



PENRITH

2017

DELIVERY PROGRAM 2017-2021

OPERATIONAL PLAN 2017-18

PENRITH
CITY COUNCIL



The services, activities
and projects we'll deliver
for our community.

penrithcity.nsw.gov.au

STRATEGIC PLANNING FRAMEWORK

All local councils across the state are required to plan and report in line with the NSW Office of Local Government's Integrated Planning and Reporting Framework. This "recognises that most communities share similar aspirations: a safe, healthy and pleasant place to live, a sustainable environment, opportunities for social interaction, opportunities for education and employment, and reliable infrastructure. The difference lies in how each community responds to these needs. It also recognises that council plans and policies should not exist in isolation - that they are inter-connected. This framework allows NSW councils to draw their various plans together, understand how they interact and get the maximum leverage from their efforts by planning holistically and sustainably for the future."

The following Penrith Council documents are freely available on our website and in hard copy on request.

Community Strategic Plan

Our *Community Plan* is a 'big picture' plan based around the seven Outcomes our community has told us will improve Penrith as a place to live, work and visit. These are long term goals and Council cannot deliver them alone – we need to work with state and federal government, businesses, other organisations and our community to achieve these Outcomes together. Our Community Plan not only sets out where we want to be, but also where we are now and how we'll know we're on the right track.



Delivery Program and Operational Plan

Our *Delivery Program*, which incorporates our Operational Plan, sets out Council's role in delivering the Outcomes over the four years from 2017-21. It's our commitment to our community, and includes the services, activities and projects we will deliver, our annual budget, our detailed works programs and how we will measure our performance to ensure we're delivering the right services the best way we can.



Community Engagement Strategy

This document identifies the various stakeholders in our City's future and sets out how Council plans to engage with each of these groups to develop and review our *Community Strategic Plan*.



Resourcing Strategy

We cannot deliver the services the community needs without properly managing our people, our assets and our money. The *Resourcing Strategy* looks at the key risks and opportunities we're likely to face over the next 10 years, and how they may impact our long term financial sustainability. It looks at how we will use our resources and what we need to do to ensure our assets and our workforce are best placed to deliver on our commitments over the next four years.



WELCOME

This document, Council's *Delivery Program 2017-21*, sets out our role in delivering the seven Outcomes our community told us will improve Penrith as a place to live, work and visit over the next four years.

It includes our annual Operational Plan and budget, and details the services, activities and projects we will deliver, our works programs and how we will measure our performance to ensure we're delivering the right services the best way we can. We will report publicly on our progress against this program every six months to make sure we stay on track.

STATEMENT OF RECOGNITION OF PENRITH CITY'S ABORIGINAL AND TORRES STRAIT ISLANDER CULTURAL HERITAGE

Council values the unique status of Aboriginal people as the original owners and custodians of lands and waters, including the land and waters of Penrith City.

Council values the unique status of Torres Strait Islander people as the original owners and custodians of the Torres Strait Islands and surrounding waters.

We work together for a united Australia and City that respects this land of ours, that values the diversity of Aboriginal and Torres Strait Islander cultural heritage, and provides justice and equity for all.

PENRITH AT A GLANCE

POPULATION: 200,000

POP. BY 2031: 260,000

AREA: 404km²

55KM WEST OF
SYDNEY'S CBD

1.3 million
ANNUAL VISITORS

64,830

DWELLINGS



19%

of dwellings
medium or high density

47.8HA

of City Centre land
owned by Council

80%

Rural and Rural-Residential

3%

of our population
identify as Aboriginal
or Torres Strait Islander



56%

of Penrith's
workforce are
local residents

Median
resident
age 34

29%

RESIDENTS
AGED UNDER 20



22,000 74,000
Registered Cats & Dogs

5

TOP LANGUAGES SPOKEN

ENGLISH, ARABIC,
FILIPINO/TAGALOG,
ITALIAN & MALTESE

12,412

Local Businesses

Median
resident
age 34

29%

RESIDENTS
AGED UNDER
20



6 INTERNATIONAL
PARTNERSHIPS

38.5%

COUPLES WITH
CHILDREN



1.6%
OF NSW

\$7.79 billion

GROSS REGIONAL PRODUCT

KEY FEATURES



3 ELECTORAL WARDS
15 Councillors (5 per ward)

36
SUBURBS
PROCLAIMED
A CITY IN 1959



21
Council
owned buildings
with **solar power**



**COUNCIL-RUN
CHILDCARE
FACILITIES**
Approx.
4000
children enrolled in
childcare centres



105
**SPORTING
FACILITIES**



800
**RETAIL FOOD
PREMISES**



SAFE,
VIBRANT
PLACES

GETTING
AROUND OUR
CITY

PLANNING FOR
FUTURE GROWTH

WORK CLOSE
TO HOME

INTRODUCTION



» 47 primary schools
» 21 high schools
» 3 special support schools

616KM
OF DRAINAGE PIPELINE

8000HA
**OF LAND
ZONED NATURE
RESERVES AND
NATIONAL PARKS**



2076
residential street
lights upgraded
to LED as part of
the "Light Years
Ahead" Project

HEALTH AND
COMMUNITY
SPIRIT

OUR
ENVIRONMENT

SAFE,
VIBRANT
PLACES

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FUTURE GROWTH

WORK CLOSE
TO HOME

INTRODUCTION



6
LIBRARIES



1062KM
**OF SEALED
ROAD PAVEMENT**



162
carparks

SCHEDULES

OUR COUNCIL



CONTENTS

Strategic Planning framework	2
Welcome	3
Mission and Values	8
A message from the General Manager	9
Disability Inclusion Action Plan	14
Fit for the Future	20
Special Rate Variation	22
Organisational Performance	23
We can work close to home	29
We plan for our future growth	33
We can get around the City	37
We have safe, vibrant places	41
We care about our environment	45
We are healthy and share strong community spirit	49
We have confidence in our Council	53
Schedules	61
Financial Summary	80
Budget Overview	82
Revenue Policy	86
Domestic Waste Management	95
Non-Domestic Waste	97
Borrowings	99
Grants	101
Reserves	102
Entities	106
Budgeted statement of financial position	106
Long Term Financial Plan	107
Asset Renewal and Replacement Programs	112
Capital and Operating Projects	114
Special Rate Initiatives	124
Glossary	126
Interpreting Assistance	128

MISSION AND VALUES

- » We will deliver the services, facilities and infrastructure that our community needs
- » We will maintain our long term financial sustainability
- » We will work with partners and our community to achieve more than we can alone
- » We will provide an excellent customer experience to everyone who contacts us
- » We value and engage our staff

OUR VALUES

In addition to our Code of Conduct, Council has adopted Values to guide our behaviour in the workplace and how we relate to our work colleagues, our customers, our communities, and our stakeholders.

Our Values and Behaviours are:

- » We show respect
- » We are accountable
- » We encourage innovation

As an organisation, we strive to reflect these in our day to day work, making our workplace more enjoyable and productive.



We show respect by

- Being responsive to others' experiences, perspectives, values and beliefs
- Listening
- Being open
- Working to understand the perspectives of others

We are accountable and

- Behave in an honest, ethical and professional way
- Identify and follow legislation, rules, policies, and codes of conduct
- Speak out against misconduct, illegal and inappropriate behaviour
- Work and lead by example

We encourage innovation by

- Being open to new ideas and change
- Offering our opinions and making suggestions
- Adapting to new situations
- Not giving up easily

A MESSAGE FROM THE GENERAL MANAGER



I am pleased to present Council's Delivery Program 2017-21, setting out what we will do during the next four years to achieve the Outcomes in the Penrith Community Strategic Plan. This program ensures Council is accountable, and stays on track to deliver quality services and infrastructure.

Council prepared the Community Plan through extensive consultation and engagement with a diverse range of people and groups. It reflects what you told us are the top priorities for Penrith – including more local jobs; better transport, parking and access around the City; safe and vibrant places, and a healthy environment. It also reflects your expectations of strong Council leadership and smart, responsible management of assets and resources.

While Council can act on some of these, we also need the support of other levels of government and sections of the community. Council will continue to advocate strongly for what our City needs, and work closely with our city partners to deliver on these aspirations.

Penrith has so many unique strengths, including the people, vision and space to make things happen. There are exciting times ahead for the City, but we do face challenges, especially in ensuring there are enough jobs, services, facilities and infrastructure to meet the needs of a growing population. I am confident we can continue to plan for and meet these challenges so Penrith can thrive.

This Delivery Program gives clear actions for Council to take and we will report publicly on our progress against this program every six months to ensure we are on track. There will be many opportunities for you to have your say and help us shape the future for Penrith, and I encourage you to get involved.

ALAN STONEHAM
GENERAL MANAGER

PENRITH COMMUNITY STATS

The demographics of our community are important to help us understand how our community is changing and the types of services we need to plan for. Information from the 2016 census is due to be released on 27 June. Key community statics will be included on these pages when they are available.

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WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GRWOTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

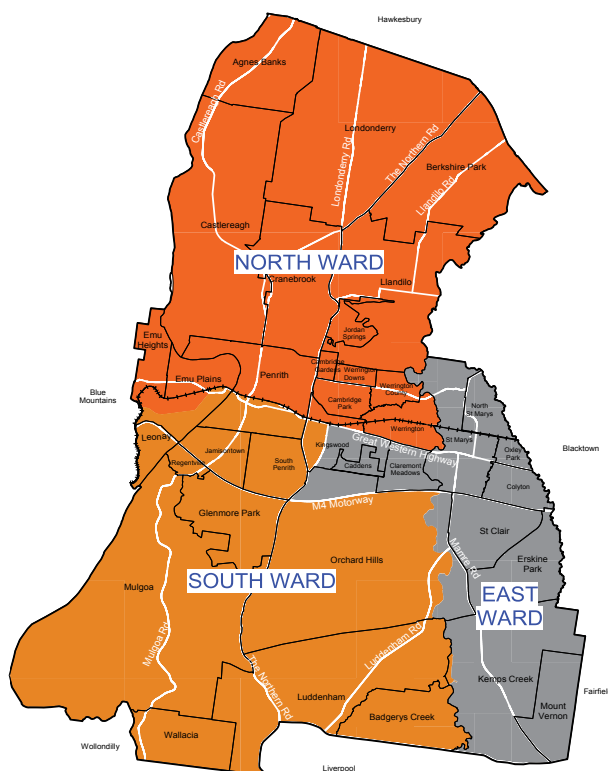
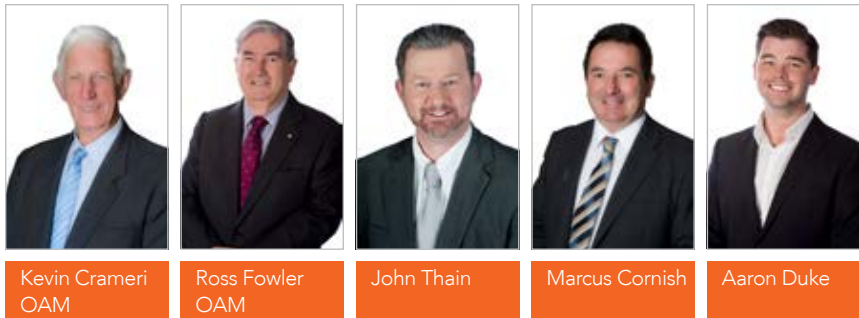
SCHEDULES

OUR COUNCILLORS

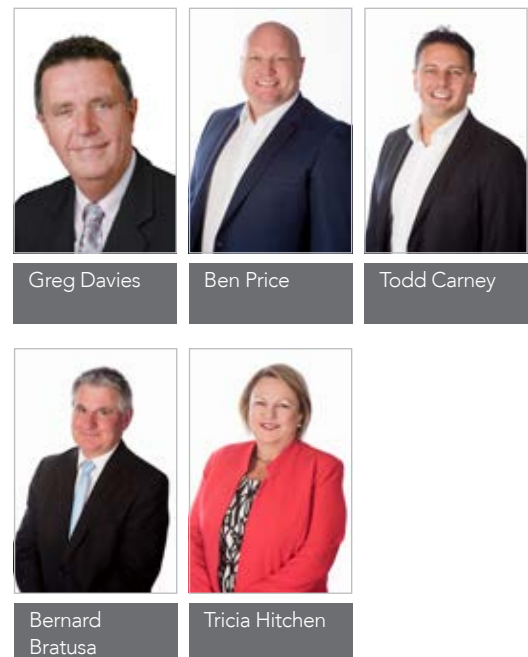
The Penrith local government area is made up of three wards, with five Councillors representing each ward. Our Councillors were elected in September 2012 to represent the interests of our community and the Penrith region and will serve until the next local government election in September 2016. Each September the Council elects a Mayor and Deputy Mayor.

