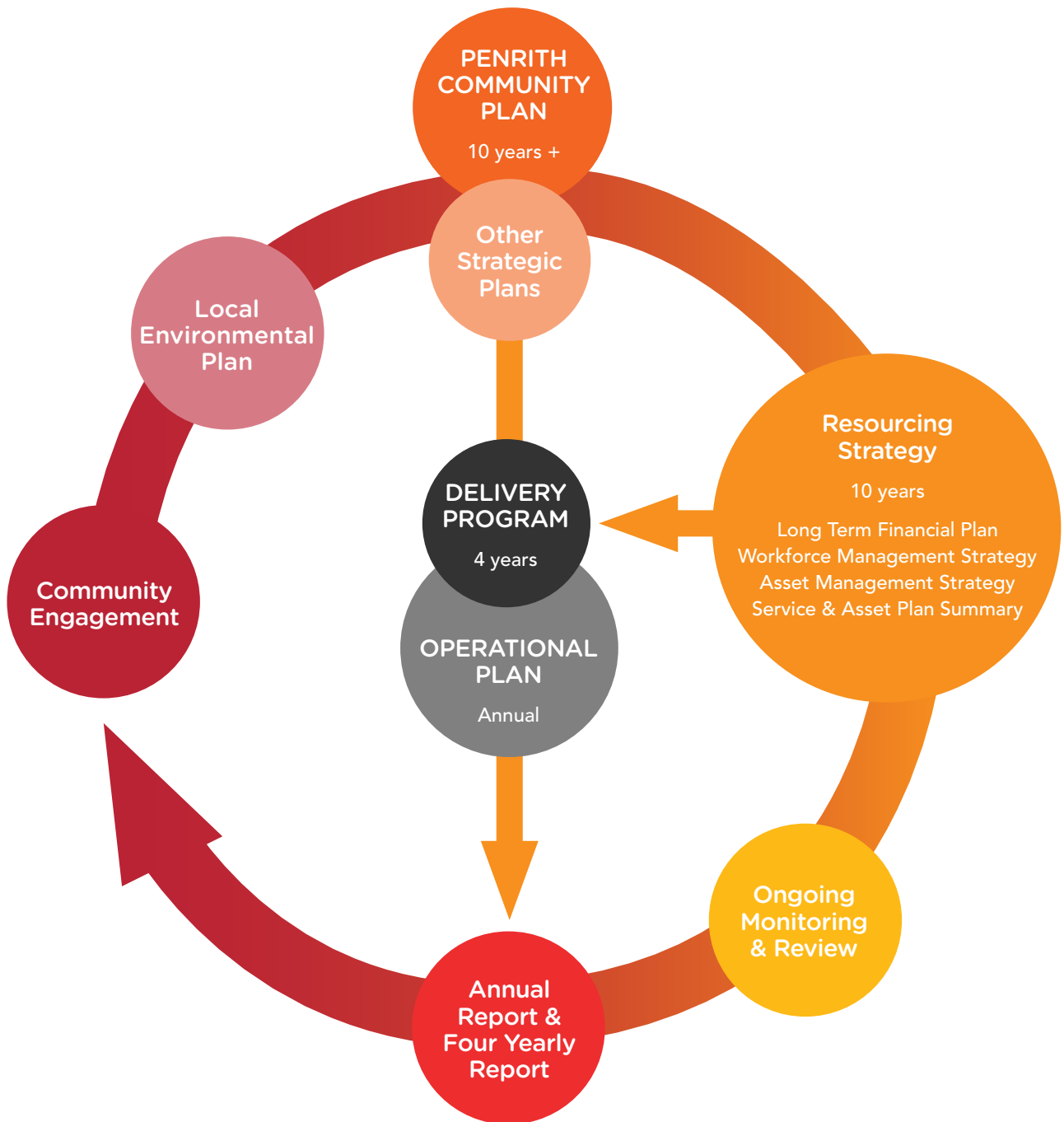
Since June 2012, all councils in NSW have aligned with the Integrated Planning and Reporting Framework embedded in the Local Government Act. The Integrated Planning and Reporting Framework allows us to draw our various plans together, identify synergies within our strategies and so plan holistically for the future of our City.

The Council Integrated Planning and Reporting Framework comprises the:

- *Community Plan* describes the outcomes the community has identified for the City. It looks beyond the next ten years, setting out strategies to achieve the outcomes the community are seeking.
- *Delivery Program* is Council's 4 year work program which includes the annual Operational Plan. Together these set out services, activities and actions Council will deliver each year to implement the Community Plan. This plan also includes the budget and an overview of Council's financial estimates and program of capital works for the financial year.
- *Community Engagement Strategy* outlines how Council will engage with our communities and relevant stakeholders in developing the Community Plan.
- *Resource Strategy* includes three key elements - a Workforce Plan, an Asset Management Plan, and a Long Term Financial Plan. It outlines Council's capacity to manage assets and deliver services over the next ten years.

Our Annual, Six Monthly and Quarterly organisational performance reports track the progress towards achieving the goals and aspirations of our community. Figure 1 illustrates the integrated planning and reporting framework. Council's ongoing community engagement activities and biennial Community Satisfaction survey feed into all other annual reviews.

Integrated Planning and Reporting Framework



WHAT THE COMMUNITY HAS TOLD US

The Community Satisfaction Survey comprises a telephone poll of 600 randomly selected residents with representation across age, gender, ward and land areas (e.g. rural, new release and established urban areas). The most recent survey was undertaken between April and May 2015. The Survey results will be available on Council's website in September 2015.

Key findings tell us overall satisfaction with Council remains high and that residents feel they are getting value from the amount of rates they pay. Residents have told us that what they value most about Penrith is its community/family friendly atmosphere; open, green spaces; close proximity of local facilities; and outdoor areas including mountains, bushlands and the Nepean River. This is consistent with results from 2013.

The primary concerns for residents of the Penrith area over the next 10 years are:

- Infrastructure, catering for growing and diverse population, including the new airport
- Overpopulation/urban sprawl and pollution, traffic flow and congestion and
- Providing local employment.

Residents see top priorities for Council to focus on over the next four years as:

- Improved traffic management / flow / road infrastructure
- Maintenance of local roads to cope with increased traffic and
- Ensuring infrastructure keeps up with the growing community and the airport.

LISTENING AND RESPONDING TO OUR COMMUNITY

In order to understand what the community want, and changing needs, Council will continue to engage with our community. Along with the ongoing Community Engagement Program, the Community Survey 2015 will inform short and long term priority setting, resource allocations, potential service adjustments and enhancements, the Community Plan, Council's Delivery Program and Operational Plan.

Overall, the surveys will also continue to inform Council regarding priorities, and assist in our focus on continuous improvement and benchmarking.

It is worth noting that these survey results do not take into consideration the community's willingness to pay more, or less, to prioritise spending, or to articulate exactly what condition is acceptable, or not.

OUR CHALLENGES

Like any local Council, we face the constant challenge to remain financially sustainable in order to deliver the services and projects that our community needs and wants.

With each challenge that arises, including changes to legislation, we need to both respond to the challenge and inform the community and other stakeholders of the possible impact of those changes. Challenges are part of doing business, and doing business well involves a considered, well thought out response in terms of impacts, including social and financial impacts.

In late 2014, Council began a thorough review of capacity and services. This placed us in a strong position to respond to the Office of Local Government's 2015 review of local councils, their capacity and future sustainability (Fit for the Future).

While we are in a good position to continue with current activities, we do not currently have the capacity to undertake major projects or absorb possible financial challenges should they occur.

This most recent and thorough review of our long term financial strategies will better prepare us for unexpected opportunities and challenges, and give us the ability to fund major projects that benefit our city.

We aim to identify significant potential efficiencies that can be used to deliver on our vision of a vibrant, regional city. In the meantime, Council will continue to strengthen its position through a Strategic Alliance with Blue Mountains and Hawkesbury Councils and partners with other regional Councils – Parramatta and Liverpool – on regional matters.

Council's ultimate aim is long term financial sustainability. We will continue to work with our communities and other stakeholders to ensure growth is sustainable and meets community needs, and is supported by the appropriate infrastructure.

THE PANEL TIMEFRAME

The Community Panel will meet six times, for full days. All Community Panel members must attend all meetings.

DAY 1

Saturday September 5th

9:30am - 4:30pm

Penrith City Council Civic Centre,
Nepean Room (Level 2),
601 High Street, Penrith

Opening day: The First Deliberation – The Learning Phase

- Welcome from Mayor
- Introduction to the topic, processes and guidelines

DAY 2

Saturday September 26th

9:30am-4:30pm

Penrith City Council Civic Centre,
Nepean Room (Level 2),
601 High Street, Penrith

The Second Deliberation – Understanding

DAY 3

Saturday October 17th

9:30am-4:30pm

St Marys Community Centre, Cnr Great
Western Hwy and Mamre Road, St Marys
(access via 29 Swanston Street, St Marys)

The Third Deliberation – Focus

DAY 4

Saturday November 7th

9:30am-4:30pm

Cranebrook Neighbourhood Centre,
17-35 Hoskings Street, Cranebrook

The Fourth Deliberation – Reflect. Discuss. Deliberate.

DAY 5

Saturday November 21st

9:30am-4:30pm

Penrith City Council Civic Centre,
Nepean Room (Level 2),
601 High Street, Penrith

The Fifth Deliberation – Shared Goals

- Consensus session and finalisation of the draft report and recommendations

DAY 6

Saturday December 5th

9:30am-4:30pm

Penrith City Council Civic Centre,
Nepean Room (Level 2),
601 High Street, Penrith

The Final Deliberation

FACILITATOR PROFILES

The newDemocracy Foundation

The newDemocracy Foundation (NDF) is a not-for-profit research group, with a particular focus on best practice citizen engagement and innovations in democratic structures.

NDF provides design frameworks for public deliberation and overall innovation in democratic models. Their research and advocacy is focused on identifying less adversarial and more inclusive public decision making processes. They are not a think tank and hold no policy views.



Iain Walker, Executive Director, newDemocracy Foundation

Iain Walker is the Executive Director of NDF, a non-partisan and non-issue based research institute which looks at how we can innovate in democracy. Privately funded and backed by former Premiers from both sides of politics, the foundation's goal is to see how we can reach decisions that earn public trust.

Iain holds a Master's in Public Policy from the University of Sydney, and prior to this role worked for Sports Marketing & Management representing the Australian Olympic Committee, Golf Australia and Swimming Australia amongst other clients. Iain has also worked as the Commercial Director for The Australian Open while at Golf Australia, and made the move to NDF after being challenged to see if democratic innovation could be as popular as sport.



Georgina Inwood, Program Manager, newDemocracy Foundation

With a background in engagement and strategy across local, state and federal government, Georgina leads the implementation, management, supervision and evaluation of the newDemocracy Foundation's democratic innovation projects. Georgina's professional experience ranges across short, medium and long term projects with a speciality in community consultation and engagement strategies aimed at balancing innovation, informed decision making and competing priorities through common sense. Georgina holds a Master of Arts in Communication Management (UTS) and a Bachelor of Arts in Government and Public Administration (University of Sydney).

Independent Facilitator



Grace Leotta

Grace Leotta is an organisational, community development and training consultant with a background in community work, service management and training.

She is an internationally certified facilitator and public participation practitioner, a nationally accredited trainer and assessor, a Harvard University trained adaptive leadership (leading change) consultant, and an accredited social worker, with postgraduate qualifications in management and adult education.



PART A

FINANCIAL CONTEXT

FIT FOR THE FUTURE

In 2014 the State Government introduced a series of reforms for NSW Local Government called Fit for the Future. They focus on making sure local councils demonstrate an ability to meet a series of strong financial and sustainability benchmarks by 2019-20.

The NSW Government developed seven indicators to help councils demonstrate they are Fit for the Future, grouped under broad themes of:

- Scale and Capacity
- Sustainability
- Efficiency
- Effective Infrastructure and Service Management.

Of the seven indicators, Council met three when the reforms were announced and will meet the remaining four by 2019-20.

IPART will assess how council proposals meet the Fit for the Future criteria. IPART will release Fit for The Future decisions to the Minister by 16 October 2015.

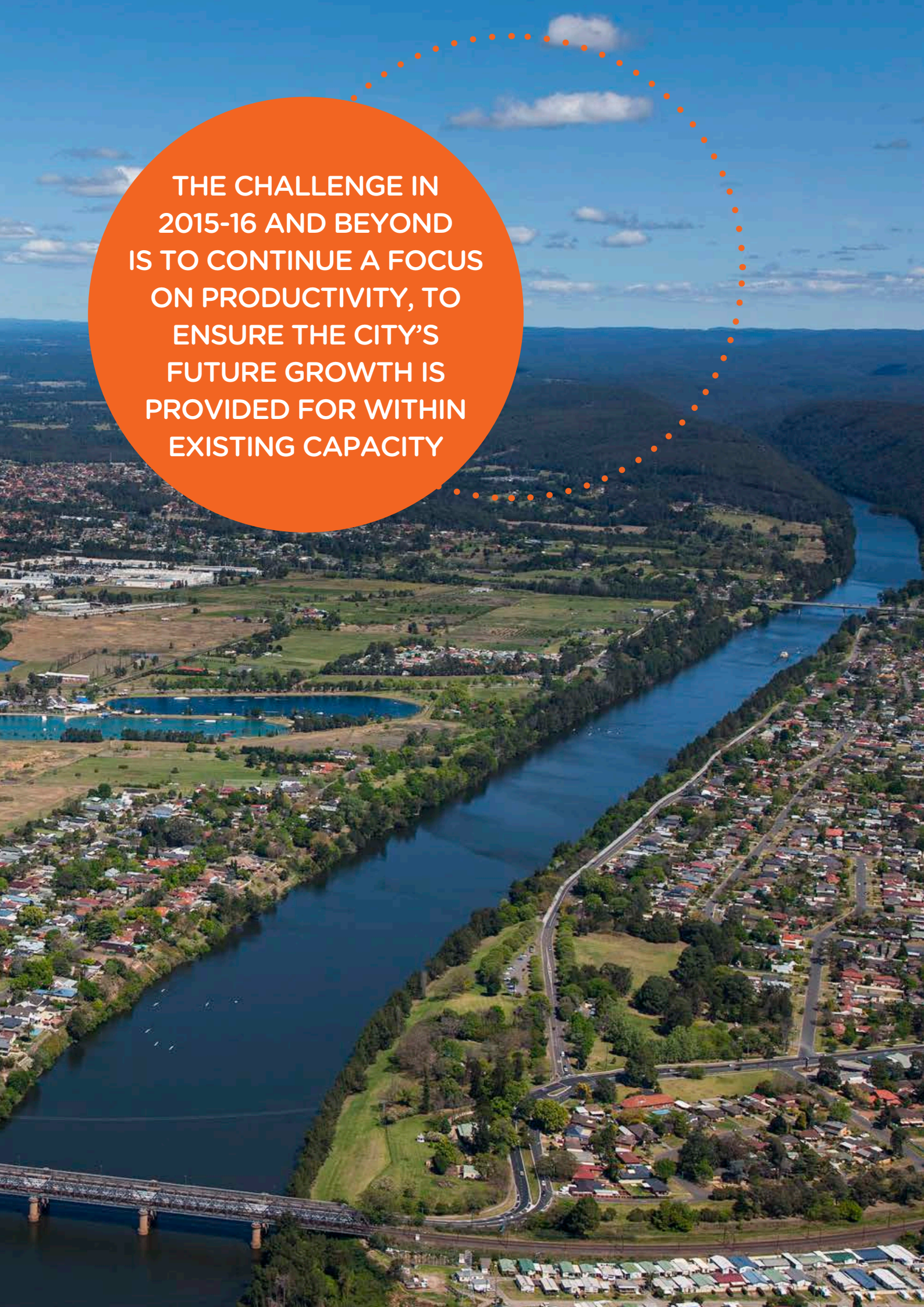
Penrith City Council has not been identified as a council that will need to merge with neighbouring councils. However we are looking at working more strategically with Blue Mountains City Council and Hawkesbury City Council, so we can all be more efficient in our work and provide the best value for our communities. Council's Fit for the Future submission was lodged with the Office of Local Government on 30 June 2015 and is publicly available IPART's website at http://www.ipart.nsw.gov.au/Home/Industries/Local_Govt/Fit_for_the_Future. This submission includes a Special Rate Variation (SRV) details of which are included in the 2015-16 Operational Plan and is available on Council's website at <https://www.penrithcity.nsw.gov.au/Resources-and-Documents/Documents/Strategic-Planning>.

Financial Capacity Review

The Financial Capacity Review is part of the 2014-15 Operational Plan task to commence community consultation to ensure all service and infrastructure needs are being addressed, combined with meeting the obligations for local government under Fit for the Future reforms.

While Council has a strong financial platform, this review presented an opportunity for Council to consider structural change to our financial settings that will enable us to create and respond to opportunities. The consideration of these options is timely, given the expiry of the Asset Renewal and Established Areas Strategy (AREAS) Special Rate Variation in 2015-16, which underpins many of our asset management and asset renewal strategies, and the Long Term Financial projections included in 2015-16 Operational Plan and incorporates a future rate increase.

The challenge in 2015-16 and beyond is to continue a focus on productivity to ensure that the City's future growth is provided for within existing capacity, while options for our community's growth expectations is addressed.

An aerial photograph of a river valley. A large orange circle is overlaid on the left side of the image, containing white text. The background shows a wide river flowing through a valley, with residential areas, green fields, and a bridge in the foreground. The sky is blue with some clouds. A dotted orange line arches over the top right of the orange circle.

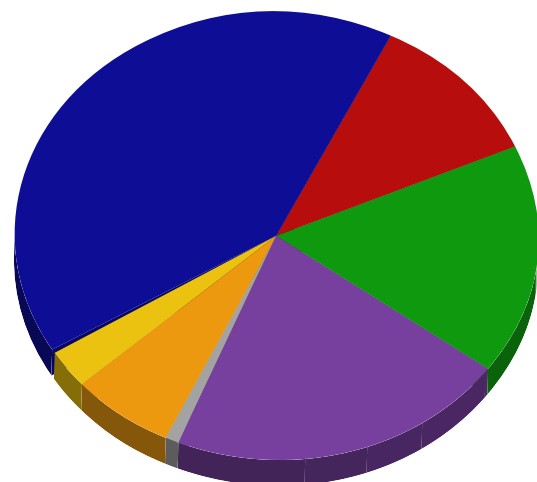
**THE CHALLENGE IN
2015-16 AND BEYOND
IS TO CONTINUE A FOCUS
ON PRODUCTIVITY, TO
ENSURE THE CITY'S
FUTURE GROWTH IS
PROVIDED FOR WITHIN
EXISTING CAPACITY**

WHERE DOES OUR MONEY COME FROM?

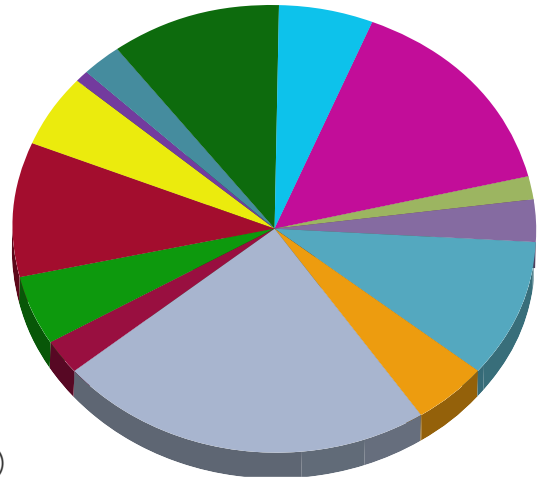
In 2015-16 our income will be \$234.6M, with just over half of this (52%) coming from Rates and Annual Charges. Just under one quarter (21%) came from Grants and Contributions which go towards both Operating and Capital Projects. The remainder came from Investment and Other Revenues, User Fees and Charges, and Profits from Joint Ventures and Partnerships. The 2015-16 budget is summarised below.

FUNDING SUMMARY	2014-15 Actual \$'000	2015-16 Original \$'000
Expenditure		
Capital Works	\$60,409	\$54,888
Other Funded Expenses	\$173,978	\$181,927
Total Expenditure	\$234,387	\$236,815
Income		
Rates	\$94,798	\$97,147
Fees and Charges		
Domestic Waste	\$24,161	\$26,022
Other	\$43,888	\$39,611
Grants and Contributions		
Federal	\$15,738	\$14,546
State	\$14,170	\$9,906
Developer Dedication/ Section94	\$46,940	\$22,377
Other	\$373	\$3,136
Other Income / Reserves	(\$5,463)	\$24,070
Total Income	\$234,605	\$236,815
Net Position – Surplus/(Deficit)	\$218	\$0

- Rates - \$97.1m (41%)
- Waste Management - \$26m (11%)
- Other Fees & Charges - \$39.6m (16.7%)
- Grants & Contributions - \$50m (21.1%)
- Interest - \$2.2m (0.9%)
- Loans & Sales - \$15.1m (6.4%)
- Net Reserves - \$6.8m (2.9%)



HOW DO WE SPEND IT?



If you'd like to know more about Council's Income and Expenditure, full Financial Statements are available on Council's website at <https://www.penrithcity.nsw.gov.au/Documents/Council/Financial-Statements-2013-14/>

HOW ARE RATES CALCULATED?

To determine what rates are charged properties are first categorised according to their primary usage or if the land is vacant they are categorised by the zoned use. There are five rating categories that Council uses:

- Farmland
- Residential
- Business
- Business – Penrith CBD (Business sub-category)
- Business – St Marys Town Centre (Business sub-category).

Rates are then levied in accordance with one of the three options allowed by NSW legislation. Council uses methodology known as an ad valorem rate with a minimum amount. This method takes the unimproved land value assessed by the NSW Valuer General and multiplies it by a rate in the dollar to calculate each property's rate. If the calculated rate is lower than the set minimum rate, the minimum rate is applied to the property.

In 2015-16 the minimum levy for the Residential and Farmland properties is \$864.20 and for Business and Business sub-category properties the minimum levy is \$1,105.80. Each rate payer will receive a rate notice that includes their rate as calculated above plus a Stormwater Management Charge and a Domestic Waste Service Charge (residential and farmland only).

Penrith City Council Rate Increases – Past 10 Years

Financial Year	Ministerial Increase	Expired SRV	Approved SRV	Rate Increase
2006-07	3.6%		5.2%	8.8%
2007-08	3.4%		0.0%	3.4%
2008-09	3.2%		0.0%	3.2%
2009-10	3.5%		0.289%	3.789%
2010-11	2.6%		0.15%	2.75%
2011-12	2.8%		3.0%	5.8%
2012-13	3.6%	(4.8%)*	2.3%	1.1%
2013-14	3.4%		1.5%	4.9%
2014-15	2.3%		1.9%	4.2%
2015-16	2.4%		0.0%	2.4%

*Expiry of Enhanced Environmental Program SRV. Key elements of this Program were incorporated in the most recent SRV from 2011.

Comparative Rating Information

Below is a table of neighbouring councils and their average rate for residential and business properties for the 2015-16 financial year. These amounts do not include other annual charges including bin services that may be charged on the rates notice. Out of seven councils, Penrith City Council has the third highest residential rate and the third highest business rate. The two councils with the lowest average residential rate have the highest average business rates.

Council	2015-16 Average Residential rate	2015-16 Average Business rate
Wollondilly	\$1,377	\$2,201
Blue Mountains	\$1,311	\$3,155
Penrith	\$1,136	\$6,868
Liverpool	\$1,122	\$6,277
Hawkesbury	\$1,091	\$1,965
Blacktown	\$982	\$8,862
Fairfield	\$809	\$7,982
Average	\$1,118	\$5,330

Special Rate Variations

There is an avenue for councils to seek rate increases over and above the annual rate increase determined by IPART.

Councils can apply for special variations for a variety of reasons. In recent years, a number of councils have sought to increase rate income to improve financial sustainability, to fund new or enhanced services to meet growing demand in the community, or to improve their infrastructure, in particular roads and bridges.

IPART undertakes an independent assessment process to determine if the increases are required and affordable, and that the council has been accountable to its community through appropriate consultation.

In 2014-15, 32 councils out of 152 councils in NSW applied for a special rate variation (28 were approved in full, three were approved for a lesser amount and one was declined).

In 2015-16, 22 councils out of 152 councils in NSW applied for a special rate variation (21 were approved in full and 1 was partially approved).

Proposed 2016-17 Special Rate Variation (SRV)

Council has endorsed the strategies of the Financial Capacity Review and a key funding element involves a proposed new ongoing SRV of 2.4% above the Ministerial increase in each of the four years, commencing 2016-17. This has been the basis for which Council's Fit for the Future submission has been prepared along with the renewal of the AREAS SRV in 2016-17. More information is provided at Appendix B on Council's Long Term Financial Plan.



PART B SERVICES

SERVICE GROUPINGS

Of the 44 services delivered by Council it is noted that there are a number of primarily internal services which support the operation of council. These services cover areas such as governance, business administration, council support, financial services, GIS mapping, workforce, communications, business and corporate planning, risk management, purchasing & supply, information technology and property management.

	Advocacy, Planning & Development	<ul style="list-style-type: none"> • City Planning • Fire Safety, Certification & Compliance 	<ul style="list-style-type: none"> • Regional Planning & Advocacy • Development Applications
	Children's Services	<ul style="list-style-type: none"> • Children's Services 	
	City Places & Projects	<ul style="list-style-type: none"> • Design & Project Management 	<ul style="list-style-type: none"> • Place Management
	Community Wellbeing	<ul style="list-style-type: none"> • Community & Cultural Development 	
	Community Facilities	<ul style="list-style-type: none"> • Cemeteries 	<ul style="list-style-type: none"> • Neighbourhood Facilities Management
	Corporate Finance & Workforce	<ul style="list-style-type: none"> • Financial Services • Workforce & Workplace 	<ul style="list-style-type: none"> • Purchasing & Supply • Property Development & Management
	Emergency Services, Regulation & Waste	<ul style="list-style-type: none"> • Emergency Services Management • Waste Management 	<ul style="list-style-type: none"> • Regulatory Control
	Environment & Health	<ul style="list-style-type: none"> • Environmental Health 	
	Governance & Corporate Services	<ul style="list-style-type: none"> • Corporate Governance • Marketing • Information Technology • City Partnerships • Business Improvement 	<ul style="list-style-type: none"> • Legal Services • Customer Service • Council and Corporate Support • Communications • GIS / Mapping • Risk Management & Insurance • Sustainability Planning • Records Management • Corporate Planning
	Libraries	<ul style="list-style-type: none"> • Libraries 	
	Parks & Recreation	<ul style="list-style-type: none"> • Recreation & Leisure Facilities Management • City Parks 	<ul style="list-style-type: none"> • Bushland Management
	Public Spaces & Community Safety	<ul style="list-style-type: none"> • Community Safety 	<ul style="list-style-type: none"> • Public Domain Maintenance
	Roads, Footpaths & Buildings	<ul style="list-style-type: none"> • Building Maintenance & Construction • Fleet & Plant Maintenance 	<ul style="list-style-type: none"> • Civil Construction & Maintenance
	Traffic, Parking & Drainage	<ul style="list-style-type: none"> • Development Engineering • Traffic Management, Parking & Road Safety 	<ul style="list-style-type: none"> • Floodplain & Stormwater Management
	Controlled Entities	<ul style="list-style-type: none"> • Penrith Performing & Visual Arts • Penrith Whitewater Stadium 	<ul style="list-style-type: none"> • Ripples – St Marys & Penrith

TERMS

Community Plan: Identifies the long term aspirations our community want to see delivered in the City over the next twenty years. As the 'big picture' plan for the City, the Community Plan identifies some outcomes that are beyond Council's responsibilities. The Community Plan recognises that others in our community (individuals, businesses, governments and agencies) also contribute to future outcomes.

Outcomes: The community outcomes are high level objectives or aspirations of the community for the future of our City – the things that define more specifically what the long-term vision for our City will look like. The outcomes are established by the community, through community engagement and feedback on their aspirations for the future of the City.

Service Description: Provides an overview of the key work activities and function of the service.

Service Level: Describes the level of service provided in terms of quantity, quality, timeliness, reliability, responsiveness, accessibility, etc. Examples include frequency of grass mowing, response times for enquiries.

Strategies: Strategies outline how we will achieve the community outcomes in the Community Plan. Each community outcome must be accompanied by a list of strategies that respond and will be implemented to achieve each community outcomes.

ADVOCACY, PLANNING & DEVELOPMENT



SERVICE: City Planning

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$2,315.7	\$2,283.4
Annual Capital Expenditure	\$224.5	\$471.1
Total Expenditure	\$2,540.2	\$2,754.5
Annual Income	(\$1,026.8)	(\$910.9)
Net Cost	\$1,513.4	\$1,843.5
Cost per \$100 (based on Total Expenditure)	\$1.00	\$1.10

Service Description

City Planning establishes a City-wide policy framework of planning controls, strategies and actions based on analysis of the principles of sustainability, community needs, job creation, community values and the characteristics of the City. The service responds to planning and flooding enquiries. It undertakes planning studies and investigations, strategy and policy development, statutory plan preparation and delivery. To deliver this service there are 15.34 staff.

Service Levels

- Issue Section 149 certificates (6,775 issued in 2014 and 6,075 in 2013)
- Issue planning certificates within 2-3 working days of receipt
- Issue urgent planning certificates within ½ working day of receipt

Links to Community Plan Outcomes & Strategy

Outcome 2 We plan for our future growth

Strategy 2.1 Facilitate development that encourages a range of housing types, employment, recreation and lifestyle opportunities

Strategy 2.2 Protect the City's natural areas, heritage and character

Strategy 2.3 Ensure services, facilities and infrastructure meet the needs of a growing population

Outcome 7 We have confidence in our Council

Strategy 7.1 Demonstrate transparency and ethical behaviour



SERVICE: Regional Planning & Advocacy

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,334.1	\$1,430.5
Annual Capital Expenditure	\$675.8	\$707.1
Total Expenditure	\$2,009.9	\$2,137.7
Annual Income	(\$743.1)	(\$247.4)
Net Cost	\$1,266.8	\$1,890.3
Cost per \$100 (based on Total Expenditure)	\$0.80	\$0.80

Service Description

The Regional Planning and Advocacy Service advocates and promotes Council's preferred positions and priorities relevant to Western Sydney's growth and development issues that affect Penrith City at sub-regional and metropolitan levels. This is achieved through strategy and policy development, regional collaboration and Government advocacy and engagement.

The service pursues State Government commitment to develop and implement a subregional structure plan for the delivery of key regional infrastructure for Western Sydney. It lobbies for government jobs to be located in the City; better access to training and education; better public transport; and better local and regional road connections. It works with the National Growth Areas Alliance and other organisations to secure infrastructure funding. The service also works on special projects and the management of release areas. To deliver this service there are 1.86 staff. Economic development is about attracting strategic investment, facilitating employment diversity and growth, and encouraging local workforce skills and training so that we can be more resilient to changes in regional, national and international economic circumstances. Our community wants more jobs closer to home, particularly for young people, and Council's aim is to support a balanced local economy delivering local jobs.

Council outsourced economic development to the Penrith Business Alliance for 5 years, and recently brought the funds and responsibilities in-house. Delivery of the Penrith Progression Action Plan, which focuses on investment and growth in the Penrith City Centre, is also an economic development initiative. To deliver this service there is 1 temporary staff.

Links to Community Plan Outcomes & Strategy

Outcome 1	We can work close to home
Strategy 1.1	Diversify the region's economy and attract investment, particularly targeting new and emerging employment sectors
Strategy 1.2	Secure infrastructure that improves economic opportunities for existing and new businesses
Outcome 2	We plan for our future growth
Strategy 2.3	Ensure services, facilities and infrastructure meet the needs of a growing population
Outcome 3	We can get around the city
Strategy 3.1	Secure an effective public transport network
Strategy 3.4	Improve critical cross regional transport connections
Strategy 3.5	Secure an efficient, integrated and sustainable freight network



SERVICE: Fire Safety, Certification and Compliance

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,551.0	\$2,010.2
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$1,551.0	\$2,010.2
Annual Income	(1,256.5)	(\$1,849.6)
Net Cost	\$294.4	\$160.6
Cost per \$100 (based on Total Expenditure)	\$0.60	\$0.80

Service Description

The Fire Safety, Certification and Compliance Teams assess and determine residential Development Applications, Construction Certificates, Complying Development Certificates and Building Certificates, as well as issuing Occupation Certificates and conducting audits of completed buildings. The work includes carrying out critical stage inspections, building compliance inspections and conducting audits of building and industrial sites.

The service issues Annual Fire Safety Statements, registers new properties on the Fire Safety database, carries out fire safety inspections in existing buildings and implements enforcement action when necessary and responds to environmental and building complaints. Work also includes undertaking the Swimming Pools Barrier Inspection Program, carrying out inspections, investigating complaints, issuing compliance certificates and providing public education. To deliver this service there are 18.3 staff.

Service Levels

- Determine 1000 Development Applications each year
- Determine 50 Complying Development Certificates each year
- Conduct 3000 critical stage inspections each year
- Determine 550 construction certificates each year
- Issue 450 occupation certificates each year
- Process 2500 Annual Fire Safety Statements
- Investigate 1000 building/environmental matters
- Investigate 630 building/industrial audits per year
- Swimming pool education program (4 campaigns per year)
- Complete 600 swimming pool tasks each year
- Issue 150 building certificates each year

Links to Community Plan Outcomes & Strategy

Outcome 2 We plan for our future growth

Strategy 2.1 Facilitate quality development that encourages a range of housing types, employment, recreation and lifestyle opportunities



SERVICE: Development Applications

	\$'000	\$'000
	2014-2015	2015-2016
Annual Operating	\$5,771.0	\$4,792.9
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$5,771.0	\$4,792.9
Annual Income	(\$3,396.1)	(\$1,697.4)
Net Cost	\$2,374.9	\$3,095.5
Cost per \$100 (based on Total Expenditure)	\$2.30	\$1.90

Service Description

The Development Applications Service implements State, Regional and Local planning policies which guide development to achieve sustainable outcomes in social, economic and environmental areas, by providing pre-lodgement information, assessment and determination of Development Applications (DA), support to Council in appeals and advice to Council and stakeholders in all aspects of the DA process. Service activities include assessing DAs and applications for subdivision; assessment of regionally significant applications to the Joint Regional Planning Panel and administration of Panel meetings; responding to resident and other stakeholder enquiries; providing pre-lodgement advice and advice on urban design, provision of heritage advice and management of Councils Heritage Program and presentation of applications to Council's Access committee. To deliver this service there are 27.1 staff.

Service Levels

- Assess approx. 1,500 DAs each year with a total value of work in recent years of approximately \$1,070,500,000
- Respond to 9,700 requests for planning advice each year
- Respond to 52,000 telephone calls each year
- Develop improved systems to foster quality outcomes through the development process and enhance customer service delivery including development of an end to end electronic development application assessment process
- Make submissions to Government on legislative change
- Review and implement new processes and procedures that respond to legislative change and customer expectations for the DA service each year

Links to Community Plan Outcomes & Strategy

Outcome 2 We plan for our future growth

- Strategy 2.1 Facilitate quality development that encourages a range of housing types, employment, recreation and lifestyle opportunities
- Strategy 2.2 Protect the city's natural areas, heritage and character

CHILDREN'S SERVICES



SERVICE: Children's Services

	\$'000	\$'000
	2014-2015	2015-2016
Annual Operating	\$21,539.5	\$22,853.0
Annual Capital Expenditure	\$639.4	\$465.5
Total Expenditure	\$22,178.9	\$23,318.5
Annual Income	(\$20,062.2)	(\$21,365.7)
Net Cost	\$2,116.7	\$1,952.8
Cost per \$100 (based on Total Expenditure)	\$8.80	\$9.20

Service Description

Children's Services provides children's centres, staff, resources and support for the benefit of families and children across the City. The service also plans for and supports others to provide child and family services that meets the needs of the community. To deliver this service there are 412 staff.

Service Levels

- Support the Penrith City Children's Services Co-operative to manage 17 x Long Day Care centres and programs; 9 x Before and After School services and Out of School Hours Care programs; 5 x Preschools and programs;
- Manage 7 x Vacation Care; 1 x Occasional Care service; 1 x Mobile Play Van Service; Programs for children with additional needs; Inclusion Support Programs; AACS (supporting Aboriginal access to children's services) program; family support program; Glenmore Park Child and Family Centre; and Children's Services planning and advocacy.

Links to Community Plan Outcomes & Strategy

- | | |
|----------------------------------|--|
| Outcome 1
Strategy 1.4 | We can work close to home
Provide access to education and training to improve residents' ability to take advantage of current and future employment opportunities. |
| Outcome 6
Strategy 6.2 | We are healthy and share strong community spirit
Encourage social connections and promote inclusion in our community |

In 2015-16 a subsidy to the Children's Services Co-operative of \$120,000 has been allocated, a decrease of \$45,000 (27%) from 2014-15, for the shortfall in funding that results from providing care to children with additional needs under the Inclusion Support Scheme (ISS). Whilst Federal Funding is provided to support services providing care to children with additional needs, this falls significantly short of the true cost incurred. The subsidy provided by Council as a community obligation/social justice contribution therefore assists the Board in meeting this shortfall.

A subsidy request of \$50,000 (Other Services) - to the Glenmore Park Child and Family Centre has been flagged by the Children's Services Manager in the 2015-16 budget. The Centre became fully operational in 2010-11 and during the establishment phase of operations Council has maintained operational responsibility for the services to build community interest and commitment to the facility and ensure the full potential of the centre can be realised. As it is eventually planned for the Centre to come under the control of the Children's Services Cooperative a review has been undertaken into this operational model. Details of this review, and resulting recommendations, was provided at the Ordinary Meeting of 27 April 2015.

CITY PLACES AND PROJECTS



SERVICE: Design and Projects

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,892.3	\$2,123.7
Annual Capital Expenditure	\$2,960.4	\$8,386.6
Total Expenditure	\$4,852.7	\$10,510.3
Annual Income	(\$3,543.3)	(\$7,341.1)
Net Cost	\$1,309.4	\$3,169.2
Cost per \$100 (based on Total Expenditure)	\$1.90	\$4.10

Service Description

The Design & Projects Service provides the civil, architectural and landscape designs, advice, assessments and project management for sustainable projects for the organisation, which protect and enhance the visual amenity and natural landscape values that contribute to the City's character. Service activities include design and documentation, work inspections, providing advice, project planning, project brief development, site assessment and evaluation, construction management and budget administration.

The Design and Projects service are involved in the process from initiation, through to managing the procurement, providing design and/or design management and project management to completion. This includes:

- Project managing the delivery of master planning, design and construction projects for Council departments in accordance with Councils Delivery Program
- Providing civil design plans & advice to City Works programs
- Providing landscape & architectural designs & advice
- Project managing City Centre Public Domain projects including SRV expenditure in Penrith & St Marys
- Preparation of "Shovel Ready" projects for advocacy or grant funding opportunities where seed funding is available.

To deliver this service there are 13.66 staff.

Links to Community Plan Outcomes & Strategy

Outcome 3	We can get around the City
Strategy 3.2	Provide a safe, efficient road network supported by parking
Outcome 4	We have safe, vibrant places
Strategy 4.1	Improve our public spaces and places
Strategy 4.2	Grow and revitalise our centres and neighbourhoods



SERVICE: Place Management

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,710.6	\$1,842.8
Annual Capital Expenditure	\$221.6	\$290.0
Total Expenditure	\$1,932.2	\$2,132.8
Annual Income	(\$1,607.8)	(\$1,425.4)
Net Cost	\$324.4	\$707.4
Cost per \$100 (based on Total Expenditure)	\$0.80	\$0.80

Service Description

The Place Management service supports better outcomes in key identified places within Penrith City. These places include Penrith City Centre, St Marys Town Centre, Dunheved Business Park, Erskine Business Park and identified disadvantaged communities. Place Management coordinates existing service provision from Council while supporting enhanced coordination of partner organisations. To deliver this service there are 6.71 staff.

Service Levels

- 2 Neighbourhood Action Plans developed each year – based on 30 engagement activities – following 1,000 resident contacts – across 12 disadvantaged communities
- 8 Magnetic Places Projects funded and supported each year
- 2 City Centre Management groups supported each year with 2 Business Plans developed and reported

Links to Community Plan Outcomes & Strategy

Outcome 4 We have safe, vibrant places
Strategy 4.2 Grow and revitalise our centres and neighbourhoods

COMMUNITY WELLBEING



SERVICE: Community and Cultural Development

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$2,124.8	\$2,238.3
Annual Capital Expenditure	\$232.9	\$35.0
Total Expenditure	\$2,357.7	\$2,273.3
Annual Income	(\$618.8)	(\$287.3)
Net Cost	\$1,738.8	\$1,986.0
Cost per \$100 (based on Total Expenditure)	\$0.90	\$0.90

Service Description

The Community and Cultural Development Service identifies the City's priority social issues and needs, and with its government and community partners develops strategies to contribute to community wellbeing. Service activities include developing and implementing programs and initiatives that contribute to inclusion, community strength and cultural vitality. To deliver this service there are 14.88 staff.

Service Levels

- Provide 24 programs and initiatives that improve access to services for people of different ages and from diverse communities, contribute to cultural vitality and enhance community wellbeing
- Coordinate key events such as Seniors Week, NAIDOC Week, Youth Week
- Support Community Service networks in responding to growth, redevelopment and change
- Support the establishment of new residential communities
- Develop and implement creative and cultural projects that contribute to a vibrant City (e.g. public art projects, Queen Street Riches and Textures).

Links to Community Plan Outcomes & Strategy

Outcome 6	We are healthy and share strong community spirit
Strategy 6.1	Provide opportunities for our community to be healthy and active
Strategy 6.2	Encourage social connections and promote inclusion in our community
Strategy 6.3	Support cultural development, activating places and creativity

COMMUNITY FACILITIES



SERVICE: Cemeteries

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$672.6	\$652.2
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$672.6	652.2
Annual Income	(\$530.8)	(\$652.2)
Net Cost	\$141.8	\$ -
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.30

Service Description

The Cemeteries Service is responsible for the management and maintenance of Council controlled cemeteries within Penrith City and the preservation and conservation of heritage elements in Penrith, St Marys, Emu Plains, St Stephen – the Martyr and Castlereagh Cemeteries. The service continues to ensure that a sustainable supply of burial and ashes placement spaces are available for the Penrith community. To deliver this service there are 3.35 staff.

Service Levels

- Managing and maintaining 5 x Council controlled cemeteries (approx. 14 hectares)
- Provision of burial services (lawn, monument and columbarium areas)
- Asset management; sales and marketing; and management of infrastructure and capital projects.

Links to Community Plan Outcomes & Strategy

Outcome 4 We have safe, vibrant places
Strategy 4.1 Improve our public spaces and places



SERVICE: Neighbourhood Facilities

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,608.8	\$1,516.1
Annual Capital Expenditure	\$223.3	\$161.6
Total Expenditure	\$1,832.2	\$1,677.7
Annual Income	(\$894.1)	(\$725.9)
Net Cost	\$938.1	\$951.8
Cost per \$100 (based on Total Expenditure)	\$0.70	\$0.70

Service Description

The Neighbourhood Facilities Management Service is responsible for the overall management and operation of neighbourhood centres, community centres, youth centres, senior centres and halls. The Service supports Council and non-Council activities and events through the provision of facilities that are safe, accessible, and affordable while minimising negative impact on neighbouring residents. To deliver this service there are 7.43 staff.

Service Levels

- Direct management of 29 neighbourhood facilities
- Ongoing support to 4 management committees and 3 community organisations who manage 10 additional neighborhood facilities
- Ongoing support to 142 regular hirers with 10,526 bookings
- Facilitates access for 1,324 private hirers annually
- Manage 5 cleaning contractors
- Conduct 25 Work Health Safety inspections and 761 pre-event inspections annually
- Coordinates 24 infrastructure improvement projects annually
- Ongoing management of 9 licence agreements
- Ongoing management of relationships with user groups, private hirers and local residents

Links to Community Plan Outcomes & Strategy

Outcome 4
Strategy 4.2

We have safe, vibrant places

Grow and revitalise our centres and neighbourhoods

CORPORATE FINANCE AND WORKFORCE



SERVICE: Financial Services

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$7,701.4	\$7,317.5
Annual Capital Expenditure	\$1,604.4	\$3,745.6
Total Expenditure	\$9,305.8	\$11,063.0
Annual Income	(\$101,669.1)	(\$113,993.3)
Net Cost	(\$92,363.3)	(\$102,930.3)
Cost per \$100 (based on Total Expenditure)	\$3.70	\$4.30

Service Description

Financial Services is responsible for the oversight of all Council's financial obligations, management and planning. It provides key financial information and advice to Council's decision makers to assist in maintaining long term financial sustainability. Service activities include financial and taxation accounting, management accounting, preparing the annual budget, funds and cash management; accounts payable, asset accounting, entities and committee accounting, systems accounting; rates and property information billing, sundry debtors and debt recovery; fleet management; purchasing and supply; and inventory management. To deliver this service there are 37.07 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7
Strategy 7.2

We have confidence in our Council

Ensure our finances and assets are sustainable and services are delivered efficiently



SERVICE: Purchasing and Supply

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$684.7	\$730.7
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$684.7	\$730.7
Annual Income	(\$5.5)	(\$6.8)
Net Cost	\$679.2	\$723.9
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.30

The Purchasing and Supply Service provides a wide range of services associated with the supply function which includes ensuring contemporary policies and practices are in place for contract implementation, management of provision of goods and services, purchasing and inventory management and the distribution of products that support the ongoing maintenance and management of Council's assets and provide assistance in accomplishing Council's program. Service activities include tenders and contracts; purchasing disposals; and stores and distribution. To deliver this service there are 6.05 staff.

**Links to Community Plan
Outcomes & Strategy**

Outcome 7
Strategy 7.2

We have confidence in our Council

Ensure our finances and assets are sustainable and services are delivered efficiently



SERVICE: Workforce and Workplace

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$2,724.2	\$2,955.6
Annual Capital Expenditure	\$3.1	\$ -
Total Expenditure	\$2,727.4	\$2,955.6
Annual Income	\$520.6	\$178.5
Net Cost	\$3,248.0	\$3,134.2
Cost per \$100 (based on Total Expenditure)	\$1.10	\$1.20

Service Description

The Workforce and Workplace Service provides Human Resources Management, Learning and Development, Payroll, Industrial Relations, Work Health & Safety (WHS) and Injury Management services to support the organisations strategic objectives and the delivery of Council's strategic plan.

The service provides support for Council's approx. 1,200 staff including payroll, performance management, WHS and training and education support. The service develops and reviews workforce related policies (i.e. sick leave, employee assistance) as well as developing strategies to respond to the changing needs of council. It manages recruitment according EEO principles. In 2013-14 there were 122 positions advertised with an average number of applicants of 54. To deliver this service there are 18 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
 Strategy 7.1 Demonstrate transparency and ethical behaviour
 Strategy 7.2 Ensure our finances and assets are sustainable and services are delivered efficiently



SERVICE: Property Development

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$2,886.4	\$2,688.5
Annual Capital Expenditure	\$2,317.3	\$9,231.3
Total Expenditure	\$5,203.8	\$11,919.8
Annual Income	(\$5,341.4)	(\$12,057.2)
Net Cost	(\$137.7)	(\$137.4)
Cost per \$100 (based on Total Expenditure)	\$2.10	\$4.70

Service Description

The Property Development and Management Service is accountable for purchasing, developing, maintaining, managing and disposal of Council's property portfolio to meet Council's statutory requirements and agreed performance objectives for the property portfolio, and to contribute to the expansion of Council's revenue base. The service manages 65 properties and 167 tenancies each year (inclusive of outdoor licences). To deliver this service there are 6 staff.

Links to Community Plan Outcomes & Strategy

Outcome 1 Strategy 1.1	We can work close to home Diversify the region's economy and attract investment, particularly targeting new and emerging employment sectors
Outcome 4 Strategy 4.2	We have safe, vibrant places Grow and revitalise our centres and neighbourhoods
Outcome 7 Strategy 7.1 Strategy 7.2	We have confidence in our Council Demonstrate transparency and ethical behaviour Ensure our finances and assets are sustainable and services are delivered efficiently

EMERGENCY SERVICES, REGULATION & WASTE



SERVICE: Emergency Services Management

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$4,208.2	\$4,188.1
Annual Capital Expenditure	\$693.0	\$571.0
Total Expenditure	\$4,901.2	\$4,759.1
Annual Income	(\$2,910.0)	(\$2,681.5)
Net Cost	\$1,991.2	\$2,077.6
Cost per \$100 (based on Total Expenditure)	\$1.90	\$1.90

Service Description

Emergency Services Management supports emergency management agencies by assisting with the planning, implementing and review of the responses provided during emergencies in the City; providing administrative support and funding to the NSW Rural Fire Service (RFS) and State Emergency Service (SES); and managing the distribution of funding contribution to the NSW Fire Brigades. To deliver this service there are 1.7 staff.

Service Levels

- Provide ongoing support to 9 rural fire service brigades and a state emergency service unit
- Respond to requests for assistance from the NSW Police during emergency incidents including road closures, provision of staff and equipment; administrative assistance
- Chair the Local Emergency Management Committee which meets regularly to develop plans and share knowledge and learnings from previous events

Links to Community Plan Outcomes & Strategy

Outcome 5 We care for our environment
Strategy 5.3 Minimise risks to our community from natural disasters



SERVICE: Regulatory Control

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$4,394.3	\$5,202.2
Annual Capital Expenditure	\$13.2	\$240.0
Total Expenditure	\$4,407.5	\$5,442.2
Annual Income	(\$2,697.2)	(\$2,754.6)
Net Cost	\$1,710.3	\$2,687.6
Cost per \$100 (based on Total Expenditure)	\$1.70	\$2.10

The Regulatory Control Service regulates companion animals and stock, on-street and Council parking areas and enforcement of regulatory compliance issues, through patrols, education and enforcement. To deliver this service there are 32.95 staff.

Service Levels

- Regulation of controlled parking areas, school zones, on-street and designated areas (Parking Officers patrol 41 car parks in Penrith and St Marys)
- Around 871 property amenity investigations (i.e. over grown grass), 788 illegal advertising trailers, 1,689 illegal dumping (residential), 1,662 abandoned vehicles and 2,824 heavy vehicle patrol each
- Police liaison; infringement management; local emergency response
- Impounding and collection service and facility for companion animals and stock registration and micro chipping; dog attack and complaint investigations (around 71 dog attack incidents reported each year)
- the Regional Illegal Dumping (RID) Squad management (around 733 illegal dumping(rural) investigations each year)
- Register over 2,500 companion animals per annum
- Deliver education programs

Links to Community Plan Outcomes & Strategy

Outcome 4 We have safe, vibrant places
Strategy 4.1 Improve public spaces and places

Outcome 5 We care about our environment
Strategy 5.1 Protect and improve our natural areas, the Nepean River and other waterways

A contribution to the RID Squad of \$58,430 is allocated in the 2015-16 budget.



SERVICE: Waste Management

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$23,340.4	\$25,334.7
Annual Capital Expenditure	\$266.1	\$278.4
Total Expenditure	\$23,606.5	\$25,613.1
Annual Income	(\$22,081.7)	(\$24,047.8)
Net Cost	\$1,524.8	\$1,565.3
Cost per \$100 (based on Total Expenditure)	\$9.30	\$10.10

Service Description

Management of waste and resource recovery services contributes significantly to the community. In addition to the provision of bin collection services, activities include bulky waste collection from households, drop off days for electronic waste and hazardous household materials, additional services at Christmas, effluent pump-out services for households not connected to sewer, collection of street litter bins and servicing of bins from Council owned community facilities. Education services to support resource recovery include in-field staff to assist residents in sorting their waste, provision of education in preschools and schools, displays and information provided at community events and activities provided for community groups. With increasing density of housing, waste planning advice and direction is provided to ensure future developments have appropriate designated space for waste management and resource recovery services.

Waste Management provide strategic research and industry benchmarking to provide more sustainable resource management throughout the City and complementing the region. To deliver this service there are 5.75 staff.

Service Levels

- Provide 69,192 waste and resource recovery services each week, including all ancillary support to collection services
- Provide 7.046 million collections each year (bin lifts)
- Provide 900 domestic bulky waste collections per week
- Provide effluent pump-outs for 33 households that are not connected to sewer
- Provide 2 electronic waste drop off days per annum with 2,100 vehicles attending each and collecting over 90 tonnes of electronic waste for resource recovery
- In conjunction with the NSW Environmental Protection Authority, provide one hazardous household waste drop off day per annum collecting 59 tonnes of material from 1,263 vehicles.
- Conduct targeted education door to door by a team of in-field staff to assist residents to correctly sort their waste to improve resource recovery and education in classrooms for schools and preschools
- Engage with residents about their bin services and other resource recovery initiatives at community events and for community groups.
- Investigate feasibility for new resource recovery technology and its application-Energy from Waste. Alternate waste technologies(AWT)
- Review Waste Management planning guidelines in line with increasing development of the region and LGA

Links to Community Plan Outcomes & Strategy

Outcome 5 We care for our environment
Strategy 5.2 Support our communities to live more sustainably and use resources wisely

ENVIRONMENT & HEALTH



SERVICE: Environmental Health

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$3,821.0	\$3,624.3
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$3,821.0	\$3,624.3
Annual Income	(\$1,718.6)	(\$1,402.4)
Net Cost	\$2,102.3	\$2,221.9
Cost per \$100 (based on Total Expenditure)	\$1.50	\$1.40

Service Description

The Environmental Health Service supports the health of the community and contributes to the management, protection and enhancement of the environment through inspections, assessments, and monitoring programs. To deliver this service there are 20.5 staff.