Our Councillors bring with them a wealth of knowledge, and while each Councillor represents a particular ward, a Councillor's ultimate consideration must be the current and future interests of the City as a whole.

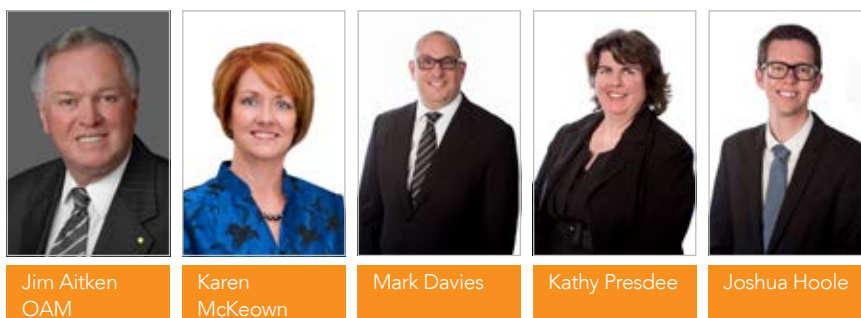
NORTH WARD COUNCILLORS



EAST WARD COUNCILLORS



SOUTH WARD COUNCILLORS



COUNCIL'S LEADERSHIP AND ORGANISATIONAL STRUCTURE

Council's leadership team comprises the General Manager supported by one Assistant General Manager, an Office of the General Manager and five Executive Managers. The chart below shows the current organisational structure.

GENERAL MANAGER - ALAN STONEHAM	
Assistant General Manager - Craig Butler	
Departments	Service
Corporate Communications & Marketing	City Partnerships, Marketing and Communications
CHIEF GOVERNANCE OFFICER - Stephen Britten	
Departments	Service
Governance	Corporate Governance, Corporate Support and Records Management
Legal Services	Legal Services, Risk Management & Insurance
CHIEF FINANCIAL OFFICER - Andrew Moore	
Departments	Service
Corporate Planning	Corporate Planning
Financial Services	Financial Services (including Purchasing & Supply)
Information & Communication Technology	Information Technology & GIS/Mapping
Property Development	Property Development & Management
EXECUTIVE MANAGER CITY ASSETS - Brian Steffen	
Departments	Service
Asset Management	Asset Management, Emergency Services Management, Fleet & Plant Maintenance and Community Safety
City Presentation	Civil Works; Asset Maintenance and Renewal, Parks and Public Domain Depot and Business Support
Design and Projects	Design & Project Management
Facilities Management	Recreation & Leisure Facilities Management, Cemeteries and Neighbourhood Facilities Management
EXECUTIVE MANAGER PEOPLE AND CAPABILITY - Sandy Davies	
Departments	Service
Customer Experience	Customer Service
Workforce & Organisational Development	Workforce & Workplace, Sustainability and Business Performance
EXECUTIVE MANAGER COMMUNITY AND CHIEF OPERATING OFFICER - Vicki O'Kelly	
Departments	Service
Community & Cultural Development	Community & Cultural Development
Children's Services	Children's Services
Libraries Services	Libraries
EXECUTIVE MANAGER CITY PLANNING - Kylie Powell	
Departments	Service
City Planning	City Planning
Economic Initiatives	Economic Initiatives
Place Management	Place Management
EXECUTIVE MANAGER ENVIRONMENT & CITY DEVELOPMENT - Wayne Mitchell	
Departments	Service
Development Services	Development Applications and Fire Safety & Certification
Engineering Services	Development Engineering, Floodplain & Stormwater Management, Traffic Management, Parking & Road Safety
Environmental Health & Compliance	Regulatory Control, Compliance and Environmental Health
Waste Management	Waste Management

DISABILITY INCLUSION ACTION PLAN

There are approximately 36,000 residents identified as living with disability in our City, including over 11,000 with a profound or severe disability who need assistance with daily activities. Penrith's growing ageing population will also experience the challenges associated with increasing frailty, including mobility issues, hearing loss and vision impairment.

Council strives to include people with disability in community places, programs and events and to be a Local Government leader with regard to access and inclusion. Council's first *Disability Action Plan* (2003-2006) and the *Penrith Inclusion Plan – People with Disability* 2009-2013 have delivered important progress in making our City more accessible and inclusive.

The Penrith Access Committee provides advice to Council about access and inclusion matters. Relevant policies, plans, and development applications are referred to the Committee for review and comment. In addition to Councillors, the Access Committee includes six community members with lived experience of disability or expertise in access and inclusion.

There is always more to do and Council continues to ensure that access and inclusion are priority considerations across all Council's services and activities.

Under the *NSW Disability Inclusion Regulation 2014*, councils are required to complete Disability Inclusion Action Planning (DIAP) by 1 July 2017. The NSW DIAP Guidelines for Local Government (Nov 2015) encourage councils to integrate the DIAP process within the overall community strategic planning process and the 2017-21 *Delivery Program*. The guidelines also highlight the importance of community consultation and the engagement of people with disability in the DIAP process.

The DIAP community consultation process builds on what Penrith Council has already done over several years in engaging with people with disability, their families, carers, advocates and service providers.

COMMUNITY CONSULTATION

Between March and August 2016, more than 120 people with disability, their family members, carers, advocates and staff working in the local disability sector contributed to our DIAP consultation process.

Council organised two public community forums (Penrith and St Marys), arranged 12 focus groups and meetings with service providers, and hosted a "Have Your Say" website in addition to receiving consultation submissions in alternate formats.

The key issues identified included:

- accessible parking
- pedestrian access and continuous paths of travel
- community awareness about disability/stigma and stereotyping of people with disability
- accessible toilets and the need for adult change facilities
- lack of employment opportunities for people with disability
- access to information and web content
- inclusive playgrounds with amenities, and
- more seating in public spaces.

The full list of issues and outcomes from the community consultations and more details about the process are available in the *Disability Inclusion Action Planning 2017-21 Community Consultation Summary* available on Council's website.

PENRITH CITY COUNCIL ACCESS COMMITTEE VISION

A universally accessible environment
and socially inclusive community.

FOCUS AREAS - PRIORITY ACTIONS

The DIAP Guidelines identify four key focus areas which have been nominated by people with disability as being of primary importance in creating an inclusive community:

- Developing positive community **attitudes and behaviours**
- Creating **liveable communities**
- Supporting access to **meaningful employment**, and
- Improving access to services through better **systems and processes**.

These focus areas have been used as the framework for Council's response to the concerns and issues identified through the consultation process.

The table on the following pages presents the focus areas, the priority actions identified from our community consultation, and the Delivery Program Outcome and Strategy number that will deliver the actions over the next four years. It shows how Council is incorporating the priority disability inclusion actions in Council's day-to-day business and service activities.



DISABILITY INCLUSION ACTION PLAN

STRATEGIES AND ACTIONS

DIAP PRIORITY	WHAT IT MEANS	OUTCOME & STRATEGY
Attitudes and behaviours		
Promote diversity and inclusion through media stories and positive Council imagery	<p>Photos and stories used by Council in our communications will encompass the diversity of our community, including people with disability.</p> <p>As an inclusive community, Penrith welcomes people with disability at all our community events, not just events with a disability focus.</p>	<p>Outcome 6 - We are healthy and share strong community spirit</p> <p>Strategy 6.2 Help build resilient, inclusive communities</p> <p>Activity 6.2.6 Conduct and support events that include all members of our community</p>
Develop and implement creative projects that are inclusive of people with disability	<p>Participation in creative initiatives and arts projects provides both enjoyment as well as social and health benefits. Following the successful and nationally recognised No Boundaries inclusive multimedia arts project in 2012, Council continues to support creative arts projects that include people with disability.</p>	<p>Outcome 6 – We are healthy and share strong community spirit</p> <p>Strategy 6.3 Enhance the cultural vitality of the City</p> <p>Activity 6.3.2 Support and implement initiatives which contribute to culture and creativity</p>
Provide training to staff in quality service and responding to individual customer needs	<p>Council is committed to providing quality customer service to every member of our community.</p> <p>Training programs for our customer experience teams will provide staff with the confidence to assist people with disability engage with Council, and offer appropriate support.</p>	<p>Outcome 7 - We have confidence in our Council</p> <p>Strategy 7.5. Build our organisation as “Penrith City Council, the place to be”</p> <p>Activity 7.5.2 Build the talents and capabilities of our staff</p>
Liveable communities		
Facilitate accessible and adaptable housing in future housing and development strategies	<p>As our population ages, there will be increasing need for housing that can be easily adapted to meet people’s mobility and access needs. Council’s ‘Housing Strategy’ will ensure a proportion of new residential developments include dwellings that are accessible or can be easily adapted.</p>	<p>Outcome 2 - We plan for our future growth</p> <p>Strategy 2.1 Facilitate development in the City that considers the current and future needs of our community</p> <p>Activity 2.2.1 Plan for and facilitate development in the city</p>

DIAP PRIORITY	WHAT IT MEANS	OUTCOME & STRATEGY
Review accessibility elements within Council's Development Control Plan	Council's Development Control Plan (DCP) provides detailed planning and design guidelines for designers and developers planning new development/works within the local government area. In reviewing the DCP, Council will ensure that accessibility guidelines and recommendations reflect current best practice to enable fair access for all.	<p>Outcome 2 - We plan for our future growth</p> <p>Strategy 2.2 Protect the City's natural areas, heritage and character</p> <p>Activity 2.2.1 Ensure our policies, strategies and plans set a clear direction for managing the growth of our City</p> <p>Strategy 2.3 Ensure services, facilities and infrastructure meet the changing needs of our City</p> <p>Activity 2.3.1 Ensure our policies, strategies and plans provide for the services and infrastructure our City needs</p>
Implement the adopted programme for the roll out bus shelters that are compliant with the <i>Disability Discrimination Act</i>	After the design competition for accessible and environmentally sustainable bus shelters, bus shelters built by Council will follow the winning design and will be built according to the adopted schedule of works.	<p>Outcome 3 - We can get around the city</p> <p>Strategy 3.1 Work with partners to improve public transport</p> <p>Activity 3.1.2 Work with providers to review existing and plan for new public transport services</p>
Ensure the adopted PATHS strategy is implemented (subject to funding)	Council continues to roll out a strategy for delivery of new footpaths and shared pathways that are accessible, provide a continuous path of travel and can easily be traversed by people with various travel needs (using wheelchairs, walking frames, prams)	<p>Outcome 3 - We can get around the city</p> <p>Strategy 3.2 Provide a safe and efficient road and pathway network</p> <p>Activity 3.2.3 Implement the footpath and shared pathway program</p>
Finalise and implement the Pedestrian Accessibility Mobility Plan (PAMP) (*subject to RMS funding)	A PAMP will enable a comprehensive audit of existing paths of travel that will allow for identification and prioritisation of existing paths that require further work to ensure accessibility.	<p>Outcome 3 - We can get around the city</p> <p>Strategy 3.2 Provide a safe and efficient road and pathway network</p> <p>Activity 3.2.3 Implement the footpath and shared pathway program</p>