Service Levels

- On-site Sewerage Management Program – approx. 1,400 approvals and 150 audits each year
- Environmental and Public Health development assessment (approx. 700 referrals each year)
- Food Safety Program (approx. 1,000 food premises inspections each year)
- Public health inspections including Cooling Towers, Public Swimming Pools & Spas and Skin Penetration premises (approx. 170 each year)
- Facilitate Public Health and Wellbeing education and promotion initiatives (approx. 15 each year).
- Catchment based water health monitoring sampling, analysis and reporting and annual macro-invertebrate sampling.
- Complaint and incident investigation and follow up (approx. 300 per year)
- Gipps Street site management
- Environmental and Public Health Policy development and implementation (e.g. Asbestos Policy, Water Sensitive Urban Design Policy and Health Strategy.)
- Regular environmental education (e.g. school stormwater education and catchment tours)
- Ongoing biodiversity, catchment and stormwater management including projects, education and advocacy

Links to Community Plan Outcomes & Strategy

Outcome 1 Strategy 1.3	We can work close to home Support agriculture and local food production as a significant contributor to the region's economy
Outcome 5 Strategy 5.1	We care about our environment Protect and improve our natural areas, the Nepean River and other waterways
Outcome 6 Strategy 6.1	We're healthy and share strong community spirit Provide opportunities for our community to be healthy and active

GOVERNANCE & CORPORATE SERVICES



SERVICE: Corporate Governance

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$812.9	\$832.3
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$812.9	\$832.3
Annual Income	\$180.0	\$119.0
Net Cost	\$992.8	\$951.3
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.30

Service Description

The Corporate Governance Service provides the organisation with processes and systems that ensure that the governance standards both internal and from external sources are met and complied with and that those processes and systems are contemporary practice. It oversees the Council's Business Continuity Plan. Service activities include the management of governance codes, registers, policies and reports, ward boundary reviews and conducting staff and councillor training around governance, corporate values and the code of conduct

The service manages Local Government Election every 4 years, with the next election due to take place in 2016. It also provides an interface for the Controlled Entities assisting with policy and standards review, development, compliance and reporting. To deliver this service there are 4.74 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 **We have confidence in our Council**
Strategy 7.1 Demonstrate transparency and ethical behaviour



SERVICE: Council and Corporate Support

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$3,950.1	\$4,051.9
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$3,950.1	\$4,051.9
Annual Income	\$119.2	\$140.5
Net Cost	\$4,069.3	\$4,192.4
Cost per \$100 (based on Total Expenditure)	\$1.60	\$1.60

Service Description

The Council and Corporate Support Service provide administrative support services to fulfil Council's charter within the legislative framework of the Local Government Act (1993). Service activities include Councillor and meeting support; executive support for the Mayor, Councillors and senior management; coordination of corporate diary, protocol, and submissions. To deliver this service there are 13.34 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
Strategy 7.1 Demonstrate transparency and ethical behaviour



SERVICE: Legal Services

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$705.7	\$637.7
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$705.7	637.7
Annual Income	(\$56.1)	(\$530.2)
Net Cost	\$649.6	107.5
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.30

Service Description

Legal Services provide accurate quality legal advice, representation and support to Council in matters of dispute, litigation, mediation, drafting and interpreting of agreements, conveyancing and administration. The service manages legal proceedings (court matters in the Local, District, Supreme and Land and Environment Courts) and reviews before tribunals and investigative bodies (NSW Civil Administrative Tribunal, ICAC and NSW Ombudsman). It drafts and reviews contracts and deeds, and carries out conveyancing when Council leases, purchases or sells land. The service provides advice on all matters relating to Local Government and Administration Law. To deliver this service there are 2.92 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7
Strategy 7.1

We have confidence in our Council

Demonstrate transparency and ethical behaviour



SERVICE: Records Management

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,837.3	\$2,105.5
Annual Capital Expenditure	\$21.8	\$ -
Total Expenditure	\$1,859.1	\$2,105.5
Annual Income	(\$1,954.4)	(\$2,098.6)
Net Cost	(\$95.4)	6.9
Cost per \$100 (based on Total Expenditure)	\$0.70	\$0.80

Service Description

The Records Management Service provides the management, administration, maintenance, control and access for Council's recorded and documented information. All records management activities are carried out in accordance with the State Records Act 1998 and Council's Records Management Policy and Procedures. This includes plan searches; registering incoming mail documents and processing access to information applications. All incoming documents are registered within 24 hours and more than 90% of plan search requests are completed in 21 working days. To deliver this service there are 17 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
Strategy 7.1 Demonstrate transparency and ethical behaviour



SERVICE: Risk Management and Insurance

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,271.4	\$1,457.1
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$1,271.4	\$1,457.1
Annual Income	(\$834.1)	(\$925.3)
Net Cost	\$437.3	531.8
Cost per \$100 (based on Total Expenditure)	\$0.50	\$0.60

Service Description

The Risk Management and Insurance Service provide risk management advice and compliance reporting to develop and sustain a risk management culture. Responsibilities include providing insurance for Council and its Controlled Entities, as well as coordinating training. The services processes around 156 motor vehicle claims and 134 public liability claims each year. To deliver this service there are 2 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
Strategy 7.1 Demonstrate transparency and ethical behaviour



SERVICE: City Partnerships

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$287.8	\$264.5
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$287.8	\$264.5
Annual Income	\$6.4	\$0
Net Cost	\$294.2	264.5
Cost per \$100 (based on Total Expenditure)	\$0.10	\$0.10

Service Description

The City Partnerships Service maintains and develops existing international cultural and economic relationships and responds to emerging opportunities. To deliver this service there are 1.33 staff.

Service Levels

- Provide support to the activities of the Penrith International Friendship Committee (A committee of Council)
- Develop and maintain international relationships that will encourage economic exchange between Penrith City and its international partners
- Establish and maintain partnerships with key local institutions and organisations
- Maintain the existing partnerships with Lachlan Shire Council

Links to Community Plan Outcomes & Strategy

Outcome 1 **We can work close to home**
 Strategy 1.1 Diversify the region's economy and attract investment, particularly targeting new and emerging employment opportunities



SERVICE: Marketing

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$2,023.6	\$1,947.8
Annual Capital Expenditure	\$30.3	\$ -
Total Expenditure	\$2,053.9	\$1,947.8
Annual Income	(\$117.6)	\$61.3
Net Cost	\$1,936.3	2,009.1
Cost per \$100 (based on Total Expenditure)	\$0.80	\$0.80

Service Description

The Marketing Service promotes the Council, its services and achievements to the community and implements a program that promotes and enhances the image of Penrith among target audiences.

The service also provides extensive community events and civic celebration programs that contribute to enhancing the profile of Penrith City. To deliver this service there are 10.64 staff.

Service Levels

- City marketing; destination management; provision of visitor information and events management (on average 77 Council events each year).
- Manage City marketing, destination management, provision of visitor information and events management

Links to Community Plan Outcomes & Strategy

Outcome 1	We can work close to home
Strategy 1.1	Diversify the region's economy and attract investment, particularly targeting new and emerging employment sectors
Outcome 6	We're healthy and share strong community spirit
Strategy 6.2	Encourage social connections and promote inclusion in our community
Outcome 7	We have confidence in our Council
Strategy 7.3	Provide an information service for visitors to the City



SERVICE: Communications

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$774.1	\$702.8
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$774.1	\$702.8
Annual Income	\$0	\$0
Net Cost	\$774.1	\$702.8
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.30

Service Description

The Communications Service manages issues which impact on Council and communicates Council's policy and services by facilitating media relations and liaison. To deliver this service there are 5 staff.

Service Levels

- Produce the Mayoral column (Approx. 50 each year);
- Speech writing (more than 200 each year);
- Produce the staff newsletter Network (6 produced yearly);
- Prepare staff media training; website content; quarterly community newsletter and in-house printing.
- Maintain and update Council's website and social media
- Prepare information for Council's Advocacy program
- Write and distribute media releases and liaise with local and metro media to profile Penrith

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
Strategy 7.3 Provide opportunities for our community to participate in making decisions about the city's future



SERVICE: Customer Service

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,540.7	\$1,557.6
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$1,540.7	1,557.6
Annual Income	(\$87.6)	(\$92.5)
Net Cost	\$1,453.2	1,465.0
Cost per \$100 (based on Total Expenditure)	\$0.60	\$0.60

Service Description

Customer Service provides direct and telephone contact to residents for information on Council and related services and is the single point of enquiry for all Council business. To deliver this service there are 13.28 staff.

Service Levels

- Process approx. 4,700 applications at the customer counter each year
- Process approx. 130,000 calls through Council's switchboard each year

Links to Community Plan Outcomes & Strategy

Outcome 7
Strategy 7.3

We have confidence in our Council

Provide opportunities for our community to participate in making decisions about the city's future



SERVICE: Corporate Planning

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$815.8	\$809.0
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$815.8	809.0
Annual Income	(\$137.1)	(\$271.3)
Net Cost	\$678.7	537.7
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.30

Service Description

The Corporate Planning Service coordinates and manages Council's strategic planning processes in accordance with Integrated Planning and Reporting requirements under the Local Government Act 1993. This includes developing and implementing the Community Strategic Plan, Council's four year Delivery Program, annual Operational Plan, Resource Strategy, and Community Engagement Strategy.

The service coordinates six monthly and quarterly organisational performance reports to track progress against the Delivery Program and Operational Plan. It prepares Council's Annual Report and the End of Term report at the end of each elected Council's term.

The service coordinates strategic research, and undertakes regular community engagement activities and the biennial Customer Satisfaction Survey. It supports staff in delivery of the corporate documents, business planning and organisational development initiatives. To deliver this service there are 2.26 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council

- Strategy 7.1 Demonstrate transparency and ethical behaviour
- Strategy 7.2 Ensure our finances and assets are sustainable and services are delivered efficiently
- Strategy 7.3 Provide opportunities for our community to participate in making decisions about the City's future



SERVICE: Sustainability Planning

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$783.8	\$785.8
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$783.8	\$785.8
Annual Income	(\$383.0)	(\$30.8)
Net Cost	\$400.8	\$755.0
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.30

Service Description

The Sustainability Planning Service develops strategies and coordinates programs that integrate sustainability into the planning, decision making and operational activities of Council, to ensure the continual improvement of Council's operating environment and contribute to the long-term sustainability of the City. Service activities include facilitating, monitoring and reporting on Council's sustainability activities; developing and implementing sustainability projects, studies and investigations; developing sustainability strategies and policies; integrating organisational sustainability through training, systems and reporting; and delivering sustainability education programs in the City's communities. To deliver this service there are 5.33 staff

Links to Community Plan Outcomes & Strategy

Outcome 5	We have safe, vibrant places
Strategy 5.2	Support our communities to live more sustainably and use resources wisely
Strategy 5.3	Minimise risks to our community from natural disasters
Outcome 7	We have confidence in our Council
Strategy 7.2	Ensure our finances and assets are sustainable and services are delivered efficiently



SERVICE: Business Improvement

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$383.1	\$389.1
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$383.1	\$389.1
Annual Income	(\$25.3)	(\$16.7)
Net Cost	\$357.8	372.5
Cost per \$100 (based on Total Expenditure)	\$0.20	\$0.20

Service Description

The Business Improvement service facilitates the continuous improvement of service delivery within Council. The service coordinates the service specification, business planning and process improvements component of the business model that underpins service delivery to the community. To deliver this service there are 2.34 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
Strategy 7.1 Demonstrate transparency and ethical behaviour



SERVICE: Information Technology

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$3,305.1	\$3,468.6
Annual Capital Expenditure	\$1,129.7	\$807.7
Total Expenditure	\$4,434.8	\$4,276.3
Annual Income	(\$4,020.0)	(\$3,392.3)
Net Cost	\$414.7	\$884.0
Cost per \$100 (based on Total Expenditure)	\$1.80	\$1.70

Service Description

The Information Technology Service fulfils Council's information and technology requirements through the provision of advice and support to Council staff, entities and Councillors, as well as the management, protection and maintenance of hardware, software and data. Service activities include office automation; telecommunications services; equipment support and IT security administration. To deliver this service there are 14.08 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7
Strategy 7.1

We have confidence in our Council

Demonstrate transparency and ethical behaviour



SERVICE: GIS Mapping

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$620.9	\$623.5
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$620.9	\$623.5
Annual Income	(\$5.6)	(\$109.3)
Net Cost	\$615.3	\$514.2
Cost per \$100 (based on Total Expenditure)	\$0.20	\$0.20

Service Description

The Mapping Information / GIS Service provides access to accurate and current mapping / geographical information to staff and external customers. This includes maintenance of core data, cartographic map production, management of mapping software and user training and support. To deliver this service there are 4.05 staff.

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
Strategy 7.1 Demonstrate transparency and ethical behaviour

LIBRARIES



SERVICE: Libraries

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$6,570.1	\$6,360.8
Annual Capital Expenditure	\$592.4	\$934.5
Total Expenditure	\$7,162.6	\$7,295.2
Annual Income	(\$822.1)	(\$863.0)
Net Cost	\$6,340.5	6,432.2
Cost per \$100 (based on Total Expenditure)	\$2.80	\$2.90

Service Description

The Library Service provides information, education and recreation facilities, resources and services for residents of Penrith and visitors to Penrith through multiple locations, a Home Library Service, a Community Toy Library and on-line services. This is achieved through a central and 2 branch libraries, a Mobile Library and on-line services; the provision of books and information resources (print, media and on-line) generalised and specialised information enquiries; internet access; promotional activities; and programs and events. Library branches are located at Penrith, St Marys and St Clair. To deliver this service there are 63 staff.

Service Levels

- Total 50,378 members in 2013-14
- 31,827 items through print media in 2013-14
- 317,520 physical items in library collection managed
- 445 programs were run with an attendance number of 11,911 in 2013-14
- 128 fortnightly client home library service visits in 2013-14
- 25 Special needs clients receiving home visits in 2013-14

Links to Community Plan Outcomes & Strategy

- Outcome 1 We can work close to home**
Strategy 1.4 Provide access to education and training to improve residents' ability to take advantage of current and future employment opportunities
- Outcome 6 We're healthy and share strong community spirit**
Strategy 6.1 Provide opportunities for our community to be healthy and active

PARKS & RECREATION



SERVICE: Recreation & Leisure Facilities Management

	\$'000	\$'000
	2014-2015	2015-16
Annual Operating	\$1,753.0	\$1,662.1
Annual Capital Expenditure	\$2,895.0	\$1,431.9
Total Expenditure	\$4,648.0	\$3,093.9
Annual Income	(\$2,726.5)	(\$1,133.6)
Net Cost	\$1,921.5	\$1,960.3
Cost per \$100 (based on Total Expenditure)	\$1.80	\$1.20

Service Description

The Recreation and Leisure Facilities Management Service provides management, development of and support for a range of facilities, programs and services. Key to this service is the development and management of relationships and liaison with facility/venue providers, sports associations/agencies and associated service providers. The service provides a coordinated approach to the planning for and management of sports and active recreation facilities provided in the City. To deliver this service there are 9 staff.

Service Levels

- Manage 132 sporting fields
- Manage 65 netball courts
- Manage 43 tennis courts
- Manage St Clair Leisure Centre
- Manage BMX Track
- Manage Schools Boatshed
- Manage Samuel Marsden Road Riding Facility
- Manage 4 Skate Parks
- Manage 4 outdoor health and fitness gyms and 1 a multi-sports court.
- Manage licences, leases and occupancy agreements governing use of sport and recreation facilities
- Plan and implement the provision of new sportsground and recreation facilities
- Develop and manage funding applications for sport and recreation facilities
- Support the sustainability of local sports clubs and associations
- Manage allocation and use of sports grounds

Links to Community Plan Outcomes & Strategy

Outcome 6 We're healthy and share strong community spirit
Strategy 6.1 Provide opportunities for our community to be healthy and active



SERVICE: Bushland Management

	\$'000	\$'000
	2014-2015	2015-16
Annual Operating	\$276.0	\$250.6
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$276.0	\$260.6
Annual Income	(\$93.3)	(\$70.0)
Net Cost	\$182.7	\$190.6
Cost per \$100 (based on Total Expenditure)	\$0.10	\$0.10

Service Description

The Bushland Management Service formulates and manages policy for the coordination of natural resource projects for Penrith City, including management of natural areas in the City using bushland conservation principles (around 65 hectares rehabilitated); promoting community awareness and ownership of bushland; promoting and facilitating Bushcare and Landcare groups in the City; and coordinating community groups and Council to pursue grant funding opportunities and managing funded projects. To deliver this service there is 1 staff there with 2 staff within the City Parks service who dedicate 100% of their time to bushland management.

Service Levels

- Rehabilitate natural bushland areas (65 hectares rehabilitated)
- Coordinate bushcare groups (8 groups).

Links to Community Plan Outcomes & Strategy

Outcome 5 We care about our environment

Strategy 5.1 Protect and improve our natural areas, the Nepean River and other water ways

It is noted that there are 2 staff within the City Parks service who dedicate 100% of their time to bushland management.



SERVICE: City Parks

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$12,387.4	\$12,715.9
Annual Capital Expenditure	\$14,087.4	1,239.4
Total Expenditure	\$26,474.7	\$13,955.3
Annual Income	(\$14,721.2)	(\$651.5)
Net Cost	\$11,753.5	\$13,303.8
Cost per \$100 (based on Total Expenditure)	\$10.50	\$5.50

Service Description

The City Parks Service coordinates and constructs new assets and maintains all passive open space and all active recreational areas within Penrith City. Service activities include maintaining 233 hectares of community use areas; 274 hectares of natural areas; 340 hectares of sports grounds; 426 hectares of parks and reserves; providing horticultural services and technical advice to other sections of Council; providing contracting services to other organisations for horticultural maintenance activities in Penrith City; administering Council's Tree Preservation Orders; providing relevant horticultural advice to the community; controlling weeds and plants on waterways under Council's control; and preparing grant submissions in consultation with the relevant sporting club, authority or community group. To deliver this service there are 117 staff.

Service Levels

- Maintain 233 hectares of community use areas
- Maintain 274 hectares of natural areas
- Maintain 340 hectares of sports grounds
- Maintain 426 hectares of parks and reserves
- Providing horticultural services and technical advice to other sections of Council
- Service frequencies vary in response to seasonal and climatic conditions. As an example, in summer, sporting fields are mowed on a weekly basis in response to rapid grass growth, whilst in winter they mowed every two to three weeks or as needed. These variations occur across the Community Use, Sportsground and Parks & Reserve asset classes.

Links to Community Plan Outcomes & Strategy

- | | |
|------------------|--|
| Outcome 4 | We have safe, vibrant places |
| Strategy 4.1 | Improve public spaces and places |
| Outcome 6 | We're healthy and share strong community spirit |
| Strategy 6.1 | Provide opportunities for our community to be healthy and active |

PUBLIC SPACES & COMMUNITY SAFETY



SERVICE: Community Safety

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$4353.8	\$4,301.2
Annual Capital Expenditure	\$194.5	\$491.7
Total Expenditure	\$4,548.4	\$4,793.0
Annual Income	(\$736.4)	(\$857.4)
Net Cost	\$3,812.0	\$3935.6
Cost per \$100 (based on Total Expenditure)	\$1.80	\$1.90

Service Description

Community Safety implements the Penrith Community Safety Plan to provide crime prevention strategies for a safer community. This is achieved through social and education programs, infrastructure projects (e.g. lighting projects) and the support and networking of local committees including the Penrith Community Safety Partnership and Nepean Domestic Violence Network. The service works closely with local Police to develop strategies in response to crime and safety concerns in local public spaces. The service also reviews development applications to ensure that Crime prevention design principles are considered for new development across the City. The service also manages and administers security for Council's properties and facilities, including the management of Council's CCTV program. To deliver this service there are 4.2 staff.

Service Levels

- Supports and facilitates two (2) local committees.
- Manages a program of approx. 150 CCTV cameras. These cameras cover both Council buildings and selected public space areas across the City
- Manages security services for approx. 260 Council buildings, including 130 building alarms
- Administers 85 Alcohol Free Public Spaces across the City

Links to Community Plan Outcomes & Strategy

Outcome 4 We have safe, vibrant places
Strategy 4.1 Improve our public spaces and places



SERVICE: Public Domain Maintenance

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$5,710.5	\$6,060.6
Annual Capital Expenditure	\$13.0	\$540.0
Total Expenditure	\$5,723.5	\$6,600.6
Annual Income	(\$1,919.5)	(\$2,215.5)
Net Cost	\$3,804.0	\$4,385.1
Cost per \$100 (based on Total Expenditure)	\$2.30	\$2.60

Service Description

The Public Domain Maintenance Service provides cleansing and maintenance across the City. Service activities include the cleaning of Penrith and St Marys City Centres, cleaning of footpaths in high priority and high usage areas; sweeping of roadway gutters (in both industrial and residential areas), cleaning public car parks, local shopping centre strips, skate parks, public toilets, and the collection and disposal of small litter and dumped bulk rubbish items from across the city. It also coordinates the delivery of Council's Public Domain Lighting Policy and the Public Amenity Replacement Program. To deliver this service there are 45.05 staff.

Service Levels

- Monthly maintenance of 308 pedestrian laneways, weekly/ fortnightly cleaning of 204 bus shelters and daily cleaning of 26 public toilets across the city.
- Sweep 70kms of industrial streets and CBD areas 6 nights per week and approximately 90kms of residential streets and public car parks each week day
- Clean Penrith and St Marys CBDs and 11 local shopping strips daily and 7 local shopping centre strips 2-3 times per week.
- Clean Judges Place Carpark daily, 13 public car parks 2-3 times per week and 9 public car parks weekly
- Undertake graffiti removal from Council buildings and assets and from private properties that are accessible from the public space within 3 working days.
- Clean and maintain a number of high-profile precinct areas across the City (e.g. St Mary's Corner, Glenmore Park Child and Family Precinct)

Links to Community Plan Outcomes & Strategy

Outcome 4 We have safe, vibrant places
Strategy 4.1 Improve our public spaces and places

ROADS, FOOTPATHS & BUILDINGS



SERVICE: Building Maintenance and Construction

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$6,040.9	\$5,344.2
Annual Capital Expenditure	\$3,141.5	\$4,808.1
Total Expenditure	\$9,182.4	\$10,152.2
Annual Income	(\$7,047.1)	(\$7,707.7)
Cost per \$100 (based on Total Expenditure)	\$3.60	\$4.00

Service Description

The Building Maintenance and Construction Service provide minor construction works and manage the planned and unplanned maintenance and repair of all building and facilities including controlled entities (except Penrith Whitewater Stadium). The service also provides asset renewal at the Penrith Whitewater Stadium. To deliver this service there are 19.22 staff.

Service Levels

- Manage the planned and unplanned maintenance for 293 Council buildings
- Respond to approximately 2,600 building maintenance requests each year
- Coordinate approximately 9,000 scheduled tasks across buildings annually
- Inspect buildings every 2 years
- Carry out emergency repairs to hazardous road defects within 12 hours of inspection
- Priority intervention for any road, footpath, sign or drainage defect which causes a hazard to motorists or pedestrians
- Respond to hazardous storm damage on road network within 2; 4; 6 or 8 hours (busier roads = faster response)
- Repair non-hazardous potholes within 5; 7; 10 or 15 days (busier roads = faster response)
- Repair non-hazardous footpath and kerb and gutter defects within 14; 30; 60 or 90 days (busier paths = faster response)
- Clean Gross Pollutant Traps within 7 days once volume reduced by more than 20%
- Repair / replace regulatory and warning signs within 28 days
- Repair bus shelters / seating within 30 days

Links to Community Plan Outcomes & Strategy

Outcome 4 We have safe, vibrant places
Strategy 4.1 Improve our public spaces and places



SERVICE: Civil Construction and Maintenance

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$19,694.9	\$21,297.6
Annual Capital Expenditure	\$34,368.6	\$28,593.7
Total Expenditure	\$54,063.5	\$49,891.3
Annual Income	(\$32,987.9)	(\$27,062.3)
Net Cost	\$21,075.6	\$22,828.9
Cost per \$100 (based on Total Expenditure)	\$21.40	\$19.60

Service Description

The Civil Construction and Maintenance Service looks after Council's civil assets including roads, car parks, path paving and stormwater drainage. The service carries out inspections and maintenance to Council's civic assets in the road reserves to ensure a safe and serviceable facility for the community; and inspects and maintains Council's stormwater drainage systems which includes stormwater pits, pipelines, gross pollutant traps (GPTs), rural drainage and open drains (urban, waterways, wetlands, prescribed dams and retention basins) to maintain flows to design capacity. Delivers construction projects such as traffic facilities, kerb and drainage works, path paving, at grade car parks. To deliver this service there are 98.64 staff.

Service Levels

- Maintain 1,062 kms of road networks; 599 kms of pathways, 1,510 kms of kerb and guttering, 162 car parks, 98 bridges and 2 underpasses
- Maintain 616 kms of pipelines, 23,462 drainage pits, 2,021 headwalls, 2 prescribed dams and 111 dry retarding basins to design capacity
- Maximise the design life of 95 Gross Pollutant Traps (GPTs); 89 litter baskets and 2 levy banks
- Maintain 24,000 regulatory and street name signs; and 1,041 pieces of road furniture
- Respond to emergency call-outs within 1 hour
- Carry out permanent repairs to footpaths within 30 days of receiving restoration order from service authority
- Clean Gross Pollutant Traps on average every 3 months, plus additional cleaning as required (e.g. after a major storm event)

Links to Community Plan Outcomes & Strategy

Outcome 3	We can get around the City
Strategy 3.2	Provide a safe, efficient road network supported by parking
Strategy 3.3	Improve the city's footpaths and shared pathway network



SERVICE: Fleet and Plant Maintenance

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$3,159.1	3,068.6
Annual Capital Expenditure	\$828.9	\$1,090.2
Total Expenditure	\$3,988.0	\$4,158.7
Annual Income	(\$4,268.1)	(\$3,844.7)
Net Cost	(\$280.1)	\$314.0
Cost per \$100 (based on Total Expenditure)	\$1.60	\$1.60

Service Description

Fleet and Plant Maintenance is responsible for the management of Council's vehicles, plant and equipment through scheduled and unscheduled maintenance and repairs. To deliver this service there are 16.6 staff.

Service Levels

- Maintain 360 items of major plant
- Maintain 600 minor plant items
- Maintain 180 light vehicles
- Maintain 208 items of registered plant
- Maintain 33 items of unregistered plant
- Maintain 63 large items of equipment
- Maintain 16 emergency vehicles
- Undertake unscheduled repairs on all plant and equipment as required
- Dispose of and replace plant and equipment as required

Links to Community Plan Outcomes & Strategy

Outcome 7 We have confidence in our Council
 Strategy 7.2 Ensure our finances and assets are sustainable and services are delivered efficiently

TRAFFIC, PARKING & DRAINAGE



SERVICE: Development Engineering

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,235.1	\$1,272.7
Annual Capital Expenditure	\$ -	\$ -
Total Expenditure	\$1,235.1	\$1,272.7
Annual Income	(\$438.1)	(\$356.1)
Net Cost	\$797.0	\$916.6
Cost per \$100 (based on Total Expenditure)	\$0.50	\$0.50

Service Description

The Development Engineering Service delivers a certification, compliance and advice service for civil engineering works in Penrith City. To deliver this service there are 9 staff.

Service Levels

- Provide engineering advice and input into Policy Development to support the timely delivery of release areas
- Ensure that Development Engineering inputs into the development approvals and planning policy meeting legislative requirements, minimising Council's exposure to risk
- Ensure compliance with Council's adopted engineering standards and specifications and conditions of consent prior to issue of Subdivision Certificates, Occupation Certificates and Construction Certificates
- Review contemporary engineering standards to ensure civil infrastructure meets agreed Council standards and fit for contemporary purpose

Links to Community Plan Outcomes & Strategy

- Outcome 2 We plan for our future growth**
Strategy 2.1 Facilitate development that encourages a range of housing types, employment, recreation and lifestyle opportunities
- Outcome 3 We can get around the City**
Strategy 3.2 Provide a safe, efficient road network supported by parking



SERVICE: Floodplain & Stormwater Management

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$677.7	\$1,104.3
Annual Capital Expenditure	\$16.9	\$17.7
Total Expenditure	\$694.6	\$1,122.0
Annual Income	(\$155.4)	(\$581.0)
Net Cost	\$539.2	\$541.0
Cost per \$100 (based on Total Expenditure)	\$0.30	\$0.40

Service Description

The Floodplain and Stormwater Management Service provides the framework for land use and floodplain management policy within Penrith City. To deliver this service there are 4.4 staff.

Service Levels

- Provide floodplain management advice to relevant policies and development matters, ensuring consistency and compliance with Councils obligations under the floodplain development manual
- Undertake catchment management studies and investigations (around 20 investigations on localised drainage and flooding matters)
- Manage approx. 75 flood reports and flood level enquiries, and approx. 50 general enquiries each year
- Strategy and policy development, and statutory plan development; drainage catchment analysis; major drainage structure designs; catchment site inspections
- Provide advice on specific development applications and for release areas and flood and drainage impact assessments (approx. 50 each year).