DIAP PRIORITY	WHAT IT MEANS	OUTCOME & STRATEGY
Improve accessibility to the river at Tench Reserve	Tench Reserve is a much loved and well used park with picturesque views of the Nepean River. Upcoming redevelopment and enhancements at Tench Reserve will improve access for all people to the waterfront.	<p>Outcome 4 - We have safe, vibrant places</p> <p>Strategy 4.1 Make our public places safe and attractive</p> <p>Activity 4.1.9 Manage the delivery of Council's major capital projects</p>
Identify opportunities in Council's Sport, Recreation, Open Space, and Play strategy for provision of access and participation that is inclusive and accessible	Council maintains a range of sports fields, parks, and playgrounds, and in 2017 a new ten-year strategy is being developed. Council's Sport, Recreation, Open Space and Play Strategy will include actions that ensure people of all abilities will be able to access and enjoy these facilities.	<p>Outcome 6 - We are healthy and share strong community spirit</p> <p>Strategy 6.1 Provide opportunities for our community to be healthy and active</p> <p>Activity 6.1.6 Manage sport and recreation facilities, programs and services to meet community needs</p>
Accessible infrastructure improvements are incorporated into asset management plans	Some older Council buildings or paths which were accessible when built may not meet current standards for access. Over time Council will upgrade these amenities to ensure they are accessible for all members of the community.	<p>Outcome 7 - We have confidence in our Council</p> <p>Strategy 7.2 Manage our money and our assets to be sustainable now and into the future</p> <p>Activity 7.2.1 Manage Council's assets to minimise risk, reflect lifecycle costs and meet community needs</p>
Systems and processes		
Ensure that the community is aware of Council's Access Committee	The Access Committee meets six times each year and provides advice to Council about access and inclusion matters. Relevant policies, plans, and development applications are referred to the Committee for review and comment. In addition to Councillors, the Access Committee includes six community members with lived experience of disability or expertise in access and inclusion.	<p>Outcome 6 – We are healthy and share strong community spirit</p> <p>Strategy 6.1 Provide opportunities for our community to be healthy and active</p> <p>Activity 6.1.3 Deliver programs and work with government and community organisations to improve health and wellbeing</p>
Review the accessibility of Council's front counter	Council is committed to providing quality customer service to every member of our community. Many people access Council services via the front foyer, and this area needs to be easy to access for all residents.	<p>Outcome 7 – We have confidence in our Council</p> <p>Strategy 7.1 Be open and fair in our decisions and dealings with people</p> <p>Activity 7.1.7 Provide a quality customer experience through the contact centre and front counter</p>

DIAP PRIORITY	WHAT IT MEANS	OUTCOME & STRATEGY
Improve the accessibility of Council's website	Websites can be designed with features that allow easy access and navigation for people using adaptive technology (such as screen readers for people with vision impairment, or styluses for people with limited mobility). Council is continually working to improve accessibility of its website.	<p>Outcome 7 – We have confidence in our Council</p> <p>Strategy 7.4 Keep our community informed about what Council is doing and how they can have their say in decisions that affect them</p> <p>Activity 7.4.1 Keep our community informed about what Council is doing</p>
Provide training about accessible documents and access to information across relevant Council services	Public documents available on Council's website should be formatted in ways that allow easy access and navigation for people using adaptive technology (screen readers for people with vision impairment, or styluses for people with limited mobility). Council will provide training for staff in how to create accessible documents.	<p>Outcome 7 – We have confidence in our Council</p> <p>Strategy 7.5. Build our organisation as "Penrith City Council, the place to be"</p> <p>Activity 7.5.2 Build the talents and capabilities of our staff</p>
Employment		
Undertake projects that support local business to increase employment of people with disabilities	Council consultations identified that people with disability want to gain employment and people generally like to work close to home. Council will work with businesses and employment representatives to increase local opportunities for the employment of people with disability.	<p>Outcome 6 – We are healthy and share strong community spirit</p> <p>Strategy 6.1 Provide opportunities for our community to be healthy and active</p> <p>Activity 6.1.3 Deliver programs and work with government and community organisations to improve health and wellbeing</p>
Council's "Equal Employment Opportunity" (EEO) management plan includes an objective to increase the number of people employed by Council with disability	Council aims to provide leadership across the City on the employment of people with disability. Council will develop a revised EEO plan in 2017 that includes actions to increase the number of people with disability employed at Council	<p>Outcome 7 – We have confidence in our Council</p> <p>Strategy 7.5. Build our organisation as "Penrith City Council, the place to be"</p> <p>Activity 7.5.1 Promote our values of Respect, Being Accountable, and Innovation</p>

INTRODUCTION

WORK CLOSE TO HOME

PLANNING FOR FUTURE GROWTH

GETTING AROUND OUR CITY

SAFE, VIBRANT PLACES

OUR ENVIRONMENT

HEALTH AND COMMUNITY SPIRIT

OUR COUNCIL

SCHEDULES

FIT FOR THE FUTURE

In October 2015 Council was one of seven metropolitan councils deemed 'Fit for the Future' by the Independent Pricing and Regulatory Tribunal (IPART). To be Fit for the Future, we needed to demonstrate how we met the criteria of sustainability; effective infrastructure and service management, efficiency, and scale and capacity as measured by the seven indicators set by the Office of Local Government. The indicators cover a range of critical council activities, focussing on long term financial sustainability and responsible asset management. A summary of the indicators appears below:

Operating performance ratio

Our operating expenses must be less than or equal to our revenue, not including grants and capital contributions.

Own source revenue

No more than 40% of our overall revenue can come from grants and contributions.

Building and Asset Renewal Ratio

We need to spend enough on renewing our assets to compensate for the value they lose each year through depreciation.

Infrastructure Backlog Ratio

The 'value' of our infrastructure backlog should be no more than 2% of the total value of our assets.

Asset Maintenance Ratio

We need to be undertaking all required asset maintenance, in accordance with our Asset Management Plan.

Debt service ratio

The cost of servicing our debt must be no more than 20% of our income, not including income from grants and contributions.

Real operating expenditure

The cost of delivering our services should decrease over time. The absolute cost may increase if the population increases, but the net cost per person must decrease.

In order to meet all seven indicators within five years, we reviewed our financial strategies, applied for a Special Rate Variation to help fund asset renewal and reduce debt, and committed to an ongoing program of productivity improvements. Key strategies that we will implement throughout this Delivery Program are:

1. Introduce service level agreements and service specifications that reduce duplication and double handling
2. Improve overall performance of key business processes
3. Comprehensive improvement plans that show a decrease in operating expenditure per capita over time, achieved through savings realised through improved productivity and efficiency in service delivery and asset management
4. Pursue efficiencies, economies of scale, resource and knowledge sharing through the Strategic Alliance with Blue Mountains City Council and Hawkesbury City Council
5. Implement the Building and Infrastructure Asset Renewal program as outlined in the Asset Management Strategy
6. Grow our own source revenue
7. Improve our operating performance through realisation of targeted cost savings and productivity improvements

We will report on our progress every year, so the community can see whether we are making the progress we expected in those areas that needed improvement. The following table shows actual figures for 2015-16, preliminary figures for 2016-17 (confirmed once the annual financial statements are prepared) and predicted figures for 2017-21 based on the current long term financial plan.

INDICATOR	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21
OPERATING PERFORMANCE RATIO Greater or equal to break even average over 3 years <i>Meet by 2018-19</i>	3.25%	1.71%	2.75%	3.10%	3.83%
OWN SOURCE REVENUE Greater than 60% average over 3 years <i>Benchmark met. Performance maintained</i>	69.59%	71.05%	71.04%	74.70%	77.04%
BUILDING AND ASSET RENEWAL RATIO Improvement within 5 years, towards greater than 100% average over 3 years <i>Ongoing improvement from 2017-18</i>	39.43%	53.70%	56.45%	63.83%	63.34%
INFRASTRUCTURE BACKLOG RATIO Less than 2% <i>Meet by 2016-17</i>	1.23%	1.16%	1.09%	0.99%	0.88%
ASSET MAINTENANCE RATIO Greater than 100% average over 3 years <i>Benchmark met. Performance maintained</i>	101.85%	102.31%	100.72%	100.74%	100.64%
DEBT SERVICE RATIO Greater than 0% and less than or equal to 20% average over 3 years <i>Benchmark met. Performance maintained</i>	6.93%	6.63%	6.07%	5.58%	4.90%
REAL OPERATING EXPENDITURE A decrease in Real Operating Expenditure per capita over time <i>Ongoing improvement from 2018-19</i>	0.98	0.94	0.92	0.90	0.88

Figures for 2016-17 are estimated, and may change. Final figures will be published in our 2016-17 Annual Report, following adoption of the audited Financial Statements. Figures for 2017-18 onwards are projections based on our Long Term Financial Plan.

INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES

SPECIAL RATE VARIATION

The Special Rate Variation (SRV) is part of an overall package of financial and organisational reform which will position Council for long term financial sustainability and deliver improvement in financial performance.

The SRV should not be considered in isolation, but rather as one of a number of strategies that will work together to deliver the desired changes to our financial environment and fulfil the aspirations of our community. Although the SRV will be used to fund asset renewal and maintenance, address backlog, realign existing services, improve service levels and facilitate major projects, it is not the only funding source as these initiatives will also be funded through productivity savings, growth in own source revenue and rationalisation of assets.

The SRV will provide capacity for Council to respond to the community's aspirations for the city including significant city shaping and infrastructure

opportunities and additional commitment to asset renewal. It will maintain existing commitments to a range of programs including public domain, graffiti removal, neighbourhood renewal, building and road asset renewal. It will also allow for reform of our financial structure to reduce reliance on general borrowing and increase investment in technology that will provide long term productivity improvements.

Council will specifically report on how it is spending the SRV funds in our Annual Report. For more detailed information on the SRV and works it will help fund for the coming year, see page 124 and the schedules starting on page 61.



ORGANISATIONAL PERFORMANCE

Organisational performance indicators help us understand how the organisation as a whole is performing in key areas. Council needs to measure and report on how well we're delivering on what we have said we'll do. As well as reporting on our service activities and actions, we've also developed some more general indicators to help us understand whether we're working efficiently to deliver our services. How we perform against each of these indicators will be reported each year as part of our Annual Report.

OUTCOME 1: WE CAN WORK CLOSE TO HOME

Number of businesses participating in Council business programs and activities

This will capture the number of businesses that participate in council run programs and activities.

Utilisation rates of Council provided childcare places

This will measure whether Council's Children's Services are operating at target utilisation rates, and whether there is capacity for parents seeking care of different types. This will provide an indication of whether lack of child care overall may be preventing people from being in the workforce or from working the hours they'd like to work.

Number of attendees at Library Education programs

This will help Council to determine the popularity of educational programs such as HSC revision session or children's story time sessions. Increasing trend of attendees over time will indicate sessions are positively received.

OUTCOME 2: WE PLAN FOR OUR FUTURE GROWTH

Approvals for different styles of housing

Applications submitted and approved for different styles of dwelling, including single dwellings, dual occupancies, town houses and apartments. Over time, this will show whether the diversity of housing stock in Penrith is increasing, and whether a variety of housing types are being provided to suit different types of family.

Number of planning proposals

This will capture the number of requests to amend the LEP, submitted in the form of planning proposals for development on specific sites which

does not comply with the current planning controls. An increasing trend in applications to amend the LEP would be a sign that it may require a more comprehensive review.

Number of formal variations to planning policies

This will capture the formal variations that Council makes to its planning policies to approve a proposed development. This will provide an indication of both how relevant our policies are and how strong Council is in applying them.

OUTCOME 3: WE CAN GET AROUND THE CITY

Number of complaints received regarding defects on Council roads

The number of people who lodge a complaint or request around road defects (potholes, missing signs, other damage); and the satisfaction of some with Council's response. This will provide an indication of unscheduled / unanticipated damage to Council's roads that may affect usability of the network. Customer satisfaction is important given the high priority the community places on the condition of the road network.

Metres of path paving added to the network

This will provide information on increases in the pathway network, demonstrating that Council is working to increase the connections for walking and cycling within the City.

Utilisation rate of parking spaces

This will provide limited information at this stage, as parking pods are only installed certain carparks. This should increase as more pods are installed. Comments from Rangers on tickets issued may also provide supporting information about utilisation of particular car parks and where parking spaces are under pressure.

OUTCOME 4: WE HAVE SAFE, VIBRANT PLACES

Average utilisation rates of community facilities

This will give an indication of how much Council's community facilities are being used, which will provide an indication of both whether they are meeting community needs, and the extent to which the community is looking to use our facilities for one off or ongoing functions.

Number of reported incidents of graffiti

Research has shown the presence (or absence) of graffiti impacts community perception of how safe an area is – areas with more graffiti are perceived as more dangerous. Additionally, the research has also shown that the most effective way to reduce incidents of graffiti is to remove it quickly when it does occur. A decreasing trend in this area will demonstrate not just an improvement in graffiti but will reflect overall perception of the safety and amenity of our public spaces.

% of community / customer requests related to public amenity

Customer lodge complaints about our public domain will tell us both when our agreed servicing has not been completed adequately, and when they feel that the service levels are not high enough.

Progress on key revitalisation projects

This will measure whether we are delivering to time and budget on programs to improve key public spaces in the City. For the 2017-18 Delivery Program projects measured will be the CBD improvement program and revitalisation of the River.

OUTCOME 5: WE CARE FOR OUR ENVIRONMENT

Corporate waste generation and diversion from landfill

How much waste is generated by Council, how much is recycled and how much is sent to landfill.

% of Council's electricity supplied from low carbon sources (target of 10% by 2030)

How much of Council's energy is supplied from low carbon sources such as solar and wind power, and accredited GreenPower.

% reduction in Council's greenhouse gas emissions (target of 40% reduction by 2030 based on 2010-11 levels)

Greenhouse gasses are major contributors to climate change. Reduction in our greenhouse gas emissions is a key way that Council can work to minimise the impact of climate change and demonstrate environmentally responsible leadership.

Council's use of potable water

Use of potable water is significantly influenced by rainfall. Tracking water use, however, is still important as it provides an indicator of Council's overall approach to sustainable resource use.

Hectares of land under active management

This will provide information about areas of natural bushland that are being managed to minimise weed invasion and promote biodiversity.

OUTCOME 6: WE ARE HEALTHY AND SHARE STRONG COMMUNITY SPIRIT

Number of food premises with 5 stars in the 'scores on doors' program

This will provide an indication of the effectiveness of Council's food safety regime in promoting good behaviour and protecting public health.

Number of visitors to Council's leisure and cultural facilities

How many people are accessing leisure or cultural facilities run by Council or our entities. This will tell us whether programs offered are popular with the community and respond to community needs.

Council run and supported community events

The number of events council either runs or supports, which have as a focus building community spirit.

Use of Council's libraries

How many people are accessing Councils' library facilities, resources and programs.

Number of local club sporting members a % of the population aged between 5 and 50

Membership of local sporting clubs is out of the control of council, but it does provide an indication of potential utilisation rates of Council sporting facilities. This will help Council to track growth in particular sports or in particular clubs to anticipate where facility upgrades may be required.

OUTCOME 7: WE HAVE CONFIDENCE IN OUR COUNCIL

Deviation from budget

Council's actual income and expenditure in a financial year compared to the expected income and expenditure for that year. Frequent or large scale negative deviations from budget may indicate a risk to long term financial sustainability.

% Overall increase in Council's digital presence

Council's digital presence through a range of platforms, including our website and social media. Council's digital presence is an important part of overall engagement with the community and keeping the community and stakeholders informed about what Council is doing. Although digital presence is not the only form of communication, increasing digital presence will provide some indication of the effectiveness of our communication strategies.

Number of informed participants in community engagement activities

The number of people who visit an engagement activity – digital or otherwise – and actively engage – ask questions, open a document, click on a link, return a survey etc. Active engagement is critical to understand which of Council's engagement activities or platforms, and which projects, are most accessed by the community. This data will inform future engagement activities to maximise chances of good community involvement.

Total number of Councillor decisions made at meetings closed to the public

The number of formal decisions made by Council at meetings which cannot be accessed by members of the public. This reflects council transparency in representative decision making. Although some decisions must be kept confidential for commercial reasons, the majority of Council decisions should be made in public forums.

Number of successful liability claims against Council as a % of total claims

The number successful claims against Council for any form of liability (poor or incorrect information supplied, poor maintenance, trip hazards etc.). Successful liability claims indicate both the quality of Council services and the appropriateness of

risk management. An increasing trend, either organisation wide or in relation to particular risks, will help guide where specific action to reduce risk may need to be taken.

% of employees that use their full entitlement of sick leave in a year

Short term absenteeism is a useful measure of employee engagement – engaged employees are less likely to take unplanned leave. If short term absenteeism is high, it is likely that productivity will suffer both due to lower engagement and due to other team members having to cover absent team members work.

Days lost to Work Health and Safety incidents

Work days lost as a result of workplace injury. This is an indication of how well Council is implementing work health and safety measures and procedures to reduce incidents of workplace injury.

Increase in employee satisfaction for top 3 opportunities and employee satisfaction maintained or increased for top 3 strengths

This will measure how well Council is addressing areas that are negatively affecting employee engagement. This indicator cannot be measured until a survey is done, measures to address issues raised have been implemented and employees resurveyed.

% of reports of unauthorised activities investigated within target timeframes

Whether Council is meeting target timeframes for investigating reports of unauthorised activities. This could include illegal dumping; unauthorised land uses or non-compliance with conditions of consent.

Customer satisfaction rating

Score or rating provided by customers who have recently contacted Council on the quality of the customer service provided.



DELIVERY PROGRAM STRUCTURE

The next section of this document provides the details of all the activities Council will undertake in the four years from 1 July 2017 to 30 June 2021 - our Delivery Program. It also includes the specific actions we will undertake from 1 July 2017 to 30 June 2018 - our Operational Plan. These activities and actions link to the Community Plan through the strategies and Outcomes.

Strategies also appear in our Community Plan		This is the service in Council that will do this
STRATEGY 1.1 Attract investment to grow the economy and increase the range of businesses operating in the region		
WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)		SERVICE
1.1.1	Deliver actions identified in the Economic Development Strategy, Penrith Progression and Penrith Health and Education Precinct action plan	Economic Initiatives
1.1.2	Facilitate investment in the city through partnerships with key stakeholders	Economic Initiatives
1.1.3	Actively promote and market the New West	Economic Initiatives
1.1.4	Deliver city centre transformation through development of key council sites	Economic Initiatives
2017 - 18 action a. Start engaging with the community and stakeholders on potential designs for the City Park		
1.1.5	Promote Penrith as a place to visit and invest in through marketing and events	Marketing and Events
1.1.6	Manage Council's property portfolio to stimulate investment	Property Development
These are actions that will be done this year		These are our 4 year activities

More detailed information on our asset renewal programs, budget and revenue, capital and operating projects and special rate initiatives appear in the Schedules at the end of this document.

Over the four years of the 2017-21 Delivery Program the activities and actions performed by different services may change. Any changes will be tracked from year to year to provide continuity over the full term of the Delivery Program.



Outcome 1

WE CAN WORK CLOSE TO HOME

Our community has told us that more jobs close to home, particularly for young people, is an important priority in planning for the future. Council actively supports a strong and balanced local economy delivering local jobs, to ensure our residents have a variety of employment opportunities. We need to make our City attractive for emerging and innovative industries and build on the opportunities that already exist.

Of our 100,500 employed local residents, close to 56,400 travel to work outside the local government area. Our population is growing faster than the number of jobs available in the region, so residents will have to travel longer distances to find work. This increases travel costs and time away from home, affecting the health and wellbeing of our community.

Outcome 1 looks at how Council, together with other levels of government and our partners, can attract investment, facilitate job diversity and growth, and encourage local workforce skills and training. This will help Penrith be more resilient to changes in regional, national and international economic circumstances.

The draft Metropolitan Strategy for Sydney to 2031 aims for an additional 37,000 jobs, by 2031, in the West Sub-region. Council has a more aspirational goal for at least an additional 42,000 jobs in our City alone by 2031, to reduce the gap between our number of workers and available jobs. An additional 2,657 jobs were delivered in the City between 2011 and 2015. We can only meet our community's employment needs through collaboration between all levels of government and business.

STRATEGIES

Strategy 1.1

Attract investment to grow the economy and increase the range of businesses operating in the region

Strategy 1.2

Provide access to lifelong learning to maximise opportunities for our community

Services	Manager
Children's Services	Janet Keegan
Economic Initiatives	TBA
Libraries	Sarah Dean
Marketing and Events	Barbara Magee
Property Development	Angus Fulton
Workforce and Workplace	Linda Ross

STRATEGY 1.1

Attract investment to grow the economy and increase the range of businesses operating in the region

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
1.1.1 Deliver actions identified in the Economic Development Strategy, Penrith Progression and Penrith Health and Education Precinct action plan	Economic Initiatives
1.1.2 Facilitate investment in the city through partnerships with key stakeholders	Economic Initiatives
1.1.3 Actively promote and market the New West	Economic Initiatives
1.1.4 Deliver city centre transformation through development of key council sites	
2017 - 18 action	Economic Initiatives
a. Start engaging with the community and stakeholders on potential designs for the City Park	
1.1.5 Promote Penrith as a place to visit and invest in through marketing and events	Marketing and Events
1.1.6 Manage Council's property portfolio to stimulate investment	Property Development

STRATEGY 1.2

Provide access to lifelong learning to maximise opportunities for our community

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
1.2.1 Deliver high quality children's services	
2017 - 18 action	Children's Services
a. Expand service delivery to include Out of School Hours care on school grounds	
1.2.2 Support young children to be successful lifelong learners	Children's Services
1.2.3 Deliver quality library services that meet the community's changing needs	
2017 - 18 actions	Libraries
a. Investigate upgrades to print and payment system	
b. Implement Radio Frequency Identification (RFID) to all branches	
1.2.4 Deliver a work experience and traineeship program that adds value to the community, students and Council	Workforce and Workplace



INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES



Outcome 2

WE PLAN FOR OUR FUTURE GROWTH

Effective management of our growth has consistently been identified as the biggest issue of concern to our community. Generally, people accept that Penrith will grow, but want to make sure the things that make Penrith special are not lost, and that services, infrastructure and facilities exist to support the growing population.

Outcome 2 recognises the desire to ensure our City's future urban growth protects our rural and natural lands, respects our heritage and provides housing that meets community needs without compromising the character and amenity of our neighbourhoods. It recognises Council's role in encouraging and regulating high quality development, and ensuring the necessary investment is made in infrastructure and services.

STRATEGIES

Strategy 2.1	Facilitate development in the City that considers the current and future needs of our community
Strategy 2.2	Protect the City's natural areas, heritage and character
Strategy 2.3	Ensure services, facilities and infrastructure meet the changing needs of our City

Services	Manager
City Planning	Natasha Baker
Communications	Barbara Magee
Development Applications	Peter Wood
Development Engineering	Adam Wilkinson
Fire Safety and Certification	Peter Wood

STRATEGY 2.1

Facilitate quality development in the City that considers the current and future needs of our community

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)

SERVICE

2.1.1 Plan for and facilitate development in the City City Planning

2.1.2 Assess development proposals efficiently and make decisions that are open and fair

2017 - 18 actions

Development
Services

a. Engage with stakeholders on ways to improve development assessment

b. Undertake a program of continuous service enhancement

2.1.3 Provide engineering advice for development applications, strategic planning and policy development Development Services

2.1.4 Ensure buildings constructed are safe and healthy Development Services

2.1.5 Contribute to and influence changes in policy to ensure the best outcomes for our community Development Services

STRATEGY 2.2

Protect the City's natural areas, heritage and character

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)

SERVICE

2.2.1 Ensure our policies, strategies and plans set a clear direction for managing the growth of our City City Planning

2.2.2 Undertake research and projects in response to emerging issues City Planning

2.2.3 Guide quality development outcomes through provision of expert advice and quality customer service Development Services

STRATEGY 2.3

Ensure services, facilities and infrastructure meet the changing needs of our City

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)

SERVICE

2.3.1 Ensure our policies, strategies and plans provide for the services and infrastructure our City needs City Planning

2.3.2 Seek to influence planning legislation and related government policies to ensure the best outcomes for our community City Planning

2.3.3 Represent the changing needs of our growing community to other levels of government Communications



INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES



Outcome 3

WE CAN GET AROUND THE CITY

Our community has told us they want a strong focus on improving roads, public transport, parking and pathways to reduce traffic congestion, enhance liveability and provide safe and efficient access to all areas of our City.

Most of our journeys rely on the road network, as the railway line crosses the city east to west but does not provide any north south links. Our original townships grew up along the railway, but the past 30 years of growth has spread out from these areas, isolated from public transport. Over 56,000 local residents travel to work outside our City, relying on cross-City and cross-regional travel which can be difficult with the existing public transport network.

An integrated shared pathway network throughout our City - linked to public open space, schools, shops, community facilities and public transport - is vital to create connections and encourage people to walk and cycle. Council will keep adding to and improving our pathways and working with developers to deliver shared pathways for new communities.