Links to Community Plan Outcomes & Strategy

Outcome 5 We care for our environment
Strategy 5.3 Minimise risks to our community from natural disasters



SERVICE: Traffic Management, Parking and Road Safety

	\$'000	\$'000
	2014-15	2015-16
Annual Operating	\$1,241.9	\$1,442.1
Annual Capital Expenditure	\$3,604.5	\$1,644.1
Total Expenditure	\$4,846.4	\$3,086.2
Annual Income	(\$3,604.8)	(\$1,264.7)
Net Cost	\$1,241.6	\$1,821.5
Cost per \$100 (based on Total Expenditure)	\$1.90	\$1.20

Service Description

The Traffic Management, Parking and Road Safety Service provides advocacy for transport and facilities, technical advice, traffic impact assessments, road safety programs, traffic facility/footpath bicycle facility and bus shelter construction programs, and administers the functions of the Local Traffic Committee, on all public roads (except classified main roads) in Penrith City. To deliver this service there are 8.6 staff.

Service Levels

- Advocate for improved transport services and facilities
- Provide written responses to Members of Parliament, Councillors, residents on traffic, parking and road safety matters;
- Coordinate funding and management of road black spots, the 40km/h High Pedestrian Activity (HPAA) Scheme and road safety projects;
- Provide transport and traffic items to be considered by the Local Traffic Committee

Links to Community Plan Outcomes & Strategy

Outcome 3	We can get around the City
Strategy 3.1	Secure an effective public transport network
Strategy 3.2	Provide a safe, efficient road network supported by parking
Strategy 3.3	Improve the City's footpaths and shared pathway network
Strategy 3.4	Improve critical cross regional transport connections
Strategy 3.5	Secure an efficient, integrated and sustainable freight network

CONTROLLED ENTITIES

Council operates a number of controlled entities – Ripples Leisure Centre (Penrith and St Marys swimming centres), Penrith White Water Stadium (PWS) and Penrith Performing & Visual Arts (PPVA) (Joan Sutherland Performance Arts Centre, Lewers and Penrith Regional Gallery). Each entity reports their results to Council on an annual basis.

Included in the 2015-16 budget are the following subsidies/contributions:

- Penrith Aquatic and Leisure Limited – total of \$980,000 (2014-15 – \$980,000)
- Penrith Performing and Visual Arts Ltd - total of \$1.585m (2014-15 - \$1.547m)
- Penrith Whitewater Stadium – Nil



CONTROLLED ENTITIES

	Operational Expenditure	Capital Expenditure	Income	Net Cost
	\$'000	\$'000	\$'000	\$'000
Penrith Performing & Visual Arts	3,403.0		(1,817.6)	1,585.4
Ripples – St Marys & Penrith	5,083.0		(4,103.0)	980.0
Penrith Whitewater Stadium	1,382.0		(1,416.7)	(33.8)



PART C INTRODUCTION TO INFRASTRUCTURE AND ASSET MANAGEMENT AT COUNCIL

INTRODUCTION

Council has a significant asset portfolio, primarily consisting of roads, paths, bridges, community buildings, drainage, land, fleet, parks and sportsgrounds. Smaller asset categories include books, IT equipment and office furniture. This asset portfolio has grown from a replacement value of \$1,516,723,668 in 2009 to \$2,205,126,000 in 2015. This growth comes with growth in the City, particularly new release areas, which add particularly to the roads, pathways, drainage and open space assets. Council's assets are a critical part of what we do; we cannot deliver services to our community without them. Some of Council's assets provide a service in themselves, as is the case with roads, footpaths, drains and parks; others, like our fleet, are used to help provide a service. Different categories present different challenges in terms of maintenance, risks and life cycle management. All assets, however, are managed according to Council's overarching asset management policy.

Council is responsible for managing its assets to deliver the level of service required by our community in a cost effective manner for present and future residents and customers. The key elements of our asset management policy are:

To ensure adequate provision is made for the long-term replacement of major assets by:

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents and visitors
- Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets
- Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an asset management awareness throughout the organisation by training and development
- Meeting legislative requirements for asset management
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice

We are committed to monitoring how much our assets are used and what they are used for, to ensure we are buying the right assets and using them in the right way to get value for money

WHY IS ASSET MANAGEMENT IMPORTANT?

Asset management covers maintenance, renewal, expansion and upgrade of assets, and must take into account the estimated lifespan of an asset, the level of service it is expected to provide and any costs associated with disposal.

Maintenance

Expenditure on an asset which allows it to continue to be used, but does not increase its service potential or life.



Renewal

Expenditure on an asset which increases the service potential or extends the life of the asset.



Expansion

Providing an asset to an area not currently serviced, but at the same level of service as is provided elsewhere in the community.



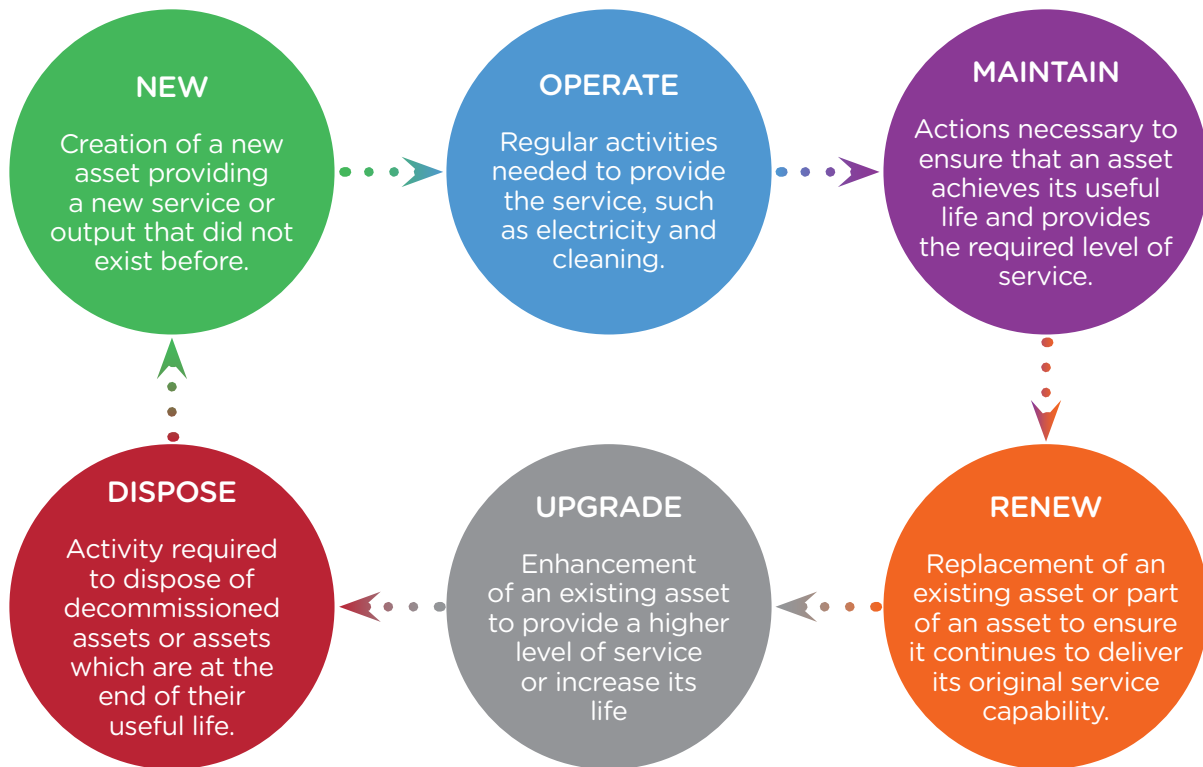
Upgrade

Expenditure on an asset to improve its level of service or extend its life.



THE ASSET MANAGEMENT LIFECYCLE

All assets from a BBQ to an aquatic centre move through the same lifecycle.



Levels of Service and Quality

Community Levels of Service measure how the community receives the service in terms of:

- Quality – How good is the service?
- Function – Does it meet the user's needs?
- Capacity/Utilisation – Is the service over or under used?

Council uses the levels of service as a performance measurement to establish required future works, maintenance schedules and delivery programs for short and long term planning.

Example

As an example, consider the lifecycle of a BBQ in a local park.

NEW: A new BBQ is installed at the local park. The BBQ is well used three afternoons a week and both days over the weekend.

OPERATE: Council cleans the BBQ five mornings a week and supplies electricity to the BBQs for cooking.

MAINTAIN: Council replaces the electric starter once a year.

RENEW: After five years Council replaces the hot plates, the casing to the operational parts and replaces the signage for instructions.

UPGRADE: After nine years Council replaces the brickwork and hotplates with stainless steel.

DISPOSAL: After fifteen years the BBQ is at the end of its life. A decision must be made to replace the BBQ or remove it and no longer provide that service.

Asset condition

Assessing the condition of assets is fundamental to:

- Identify assets where maintenance is needed to meet service levels
- Provide information on the rate an asset is deteriorating
- Estimate the cost of restoring an asset to provide a reasonable level of service
- Plan for future maintenance, renewal and disposal of assets
- Provide key information for risk management

Council identifies the condition of various assets using a rating system of 1 to 5 for all our assets. An example of the different condition ratings for buildings appears below.

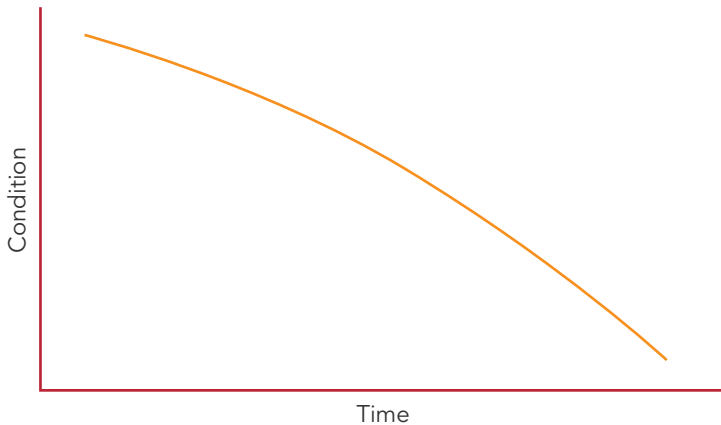
Building Assets – Community buildings and neighbourhood halls

<p>1 Very Good</p>		<p>New or near new condition. The asset has sound structure, no evidence of deterioration or discolouration, all components are operable and well maintained, all fittings are operational and well secured.</p>
<p>2 Good</p>		<p>Close to new or reasonably good condition. The asset has functionally sound structure, minor wear and tear and minor deterioration of surfaces, all components are operable, all fittings are operational and functional.</p>
<p>3 Fair</p>		<p>Satisfactory or moderate condition. The asset has adequate structure, some evidence of foundation movement and minor cracking, internal and external fabric affected by minor cracking, staining or damage. Wet areas have indications of breaches of waterproofing such as dampness or mildew. Fittings are generally operational with occasional minor breakage.</p>
<p>4 Poor</p>		<p>Unsatisfactory or bad condition. Asset structure functioning but with problems due to foundation movement. Significant cracking present, and appearance affected by cracking, staining dampness, leakage or breakages. Failure of electrical and mechanical components. Fitting of poor quality and appearance, often inoperable or damaged.</p>
<p>5 Very Poor</p>		<p>Very Unsatisfactory condition. The asset structure has serious problems and concern is held for integrity of structure. Internal and external fabric badly damaged, marked and in need of replacement. Fittings are inoperable or damaged. Assets in condition 5 are considered to pose a high risk to the community and should not be available for use.</p>

DETERIORATION

An asset's condition becomes worse with age. Different types of assets deteriorate at different rates depending on how well they were constructed, their environment, usage rates and many other factors.

Typical Asset Deterioration Profile



Like many councils, Penrith faces a challenge to manage its assets to meet the needs of the community now and into the future.

Council's assets range from quite old and in the later stages of their lifecycle to brand new – often located in the newer suburbs. All of our assets need maintaining, and as assets age maintenance costs increase. Council has limited funds for asset maintenance and while we must fund the higher maintenance costs of older assets to ensure they can continue to be used we must also carry out regular maintenance of newer assets to ensure they reach their intended useful life. Older assets may also need renewing or upgrading – additional expenditure beyond maintenance to bring them up to an expected standard. Examples would include widening a footpath, installing a ramp to make a building accessible or replacing lighting. It is more efficient to do these works when more general maintenance is also occurring, however this may reduce the resources available to undertake other work on newer assets.

WHAT IS FUNDING SHORTFALL?

A funding shortfall is the difference between the funding currently available for asset maintenance and the funding needed for asset maintenance, based on the optimum maintenance schedule to ensure assets can deliver an agreed level of service throughout their lifecycle. A funding shortfall will result in:

- Lower levels of service
- Lower reliability of service
- Poor asset condition
- Higher level of risk
- Increased maintenance costs for critical assets
- Reduced asset lifespan leading to earlier than planned replacement or discontinuation of a service.

Clearly it is important to resolve shortfalls wherever possible. In addition to (or together with) identifying ways to fund required maintenance, there are a number of other things council can do to minimise the impact of funding shortfalls.

- Improve asset knowledge/data to be sure that maintenance funding is properly allocated
- Improve efficiency of asset use to optimise lifecycle costs
- Identify risks and develop alternative ways to manage them
- Balance service levels and costs
- Identify surplus assets and dispose of them, to avoid funding maintenance on assets which are not needed
- Consult with the community to set affordable levels of service.

WHEN IS A SHORTFALL CONSIDERED BACKLOG?

Backlog is the unfunded cost of bringing an asset back to a satisfactory condition.

For example, a medium sized kitchen in a canteen would be expected to last 20 years under normal use if it is properly maintained. Renewing that kitchen after 20 years is expected to cost \$25,000. If council has not allocated funds to renew that kitchen in the 21st year and its condition is poor it is considered backlog.

If however, the kitchen is still in reasonable condition and those using it agree that it does not need replacing that year, it is not considered backlog. Similarly, if funds have been allocated to renew the kitchen it is also not considered backlog. Inspecting assets to determine their condition and talking to the community about their expected levels of service is therefore an important part of assessing whether a funding shortfall has created a backlog.

PRESENT VALUE VERSUS FUTURE VALUE?

It is important to note that asset management projects are carried out in present value or today's dollars with no indexing for future inflation, material or labour increases. Council's Long Term Financial Plan uses future values which include assumed increases in the cost of services.

MAPPING

Maps showing condition of assets and service frequency will be provided to panel members at a later date. Asset condition is provided for roads, pathways, bus shelters and community buildings. Frequency is provided for street cleaning in the Penrith City Centre and St Marys Town Centre.



PART D

EXISTING COUNCIL INFRASTRUCTURE AND ASSETS

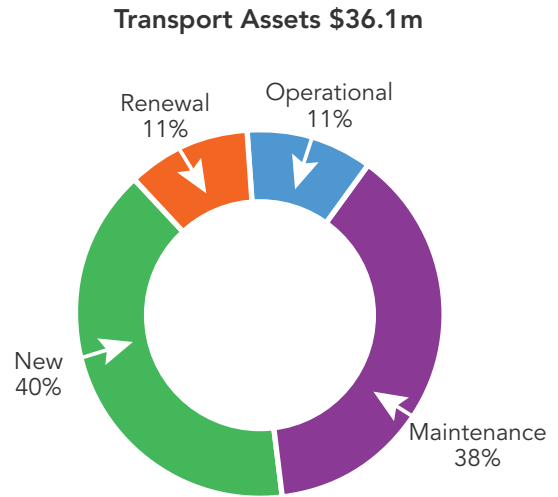
TRANSPORT ASSETS

Council provides a road network in partnership with other roads authorities (such as the Roads and Maritime Services) and neighbouring councils. Council’s transportation assets are valued at \$1.03 billion and include:

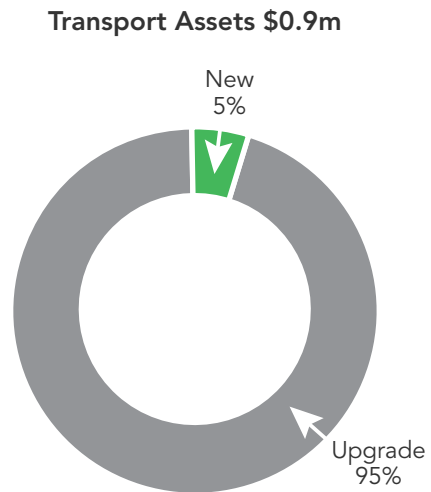
Asset Category	Dimension
Sealed road pavement	1,062 km
Unsealed road	14 km
Kerb and gutter	1,510 km
Paved pathways and cycleways	599 km
Bridges	98
Carparks	162
Road Furniture	1,041
Traffic facilities	Data currently not available
Bus Shelters	204
Regulatory Signs	24,000

Confidence in data: High

Lifecycle Expenditure Current Year



Annual Shortfall



Appendix A provides photos of the various conditions for transport assets. The condition of roads, pathways and bus shelters have been mapped. These maps will be available online and in large size for viewing at the Community Panel Meetings.

QUALITY OF TRANSPORT ASSETS

A. Roads

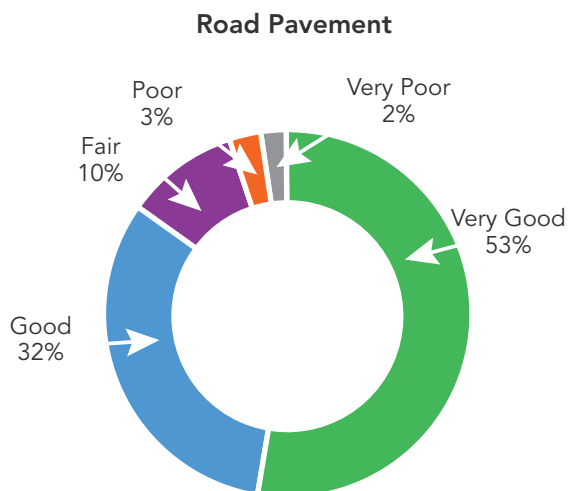
The road asset includes concrete and asphalt road pavement located between the gutter boundaries. The road is built on layers including a sub base, base and surface.

Council has a road hierarchy:

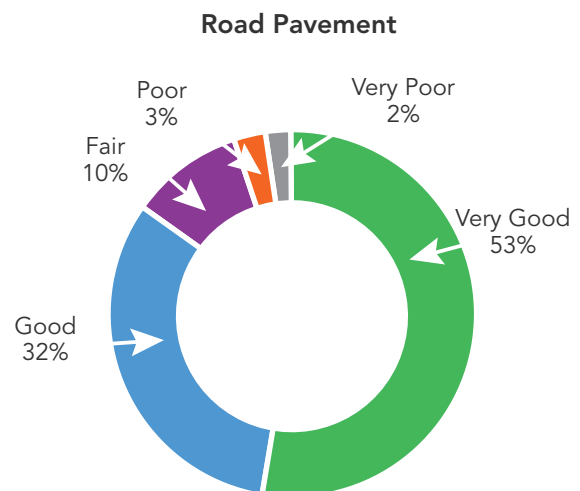
- State roads are the major arterial links throughout the state and within major urban areas. It is the responsibility of the NSW Government's Roads and Maritime Services (formerly the RTA) to fund and maintain state roads.
- Regional roads are routes of secondary importance between State Roads and Local Roads. Local councils are responsible for funding, determining priorities and carrying out works. Council receives assistance from the NSW State Government to assist in the upkeep of regional roads.
- Local roads provide local circulation and access. These roads are the responsibility of local councils. Council receives Federal Assistance and Roads to Recovery Grants to assist in the upkeep of the local roads.

It is noted that forecast conditions in 10 years based on current annual spend on maintenance and renewal (road pavement, footpaths and bridges only) (\$8 million).

Current condition



Forecast condition (current spend \$8 million)



Condition data for road pavement is based on comprehensive inspections carried out in 2014.

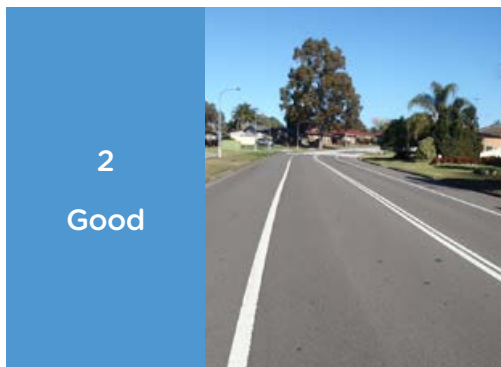
The condition of council's road pavement has been steadily improving over the past 10 years. The current funding allows for maintenance and renewal to occur at the optimal time in the lifecycle of the pavement meaning that pavement maintains a higher condition and significant renewal works are required less frequently. Reduction of this funding would result in a deterioration of the quality of the road pavement.

If road pavement spending was reduced to \$6 million there would be a change in condition rating as follows: 50% (very good), 25% (good), 12% (fair), 8% (poor) and 5% (very poor). It is noted that the 'Roads to Recovery' has a funding condition that Councils cannot reduce their overall funding for roads (based on a 3 year rolling average). This was designed to ensure that Councils did not substitute 'Roads to Recovery' funding with existing Council road funding, ensuring that this would reduce the Council's backlog of Council roadworks.

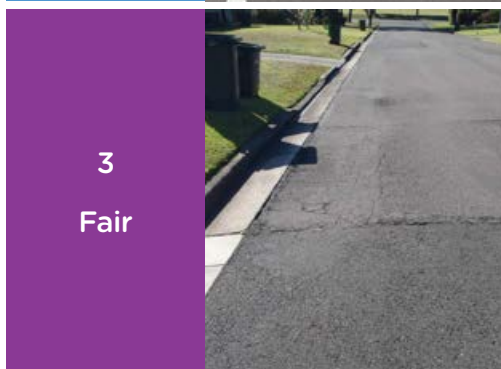
ROAD ASSETS



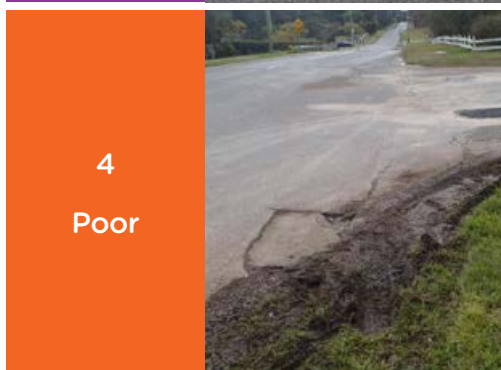
As new construction, with perfect alignment and a sound surface, with no indication of distress



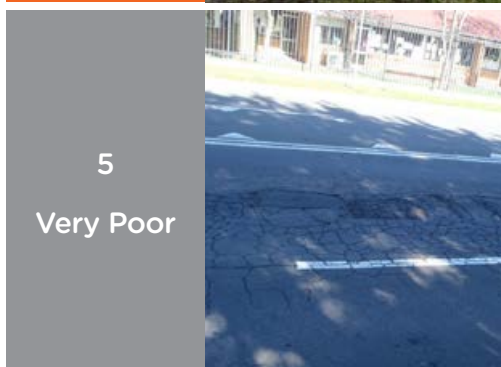
Sound construction with good surface condition and minor distortion, may show limited egging or sporadic localised distress such as fine widely spaced cracking or small stripping/ravelling areas with random patches.



Reasonable construction with some signs of surface distress such as open cracking, ravelling stripping and/or rutting and roughness in medium to large scale.



Surface showing substantial distress, extensive and wide cracking across the majority of the pavement and/or substantial distortion such as medium to high rutting, roughness and potholes, patches in the pavement surface.

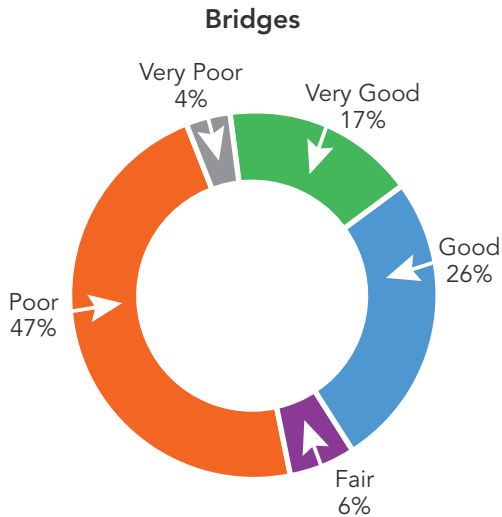


Surface suffering from extensive and substantial distress, extensive failed and wide cracking areas, high roughness, rutting or ravelling, stripping of the pavement. Pavement which has hazardous surface such as potholes, no skid resistance, extensive edge breaks reducing traffic lane width

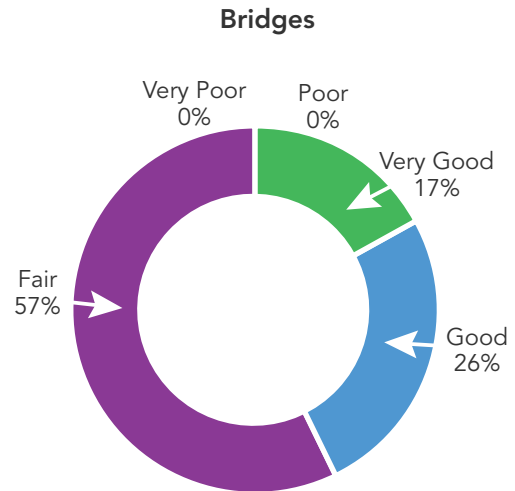
B. Bridges

Council has 98 bridges ranging from 4 lane road bridges to narrow pedestrian bridges over drainage channels. Culverts which act as bridges are also included in this asset class. Condition ratings for bridges are based not just on the pavement or surface of the bridge, but on the structural elements, guard rails, approaches and appearance.

Current condition



Forecast condition



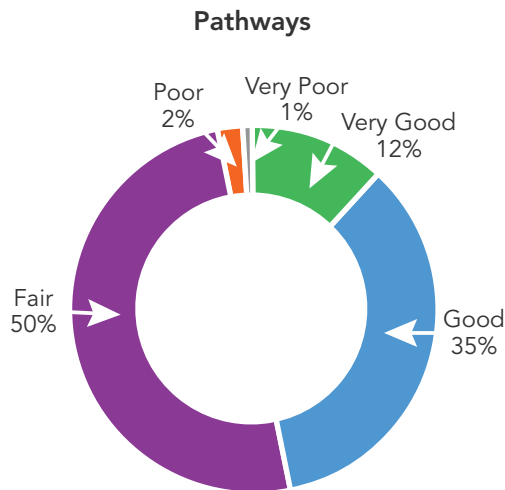
Condition data for bridges is based on comprehensive inspections carried out in 2014.

Forecast condition for bridges improves over time with the current funding allocation. Within 5 years all bridges currently rated as condition 5 ('very poor') and condition 4 ('poor') will have identified works undertaken and all bridge assets will be rated at condition 3 or better.

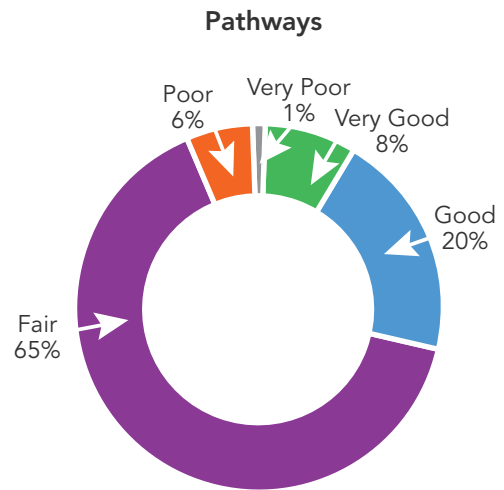
C. Pathways

The footpath includes asphalt, concrete, brick or paver pathways in streets, laneways and through parks and reserves

Current condition



Forecast condition



Condition data for pathways is based on comprehensive inspections carried out in 2014.