Outcome 3 targets the delivery of effective transport options for passengers and freight in the City and the region by Council and other levels of government.

STRATEGIES

- | | |
|---------------------|---|
| Strategy 3.1 | Work with partners to improve public transport |
| Strategy 3.2 | Provide a safe and efficient road and pathway network |
| Strategy 3.3 | Provide parking to meet the needs of the City |
| Strategy 3.4 | Improve passenger and freight transport connections in the region |

Services	Manager
City Presentation	John Gordon
Design and Project Management	Michael Jackson
Development Engineering	Adam Wilkinson
Regulatory Control	Greg McCarthy
Traffic Management, Parking and Road Safety	Adam Wilkinson

STRATEGY 3.1

Work with partners to improve public transport

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
3.1.1 Implement the bus shelter renewal program	City Presentation
3.1.2 Work with providers to review existing and plan for new public transport services	Traffic Management, Parking and Road Safety

STRATEGY 3.2

Provide a safe and efficient road and pathway network

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
3.2.1 Maintain the City's roads and pathways	City Presentation
3.2.2 Implement the road asset renewal program	City Presentation
3.2.3 Implement the footpath and shared pathway program	City Presentation
3.2.4 Provide detailed designs for Council's roads and pathways	Design and Project Management
3.2.5 Manage the delivery of Council's major transport infrastructure projects	Design and Project Management
3.2.6 Certify future public assets being delivered as part of development	Dev't. Engineering
3.2.7 Provide technical advice on traffic issues and plan for the delivery of roads and shared pathways	Traffic Management, Parking and Road Safety
3.2.8 Manage programs and initiatives that improve road safety and efficiency	Traffic Management, Parking and Road Safety
3.2.9 Identify areas and causes of traffic congestion that affect main roads	Traffic Management, Parking and Road Safety
2017 - 18 action	
a. Lobby for funding to upgrade roads where there are identified areas of significant congestion	Advocacy (Communications)

STRATEGY 3.3

Provide parking to meet the needs of the City

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
3.3.1 Maintain Council's car parks	City Presentation
3.3.2 Help ensure efficient and fair use of parking spaces across the City	Regulatory Control
3.3.3 Provide technical advice on parking issues and plan for the delivery of parking infrastructure	Traffic Management, Parking and Road Safety

STRATEGY 3.4

Improve passenger and freight transport connections in the region

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
3.4.1 Work with government to deliver regional transport infrastructure that meets the needs of our community	Traffic Management, Parking and Road Safety
2017 - 18 actions	Advocacy (Communications)
a. Advocate for regional transport infrastructure	
b. Contribute to submissions on proposals for major transport infrastructure	City Planning



INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES



Outcome 4

WE HAVE SAFE, VIBRANT PLACES

Outcome 4 recognises the community's desire to feel safe in our neighbourhoods and have clean, welcoming and vibrant public places. This covers physical aspects – lighting, paving, somewhere to sit that is shady in summer and protected in winter – as well as social aspects such as meeting places, eating options and events.

The character of our City has in part been shaped by its location, the unique balance of rural, natural and urban areas, and the Nepean River. It has been characterised by a great lifestyle, close-knit community and family-friendly environment. Our centres offer a range of community services, retail, commercial, educational, entertainment and cultural activities.

As the City grows our lifestyle needs change, but residents have told us it is important to them that

the character and sense of place in our centres and neighbourhoods is not lost. Council will continue to focus on revitalising the older established areas of the City, and working with developers to ensure new residential areas have what they need to be safe and vibrant places.

Council is focused on renewing our major centres in Penrith, St Marys and Kingswood; activating the public areas along the Nepean River, and improving the connections between the Penrith City Centre and the River.

STRATEGIES

Strategy 4.1	Make our public places safe and attractive
Strategy 4.2	Help make our major centres and important community places safe and attractive
Strategy 4.3	Work with our communities to improve wellbeing and infrastructure in their neighbourhoods

Services	Manager
Asset Management	Hans Meijer
City Presentation	John Gordon
Design and Project Management	Michael Jackson
Facilities Management	Andrew Robinson
Place Management	Jeni Pollard
Property Management	Angus Fulton
Regulatory Control	Greg McCarthy

STRATEGY 4.1

Make our public places safe and attractive

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
4.1.1 Implement the Building Asset Renewal Program*	Asset Management
4.1.2 Provide security for Council property and public areas	Asset Management
4.1.3 Maintain a Community Safety Plan for the City	Asset Management
4.1.4 Maintain Council's public buildings and public spaces	City Presentation
4.1.5 Implement the Public Amenity Replacement Program	City Presentation
4.1.6 Manage public trees across the City	City Presentation
4.1.7 Provide designs and plans for Council's buildings	Design and Project Management
4.1.8 Manage the development of master plans and designs for Council's public spaces	Design and Project Management
2017 - 18 action	
a. Commence planning and community engagement for Regatta Park	
4.1.9 Manage the delivery of Council's major capital projects	Design and Project Management
4.1.10 Manage Council's cemeteries	Facilities Management
4.1.11 Help make our public spaces and community facilities safe and pleasant places to be	Regulatory Control

* To transition to City Presentation during the 2017-21 period

STRATEGY 4.2

Help make our major centres and important community places safe and attractive

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
4.2.1 Support the revitalisation of Penrith City Centre, St Marys Town Centre and other key centres in the City	Place Management
4.2.2 Help ensure our important community places meet the needs of the people that use them	Place Management
4.2.3 Use Council's property portfolio to help make our major centres and important community places safe and attractive	Property Development

STRATEGY 4.3

Work with our communities to improve wellbeing and infrastructure in their neighbourhoods

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
4.3.1 Manage the use of Council's community buildings	Facilities Management
4.3.2 Implement the Neighbourhood Facilities Improvement Program	Facilities Management
4.3.3 Work with local communities to identify priority issues in their area	Place Management
2017 - 18 action	
a. Undertake the Neighbourhood Renewal Program for North St Marys	
4.3.4 Deliver projects that address local issues and improve the wellbeing of local communities	Place Management



INTRODUCTION

WORK CLOSE TO HOME

PLANNING FOR FUTURE GROWTH

GETTING AROUND OUR CITY

SAFE, VIBRANT PLACES

OUR ENVIRONMENT

HEALTH AND COMMUNITY SPIRIT

OUR COUNCIL

SCHEDULES



Outcome 5

WE CARE ABOUT OUR ENVIRONMENT

Our community has told us that protecting our river, creeks, waterways and bushland areas for present and future generations is important. They also want to be supported to use resources and manage their household waste more efficiently.

One of Penrith's defining attributes is our natural environment including beautiful waterways and a diverse range of native species and ecological communities. Our City contains approximately 17% of the remnant vegetation of the Cumberland Plain - the highest proportion in any council area. Penrith is also unique in that significant areas of remnant native vegetation occur on private land outside conservation reserves.

Council is the steward of approximately 1271ha of open space with an estimated 274ha of natural areas having biodiversity value. Outcome 5 recognises the need to balance population growth with the need to respect our environment, support agriculture and build on our local fresh food production and other rural activities.

A significant proportion of the City has the potential to be affected by flooding, especially along the Nepean River and South and Ropes Creeks. We are also likely to experience more severe weather events in future, such as heatwaves, storms and bushfires.

Heat is particularly an issue for Western Sydney, and Council is looking at ways to 'cool-down' the City. Our organisation continues to lead by example in terms of reducing waste generation and energy and water use.

We also deliver education and awareness programs to help our communities to live more sustainably. Outcome 5 reflects our efforts to achieve a healthier, better protected and well managed environment that responds to a changing climate.

STRATEGIES

Strategy 5.1	Protect and improve the environment of our City
Strategy 5.2	Support our community to use resources wisely
Strategy 5.3	Minimise risks to our community from natural disasters and a changing climate

Services	Manager
City Presentation	John Gordon
Design and Project Management	Michael Jackson
Emergency Services Management	Hans Meijer
Environmental Health	Greg McCarthy
Floodplain and Stormwater Management	Adam Wilkinson
Regulatory Control	Greg McCarthy
Sustainability	Carmel Hamilton
Waste Management	Tracy Chalk

STRATEGY 5.1

Protect the environment of our City

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
5.1.1 Maintain Council's natural areas	City Presentation
5.1.2 Maintain Council's drainage infrastructure	City Presentation
5.1.3 Provide designs and plans for Council's drainage infrastructure	Design & Project Management
5.1.4 Help protect and improve our City's natural environment	Environmental Health
5.1.5 Provide advice on protection of the environment and community health	Environmental Health
5.1.6 Collaboratively manage illegal dumping across Western Sydney (RID Squad)	Regulatory Control
5.1.7 Help minimise impacts on the environment from unauthorised activities	Regulatory Control

STRATEGY 5.2

Support our community to use resources wisely

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
5.2.1 Provide information to our community on resource use and living sustainably	Sustainability
5.2.3 Manage resource recovery and waste collection services	Waste Management
5.2.3 Help our community understand how they can better manage waste	Waste Management

STRATEGY 5.3

Minimise risks to our community from natural disasters and a changing climate

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
5.3.1 Help protect our community by supporting emergency services to prepare for and respond to emergencies	Emergency Services Management
5.3.2 Manage the risk to and impact on life and property from the existing and potential future use of the floodplain	Floodplain and Stormwater Mgt
5.3.3 Provide advice on floodplain and stormwater management	Floodplain and Stormwater Mgt
5.3.4 Identify opportunities to respond to a changing climate	

2017 - 18 actions

a. Complete activities required under the Global Covenant of Mayors for Climate and Energy	Sustainability
b. Coordinate the implementation of the Cooling the City Strategy	
5.3.5 Work with partners to enhance the resilience of the City	

2017 - 18 action

a. Support the Resilient Sydney project and Council's Resilience Committee	Sustainability
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INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES



Outcome 6

WE ARE HEALTHY AND SHARE STRONG COMMUNITY SPIRIT

Outcome 6 focuses on messages from our community about the importance of encouraging health and wellbeing, as well as community pride and a sense of belonging. This was identified as the main reason why residents choose to stay in Penrith. Council seeks to celebrate our heritage, cultural diversity, build social inclusion and foster creativity, encouraging the participation and contribution of all people in the City.

Penrith has a proud community spirit and that is part of how we live and celebrate our achievements. Partnership, openness and a positive approach are what enable us to come together and achieve shared goals.

Council provides health, cultural and community programs and events for residents and priority groups to bring people together, make social connections and encourage community wellbeing. We actively support non-government community service providers and are responsible for food safety and hygiene in local eateries and restaurants.

Council has a number of libraries which provide community hubs for access to information and life-long learning. We have a number of regional arts, entertainment and cultural facilities including

the Joan Sutherland Performing Arts Centre, the Penrith Conservatorium of Music, the Q Theatre, and the Penrith Regional Gallery and The Lewers Bequest. Major sporting venues include the Sydney International Regatta Centre, the Penrith Whitewater Stadium, as well as the Penrith Panthers complex.

Council provides quality sports fields, parks and playgrounds which offer a range of recreational and social opportunities for our community. Penrith has a strong and proud sporting tradition, with a higher than average participation rate. Council provides venues for sports such as athletics, cricket, rugby league, soccer, baseball, netball, softball, tennis, swimming and touch football. Council's facilities provide opportunities for residents and visitors to the City to be physically active and improve their health.