Forecast condition for footpaths declines slightly over time with current funding allocation as the asset ages. Within 5 years all paths currently rated as condition 5 ('very poor') will be maintained / renewed and all assets will be rated at condition 4 or better.

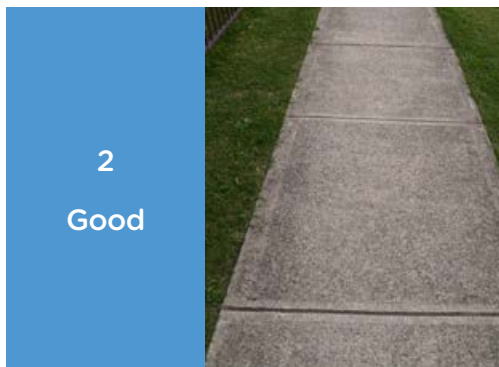
There will always be some paths in very poor condition resulting from unknown persons opening up the paths and not performing or engaging Council to perform permanent restorations to Council specifications. When discovered, an attempt to identify the party responsible is made to recover costs and perform the works otherwise repair works are prioritised and scheduled within available resources.

PATHWAYS



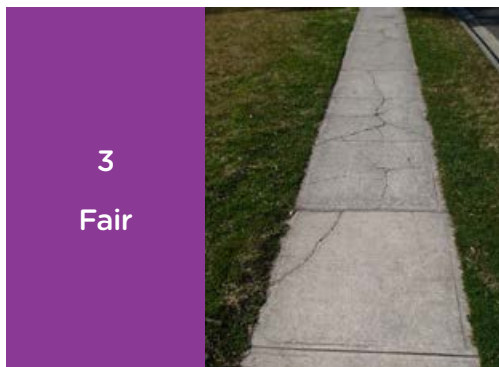
1
Very Good

As new construction, with perfect or near perfect condition, very minor fine cracks, no distress, no risk of public injury.



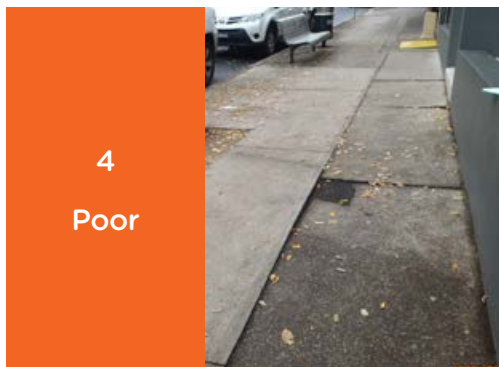
2
Good

No distortion, may show limited aging, sporadic localised distress such as fine (<2mm) widely spaced cracks, low stepping, trip height less than 10mm.



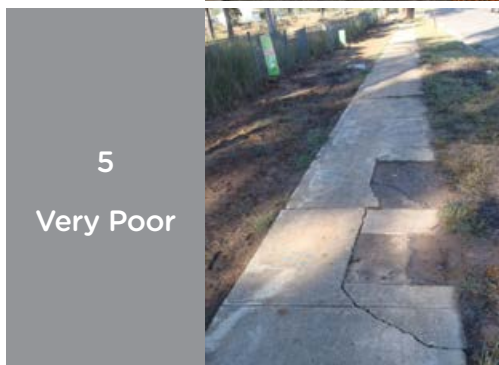
3
Fair

Showing some (less than 25% of area) distress such as fine to moderate cracking (2-5mm), minor distortion, trip height 10-25mm, areas that have been made safe at a number of locations, uneven surface, missing sections or containing restorations.



4
Poor

Showing significant distress, such as extensive and wide open cracking (>5mm) across the majority of the surface and or substantial distortion (trip height 25-50mm) at close intervals, a number of restored and made safe areas, very uneven surface.



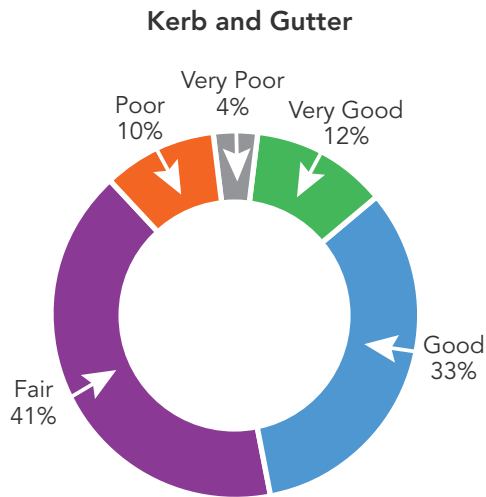
5
Very Poor

Showing substantial distress, such as extensive and wide opened cracks (>5mm) across the majority of the surface and/or also substantial distortion aged footpaths, extreme aging, very uneven surface (disintegration), requires complete replacement.

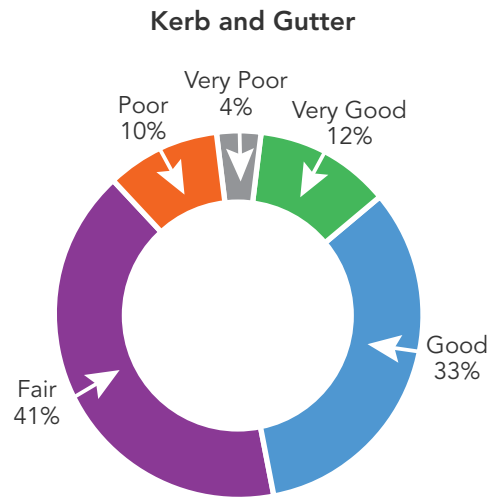
D. Kerb and Gutter

The kerb lies between the gutter and the footpath or verge. It protects the footpath from stormwater. The gutter collects the stormwater and directs it into the pit and pipe network, or to a rain garden. Both the kerb and gutter are generally made of concrete.

Current condition

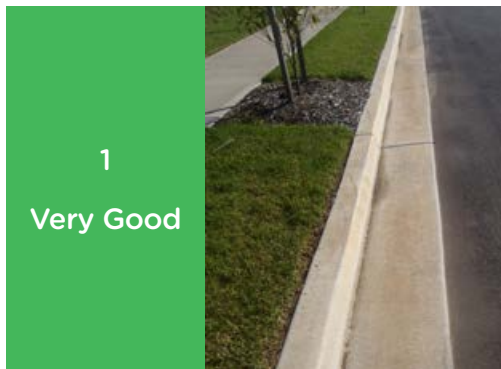


Forecast condition



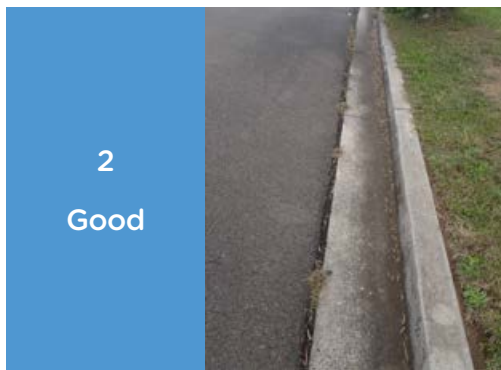
In relation to kerb and gutter, 4% of assets are rated in 'very poor' condition and 10% of assets in 'poor' condition. This relates to kerb and gutter constructed pre 1970 and with a default date of 1970 for construction. Regular inspections are conducted of the entire road network and kerb that meets 'intervention levels' for reconstruction is scheduled for repair utilising available funding allocation, hence not considered having a backlog of kerb and gutter works.

KERB & GUTTER ASSETS



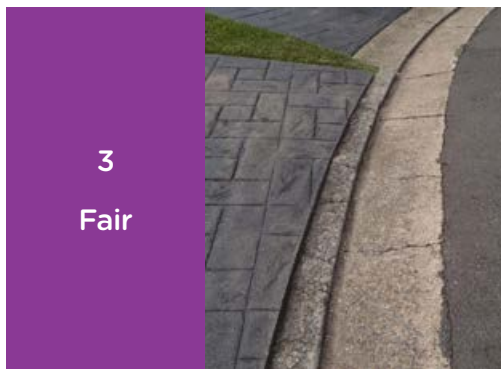
1
Very Good

Near new, none or occasional minor surface cracking, no misalignment (tilting, dropping, rotation), no ponding, no risk of public injury due to surface defects, no need for any intervention.



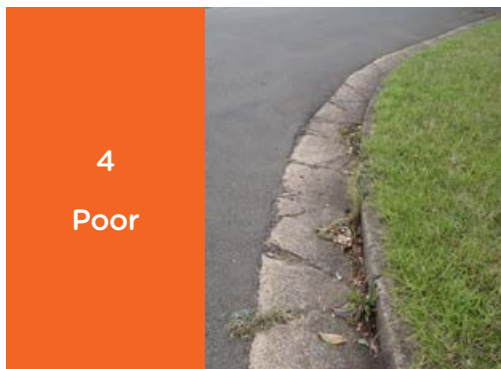
2
Good

Some signs of wear and tear, no immediate intervention required, no risk to public safety, isolated fine to moderate cracking at intervals, isolated misalignment up to 5mm, minor cosmetic chipping only, no impact on performance, minor ponding in gutter only.



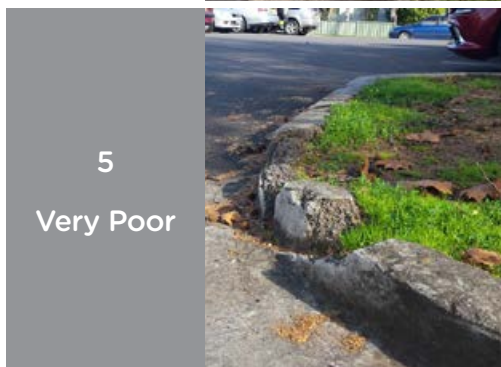
3
Fair

Some isolated defects, some risk to public safety and amenity, block cracking 3-5mm wide for up to 20% of the length, misalignment of 5-15mm for up to 30% diameter, average 5mm apart, more significant ponding in the gutter with no more than 30% affected.



4
Poor

Poor condition, extensive wear and tear, significant risk to public safety and amenity, block cracking 5mm, but typically intact covering 20-50% of the section, misalignment of 15-50mm covering over 50% of the section, water infiltration to pavement, chipping and spalling with some water infiltration evident, ponding encroaching onto pavement and isolated pavement damage.

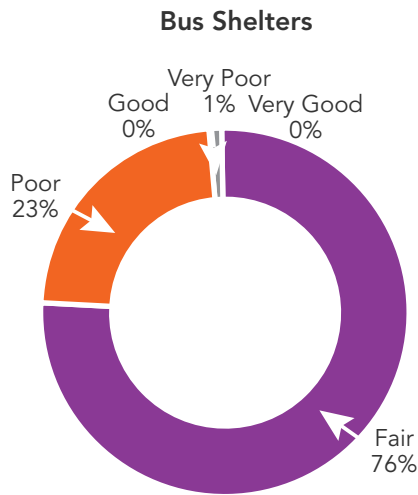


5
Very Poor

Significant defects, high risk to public safety, pavement and amenity, block cracking with displacement and sections missing, water pavement infiltration, misalignment of over 50mm and over 50% of the section affected, major spalling, water ponding significantly encroaching onto pavement, impact to adjoining pavement.

E. Bus Shelters

Current condition



Council provides infrastructure at many of our bus stops across our LGA and undertakes a regular maintenance program. Three-quarters of bus shelters are currently rated in 'fair' condition. Whilst regular representation is made from the community for shelters and seats at all bus stops funding has not allowed provision for this. In the short term the challenge will be upgrading bus shelters to meet disability access requirements, which is estimated to require \$4,500,000 and is currently unfunded. The further challenge is to ensure appropriate services and infrastructure are provided equitably across the City.

BUILDINGS

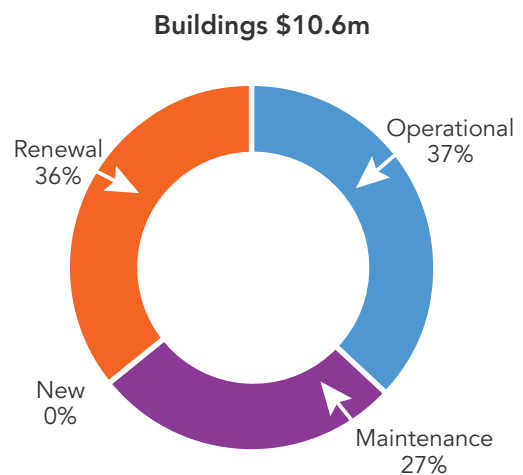
Council’s buildings include community centres, public halls, public amenities and child care centres as well as the main Council offices in Penrith and St Marys, and the Joan Sutherland Performing Arts Centre. The delivery of many of our services relies on our buildings.

Council’s building assets are valued at \$457.6 million and include:

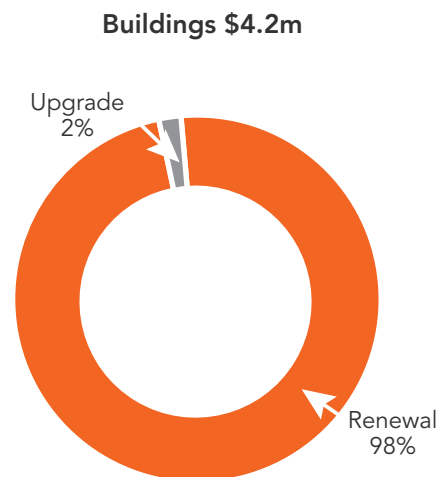
Asset Category	Quantity
Sporting facility	105
Public toilets	28
SES and bush fire sheds	11
Administration and operation (includes Penrith and St Marys library)	25
Community uses	12
Senior citizen centres	2
Childcare	27
Property Development (These are not included in AMP)	32
Halls	12
Neighbourhood Centres	23
Libraries (formerly Emu Plains library)	1
Theatres & Galleries	7
Youth centres	2
Total	293

Confidence in data: High

Lifecycle Expenditure Current Year



Annual Shortfall



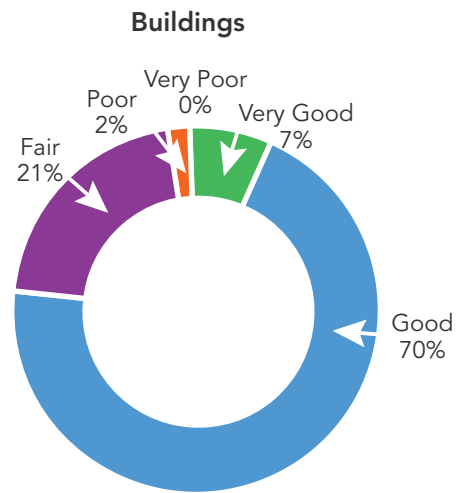
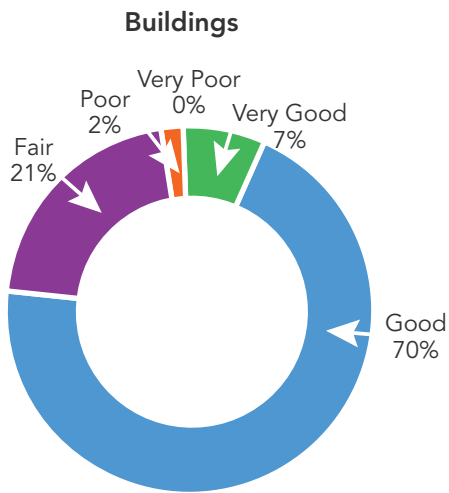
Appendix A provides photos of the various conditions for building assets. The condition of community buildings, public toilets and sporting amenities toilets and childcare buildings have been mapped. These maps will be available online and in large size for viewing at the Community Panel Meetings.

QUALITY OF BUILDING ASSETS

Condition of buildings is based not just on the structure of the building itself, but the condition of the assets within the building – fixtures, fittings; kitchens, toilets and so on. In some cases buildings in currently 'average' condition will increase to 'good' condition with comparatively minor works.

Current condition

Forecast condition



If we continue to fully fund required maintenance the actual condition of the building (in terms of safety, structural integrity etc.) will remain the same as maintenance work is aimed at ensuring the building remains in a fit state for use. Renewal and upgrade funding addresses issues such as compliance (kitchens, accessibility) and modification of the building to change configurations to improve its useability. If renewal and upgrade works continue to be underfunded, the buildings will remain safe but accessibility, design, kitchens etc. will not meet the needs of users. Some compliance issues (for example kitchens needing to comply with new standards for food handling) will also not be addressed. In some cases this may mean the building cannot be used for the intended purpose, even though it is structurally sound.

COMMUNITY BUILDINGS & NEIGHBOURHOOD HALLS



New or near new condition. The asset has sound structure, no evidence of deterioration or discolouration, all components are operable and well maintained, all fittings are operational and well secured.



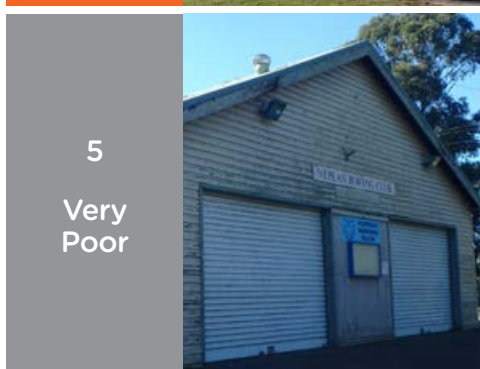
Close to new or reasonably good condition. The asset has functionally sound structure, minor wear and tear and minor deterioration of surfaces, all components are operable, all fittings are operational and functional.



Satisfactory or moderate condition. The asset has adequate structure, some evidence of foundation movement and minor cracking, internal and external fabric affected by minor cracking, staining or damage. Wet areas have indications of breaches of waterproofing such as dampness or mildew. Fittings are generally operational with occasional minor breakage.



Unsatisfactory or bad condition. Asset structure functioning but with problems due to foundation movement. Significant cracking present, and appearance affected by cracking, staining dampness, leakage or breakages. Failure of electrical and mechanical components. Fitting of poor quality and appearance, often inoperable or damaged.



Very Unsatisfactory condition. The asset structure has serious problems and concern is held for integrity of structure. Internal and external fabric badly damaged, marked and in need of replacement. Fittings are inoperable or damaged. Assets in condition 5 are considered to pose a high risk to the community and should not be available for use.

DRAINAGE

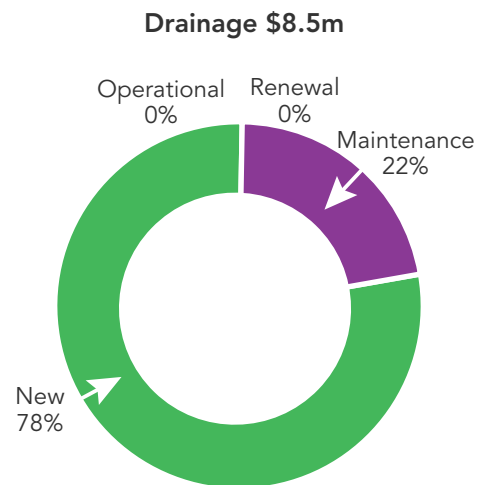
Council’s drainage network includes our stormwater transportation system, which includes pits, pipes, culverts and headwalls. It also includes gross pollutant traps, dry retarding basins and litter baskets.

Council’s drainage assets are valued at \$334.4 million and include:

Asset Category	Length/number
Pipelines	616 km
Drainage pits	23,462
Headwalls	2021
Culverts (box and pipes)	9.6km
Concrete channel	5.0km
Prescribed dams	3
Dry retarding basins	111
Gross pollutant traps	95
Litter baskets	89
Levee banks	2
Total	

Confidence in data: Moderate

Lifecycle Expenditure Current Year



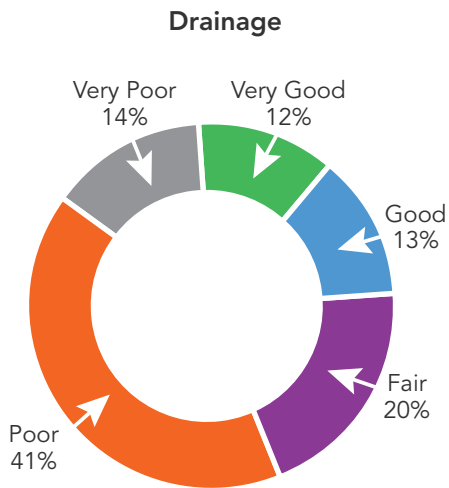
There is no annual shortfall for drainage assets. The 14% of drainage assets rated in ‘poor’ condition relates to drainage infrastructure constructed pre-1969. These assets are still operating and hence not considered to have a ‘backlog’.

Appendix A provides photos of the various conditions for Councils drainage network. The location of Gross Pollutant Traps have been mapped. These maps will be available online and in large size for viewing at the Community Panel Meetings.

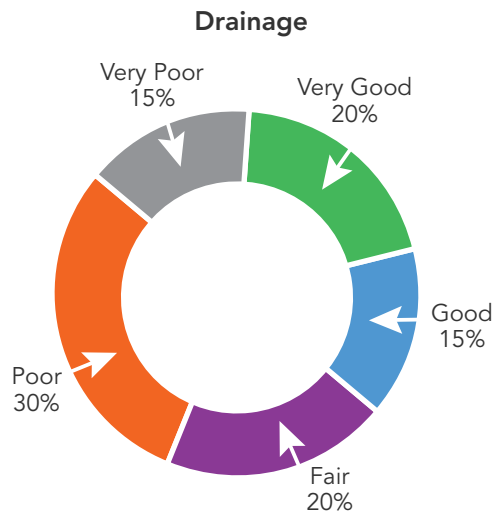
QUALITY OF DRAINAGE ASSETS

Drainage assets generally have a very long lifecycle with only those assets above the ground requiring regular maintenance and renewal. These assets above the ground make up a comparatively small component of the overall drainage network.

Current condition



Forecast condition



The forecast improvement in overall condition of drainage assets takes account of the growth in these assets through new estates. New drainage assets installed by developers must meet all contemporary standards and generally have a very long useful life, meaning that once they are installed they will remain in excellent or very good condition for many years.

FLEET

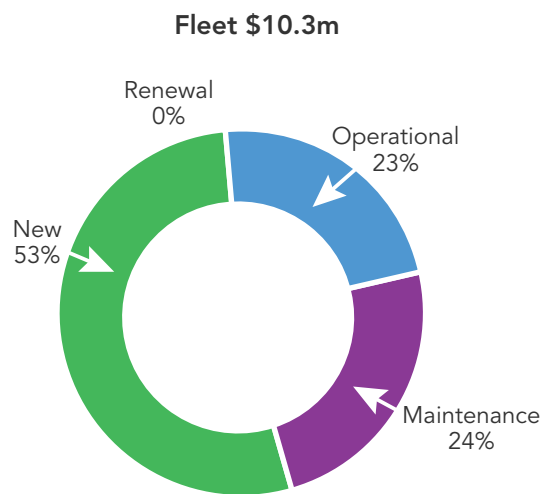
Council’s fleet is a significant part of our overall asset portfolio and plays a key role in the delivery of many of our services. Our fleet and plant supports construction and maintenance of many of our other assets including parks, roads, pathways, buildings and drains. They also assist in the presentation of our City, including street sweeping, graffiti removal and high pressure cleaning. Our light vehicle fleet provides transport for staff to undertake building and development inspections and investigate complaints. Services such as the mobile play van, public domain maintenance and rangers also rely on fleet to operate. Proper maintenance of our plant and fleet is therefore important.

Council’s fleet assets are valued at \$19.1 million and include:

Asset Category	Number
Light vehicles (passenger cars, utilities etc but not trade staff utilities and vans)	220
Registered plant (street sweepers, buses, trucks, tractors and trade staff utilities and vans)	208
Unregistered plant (ride on mowers, small rollers- driven to work sites on other vehicles)	33
Equipment valued at \$2000 and over	63
Emergency vehicles(utes, trucks etc. used by the SES and RFS)	16
TOTAL	500

Confidence in data: High

Lifecycle Expenditure Current Year



Annual Shortfall

There is no annual shortfall for fleet assets, however there is a range of plant currently retained for longer than industry standard. A Plant Optimisation Project is currently in progress to inform future plant purchases.

Fleet and plant must be maintained properly as if maintenance is inadequate running costs significantly increase. Similarly, if fleet and plant items are not renewed as needed maintenance costs will significantly increase. An increase in running and maintenance costs means that either the works program will need to be reduced to reflect the higher cost, or projects which rely on fleet and plant will run over budget.

Plant in poor condition is considered inoperable or unregistrable. No plant is allowed to deteriorate to this point.

PARKS, PLAYGROUNDS AND SPORTS FIELDS

Council's key open space assets include sports grounds, reserves and parks, natural areas and a broad range of open spaces (drainage reserves) used for a variety of community purposes. Park assets include skate parks, fitness equipment, bubblers, signage, fencing, lighting etc. Park paths can be concrete or asphalt. Play equipment includes all equipment located in parks for children's play e.g. swings, slides. The importance of physical activity in maintaining a healthy lifestyle is well understood and important to our community.

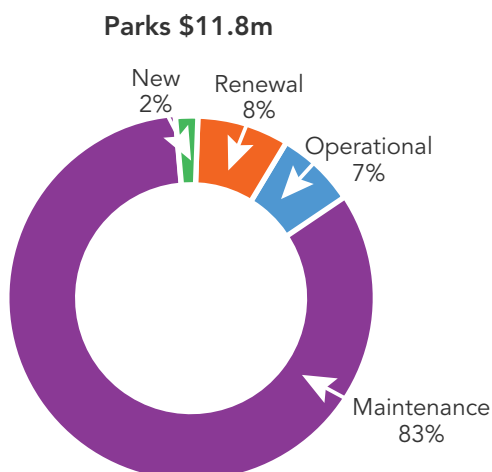
Council's parks, playgrounds and sports fields assets are valued at \$35.3 million and include:

Asset Category	Dimension/Number
Playground equipment	142*
Skate parks	4
Field lighting	365
Park lighting	102
Irrigation	33
Signage	251
Furniture and seating	480
Structures	13
Litter bin and storage units	382
BBQs	7
Fencing/bollards	36.8km
Bubblers and taps	9
Fountains and pumps	7
Sporting field surfaces – grass	132
Netball court surfaces	51 (sealed) 14 (grass)
Tennis court surfaces – plexi pave	10
Tennis court surfaces – synthetic grass	33
Synthetic cricket wickets	36
Synthetic run up surfaces	13
Turf wickets	7
Cricket practice nets	12
Cricket sight screens	14
Throwing cages	13
Backstops and dugouts	17
Goal posts – sets	78
Landscaping and gardens	775,000m ²

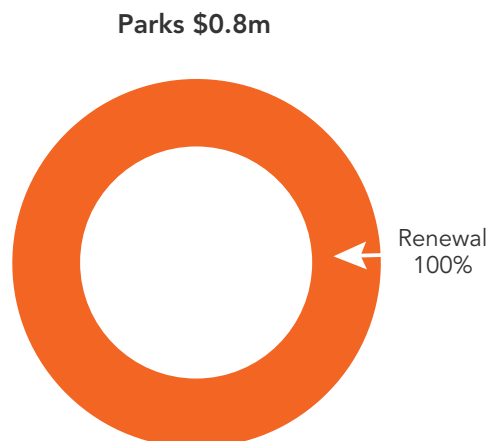
Confidence in data: High

*This includes 9 playgrounds that are available for community use on development sites (e.g. Jordan Springs), but as yet have not been transferred to Council as an asset, but will in the near future.