STRATEGIES

Strategy 6.1 Provide opportunities for our community to be healthy and active

Strategy 6.2 Help build resilient, inclusive communities

Strategy 6.3 Enhance the cultural vitality of the City

Services	Manager
Children's Service's	Janet Keegan
City Presentation	John Gordon
City Partnerships	Barbara Magee
Community and Cultural Development	Erich Weller
Design and Project Management	Michael Jackson
Environmental Health	Greg McCarthy
Facilities Management	Andrew Robinson
Libraries	Sarah Dean
Marketing and Events	Barbara Magee
Marketing and Events	Greg McCarthy

STRATEGY 6.1

Provide opportunities for our community to be healthy and active

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
6.1.1 Maintain the City's sportsgrounds, parks and open spaces	City Presentation
6.1.2 Implement the Parks Asset Renewal Program	City Presentation
6.1.3 Deliver programs and work with government and community organisations to improve health and wellbeing	Community and Cultural Development
2017-18 actions a. Contribute to the improved health of residents in North St Marys through the Village Café	
6.1.4 Provide designs and plans for Council's parks and sportsgrounds	Design & Project Management
2017-18 action a. Undertake community engagement and finalise designs for Gipps Street	
6.1.5 Help protect and improve the health of our community	Environmental Health
2017-18 action a. Investigate implementing the NSW food authority's Scores on Doors food business rating system	
6.1.6 Manage sport and recreation facilities, programs and services to meet community needs	Facilities Management
6.1.7 Plan and advocate for sport and recreation facilities, services, programs and events for the City	Facilities Management
2017-18 action a. Complete the Penrith Sport, Recreation, Play and Open Space Strategy	
6.1.8 Support sport and recreation partners	Facilities Management
6.1.9 Deliver library services that support a vibrant, connected community	Libraries
2017-18 action a. Assist with refurbishment of Penrith Library PC area and Research Room	
6.1.10 Help promote responsible pet ownership	Regulatory Control
6.1.11 Ensure privately owned swimming pools are safe and healthy	
2017-18 actions a. Undertake an education program for swimming pool safety for existing pools in residential areas b. Undertake a program of swimming pool inspections for existing swimming pools in established residential areas	Regulatory Control

STRATEGY 6.2

Help build resilient, inclusive communities

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
6.2.1 Support children and families, particularly those living in vulnerable circumstances.	Children's Services
6.2.2 Develop effective responses to the impacts of growth, redevelopment and change in our community	
2017-18 actions <ul style="list-style-type: none"> a. Facilitate delivery of the Jordan Springs Community Hub b. Coordinate the implementation of the Disability Inclusion Action Plan c. Establish and support the Multicultural Working Party d. Complete a demographic profile of the City 	Community and Cultural Development
6.2.3 Work with partners to deliver events that strengthen our community	Community and Cultural Development
6.2.4 Support community service organisations working in our City	Community and Cultural Development
6.2.5 Work with Aboriginal organisations and residents to strengthen our community	Community and Cultural Development
6.2.6 Conduct and support events that include all members of our community	Marketing and Events

STRATEGY 6.3

Enhance the cultural vitality of the City

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
6.3.1 Create opportunities for residents to learn about different cultures through national and international partnerships	City Partnerships
6.3.2 Support and implement initiatives which contribute to culture and creativity	
2017-18 action <ul style="list-style-type: none"> a. Lead the implementation of the priorities from the 2015 Mayoral Arts and Culture Summit 	Community and Cultural Development
6.3.3 Create opportunities for residents to learn about different cultures	Marketing and Events

INTRODUCTION

WORK CLOSE TO HOME

PLANNING FOR FUTURE GROWTH

GETTING AROUND OUR CITY

SAFE, VIBRANT PLACES

OUR ENVIRONMENT

HEALTH AND COMMUNITY SPIRIT

OUR COUNCIL

SCHEDULES



Outcome 7

WE HAVE CONFIDENCE IN OUR COUNCIL

This outcome focuses on Council as a leader in the region, and the way we operate as an organisation and interact with our community and other stakeholders.

Our community has told us they want to know Council's finances are sound and sustainable. As well as managing our finances and assets responsibly, we need to continue to be ethical and transparent in our communication and decision-making. We will provide regular and genuine opportunities for our residents to have a say about decisions that affect them.

We are particularly focused on improving the customer experience for everyone who interacts with Council, whether in person, online, on the

phone or in writing. Council is also committed to providing a fair, productive and safe workplace.

As an organisation Council will base its decisions on the principles of sustainability and social justice, and deliver our services in the context of agreed priorities, legislative requirements and our available resources.

We also have an important role in building strategic partnerships (including with neighbouring councils) and advocating to other levels of government to ensure our community's needs are met.

STRATEGIES

Strategy 7.1 Be open and fair in our decisions and our dealings with people

Strategy 7.2 Manage our money and our assets to be sustainable now and into the future

Strategy 7.3 Deliver our services to provide best value for money

Strategy 7.4 Give our community the chance to have a say in decisions that affect them

Strategy 7.5 Build our organisation as "Penrith City Council the place to be"

Strategy 7.6 Work with our alliance partners, Blue Mountains City Council and Hawkesbury City Council, to share skills, knowledge and resources and find ways to deliver services more efficiently

Services	Manager
Asset Management	Hans Meijer
Business Performance	Graham Pares
City Planning	Natasha Baker
Communications	Barbara Magee
Corporate Governance	Glenn McCarthy
Corporate Planning	Allegra Zakis and Craig Shepherd
Customer Experience	Angela Hume
Financial Services	Neil Farquharson

Services	Manager
Fleet & Plant	Neil Farquharson
Information Technology	Jane Howard
Legal Services	Matthew Bullivant
Property Management	Angus Fulton
Purchasing and Supply	Neil Farquharson
Records	Matthew Bullivant
Sustainability	Carmel Hamilton
Workforce and Workplace	Linda Ross

STRATEGY 7.1

Be open and fair in our decisions and our dealings with people

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
7.1.1 Provide accurate and timely planning information	City Planning
7.1.2 Promote ethical behaviour and open and fair decision making	Corporate Governance
7.1.3 Manage Council's meeting calendar, meeting process and business papers	Corporate Governance
7.1.4 Support the Councillors in meeting their obligations and roles as community representatives	Corporate Governance
7.1.5 Provide advice to assist the organisation in meeting its lawful obligations	Corporate Governance
2017-18 action	
a. Review delegations across Council	
7.1.6 Implement Council's Code of Conduct to a high standard with respect to allegations, breaches and investigations	Corporate Governance
7.1.7 Provide a quality customer experience through the contact centre and front counter	
2017-18 actions	Customer Experience
a. Investigate opportunities to streamline the DA process from initial lodgement to handover to DA team	
b. Review how the front counter operates	
7.1.8 Help improve customer experience for everyone that contacts council	
2017-18 action	Customer Experience
a. Investigate an after-hours contact centre	
7.1.9 Provide general legal services and advice to Council	Legal Services
7.1.10 Provide dispute resolution and litigation services to Council	Legal Services
7.1.11 Manage access to information requests	Legal Services
7.1.12 Support compliance and risk management across Council	Legal Services
7.1.13 Manage insurance and claims	Legal Services
7.1.14 Undertake audits to help ensure Council's operations are ethical and efficient	Legal Services
7.1.15 Respond to community requests for use of Council's land (licences, easements, road closures)	Property Development
7.1.16 Manage Council's records responsibly	Records Management

STRATEGY 7.2 Manage our money and our assets to be sustainable now and into the future	
WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
7.2.1 Manage Council's assets to minimise risk, reflect lifecycle costs and meet community needs	
2017-18 actions	Asset Management
<ul style="list-style-type: none"> a. Update Asset Management Plans for all asset classes b. Review key asset management processes, including acquisition and disposal 	
7.2.2 Provide accurate information to Council and the community on council's financial activities	Financial Services
2017-18 action	
<ul style="list-style-type: none"> a. Expand reporting to include new performance and improvement opportunity measures 	
7.2.3 Support financial sustainability through financial planning and budget management	Financial Services
2017-18 actions	
<ul style="list-style-type: none"> a. Improve the design and delivery options for rate notices b. Undertake a review of cash handling processes 	
7.2.4 Manage Council's fleet, plant and equipment to minimise risk and reflect lifecycle costs	Fleet & Plant
7.2.5 Manage Council's property portfolio to reduce reliance on rate income	
2017-18 actions	Property Development
<ul style="list-style-type: none"> a. Start the Open Space Reinvestment Project for Jamisontown and Penrith b. Start the Open Space Reinvestment Project for Colyton / Oxley Park / North St Marys 	
7.2.6 Support financial sustainability by managing Council's purchasing policies and procedures	Purchasing and Supply
7.2.7 Help staff understand how to be sustainable in their everyday actions	Sustainability
7.2.8 Identify ways Council can use resources more efficiently	
2017-18 actions	Sustainability
<ul style="list-style-type: none"> a. Investigate the feasibility of larger scale solar renewable energy projects within the region. b. Develop and implement sustainability benchmarks and measures for key projects and staff 	

STRATEGY 7.3

Deliver our services to provide best value for money

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)

SERVICE

7.3.1 Monitor and support the business performance of the organisation

2017-18 actions

- a. Implement a corporate process mapping tool
- b. Introduce a business performance measurement and reporting framework
- c. Complement the work specification program with effective business planning

Business
Performance

7.3.2 Tell our community and stakeholders about how we are delivering on our commitments to them

2017-18 action

- a. Implement improved corporate reporting processes

Corporate Planning

7.3.3 Provide information technology to support efficient service delivery

2017-18 actions

- a. Develop a service improvement program
- b. Implement a new Service Desk tool
- c. Develop ICT Strategic Plan 2018+
- d. Coordinate a project to provide better access to key organisational information
- e. Develop and implement a system to track realisation of project benefits

ICT & GIS

7.3.4 Manage our mapping and geographical information systems to meet Council's needs.

ICT & GIS

7.3.5 Strive for workforce excellence by building partnerships, improving productivity and making best use of technology

2017-18 actions

- a. Implement a new recruitment and on-boarding system
- b. Streamline outdoor timesheets to increase efficiency

Workforce
and Workplace

STRATEGY 7.4 Keep our community informed about what Council is doing and how they can have their say in decisions that affect them	
WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
7.4.1 Keep our community informed about what council is doing	
2017-18 action	Communications
a. Lead a review of communication channels to ensure effective communication with the community	
7.4.2 Seek to influence decisions made by other levels of government to ensure the best outcomes for our community	Advocacy (Communications)
7.4.3 Participate in reviews and forums and make submissions that affect the community in respect to local government governance	Corporate Governance
7.4.4 Talk with and listen to our community when planning for the future	Corporate Planning
7.4.5 Ensure our corporate planning documents are a true reflection of current community needs	
2017-18 action	Corporate Planning
a. Trial process to vary the agreed works program	
.....	
STRATEGY 7.5 Build our organisation as “Penrith City Council the place to be”	
WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)	SERVICE
7.5.1 Promote our values of Respect, Being Accountable, and Innovation	
2017-18 action	Workforce and Workplace
a. Create reward/recognition framework to promote council values	
7.5.2 Build the talents and capabilities of our staff	
2017-18 actions	Workforce and Workplace
a. Create succession plans for CLT /Manager level as well as council wide critical positions	
b. Implement Equal Employment Opportunity management plan	
7.5.3 “Council safe; Home safe – towards Zero”. Ensure our safety systems provide and respond to the current needs of both our staff and our organisation	
2017-18 actions	Workforce and Workplace
a. Implementation of online Work ealth and Safety management system	
b. Finalise and implement mental health and wellbeing strategy for employees	
7.5.4 Build on staff engagement	
2017-18 action	Workforce and Workplace
a. Undertake an employee engagement survey	
.....	