Lifecycle Expenditure Current Year



Annual Shortfall



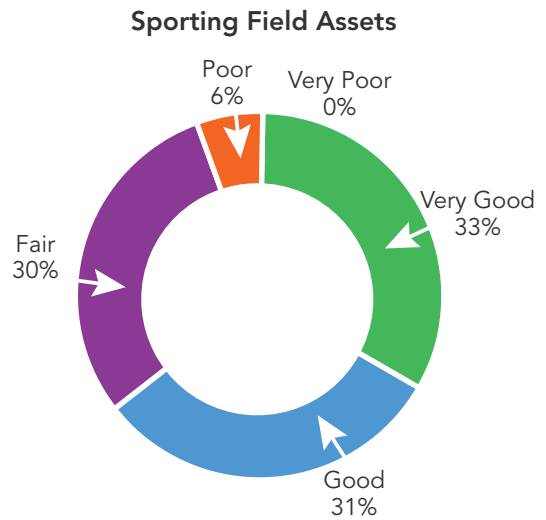
Whilst there is an annual shortfall in asset renewal funding it should be noted that since the introduction of the Parks Asset Renewal Program in 2009 that a significant and ongoing upgrade of parks assets has occurred resulting in the reconstruction of over 30 playing fields, 40 playgrounds and a range of associated infrastructure such as floodlighting, irrigation systems, seating and shelters.

Service frequencies vary in response to seasonal and climatic conditions. As an example, in summer, sporting fields are mowed on a weekly basis in response to rapid grass growth, whilst in winter they mowed every two to three weeks or as needed. These variations occur across the Community Use, Sportsground and Parks & Reserve asset classes.

Appendix A provides photos of the various conditions for parks, playgrounds and sports fields assets. The overall condition of parks, playgrounds and sporting facilities have been mapped. These maps will be available online and in large size for viewing at the Community Panel Meetings.

QUALITY OF SPORTS FIELD ASSETS

Council currently maintains 132 grass sports field surfaces across the City. Council has fully reconstructed over 30 fields in the last 6 years, which when couple with improved maintenance practices and improved management by sporting clubs has resulted in over 60% of our assets being in 'very good' to 'good' condition. The presentation of sports field surfaces and the perception of their condition can vary considerably in response to seasonal conditions (drought and rainfall) and the amount of use a ground gets. Many fields at the end of the winter sporting season look barren and in poor condition, only to be fully grassed a few months later. This type of change reflects seasonal use, rather than asset condition.

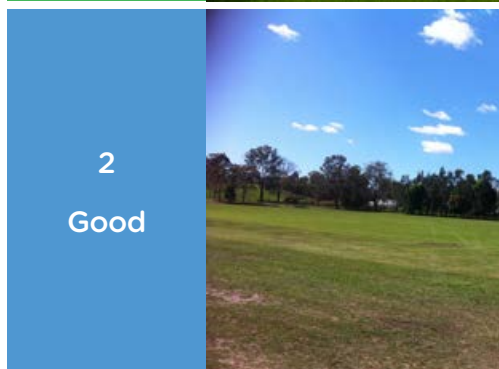


SPORTING FIELD SURFACES



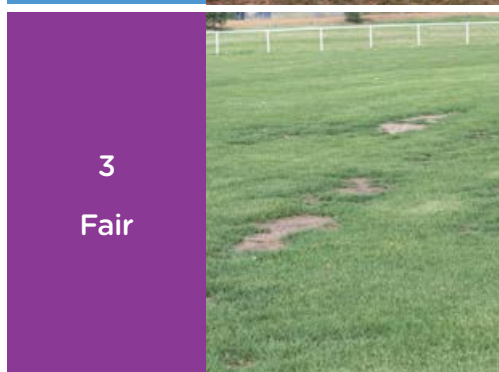
1
Very Good

Well maintained sportsfield meeting standard requirements, no visible signs of wear and usage, appropriate grass species with full sward coverage and evenness; good drainage not limiting usage.



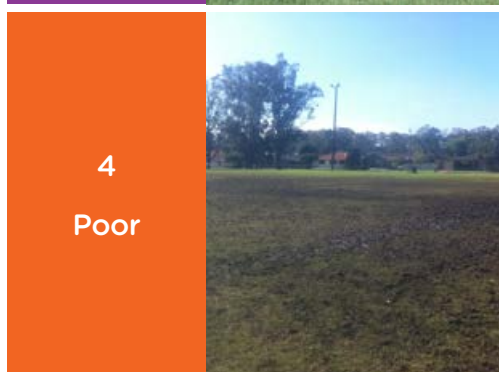
2
Good

Sportsfield showing slight defects and deterioration, field showing some visible signs of physical wear and usage, some drainage problems infrequently effecting use. Appropriate grass species with reasonable sward coverage and evenness. Deterioration has no significant impact on the field's appearance, usability and safety.



3
Fair

Sportsfield generally sound but showing minor defects, fields showing visible signs of wear and usage. Water ponding temporarily but frequently. Sward coverage has some gaps and lack of consistency and grass species mixed or somewhat undesirable. Some deterioration beginning to affect the field's appearance, usability and safety.



4
Poor

Sportsfield has significant defects, with 40% of field showing visible signs of physical treatment, significant signs or usage and poor drainage limiting use for extended periods. Defects causing a marked deterioration in the field's appearance, usability and safety.



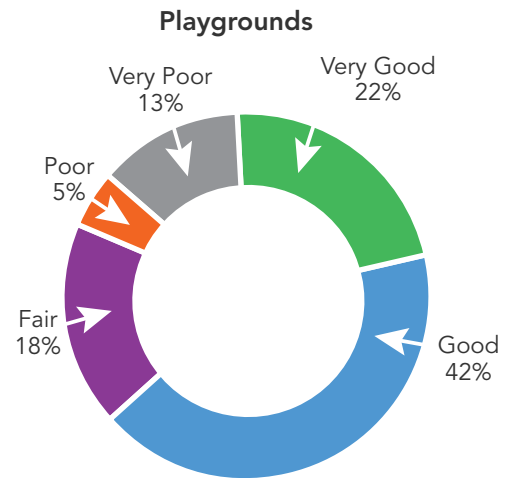
5
Very Poor

Sportsfield has serious defects, with significant signs of wear and usage. Water ponding over surface which precludes use. Defects resulting in unacceptable appearance, usability and safety. Priority renovation/upgrading required.

QUALITY OF PLAYGROUND ASSETS

Council currently has 142 playgrounds at various locations across the City with each playground having a 15 year lifecycle (this may vary with levels of utilisation). On this basis Council should be replacing approximately 9 playgrounds annually at a total cost of \$675,000 (\$75,000 per playground).

The current allocation under the Parks Asset Renewal Program is \$300,000 per year, leaving a renewal shortfall \$375,000. On this basis we will always have assets that are in condition 4 or 5. To address this issue we need to identify opportunities for additional funding or significantly alter the priorities in the Parks Asset Renewal Program. Alternatively it may be considered that this is an appropriate rate of asset renewal.



PLAYGROUNDS



New or near new condition. Playground equipment is as new, fully operational with little to no wear and no maintenance required.



Close to new or reasonably good condition. Playground equipment is fully operational with only minor wear and minimal superficial defects.



Satisfactory or moderate condition. Playground equipment is fully operational, shows minor deterioration or damage, moderate structural deterioration, generally operational and maintained with only minor wear and minimal superficial defects.



Unsatisfactory or bad condition. Playground equipment showing significant wear and tear or damage, serious deterioration of structural condition, inoperable, missing components, damage and superficial defects.



Very unsatisfactory or broken down condition. Playground equipment significantly damaged or missing components, inoperable, failure or imminent failure of structural condition, significant rust, damage and superficial defects.



PART E

NEW INFRASTRUCTURE INVESTMENT

NEW INFRASTRUCTURE INVESTMENT PLANNED BUT UNFUNDED WORKS

Outlined below is an introduction to the types of planned but unfunded new capital works that the Penrith City Council Community Panel will take into consideration when reviewing the costs of quality of service versus investment in new infrastructure.

Council strategies and analysis have identified the five areas below as in need of new infrastructure investment.

These areas have been planned for based on Council's current assessment of priorities. The Penrith City Council Community Panel may identify further priorities, or wish to know more about these or other services, in which case further investigation by Council will be carried out.

Project	Estimated Cost
Parking and Transport Infrastructure	
City Centre multi deck caparks (x3)	\$90,000,000
Local road network upgrades to connect to regional infrastructure and corridors	\$21,000,000
Bus shelter Program	\$456,000
Bus Shelter DDA compliance	\$4,500,000
Community Infrastructure	
Penrith Regional Community Services Facility	\$25,000,000
Sporting and Recreational Facilities	
South Creek Sporting Precinct (includes Stage 1 Ripples St Marys)	\$20,000,000
Rowing Centre of Excellence	\$11,000,000
Synthetic Playing Field	\$1,500,000
Water play facilities	
South Ward	\$500,000
North Ward	\$500,000
East Ward	\$500,000
Ripples redevelopment – Penrith and St Marys (excludes Stage 1 above)	\$19,500,000
Local skate parks (x2)	\$1,000,000
Other Regional City Projects	
River Masterplan	\$90,000,000
City Park	\$13,000,000
TOTAL	\$298,456,000



APPENDIX A

ASSET CONDITION

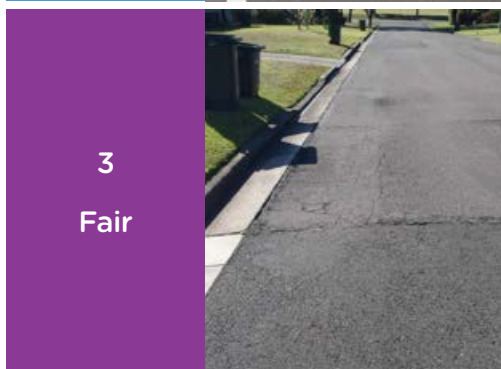
ROAD ASSETS



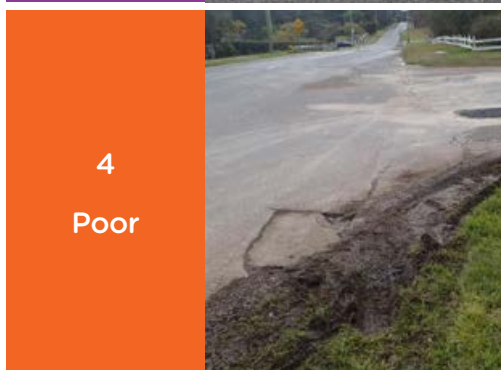
As new construction, with perfect alignment and a sound surface, with no indication of distress



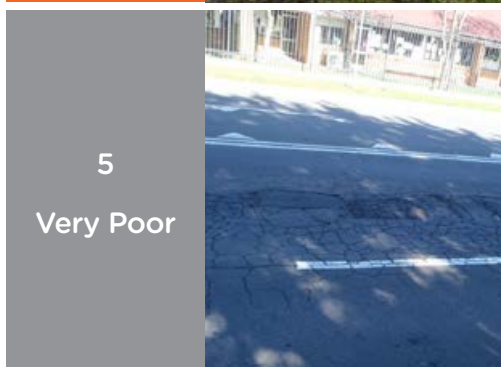
Sound construction with good surface condition and minor distortion, may show limited egging or sporadic localised distress such as fine widely spaced cracking or small stripping/ravelling areas with random patches.



Reasonable construction with some signs of surface distress such as open cracking, ravelling stripping and/or rutting and roughness in medium to large scale.



Surface showing substantial distress, extensive and wide cracking across the majority of the pavement and/or substantial distortion such as medium to high rutting, roughness and potholes, patches in the pavement surface.

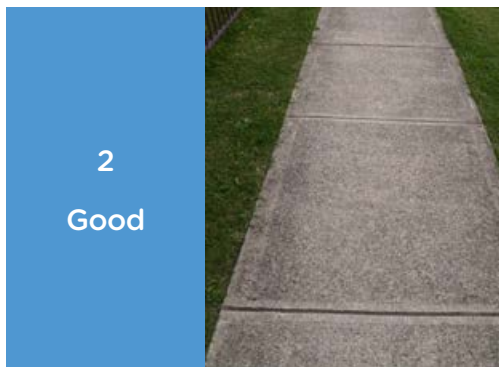


Surface suffering from extensive and substantial distress, extensive failed and wide cracking areas, high roughness, rutting or ravelling, stripping of the pavement. Pavement which has hazardous surface such as potholes, no skid resistance, extensive edge breaks reducing traffic lane width

PATHWAYS



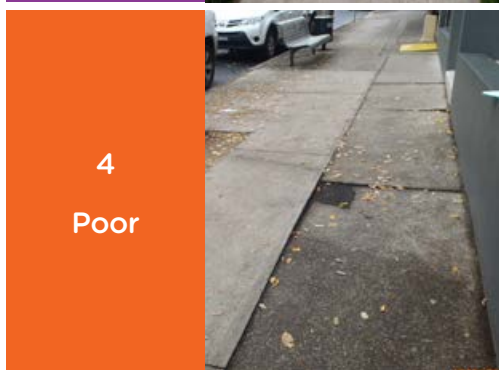
As new construction, with perfect or near perfect condition, very minor fine cracks, no distress, no risk of public injury.



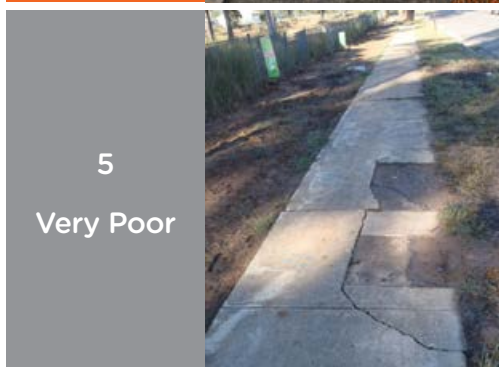
No distortion, may show limited aging, sporadic localised distress such as fine (<2mm) widely spaced cracks, low stepping, trip height less than 10mm.



Showing some (less than 25% of area) distress such as fine to moderate cracking (2-5mm), minor distortion, trip height 10-25mm, areas that have been made safe at a number of locations, uneven surface, missing sections or containing restorations.

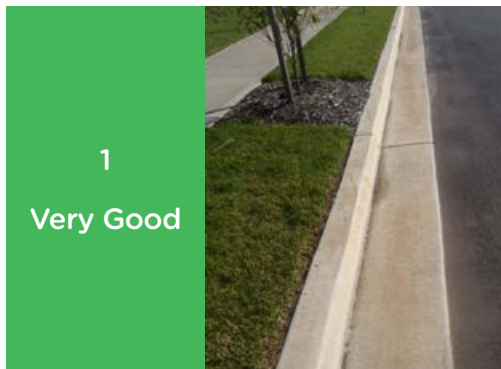


Showing significant distress, such as extensive and wide open cracking (>5mm) across the majority of the surface and or substantial distortion (trip height 25-50mm) at close intervals, a number of restored and made safe areas, very uneven surface.

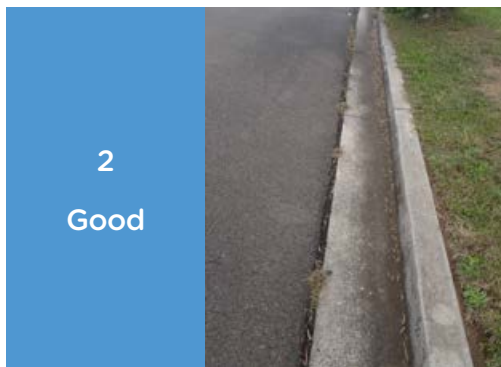


Showing substantial distress, such as extensive and wide opened cracks (>5mm) across the majority of the surface and/or also substantial distortion aged footpaths, extreme aging, very uneven surface (disintegration), requires complete replacement.

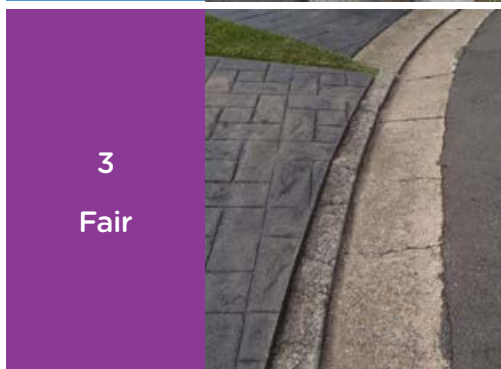
KERB & GUTTER ASSETS



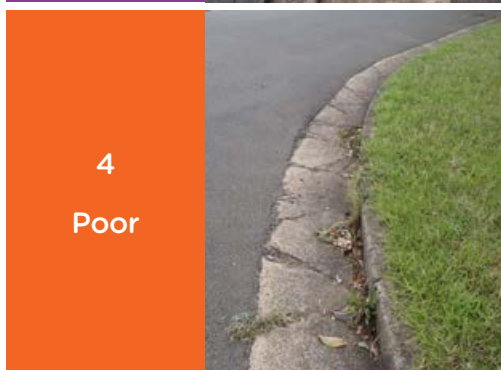
Near new, none or occasional minor surface cracking, no misalignment (tilting, dropping, rotation), no ponding, no risk of public injury due to surface defects, no need for any intervention.



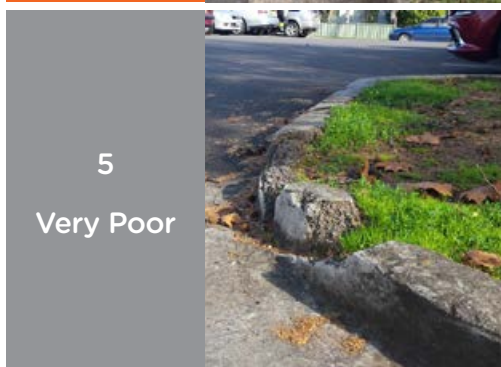
Some signs of wear and tear, no immediate intervention required, no risk to public safety, isolated fine to moderate cracking at intervals, isolated misalignment up to 5mm, minor cosmetic chipping only, no impact on performance, minor ponding in gutter only.



Some isolated defects, some risk to public safety and amenity, block cracking 3-5mm wide for up to 20% of the length, misalignment of 5-15mm for up to 30% diameter, average 5mm apart, more significant ponding in the gutter with no more than 30% affected.

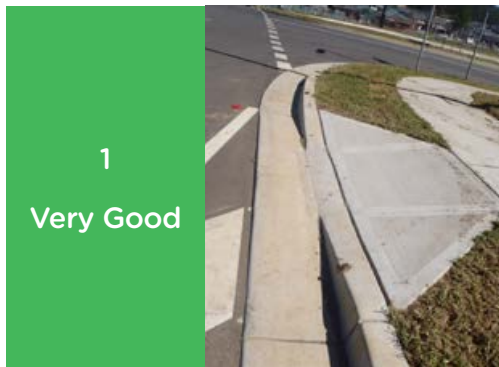


Poor condition, extensive wear and tear, significant risk to public safety and amenity, block cracking 5mm, but typically intact covering 20-50% of the section, misalignment of 15-50mm covering over 50% of the section, water infiltration to pavement, chipping and spalling with some water infiltration evident, ponding encroaching onto pavement and isolated pavement damage.



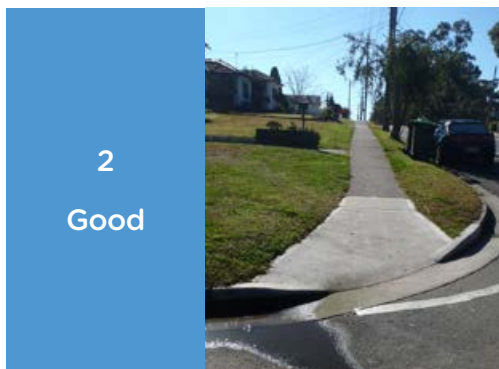
Significant defects, high risk to public safety, pavement and amenity, block cracking with displacement and sections missing, water pavement infiltration, misalignment of over 50mm and over 50% of the section affected, major spalling, water ponding significantly encroaching onto pavement, impact to adjoining pavement.

RAMP AND VEHICLE CROSSING ASSETS



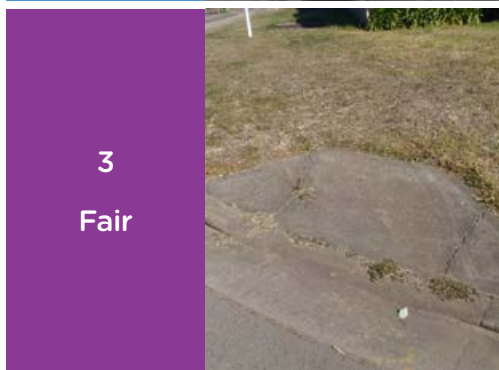
1
Very Good

Near new, perfect or near perfect condition, very minor fine cracks, no trip hazards, no misalignment (along the pathway), no ponding, no risk of public injury due to surface defects. No need for any intervention.



2
Good

No distortion, may show limited aging, sporadic localised distress such as fine, widely spaced cracks (open <2mm), no immediate intervention required, no risk to public safety, ponding is not substantial.



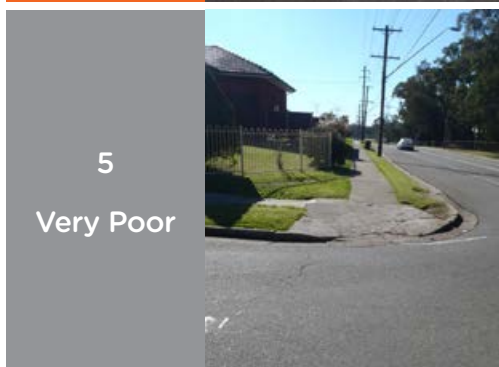
3
Fair

Some isolated defects, some risk to public safety and amenity, showing considerable distress on surface, such as fine to moderate cracking (open 2-5mm), considerable lip height between ramp and gutter (trip height 10-30mm), area made safe and surface considerably even.



4
Poor

Showing significant distress on surface, such as extensive and wide opened cracks (>5mm) across the majority of the surface, lip height between ramp and gutter is significantly high (trip height >30mm), overall it is in poor condition, requiring replacement, significant risk to public safety and amenity.



5
Very Poor

Showing substantial distress, such as extensive and wide opened cracks (>5mm) across the majority of the surface and/or also substantial distortion (trip height >50mm), aged footpaths, very uneven surface (disintegration), requires complete replacement, high risk to public safety and amenity.

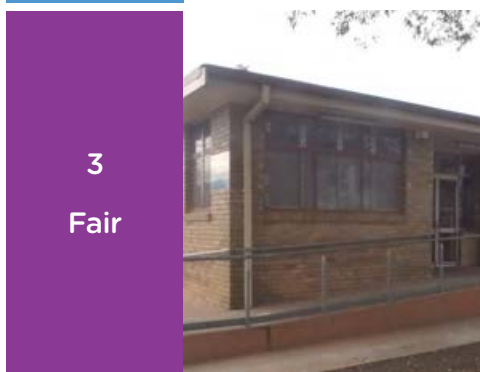
COMMUNITY BUILDINGS & NEIGHBOURHOOD HALLS



New or near new condition. The asset has sound structure, no evidence of deterioration or discolouration, all components are operable and well maintained, all fittings are operational and well secured.



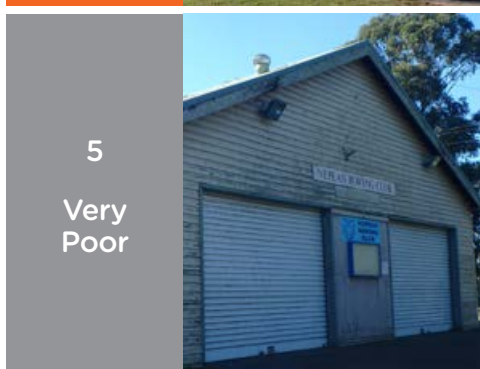
Close to new or reasonably good condition. The asset has functionally sound structure, minor wear and tear and minor deterioration of surfaces, all components are operable, all fittings are operational and functional.



Satisfactory or moderate condition. The asset has adequate structure, some evidence of foundation movement and minor cracking, internal and external fabric affected by minor cracking, staining or damage. Wet areas have indications of breaches of waterproofing such as dampness or mildew. Fittings are generally operational with occasional minor breakage.



Unsatisfactory or bad condition. Asset structure functioning but with problems due to foundation movement. Significant cracking present, and appearance affected by cracking, staining dampness, leakage or breakages. Failure of electrical and mechanical components. Fitting of poor quality and appearance, often inoperable or damaged.



Very Unsatisfactory condition. The asset structure has serious problems and concern is held for integrity of structure. Internal and external fabric badly damaged, marked and in need of replacement. Fittings are inoperable or damaged. Assets in condition 5 are considered to pose a high risk to the community and should not be available for use.

PLAYGROUNDS



New or near new condition. Playground equipment is as new, fully operational with little to no wear and no maintenance required.



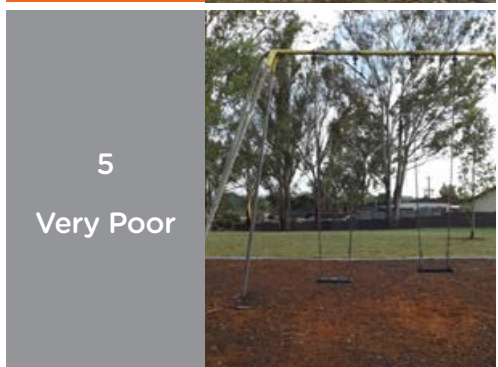
Close to new or reasonably good condition. Playground equipment is fully operational with only minor wear and minimal superficial defects.



Satisfactory or moderate condition. Playground equipment is fully operational, shows minor deterioration or damage, moderate structural deterioration, generally operational and maintained with only minor wear and minimal superficial defects.

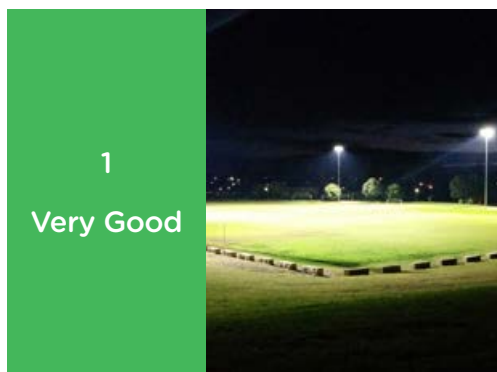


Unsatisfactory or bad condition. Playground equipment showing significant wear and tear or damage, serious deterioration of structural condition, inoperable, missing components, damage and superficial defects.

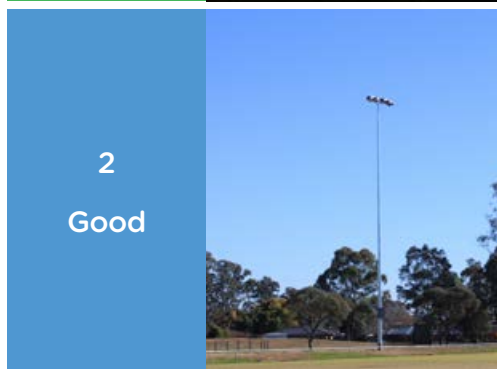


Very unsatisfactory or broken down condition. Playground equipment significantly damaged or missing components, inoperable, failure or imminent failure of structural condition, significant rust, damage and superficial defects.

SPORTSGROUND LIGHTING



Sound light designed and installed to current standards, well maintained with no defects. Pole is sound, straight and true.



As grade 1 but not designed or installed to current standards, showing minor wear, tear and deterioration.



Light functionality sound, but appearance affected by minor defects e.g. slight impact damage; concrete cracks, loss of protective coating on fittings. Pole has signs of light corrosion/decay especially at or just below ground level. Deterioration beginning to affect the strength, operation & appearance of the light.



Light functioning but with problems due to significant defects. Pole has signs of moderate corrosion/decay especially at or just below ground level. Likely to require renewal within 3-5 years.