STRATEGY 7.6

Work with our alliance partners, Blue Mountains City Council and Hawkesbury City Council, to share skills, knowledge and resources and find ways to deliver services more efficiently

WHAT WE WILL DO FROM 2017-21 (4 YEAR ACTIVITIES)

SERVICE

7.6.1 Identify and explore employee and resource opportunities within the Alliance

Workforce
and Workplace



INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES



SCHEDULES



INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES

SCHEDULE 1

PROPOSED CIVIL CONSTRUCTION & MAINTENANCE PROGRAM, BUILDING ASSET RENEWAL PROGRAM, PARKS ASSET RENEWAL PROGRAM AND CITY CENTRES IMPROVEMENT PROGRAM FOR 2017-18

Roads to Recovery Program for 2017-18

NORTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Terrybrook Road	Seventh Avenue to Sixth Avenue	Llandilo	412	230,000
TOTAL			412	230,000
EAST WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Marsden Road	Great Western Highway to Morris Street	Colyton	127	102,000
Marsden Road	Morris Street to White Parade	Colyton	124	99,666
Marsden Road	White Parade to Carpenter Street	Colyton	157	126,100
TOTAL			408	327,766
EAST WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Littlefields Road	The Northern Road to Queenshill Drive	Mulgoa	483	200,000
Littlefields Road	Queenshill Drive to 400m west of Queenshill Drive	Mulgoa	400	175,000
Clifton Avenue	145 Clifton Avenue to end of road	Kemps Creek	1,000	120,000
TOTAL			1,883	495,000
TOTAL ROADS TO RECOVERY PROGRAM			2,703	1,052,766

Urban Road Resealing/Resheeting Program for 2017-18

NORTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Burnleigh Crescent	Summerfield Circuit to Summerfield Circuit	Cambridge Gardens	176	100,000
Priory Avenue	Huntingdon Parade to Summerfield Circuit	Cambridge Gardens	79	23,200
Oxford Street	Cissold Street to Haining Street	Cambridge Park	86	30,700
Oxford Street	Haining Street to Besley Street	Cambridge Park	87	31,000
Oxford Street	Besley Street to Aberdeen Street	Cambridge Park	15	5,400
Oxford Street	Aberdeen Street to Newport Street	Cambridge Park	111	39,600
Oxford Street	Newport Street to Deborah Crescent	Cambridge Park	67	26,000
Oxford Street	Deborah Crescent to Breyley Road	Cambridge Park	47	18,200
Oxford Street	Breyley Road to Melita Road	Cambridge Park	87	33,800
Hazel Close	Antonia Crescent to dead end	Cranebrook	149	30,400
Michael Close	Antonia Crescent to Glynn Close	Cranebrook	78	13,900
Glynn Close	Dead end to Michael Close	Cranebrook	92	11,800
Glynn Close	Michael Close to dead end	Cranebrook	102	13,000
Laycock Street	Greygums Road to Camelot Drive	Cranebrook	185	166,500
Laycock Street	Camelot Drive to 101 Laycock Street	Cranebrook	80	72,000
Landais Place	Palomino Road to end of road	Emu Heights	195	55,400
Jacob King Place	Fitzroy Street to end of road	Emu Plains	67	10,500
Copeland Street	Parker Street to Markham Avenue	Penrith	83	39,800
Copeland Street	Markham Avenue to Sherwood Circuit	Penrith	34	16,300
Copeland Street	Sherwood Circuit to Jenkins Avenue	Penrith	53	25,400
Copeland Street	Jenkins Avenue to King Street	Penrith	265	128,300
Kings Street	The Crescent to Copeland Street	Penrith	180	67,680
The Crescent	Lemongrove Road to Macquarie Avenue	Penrith	105	50,400
The Crescent	Macquarie Avenue to Hemmings Street	Penrith	128	61,400
The Crescent	Hemmings Street to Blaxland Avenue	Penrith	110	52,800
The Crescent	Blaxland Avenue to Haynes Street	Penrith	109	52,300
The Crescent	Haynes Street to King Street	Penrith	122	58,600
Bruce Neale Drive	Car park to car park	Penrith		105,000

INTRODUCTION

WORK CLOSE TO HOME

PLANNING FOR FUTURE GROWTH

GETTING AROUND OUR CITY

SAFE, VIBRANT PLACES

OUR ENVIRONMENT

HEALTH AND COMMUNITY SPIRIT

OUR COUNCIL

SCHEDULES

NORTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Charles Stuart Drive	John Oxley Avenue to Chamber Street	Werrington	344	98,700
Charles Stuart Drive	Chamber Street to Barry Place	Werrington	72	20,700
Charles Stuart Drive	Barry Place to Burton Street	Werrington	88	25,300
Henry Lawson Avenue	Leichardt Avenue to John Batman Avenue	Werrington County	80	34,000
Henry Lawson Avenue	John Batman Avenue to Warburton Avenue	Werrington County	43	18,300
Henry Lawson Avenue	Warburton Avenue to Bunce Place	Werrington County	41	17,500
Henry Lawson Avenue	Bunce Place to Forest Way	Werrington County	179	76,300
Henry Lawson Avenue	Forest Way to Warburton Avenue	Werrington County	41	17,400
Henry Lawson Avenue	Warburton Avenue to Singleton Avenue	Werrington County	138	59,516
Greenbank Drive	Gatehouse Circuit to Oakland Parade	Werrington Downs	151	66,000
Greenbank Drive	Oakland Parade to Wintercorn Row	Werrington Downs	57	30,000
Greenbank Drive	Wintercorn Row to Pasturegate Avenue	Werrington Downs	240	108,000
TOTAL			4,366	1,911,096

EAST WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Burford Street	Tanderra Street to Patricia Street	Colyton	242	39,900
Cooinda Street	Carpenter Street to Patricia Street	Colyton	84	21,400
Cooinda Street	Patricia Street to Tanderra Street	Colyton	240	38,400
Blueberry Drive	Sheoak Place to Orchid Close	Colyton	74	7,800
Blueberry Drive	Orchid Close to Tulipwood Drive	Colyton	80	12,400
Orchid Close	Blueberry Drive to Orchid Close (kerb line)	Colyton	59	6,200
Orchid Close	End of road to end of road	Colyton	20	2,100
Sheoak Place	Iron Bark Way to Blueberry Drive	Colyton	120	12,600
Tanderra Street	Burford Street to Lennox Street	Colyton	86	13,500
Tanderra Street	Lennox Street to Elebana Street	Colyton	129	20,300

EAST WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Tanderra Street	Elebana Street to Cooinda Street	Colyton	90	14,100
Tanderra Street	Cooinda Street to Hewitt Street	Colyton	151	23,700
Hocking Place	Aquarius Crescent to dead end	Erskine Park	84	14,900
Kruger Place	Aquarius Crescent to dead end	Erskine Park	108	14,000
Aquarius Crescent	Swallow Drive to Taurus Street	Erskine Park	80	14,400
Aquarius Crescent	Taurus Street to Kruger Place	Erskine Park	197	35,400
Aquarius Crescent	Kruger Place to Hocking Place	Erskine Park	187	33,600
Aquarius Crescent	Hocking Place to Swallow Drive	Erskine Park	75	13,500
Honeyeater Place	Warbler Street to dead end	Erskine Park	252	44,700
Crowbill Place	Warbler Street to dead end	Erskine Park	78	9,900
Kurrajong Road	Glossop Street to Plasser Crescent	North St Marys	163	68,400
Kurrajong Road	Plasser Crescent to Birch Street	North St Marys	152	63,800
Kurrajong Road	Birch Street to Poplar Street	North St Marys	105	44,100
Kurrajong Road	Poplar Street to Plasser Crescent	North St Marys	99	41,500
Brisbane Street	Glossop Street to Australia Street	Oxley Park	129	95,000
Brisbane Street	Australia Street to Sydney Street	Oxley Park	627	256,700
Blair Avenue	Lethbridge Street to Ross Place	St Marys	238	52,400
Blair Avenue	Ross Place to Ross Place	St Marys	30	6,700
Blair Avenue	Ross Place to Phillip Street	St Marys	82	18,300
Carinya Avenue	Merinda Street to Belar Street	St Marys	91	20,400
Carinya Avenue	Crana Street to car park	St Marys	88	19,700
Carson Lane	Queen Street to car park	St Marys	82	16,600
Chapel Street	Queen Street to East Lane	St Marys	46	13,500
Chapel Street	East Lane to Gidley Street	St Marys	66	19,390
Chapel Street	Gidley Street to end of previous works	St Marys	130	52,900
Dunheved Circuit	41 Dunheved Circuit to 57 Dunheved Circuit	St Marys	225	30,000
Vallance Street	37 Vallance Street to 53 Vallance Street	St Marys	168	50,600
Macarthur Drive	Maurice Street to Denzil Avenue	St. Clair	204	66,100
Macarthur Drive	Denzil Avenue to Onslow Street	St. Clair	87	28,200
Macarthur Drive	Onslow Street to Francis Greenway Avenue	St. Clair	95	30,800
Macarthur Drive	Francis Greenway Avenue to Moore Street	St. Clair	86	27,900
Maurice Street	Denzil Avenue to Macarthur Drive	St. Clair	83	26,900

INTRODUCTION

WORK CLOSE
TO HOMEPLANNING FOR
FUTURE GROWTHGETTING
AROUND OUR
CITYSAFE,
VIBRANT
PLACESOUR
ENVIRONMENTHEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES

EAST WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Maurice Street	Macarthur Drive to dead end	St. Clair	27	8,700
Lorikeet Place	Coonawarra Drive to dead end	St. Clair	133	38,300
Olympus Drive	Olympus Drive to Finch Place	St. Clair	157	44,600
Olympus Drive	Finch Place to Meru Place	St. Clair	125	35,500
Finch Place	Olympus Drive to dead end	St. Clair	94	19,200
Meru Place	Olympus Drive to dead end	St. Clair	60	17,000
Chatres Street	Explorers Way to Chardonnay Road	St. Clair	77	19,400
Chatres Street	Chardonnay Road to dead end	St. Clair	242	61,000
Erie Place	McIntyre Crescent to dead end	St. Clair	124	22,600
Kan Close	Zeya Close to dead end	St. Clair	36	6,600
Zeya Close	McIntyre Crescent to dead end	St. Clair	68	16,900
TOTAL			6,655	1,732,490

SOUTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Burra Close	Bija Drive to Jimbi Place	Glenmore Park	96	10,400
Burra Close	Jimbi Place to Woodi Close	Glenmore Park	76	8,200
Burra Close	Woodi Close to end of road	Glenmore Park	86	9,300
Karabi Close	Bija Drive to dead end	Glenmore Park	83	13,000
The Carriage Way	The Carriage Way to Willmott Place	Glenmore Park	107	12,600
The Carriage Way	Willmott Place to Jessup Place	Glenmore Park	50	6,000
The Carriage Way	Jessup Place to Shields Court	Glenmore Park	80	9,400
The Carriage Way	Shields Court to Mort Place	Glenmore Park	86	10,100
The Carriage Way	Mort Place to Sir John Jamison Circuit	Glenmore Park	70	8,200
The Carriage Way	Sir John Jamison Circuit to Harriett Close	Glenmore Park	93	11,000
The Carriage Way	Harriett Close to Norton Place	Glenmore Park	84	9,900
The Carriage Way	Norton Place to The Carriage Way	Glenmore Park	120	14,100
Willmott Place	The Carriage Way to Sir John Jamison Circuit	Glenmore Park	128	29,800
Jessup Place	The Carriage Way to Sir John Jamison Circuit	Glenmore Park	120	28,000
Shields Court	The Carriage Way to dead end	Glenmore Park	45	8,600

SOUTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Mort Place	The Carriage Way to dead end	Glenmore Park	36	8,600
Deloraine Drive	Cliffbrook Crescent to Pleasant Place	Leonay	134	38,900
Deloraine Drive	Pleasant Place to Heather Street	Leonay	272	79,000
Deloraine Drive	Heather Street to Currawong Crescent	Leonay	79	24,900
Deloraine Drive	Currawong Crescent to end of road	Leonay	264	76,900
Wardell Drive	Fragar Road to Oberon Crescent	South Penrith	72	14,700
Wardell Drive	Oberon Crescent to Miranda Road	South Penrith	48	9,900
Wardell Drive	Miranda Road to Triton Place	South Penrith	75	15,400
Wardell Drive	Triton Place to Oberon Crescent	South Penrith	117	24,000
Wardell Drive	Oberon Crescent to Brockamin Drive	South Penrith	37	7,600
Wardell Drive	Brockamin Drive to Hanbury Close	South Penrith	124	25,400
Wardell Drive	Hanbury Close to Favel Street	South Penrith	37	7,600
Wardell Drive	Favel Street to Langdon Close	South Penrith	83	17,000
Wardell Drive	Langdon Close to Slavin Street	South Penrith	68	14,000
Wardell Drive	Slavin Street to Tamina Place	South Penrith	82	16,800
Wardell Drive	Tamina Place to Brockamin Drive	South Penrith	42	8,600
Wardell Drive	Brockamin Drive to Kinmont Road	South Penrith	64	13,200
Wardell Drive	Flavel Street to Longdon Place	South Penrith	83	17,000
TOTAL			3,041	608,100
TOTAL URBAN ROAD RESEALING/RESHEETING PROGRAM			14,062	4,251,686

INTRODUCTION

WORK CLOSE
TO HOMEPLANNING FOR
FUTURE GROWTHGETTING
AROUND OUR
CITYSAFE,
VIBRANT
PLACESOUR
ENVIRONMENTHEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES