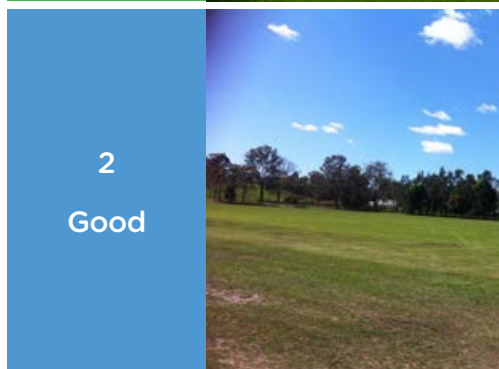


Light has serious problems and has failed or is about to fail in the near future, causing unacceptable deterioration in strength, stability, operation and appearance. Pole has sustained impact damage or clear signs of corrosion/decay – especially at or just below ground level. Priority rehabilitation or renewal required.

SPORTING FIELD SURFACES



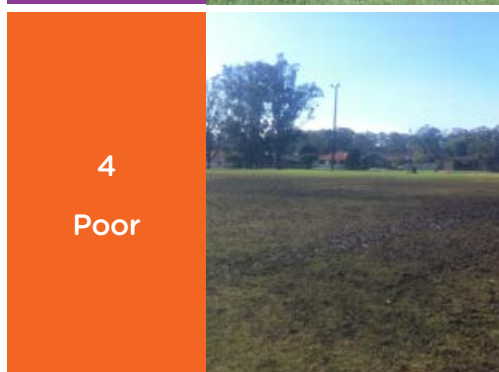
Well maintained sportsfield meeting standard requirements, no visible signs of wear and usage, appropriate grass species with full sward coverage and evenness; good drainage not limiting usage.



Sportsfield showing slight defects and deterioration, field showing some visible signs of physical wear and usage, some drainage problems infrequently effecting use. Appropriate grass species with reasonable sward coverage and evenness. Deterioration has no significant impact on the field's appearance, usability and safety.



Sportsfield generally sound but showing minor defects, fields showing visible signs of wear and usage. Water ponding temporarily but frequently. Sward coverage has some gaps and lack of consistency and grass species mixed or somewhat undesirable. Some deterioration beginning to affect the field's appearance, usability and safety.

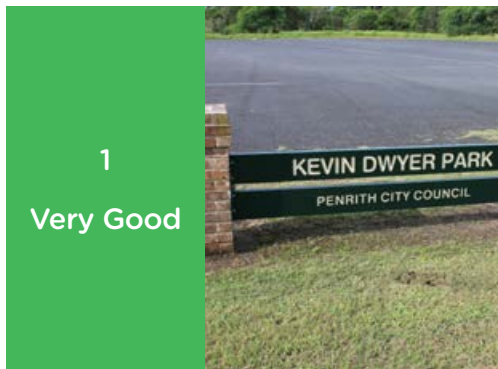


Sportsfield has significant defects, with 40% of field showing visible signs of physical treatment, significant signs of usage and poor drainage limiting use for extended periods. Defects causing a marked deterioration in the field's appearance, usability and safety.



Sportsfield has serious defects, with significant signs of wear and usage. Water ponding over surface which precludes use. Defects resulting in unacceptable appearance, usability and safety. Priority renovation/upgrading required.

SIGNAGE



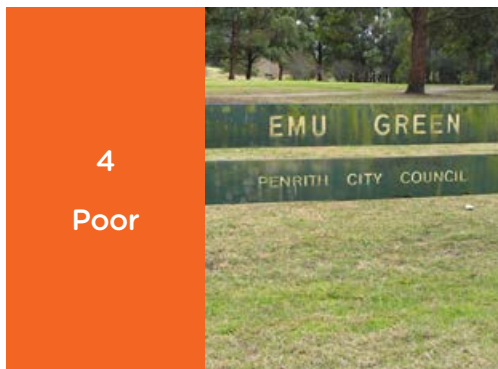
Sound sign constructed to current standards and design, well maintained with no defects. No work required.



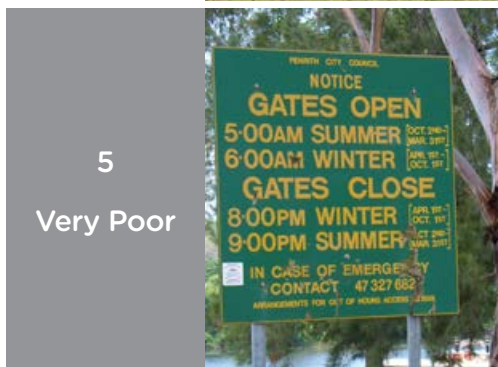
As grade 1 but not constructed to current standards and design or showing minor wear, tear and deterioration. Deterioration has no significant impact on the signs appearance and user safety



Sign functionally sound, but appearance affected by minor defects. Deterioration beginning to affect the signs appearance or functionality. Likely to require renewal with 3-4 years approx.



Sign functioning but with problems due to significant defects e.g. loss of protective coatings, corrosion of steel and fastenings, impact damage, rotting/splitting of timber, deterioration of lettering and loosening of fastenings and supports causing a marked deterioration in, stability, appearance and functionality, or does not meet current design standard.



Sign has serious problems and has failed or is about to fail in the near future, causing unacceptable deterioration in appearance and lack of functionality. Requires rehabilitation, replacement or removal as a priority. Priority rehabilitation/ renewal required.

PARK FURNITURE AND SEATING



New or near new condition. Seat is as new, well maintained, has no damage and minimal defects.



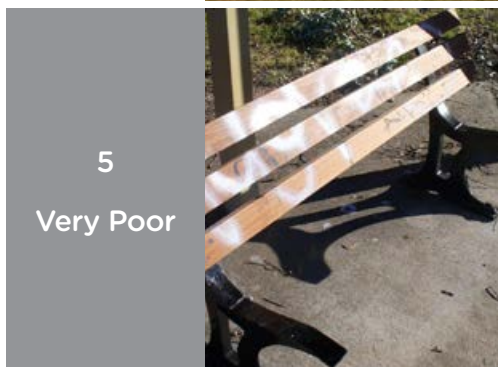
Close to new or reasonably good condition. Seat showing minor wear and tear, well maintained with minimal superficial defects and minor signs of deterioration to surface finishes.



Satisfactory or moderate condition. Seat showing minor wear and tear or damage, generally functional and maintained, signs of damage and superficial defects such as deterioration of surface finishes.



Unsatisfactory or bad condition. Seat showing significant wear and tear or damage, surface finishes deteriorated, significant damage and superficial defects.



Very unsatisfactory or broken down condition. Seat significantly damaged and/or components missing, serious structural problem, significant damage, appearance is poor with eroded surface finishes and superficial defects.

BBQ FACILITIES



Sound barbeque constructed to current standards, well maintained with no defects. No work required.



As grade 1, showing slight wear, tear and deterioration of surfaces. Deterioration has no significant impact on operation and appearance of the barbeque. Only minor work required.



Barbeque functionally sound, but appearance affected by minor defects, minor impact damage and vandalism. Deterioration beginning to affect the operation and appearance of the barbeque.



Barbeque functioning but with problems due to significant defects causing a marked deterioration in stability, operation and appearance.



Barbeque has serious problems and has failed or is about to fail in the near future, causing unacceptable deterioration in stability, operation, safety and appearance. Priority rehabilitation/renewal required.

BINS



1
Very Good

New or near new condition. Bin in as new, fully operational, well maintained, has no damage and minimal defects.



2
Good

Close to new or reasonably good condition. Bin showing minor wear and tear, well maintained with minimal superficial defects.



3
Fair

Satisfactory or moderate condition. Bin showing minor wear and tear or damage, generally functional and maintained, signs of damage and superficial defects.



4
Poor

Unsatisfactory or bad condition. Bin showing significant wear and tear or damage, does not hold contents completely, cracked or significant damage and superficial defects.



5
Very Poor

Very unsatisfactory or broken down condition. Bin significantly damaged or missing, does not hold contents, significant damage, deformation and superficial defects.

FENCING/BOLLARDS/GATES



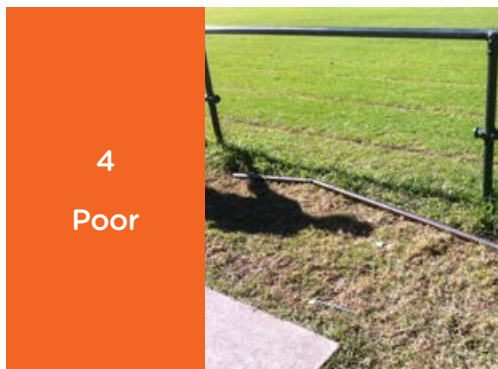
New or near new construction. Sound fence constructed to current standards, showing minor wear, tear and deterioration such as weathering. Deterioration has no significant impact on strength and appearance of the fence.



Close to new or reasonably good condition. As grade 1, showing minor wear and tear and deterioration such as weathering and cracking of timber, staining of bolts, nails and tie wires. Deterioration has no significant impact on Strength and appearances of the fence.



Satisfactory or moderate condition. Fence functionally sound structure, but appearance affected by minor defects such as some decay/ splitting of timber, corrosion of fastenings, minor impact damage and paint flaking. Deterioration beginning to affect the strength and appearance of the fence.



Unsatisfactory or bad condition. Fence functioning but with problems due to significant defects such as rotting/splitting timber, corrosion and loosening of fastenings, isolated sections already failed, likely to cause a marked deterioration in stability and appearance of the fence within 1-2 years.



Very unsatisfactory or broken down condition. Fence has serious problems and over 25% of its length has failed or is about to fail in the near future, causing unacceptable strength and appearance.

COURTS - TENNIS AND NETBALL



New or near new construction. Perfect or near perfect condition, very minor fine cracks, no distress, no risk of public injury.



Close to new or reasonably good condition. No distortion, may show limited ageing, sporadic localised distress such as fine (less than 2mm), widely spaced cracks, low stepping utilising, trip height less than 10mm.



Satisfactory or moderate condition. Showing considerable wearing of surface, distress such as fine to moderate cracking (2- 5mm), minor distortion, patching, areas that have been made safe at a number of locations, uneven surface, missing sections or restoration.



Unsatisfactory or bad condition. Showing substantial wearing and/or distress of surface, such as extensive and wide opened cracks (more than 5 mm) across the majority of the surface and or substantial distortion (trip height 31- 50 mm) at a close intervals, a number of restored and made safe areas, very uneven surface.



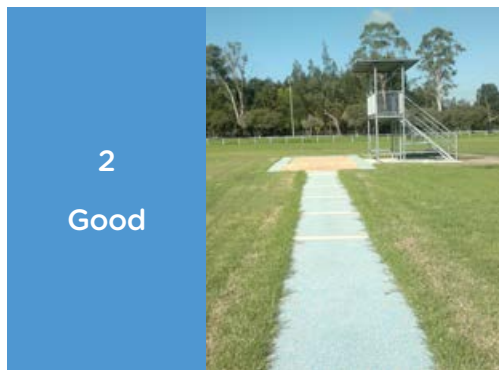
Very unsatisfactory or broken down condition. Showing substantial distress, such as extensive and wide opened cracks across the majority of the surface and or also ,substantial distortion, very uneven surface ,requires complete replacement, high risk to public safety and amenity.

SYNTHETIC SURFACES



1
Very Good

Synthetic turf well maintained meeting standard requirements, no visible signs of physical wear and usage, level and smooth, good drainage. Base sound with no signs of cracking or other deterioration.



2
Good

Synthetic turf showing slight defects and deterioration. Base sound with minor cracking only. Deterioration has no significant impact on appearance, useability and safety. Only minor work required.



3
Fair

Synthetic turf generally sound but showing minor defects, showing visible signs of wear and usage. Some unevenness and water ponding temporarily but frequently. Some deterioration beginning to affect the turf's appearance, usability and safety.



4
Poor

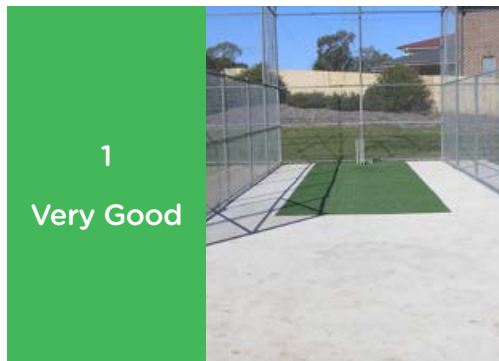
Synthetic turf has significant defects, showing severe areas of wear and usage. Surface uneven and poor drainage limiting use. Base showing significant cracks, non-level, or other problems. Defects likely to cause a marked deterioration in the turfs appearance, usability and safety.



5
Very Poor

Synthetic turf has serious defects, with serious signs of wear and usage. Defects resulting in unacceptable appearance, usability and safety. Priority renovation/upgrading required.

NETTING - CRICKET PRACTICE NETS, THROWING CAGES, BASEBALL DUGOUTS



Sound fence constructed to current standards, well maintained with no defects. No work required



As grade 1, showing minor wear, tear and deterioration e.g. minor rusting, deformed netting. Deterioration has no significant impact on strength and appearance of fence.



Fence functionally sound structure but appearance affected by minor defects. Deterioration beginning to affect the appearance of the fence, or not designed or constructed to current standards. Likely to require renewal in 6-10 years.

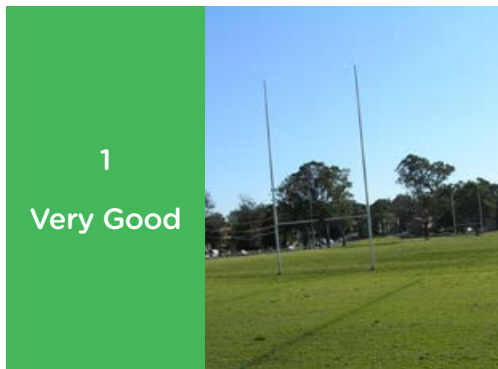


Fencing functioning but with problems due to significant defects causing a marked deterioration in stability, functionality or appearance of the fence, or not designed or constructed to current standards. Some replacement or rehabilitation needed within 3-4 years.



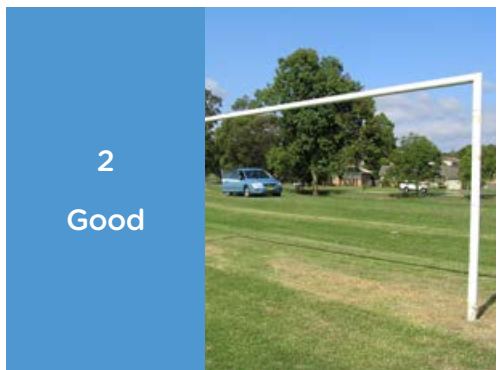
Fence has serious problems and over 25% of its length has failed or is about to fail in the near future, causing unacceptable deterioration in functionality, strength or appearance. Priority rehabilitation /renewal required.

GOALPOSTS



1
Very Good

Sound equipment, designed to current standards, well maintained with no defects. No work required.



2
Good

As grade 1, showing minor wear, tear and deterioration. Deterioration has no significant impact on strength, safety, appearance and functionality. Only minor work required.



3
Fair

Equipment functionally sound, but appearance affected by minor defects. Deterioration causing reduced quality of appearance and likely to affect the strength, safety or functionality of the equipment within 3-5 years. Likely to require renewal within 3-5 years approx.



4
Poor

Equipment functioning but with problems due to significant defects causing a marked deterioration in strength, safety, appearance or functionality. Likely to require renewal within 1-3 years.



5
Very Poor

Equipment has serious problems and has failed or is about to fail in the near future, causing unacceptable deterioration in strength, stability, safety and appearance. Priority rehabilitation/renewal required.

LANDSCAPING & GARDENS



Healthy plants, created naturally with good shape and location. 100% plant coverage. Good rejuvenation, no significant defects and no evidence of deterioration. No work required.



As grade 1 but less nature rejuvenation, showing slight defects and deterioration e.g. <10% deadwood. Less than 100% plant coverage but still healthy plants. Deterioration has no significant impact on health and appearance of the garden. Only minor work required.



Plants generally sound but appearance affected by minor defects. Noticeably less than full plant coverage. Some deterioration beginning to affect the health and appearance of the garden. Some work required. Replacement or rejuvenation needed within 3-4 years.

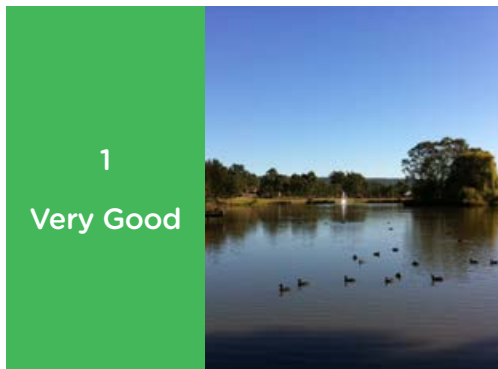


Plants have significant defects 10-25% plants dead or damaged. A large amount of gaps in plant coverage. Some rot and disease, poor shape, poor soil condition and topsoil depth, significant water ponding, causing a marked deterioration in the health and appearance of the garden. Replacement or rejuvenation needed within 1-2 years.



Unhealthy plants with serious defects, which have died or about to die in the near future. Significant gaps in plant coverage. Significant disease and rot resulting in unacceptable deterioration in appearance and health. Priority replacement/rejuvenation required.

WATER BODIES



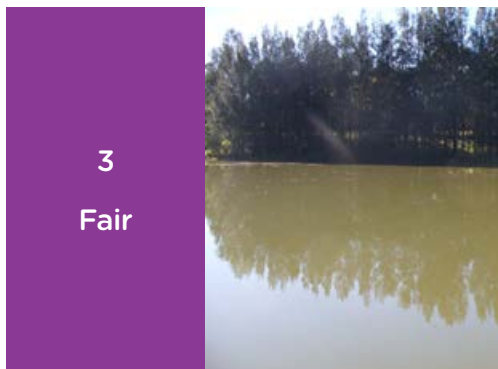
1
Very Good

Watercourse constructed and maintained to current standards with no evidence of degradation or sediment build up. No work required.



2
Good

As grade 1, showing minor wear, tear and deterioration e.g. slight bank scour, some vegetation growth and build-up of sediment in channel, but well graded. Deterioration has no significant impact on the stability, capacity and appearance of the water course. Only minor work required.



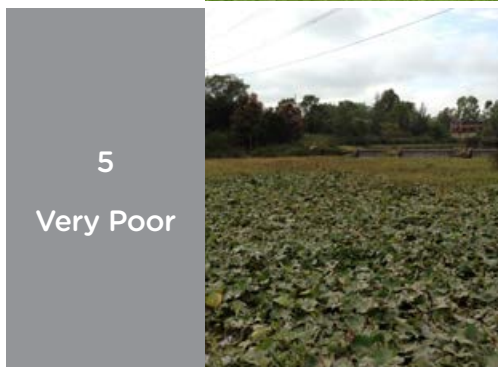
3
Fair

Watercourse functionally sounds, but serviceability affected by minor defects e.g. scour of channel floor, erosion of banks, significant vegetation growth, build-up of sediment and debris in channel floor, minor loss of grade. Deterioration beginning to affect the stability, capacity and appearance of the watercourse.



4
Poor

Watercourse functioning but with significant defects e.g. channel scour and erosion of banks, build-up of sediment, channel cross-section, presence of trees, weeds and man-made structures in channel, with significant loss of grade, causing marked deterioration in the stability, capacity and appearance of the watercourse.



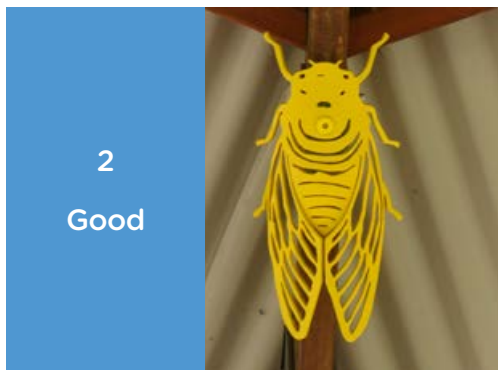
5
Very Poor

Watercourse has serious problems and has failed or is about to fail in the near future. Urgent rehabilitation/renewal required.

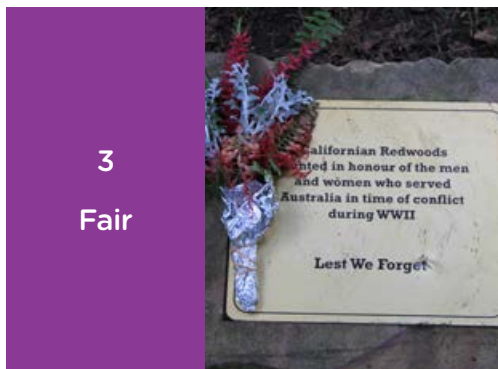
MEMORIALS/PUBLIC ART



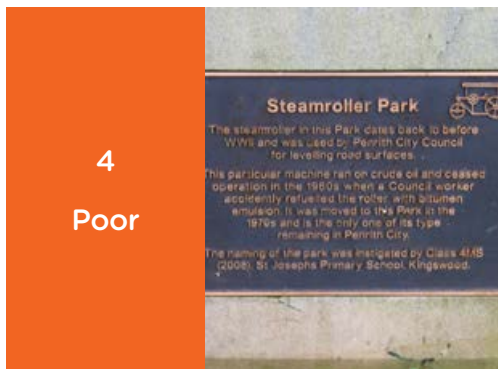
Sound structure constructed to current standards, well maintained with no defects. No work required.



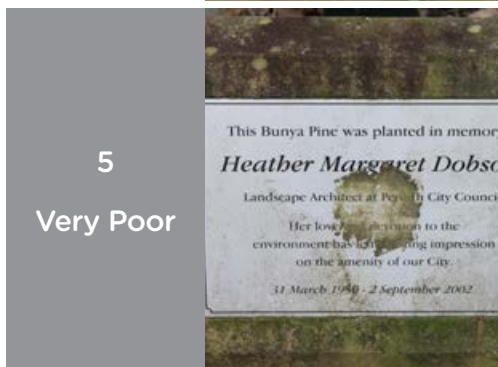
As grade 1, showing minor wear, tear and deterioration e.g. weathering of timber, staining of fastenings but no decay of timber or corrosion of steel. Deterioration has no significant impact on, safety & appearance of the structure. Only minor work required.



Structure functionally sound but appearance affected by minor defects e.g. impact damage, slight decay of timber and mild corrosion of fastenings. Deterioration beginning to affect the stability, functionally or appearance of the structure. Likely to require renewal within 5-6 years approx.



Structure is functioning but with problems due to significant defects e.g. rotting/splitting of timber, corrosion, loosening of fastenings, causing a marked deterioration in stability, functionality or appearance. Likely to require renewal within 3-4 years.



Structure has serious problems and has failed or is about to fail in the near future, causing unacceptable deterioration in stability, safety and appearance. Priority rehabilitation/renewal required.

TREES



1
Very Good

Healthy tree in correct shape for species and location. Well maintained with no significant defects and no evidence of deterioration. No work required.



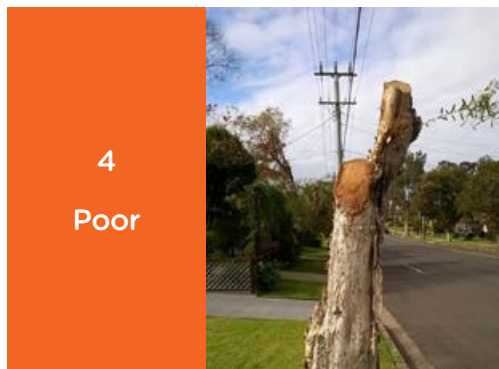
2
Good

As grade 1 but showing slight defects and deterioration e.g. <5-10% bark damage, <10% deadwood but no dead branches. Deterioration has no significant impact on health, safety and appearance of the tree.



3
Fair

Tree generally sound but appearance affect by minor defects e.g. vandalism, 5-10% bark damage, 10-15% deadwood. Some deterioration beginning to affect the health and appearance of the tree. Some work required. Replacement/rejuvenation needed within 3-6 years.



4
Poor

Tree has significant defects causing a marked deterioration in appearance health and safety of the tree. Impact from adjacent paths or kerbing. Significant work required. Replacement/rejuvenation needed within 1-3 years.



5
Very Poor

Unhealthy tree with serious defects and has died or is about to die in the near future. Priority replacement required.

IRRIGATION SYSTEMS Photos for illustration purposes only

1 Very Good	System designed and installed to current standards, all operable and well maintained. No work required.
2 Good	As for grade 1, showing wear, tear and deterioration e.g. minor control system failures but no mechanical failures. Deterioration has no significant impact on the efficiency and operation of the system.
3 Fair	System functionality sound, but showing some wear, tear and deterioration. Deterioration beginning to affect the efficiency and operation of the system, or not designed or constructed to current standards. Likely to require renewal with next 5-6 years approx.
4 Poor	System functional but with problems due to significant defects e.g. minor corrosion of metal parts, leaking joints, cracks in pipelines, faulty valves and sprinklers, causing a marked deterioration in the efficiency and operation of the system. Likely to require renewal within 4-5 years approx.
5 Very Poor	Systems effective life exceeded and excessive maintenance required. A high risk of breakdown with a serious impact on the system's efficiency and operation. Immediate rehabilitation/renewal required.



FITNESS EQUIPMENT Photos for illustration purposes only

1
Very Good

New or near new condition. Fitness equipment is as new, fully operational with little to no wear and no maintenance required.

2
Good

Close to new or reasonably good condition. Fitness equipment is fully operational with only minor wear and minimal superficial defects.

3
Fair

Satisfactory or moderate condition. Fitness equipment is fully operational, shows minor deterioration or damage, moderate structural deterioration, generally operational and maintained with only minor wear and minimal superficial defects.

4
Poor

Unsatisfactory or bad condition. Fitness equipment showing significant wear and tear or damage, serious deterioration of structural condition, inoperable, missing components, damage and superficial defects.

5
Very Poor

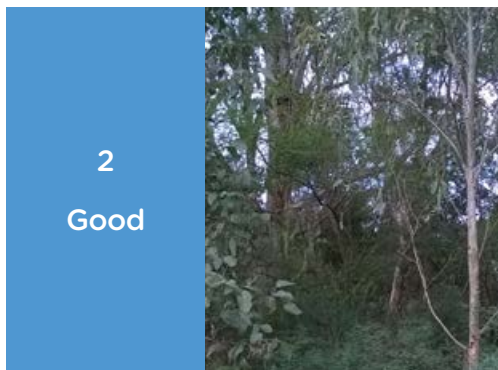
Very unsatisfactory or broken down condition. Fitness equipment significantly damaged or missing components, inoperable, failure or imminent failure of structural condition, significant rust, damage and superficial defects. Poses a serious safety risk.



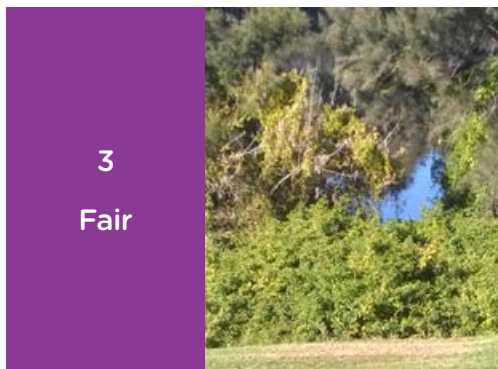
BUSHLAND - REMNANT AREAS



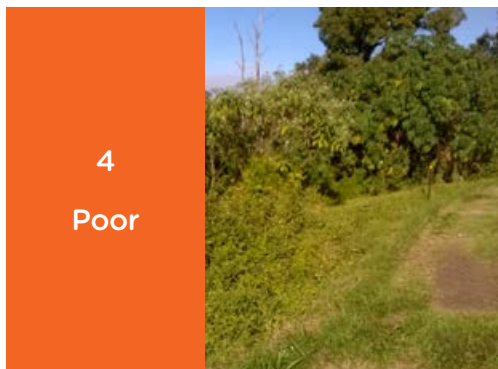
Bushland has required minimal maintenance weeding. Healthy plants with 100% coverage, no significant defects and no evidence of deterioration. Evidence of native fauna occupying the habitat in a symbiotic relationship.



Bushland has required very little maintenance weeding. As grade 1, but showing slight defects and deterioration e.g. 5% unhealthy plants, 5% affected by pests & disease. Deterioration has no significant impact on health and appearance of the bush.



Native canopy of Casuarinas covered with Balloon vine. Plants generally sound but appearance affected by minor defects e.g. 5-10% plants dead or damaged, some pests and disease, noticeable gaps in coverage. Some deterioration beginning to affect the health and appearance of the bush.



Few native trees. Invasion from exotic shrubs and vines: Lantana, Balloon vine. Plants have significant defects e.g. 10-25% plants dead or damaged or missing, rot pest infestation and disease, causing a marked deterioration in the health and appearance of the bush.



Native canopy of Eucalypts but understorey is exotics. Mother of Millions and African Love Grass invasion. Unhealthy plants with serious defects, which have died or are about to die in the near future e.g. >25% deadwood, significant pests, disease and rot resulting in unacceptable deterioration in appearance and health.

BUSHCARE - RECONSTRUCTED AREAS



Previously a grassy paddock. Minimal weeding required. Indigenous plants healthy.



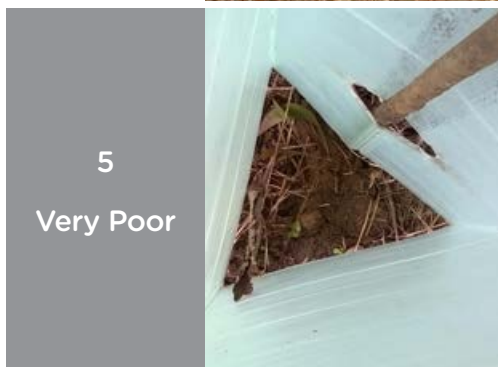
A good quality source of plant material, well planted and thriving.



Planted previously exotic grass area. Should improve with maintenance



Poorly maintained planting area. Tree guards to protect plants are missing.



Looking inside a tree guard. The plant is too small and should not have been planted. Removal and replacement required.

SKATE PARKS - Photos for illustration purposes only

1
Very Good

Sound surface designed and constructed to current standards; well-maintained with no visible defects. Timber edges intact and showing no signs of decay or damage.

2
Good

As grade 1 but constructed to current standards, showing minor wear, tear and deterioration of surface e.g. slight surface unevenness and hairline cracking but good drainage. Deterioration has no significant impact on functionality, user comfort and appearance. Only minor work required.

3
Fair

Surface functionally sound, but appearance and serviceability affected by minor defects e.g. minor wear of surface, loss of jointing material, surface unevenness, some water ponding. Deterioration beginning to affect functionality, user comfort and appearance or not designed or constructed to current standards.

4
Poor

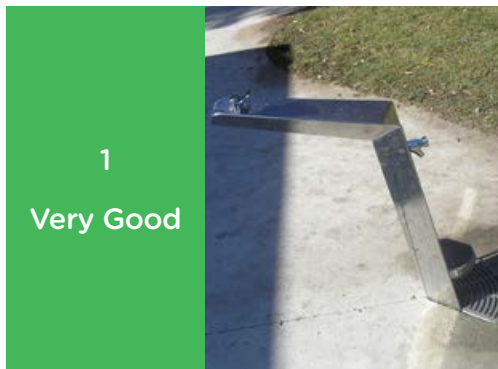
Surface functioning with problems due to significant defects e.g. significant wear of surface, cracking, surface unevenness, loss of jointing/bedding material, causing marked deterioration of functionality and appearance or not designed to current standards.

5
Very Poor

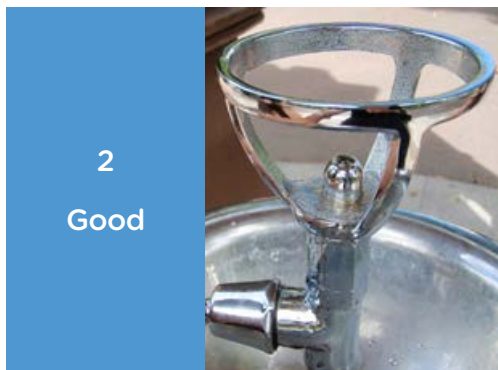
Surface has serious problems or is badly constructed e.g. irregular surface, inadequate drainage, unacceptable deterioration in safety, user comfort and appearance. Priority rehabilitation or renewal required.



BUBBLERS/TAPS



Bubbler/Tap constructed from suitable materials and designed to current standards, with no defects or evidence of internal or external degradation. No work required.



As grade 1, showing minor wear, tear and deterioration e.g. minor joint defects, but no leaks. Deterioration has no significant impact on the bubbler/tap functionality. Only minor work required.



Bubbler/tap functionally sound, but serviceability affected by minor defects e.g. minor leaks, difficulty of operation. Deterioration beginning to affect the tap/meter functionality. Some work required.



Bubbler/tap functioning but with problems due to significant defects e.g. regular leaks, difficulty or unreliability or rehabilitation needed within 1 year.



Bubbler/tap has serious problems and has failed or is about to fail in the near future e.g. frequent leaks, loss functionality. Urgent rehabilitation/renewal required.



APPENDIX B

LONG TERM FINANCIAL PLAN

APPENDIX B LONG TERM FINANCIAL PLAN

As part of the Council Resource Strategy each Council prepares a Long Term Financial Plan (LTFP) for a minimum of ten years which is to be updated at least annually as part of the development of the annual Budget. The aim of the LTFP is to ensure that Council identifies financial issues at an early stage and reviews their effect on future activities. The LTFP must be reviewed in detail as part of the four yearly review of the Community Strategic Plan. The LTFP process involves four main elements:

- Planning Assumptions
- Revenue Forecasts
- Expenditure Forecasts
- Sensitivity Analysis.

Council's LTFP and model is capable of extrapolating the current year base budget, incorporating recurrent projects, future capital projects and associated recurrent costs, debt servicing, rates projections, and has the capacity for a number of budget variables to be applied. Future years' forecasts are linked to the current budget and provide a means of assessing the long-term financial implication of current year decisions. The Model is able to hold multiple views of possible future outcomes with each view representing a particular set of assumptions and what the outcomes would be if these assumptions happen to occur.

Council has long been faced with the challenge of establishing and maintaining long term financial sustainability. The last five years has seen an increasing focus on the overall financial sustainability of local government in NSW, with none more so than the recently announced NSW Government's Fit for the Future requirements in response to the Independent Review Panel recommendations. In addition several key events have highlighted our vulnerability to changes in the financial climate including the Global Financial Crisis (GFC), that saw both investment losses for Council and an increased contribution required by the Local Government Super Scheme (LGSS) for the Defined Benefits Scheme (DBS) along with reduced income resulting from the slowdown in the economy, Penrith's 'weak' rating as part of the TCorp review of local government financial sustainability, review of the Federal Assistance Grants, proposed changes to section 94 developer contributions and the Asset Renewal & Established Areas Strategy (AREAS) Special Rate Variation (AREAS) which is set to end in 2015-16.

The combination of these factors triggered the current review of Council's financial capacity ahead of the announcement of Fit for the Future. Consequently over the past 12-18 months, and in preparation for the expiry of the AREAS SRV (details of the AREAS SRV can be found in the "Special Initiatives" section of the 2013-17 Delivery Program), detailed discussions have been occurring with management, the Finance Working Party (FWP), Councillors and the Community as we review Council's financial capacity. The review to date has focused on our current sustainable position, established following the now completed implementation of the 2011-12 SRV, and also considered future aspirations that are outside our current capacity along with structural budget changes that will better secure our long term financial future.

The LTFP continues to foreshadow Council's intention to apply to renew the AREAS SRV.

A key and immediate element of the Financial Capacity Review has been the development of a revised borrowing strategy. The revised strategy will reduce Council's annual general infrastructure borrowings from \$3.2m to nil over 5 years, with the implementation commencing with the 2015-16 budget and the full strategy being incorporated into the base scenario of the LTFP.

In addition, the ongoing potential legislative changes that have been proposed by the NSW Government in relation to the planning legislation are yet to be fully confirmed, however two of the known issues Council will face in the very near future are the termination of the Cultural Facilities Plan, and challenges collecting contributions for the Lambridge Industrial Estate Plan, which are both supporting external loans that delivered works in advance of contributions. The LTFP has acknowledged these additional calls on general revenue with the following strategies incorporated into the base scenario.

IMPLEMENTED STRATEGY	Impact ('000)	From	Comment
Cultural Facilities Plan	\$650	2016-17	Over 10 years
Lambridge Industrial Estate	\$375	2016-17	Over 10 years

As mentioned above the base scenario for Council's LTFP continue to incorporate the renewal of the AREAS SRV and now incorporates the revised Borrowings Strategy and implemented strategy to address s94 deficits that are unlikely to be recovered. Further details of Council's underlying LTFP assumptions are included in Council's adopted Resource Strategy 2011-2021. These assumptions are continually refined to produce a LTFP for inclusion in Council's Annual Operational Plan.

Alternate Scenario – Basis of our proposed SRV

The progress of the Financial Capacity Review has seen a number of identified financial initiatives developed that will strengthen our long term financial position including fundamental changes to service cost alignments, Property Development "dividends" and increased investments in Asset Management, ICT and Major Project funding and design. Community Engagement has been undertaken and this scenario forms the basis of our Fit for the Future submission. The Community Panel is an important component of further engagement planned prior to a proposed SRV being finalised. A summary of the recommended strategies are provided following;

Asset Management, Renewal and backlog

The 2011-12 SRV strengthened asset renewal funding for all asset classes. As IPART did not approve the full SRV request it resulted in these programs being funded at reduced levels and the program needing to be recast over a longer timeframe. A detailed review of our programs, including the impact of the reduced funding on the progress of asset renewal, the impact of accelerating the reduction of the current backlog along with how these programs and maintenance provisions will accommodate the growth of the City has been undertaken. The Capacity Review and Fit for the Future consultations have informed the Community's service level and asset condition expectations, however further engagement including any trade off discussions will now be completed as part of the proposed SRV. Council engaged Jeff Roorda and Associates to undertake a complete review of our Asset Management Plans, underlying assumptions and costings. This independent review has confirmed Council's estimates that a further \$4m of annual funding (for 8 years) will be required for the Building Asset Renewal Program in order for Council's backlog to be addressed, accessibility and compliance requirements met and a sustainable Asset Renewal and program continued. In addition the current \$650,000 annual contribution to the Building Asset Renewal Program from the Property Development Reserve will not be sustainable beyond 2015-16. The alternate scenario of the LTFP recommends the following additional funding allocations of:

RECOMMENDED STRATEGY	Impact ('000)	From	Comment
Address Buildings Backlog and compliance	\$1,500	2018-19	Over 8 years
Additional Building Renewal	\$2,500	2018-19	Ongoing
Alternate source for renewal funds (Reduce reliance on Property Development Reserve)	\$650	2016-17	Ongoing

Realign Service Costs

The comprehensive service review being completed ensures that all service costs are realigned, where required. A key influence on this recommendation has been the Property Strategy that has been developed by the Finance Working Party and is to be implemented over the coming months. Refocusing the activities of Council's Property Development function to ensure that an alternate and sustainable revenue stream is provided has been central to the work done by the Finance Working Party and to achieve this capacity must be built. This is forecast to enable the payment of an annual dividend of \$1.8m back to Council's general operations from 2021-22 to support service delivery. In addition this strategy recommends that the bulk of parking enforcement activities be funded from general revenue, thereby leaving revenue in the Parking Reserve to help finance future parking infrastructure. The alternate scenario of the LTFP recommends the following additional funding allocations of:

RECOMMENDED STRATEGY	Impact ('000)	From	Comment
Property			
Property Development "Dividend"	\$1,800	2021-22	Ongoing
Fund subsidised rental	(\$775)	2016-17	Ongoing
Loan for 'City Park' property	(\$384)	2016-17	2018-19
Car Parking			
Re-establish Parking proceeds Reserve	(\$815)	2016-17	Ongoing

Productivity Initiatives

New savings resulting from the current service review and continuous improvement have been targeted by this strategy which has also recognised the need for increased investment in ICT to drive productivity initiatives. The alternate scenario of the LTFP recommends the following additional funding allocations/ (savings) of:

RECOMMENDED STRATEGY	Impact ('000)	From	Comment
Operational Budget savings – 0.5%	(\$1,000)	2016-17	0.25% in 2015-16
Increased base investment in ICT	\$200	2016-17	Ongoing
Once off ICT investment	\$1,500	2016-17	Over 2 years

Major Projects and Regional City infrastructure

As the City matures into our Regional City status capacity will need to be established for both project planning and implementation to ensure that we are in the best position to obtain the expanded infrastructure we will require. Detailed options will need to be modelled to create this capacity and ensure that our City's needs are identified and mapped, particularly over a 5-10 year horizon and this has been a key focus of "Penrith Progression". The alternate scenario of the LTFP recommends the following additional funding allocations of:

RECOMMENDED STRATEGY	Impact ('000)	From	Comment
Major Projects Contribution	\$1,500	2018-19	\$3.3m from 2021-22
Design cost allowance	\$200	2016-17	Ongoing

Accommodating responsiveness

As the demands on the organisation grow it will be essential that the budget has capacity to quickly respond to any emerging priorities and opportunities as they arise. A number of initiatives have been developed to provide that flexibility and respond to the pressures of the day. The alternate scenario of the LTFP recommends the following additional funding allocations of:

RECOMMENDED STRATEGY	Impact ('000)	From	Comment
Annual once off Project allocation	(\$450)	2016-17	Ongoing
Recurring costs (Service adjustments)	(\$100)	2016-17	Cumulative/ongoing
Surplus Budget	(\$1,000)	2020-21	0.5% Op Ex

In addition to the proposed strategies discussed above, which include some funding mechanisms, the Alternate Scenario for the LTFP acknowledges that additional revenues will be required to provide a long term financially sustainable position and has incorporated a future SRV that will ensure Council is well placed to address our obligations to the Community.

The extensive community consultation taking place will continue to ensure the Community's expectations are aligned and to inform the willingness to pursue a future SRV, phased over a number of years, to achieve the outcomes of the alternate scenario, and any other funding or service changes that may be required.



Long Term Financial Plan Alternative Scenario (\$'000s) - TABLE 1 OF 2

	BASE YEAR	15/16	16/17	17/18	18/19	19/20
OPERATIONS FROM ORDINARY ACTIVITIES						
Operating Revenue						
Rates & Annual Charges	121,814.0	123,217.3	129,223.2	135,717.5	142,742.8	150,248.6
User Charges & Fees	5,502.1	5,582.6	5,582.6	5,582.6	5,582.6	5,582.6
Fees for Commercially Available Services	32,184.3	32,223.8	32,745.9	33,320.0	33,911.3	34,518.8
Interest Income	2,064.2	2,051.8	2,070.4	2,089.2	2,109.6	2,131.5
Other Operating Revenues	1,876.1	1,876.1	1,876.1	1,876.1	1,876.1	1,876.1
Operating Grants	22,522.8	23,875.9	21,184.3	21,421.8	21,665.1	21,914.2
Operating Contributions	2,970.8	3,049.7	3,016.6	2,982.5	2,947.4	2,911.1
Profit on Sale of Assets	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)
TOTAL OPERATING REVENUE	188,448.4	191,391.3	195,213.2	202,503.8	210,349.0	218,697.0
Operating Expenditure						
Employee Costs	(86,501.8)	(87,390.2)	(89,796.7)	(92,655.6)	(95,819.7)	(99,081.9)
Employee Costs - ELE	(2,731.6)	(2,731.6)	(2,731.6)	(2,731.6)	(2,731.6)	(2,731.6)
Interest Charges	(3,337.4)	(3,345.3)	(3,048.7)	(2,756.0)	(2,333.6)	(2,187.9)
Depreciation & Amortisation	(22,796.4)	(22,796.4)	(22,685.9)	(22,994.5)	(23,307.5)	(23,624.8)
Materials	(28,313.9)	(29,821.7)	(26,111.7)	(26,668.8)	(27,286.9)	(27,982.5)
Contracts	(33,632.1)	(34,267.5)	(34,796.2)	(35,541.4)	(36,382.7)	(37,256.2)
Other Operating Expenses	(16,181.9)	(15,778.6)	(16,212.8)	(16,512.9)	(16,861.3)	(17,231.2)
Other Expenses - Internal Charges	510.2	510.2	510.2	511.0	511.0	511.0
TOTAL EXPENDITURE	(192,984.9)	(195,621.1)	(194,873.4)	(199,349.8)	(204,212.3)	(209,585.1)
Operating Result before Capital	(4,536.5)	(4,229.8)	339.8	3,154.0	6,136.7	9,111.9
Grants & Contributions						
Capital Grants & Contributions	22,414.3	22,414.3	25,646.5	28,532.0	23,945.4	22,937.0
OPERATING RESULT	17,877.8	18,184.5	25,986.3	31,686.0	30,082.1	32,048.9
FUNDING STATEMENT (Source & Application)						
Add back non funded Expenses - Depreciation	22,796.4	22,796.4	22,685.9	22,994.5	23,307.5	23,624.8
Add back non funded Expenses - ELE	2,731.6	2,731.6	2,731.6	2,731.6	2,731.6	2,731.6
Funds Received from Sales of Assets	7,094.0	7,094.0	9,534.0	2,934.0	3,934.0	2,434.0
Loans Received	5,324.9	5,324.9	5,302.7	2,411.9	6,064.5	1,311.9
3803 - Budget Surplus	(502.8)	0.0	0.0	0.0	0.0	0.0
Funds Transferred (to) / from Reserves held	4,089.2	4,536.8	(8,045.5)	(1,216.4)	(11,422.3)	(3,181.5)
Net Fund Available	59,411.1	60,668.2	58,195.0	61,541.6	54,697.4	58,969.7
Application of Funds						
Asset Acquired (non current)	(48,117.2)	(49,463.2)	(48,079.0)	(47,691.8)	(44,122.5)	(45,799.3)
Loan Repayments Made	(11,293.9)	(11,205.0)	(11,251.6)	(11,736.5)	(10,981.3)	(9,700.3)
Total Application	(59,411.1)	(60,668.2)	(59,330.6)	(59,428.3)	(55,103.8)	(55,499.6)
Net Cost funded from Rates & Other Income	0.0	0.0	(1,135.6)	2,113.3	(406.4)	3,470.1

Long Term Financial Plan Alternative Scenario (\$'000s) - TABLE 2 OF 2

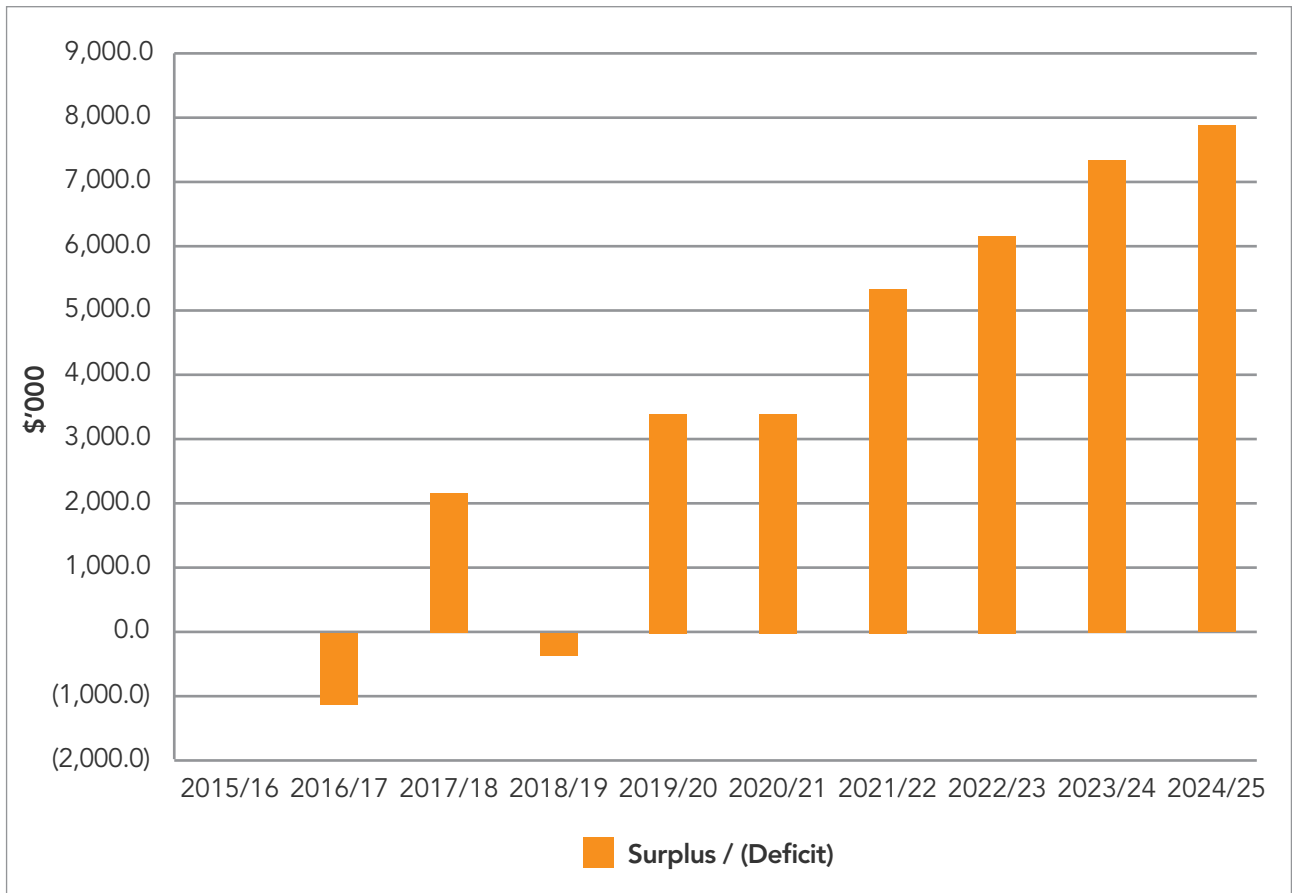
	BASE YEAR	20/21	21/22	22/23	23/24	24/25
OPERATIONS FROM ORDINARY ACTIVITIES						
Operating Revenue						
Rates & Annual Charges	121,814.0	155,256.0	160,429.7	165,775.0	171,297.7	177,003.6
User Charges & Fees	5,502.1	5,582.6	5,582.6	5,582.6	5,582.6	5,582.6
Fees for Commercially Available Services	32,184.3	35,144.5	35,789.0	36,452.9	37,136.6	37,840.9
Interest Income	2,064.2	2,145.4	2,159.8	2,174.7	2,190.1	2,206.0
Other Operating Revenues	1,876.1	1,876.1	1,876.1	1,876.1	1,876.1	1,876.1
Operating Grants	22,522.8	22,176.7	22,445.6	22,721.2	23,003.4	23,292.6
Operating Contributions	2,970.8	2,873.7	2,835.1	2,797.0	2,765.1	2,743.2
Profit on Sale of Assets	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)
TOTAL OPERATING REVENUE	188,448.4	224,569.1	230,632.0	236,893.6	243,365.7	250,059.1
Operating Expenditure						
Employee Costs	(86,501.8)	(102,445.4)	(105,913.2)	(110,009.6)	(114,274.7)	(118,715.2)
Employee Costs - ELE	(2,731.6)	(2,731.6)	(2,731.6)	(2,731.6)	(2,731.6)	(2,731.6)
Interest Charges	(3,337.4)	(1,778.2)	(1,352.0)	(1,039.6)	(767.8)	(537.2)
Depreciation & Amortisation	(22,796.4)	(23,946.6)	(24,273.0)	(24,604.0)	(24,939.6)	(25,279.9)
Materials	(28,313.9)	(28,698.9)	(29,436.8)	(30,196.8)	(30,979.4)	(31,786.0)
Contracts	(33,632.1)	(38,163.4)	(39,105.5)	(40,084.0)	(41,100.4)	(42,156.3)
Other Operating Expenses	(16,181.9)	(17,615.5)	(18,014.9)	(18,430.2)	(18,861.9)	(19,310.8)
Other Expenses - Internal Charges	510.2	511.0	511.0	511.0	511.0	511.0
TOTAL EXPENDITURE	(192,984.9)	(214,868.6)	(220,316.0)	(226,584.8)	(233,144.4)	(240,006.0)
Operating Result before Capital	(4,536.5)	9,700.5	10,316.0	10,308.8	10,221.3	10,053.1
Grants & Contributions						
Capital Grants & Contributions	22,414.3	22,894.6	22,243.5	28,348.7	20,734.0	19,900.4
OPERATING RESULT	17,877.8	32,595.1	32,559.5	38,657.5	30,955.3	29,953.5
FUNDING STATEMENT (Source & Application)						
Add back non funded Expenses - Depreciation	22,796.4	23,946.6	24,273.0	24,604.0	24,939.6	25,279.9
Add back non funded Expenses - ELE	2,731.6	2,731.6	2,731.6	2,731.6	2,731.6	2,731.6
Funds Received from Sales of Assets	7,094.0	2,434.0	2,434.0	2,434.0	2,434.0	2,434.0
Loans Received	5,324.9	211.9	211.9	211.9	211.9	211.9
3803 - Budget Surplus	(502.8)	0.0	0.0	0.0	0.0	0.0
Funds Transferred (to) / from Reserves held	4,089.2	2,097.5	(7,800.1)	(3,117.9)	(7,387.5)	(7,224.8)
Net Fund Available	59,411.1	64,016.7	54,409.9	65,521.1	53,884.9	53,386.1
Application of Funds						
Asset Acquired (non current)	(48,117.2)	(52,508.3)	(42,848.1)	(54,169.7)	(42,376.5)	(42,500.7)
Loan Repayments Made	(11,293.9)	(8,043.2)	(6,159.1)	(5,237.4)	(4,129.2)	(3,004.0)
Total Application	(59,411.1)	(60,551.5)	(49,007.2)	(59,407.1)	(46,505.7)	(45,504.7)
Net Cost funded from Rates & Other Income	0.0	3,465.2	5,402.7	6,114.0	7,379.2	7,881.4

Major Assumptions

Income

- Rate Peg of 2.4% in 16/17, 2.6% in 17/18, 2.8% in 18/19 & 3.0% thereafter
- New Rate Growth is based on estimated development new income ranges between \$500k - \$550k
- Asset Renewal and Established Areas Special Rate Variation is renewed at current levels
- Special Rate Variation of 2.4% for 4 years from 16/17
- Financial Assistance Grant is maintained at current level and indexed at 2.5% from 17/18 Expenditure
- Salaries & Wages increase by 2.8% in 16/17 & 3.0% thereafter
- Superannuation has increased in line with governments methodology to increase the minimum contribution to 12%
- Indexation for expenditure ranges between 3.0% & 5.0% based on expenditure type
- Current Asset Maintenance is indexed at the same rates as rate peg
- Maintenance for new assets has been included based on estimated development
- Loan Borrowing Program reduced to nil over 5 years
- Termination payments gradually increases to \$2m annually to accommodate challenges of an ageing workforce

Long Term Financial Plan





APPENDIX C

SUPPORTING DOCUMENTS

APPENDIX C SUPPORTING DOCUMENTS

1. Penrith Community Plan
2. Delivery Program 2013-17 including 2015-16 Operational Plan
3. Works Program for 2015-16
4. Advocacy Program: *'Building a Better Penrith'*
5. Penrith Progression – *'A Plan for Action'*



NOTES