Rural Road Resealing/Resheeting Program for 2017-18

NORTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Koorinal Drive	Coolamon Road to Castlereagh Road	Agnes Banks	883	47,300
Wilshire Road	Londonderry Road to Jockbett Road	Agnes Banks	1,738	66,300
Sixth Road	Llandilo Road to Government Road	Berkshire Park	1,250	74,400
Carrington Road	The Northern Road to Parker Road	Londonderry	444	66,600
Castlereagh Road	Previous work to 500m north*	Castlereagh	600	156,000
TOTAL			4,915	410,600

SOUTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Church Road	Vincent Avenue to Allan Road	Mulgoa	450	67,500
Allan Road	Winbourne Road to Church Road	Mulgoa	243	32,800
Allan Road	Church Road to Farm Road	Mulgoa	597	80,600
Fairlight Road	Previous work to 300m north*	Mulgoa	400	59,500
TOTAL			1,690	240,400
TOTAL RURAL ROAD RESEALING/RESHEETING PROGRAM			6,605	651,000

* Includes funding from rural road widening and resealing programs

Rural Road Reconstruction Program for 2017-18

NORTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
The Driftway	200m bad section	Londonderry	200	200,000
TOTAL			200	200,000
EAST WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
-	-	-	-	-
TOTAL			-	-
SOUTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Luddenham Road	Twin Creek Drive to 500m north	Luddenham	500	300,000
Chain-o-Ponds Road	The Northern Road to previous work	Mulgoa	400	250,000
TOTAL			900	550,000
TOTAL RURAL ROAD RECONSTRUCTION PROGRAM			1,100	750,000

Urban Road Reconstruction Program for 2017-18

NORTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Dunheved Road	Tasman Street to Greenbank Drive	Cambridge park	350	600,000
TOTAL			350	600,000
EAST WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Coonawarra Drive	Liecester Way to Arundel Park Drive	St Clair	148	177,000
Coonawarra Drive	Arundel Park Drive to Lorikeet Place	St Clair	84	100,000
Coonawarra Drive	Lorikeet Place to Arundel Park Drive	St Clair	51	59,749
TOTAL			283	336,749
SOUTH WARD				
STREET	LOCATION	SUBURB	LENGTH (M)	COST (\$)
Smith Street	Fragar Road to Butler Crescent	Penrith	271	375,000
TOTAL			271	375,000
TOTAL URBAN ROAD RECONSTRUCTION PROGRAM			904	1,311,749

INTRODUCTION

WORK CLOSE TO HOME

PLANNING FOR FUTURE GROWTH

GETTING AROUND OUR CITY

SAFE, VIBRANT PLACES

OUR ENVIRONMENT

HEALTH AND COMMUNITY SPIRIT

OUR COUNCIL

SCHEDULES

Footpath Delivery Program for 2017-18

NORTH WARD			
STREET	LOCATION	SUBURB	COST (\$)
Witcom Street	Borrowdale Way to end of road	Cranebrook	60,000
TOTAL			60,000

EAST WARD			
STREET	LOCATION	SUBURB	COST (\$)
Dollin Street	Alam Street to Shepherd Street	Colyton	46,500
TOTAL			46,500

SOUTH WARD			
STREET	LOCATION	SUBURB	COST (\$)
Wallan Avenue	Knox Street to Talara Avenue	Glenmore Park	43,500
TOTAL			43,500
TOTAL FOOTPATH DELIVERY PROGRAM			150,000

Shared Pathways Maintenance Program for 2017-18

NORTH WARD				
STREET	LOCATION	SUBURB	AREA (SQM)	COST (\$)
Hickeys Lane	Hickeys Lane to Andrews Road	Penrith	800	104,000
TOTAL			800	104,000

EAST WARD				
STREET	LOCATION	SUBURB	AREA (SQM)	COST (\$)
Reserve	Erskine Park Road to Framton Avenue	St Clair	500	72,000
TOTAL			500	72,000

SOUTH WARD				
STREET	LOCATION	SUBURB	AREA (SQM)	COST (\$)
Reserve	Tukara Road to Pindari Drive	South Penrith	800	104,000
TOTAL			800	104,000
TOTAL SHARED PATHWAYS MAINTENANCE PROGRAM			2,100	280,000

Kerb and Drainage Construction Program for 2017-18

NORTH WARD						
STREET	LOCATION	SUBURB	TYPE	DESCRIPTION OF WORK	COST (\$)	PRIORITY
Grays Lane	32 Grays Lane	Cranebrook	Drainage	Extend existing pipe line from headwall to box drain south of headwall. Works require construction of one or two pits depending on design requirements.	150,000	1
Tadmor Road	-	Cranebrook	Drainage	Stage II - Provide swale drains and cross drainage in Tadmor Road.	100,000	1
Old Bathurst Road	Opposite Rocla	Emu Plains	Drainage	Install pits and pipes to take water to north side of footpath.	20,000	1
Seventh Avenue	Opposite Public School	Llandilo	Kerb	Drainage improvement at the intersection of Second Avenue and Seventh Avenue, subject to completion of Stage 1 works in Second Avenue.	150,000	2
Clark Road / Reynolds Road	Clark and Reynolds Road near 118 Clark Road	Londonderry	Drainage	Upgrade existing drainage culverts across Clark Road and assess stormwater flow path from the culverts to Reynolds Road end point for improvements.	70,000	2
Bowman Road	111/117 Bowman Road	Londonderry	Headwall and apron reconstruction	Remove and reconstruct existing damaged headwall and concrete apron.	43,000	2
TOTAL					533,000	

INTRODUCTION

WORK CLOSE TO HOME

PLANNING FOR FUTURE GROWTH

GETTING AROUND OUR CITY

SAFE, VIBRANT PLACES

OUR ENVIRONMENT

HEALTH AND COMMUNITY SPIRIT

OUR COUNCIL

SCHEDULES

EAST WARD						
STREET	LOCATION	SUBURB	TYPE	DESCRIPTION OF WORK	COST (\$)	PRIORITY
Christie Street	Northern and southern side missing links on Christie Street	St Marys	Kerb and gutter	Construct missing kerb and gutter (approximately 125m) on both sides of Christie Street from the bridge to link existing kerb and associated drainage.	100,000	1
Wentworth Road	25 Wentworth Road	Orchard Hills	Drainage	Construct additional drainage pipe and/or swale to catch additional water during storm event.	100,000	1
Parkside Avenue	Drainage Channel	Cambridge Park	Retaining wall	Reconstruct collapsed retaining wall along the drainage open channel on Parkside Crescent, Cambridge Park	150,000	2
Lennox Street	6 Lennox Street / Reserve at rear	Colyton	Pipe extension	Extend drainage pipe and reconstruct pit to new location on Council-owned land in reserve area at rear of property.	30,000	1
TOTAL					380,000	
SOUTH WARD						
STREET	LOCATION	SUBURB	TYPE	DESCRIPTION OF WORK	COST (\$)	PRIORITY
Luddenham Road	812 Luddenham Road	Luddenham	Drainage	Construct new pipeline to divert stormwater flows from pipe crossing approximately mid-block of #812, to channel at western extent of property.	90,000	3
TOTAL					90,000	
TOTAL KERB AND DRAINAGE CONSTRUCTION PROGRAM					1,003,000	

BUILDING ASSET RENEWAL PROGRAM 2017-18	
DESCRIPTION	COST (\$)
Annual paint program	250,000
Arthur Neave Hall - roof replacement	50,000
Children Services - various centre renewals/ replacements	200,000
Civic Centre - ceiling replacement	100,000
Civic Centre - repurpose server room to training room	80,000
Civic Centre - toilet refurbishment (ground floor and nepean)	95,000
Depot - officer refurbishments including toilets	200,000
Joan Sutherland Performing Arts Centre - replace foyer carpet tiles	45,000
Joan Sutherland Performing Arts Centre - theatre light replacement	50,000
Mulgoa RFS - underpinning and drainage repairs	45,000
Penrith Library - internal refurbishment of staff and public areas	210,566
Penrith Library - workstation replacement	100,000
Penrith Pool - path replacement from entry to pools	75,000
Penrith Pool - plantroom upgrade	40,000
Penrith Pool - sand filter replacement	80,000
Potter Fields - amenities and canteen upgrade	60,000
Penrith Regional Gallery - display lighting replacement	50,000
Penrith Regional Gallery - roof renewal on main gallery	60,000
Ripples - indoor pool joint repairs	30,000
Ripples - indoor pool tile replacement at beach entry	80,000
Ripples - sand filter refurbishment	60,000
Andromeda Drive Reserve - canteen upgrade	60,000
Werrington Downs NHC – kitchen refurbishment and vinyl floor replacement	50,000
TOTAL BUILDING ASSET RENEWAL PROGRAM	\$2,070,566

The above work is tentative as the cost of the work is only a budget for overall estimating and setting a program. The program of work may need to be altered once quotes are obtained for individual projects. That is work may need to be reduced or added to the program to meet the budget.

INTRODUCTION

WORK CLOSE
TO HOME

PLANNING FOR
FUTURE GROWTH

GETTING
AROUND OUR
CITY

SAFE,
VIBRANT
PLACES

OUR
ENVIRONMENT

HEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES

PARKS ASSET RENEWAL PROGRAM 2017-18

ASSET CATEGORY	DETAILS OF WORK	PARK NAME	LOCATION	COST (\$)
Playgrounds	Renew play equipment and soft fall	Timesweep Drive	St Clair	37,500
		Steamroller Park	Cambridge Park	37,500
		John Batman Avenue	Werrington County	37,500
		Paperbark Reserve	Glenmore Park	37,500
		Bunyarra Drive	Emu Heights	20,000
		Lincoln Park*	Cambridge Park	15,000
		Brisbane Street	St Marys	100,000
		Lowery Close	Emu Heights	75,000
Field lighting	Renew field lighting	The Kingsway League	Werrington	100,000
Irrigation system - automatic	Renew irrigation system	Various locations	Various	67,000
Park furniture and seating	Renew benches and seats	River Precinct	Various	20,000
Litter bins and storage units	Renew storage unit and bins	Various locations	Various	12,926
Fencing and bollards	Renew existing fencing	Various locations	Various	36,000
		Glenmore Park	Glenmore Park	40,000
Sporting field surfaces - grass	Renew growing medium	Andromeda West	Cranebrook	50,000
Tennis court surfaces - acrylic	Renew acrylic surfacing and re-mark court	Various locations	Various	30,000
Tennis court surfaces - synthetic grass	Renew synthetic surfacing and re-mark court	Various locations	Various	30,000
Synthetic cricket wicket surfaces	Replace synthetic surfacing	TBA-Sporting club	Various	21,000
Synthetic run up surfaces	Replace synthetic surfacing	TBA-Sporting club	Various	19,000
Throwing cages	Renew mesh and frame	Blair Oval	St Marys	6,000
TOTAL PARKS ASSET RENEWAL PROGRAM				791,926

* Forms part of larger project in combination with Neighbourhood Renewal funding.

CITY CENTRES IMPROVEMENT PROGRAM FOR 2017-18	
CITY CENTRE IMPROVEMENTS	COST (\$)
Penrith CBD	
Permanent Triangle Park design and implementation	1,380,000
High Street and Riley Street upgrade	990,000
High Street upgrade (west of Station Street)	656,323
Riley Street upgrade (High Street - Henry Street)	294,300
TOTAL	3,320,623
St Marys CBD	
Special places	810,000
Queen Street improvements	721,096
TOTAL	4,851,719
TOTAL BUILDING ASSET RENEWAL PROGRAM	4,851,719

INTRODUCTION

WORK CLOSE
TO HOMEPLANNING FOR
FUTURE GROWTHGETTING
AROUND OUR
CITYSAFE,
VIBRANT
PLACESOUR
ENVIRONMENTHEALTH AND
COMMUNITY
SPIRIT

OUR COUNCIL

SCHEDULES



BUDGET AND REVENUE POLICIES & STATEMENTS

DELIVERY PROGRAM FINANCIAL ESTIMATES 2017-21				
OPERATIONS FROM ORDINARY ACTIVITIES	2017-18	2018-19	2019-20	2020-21
Operating expenditure				
Employee costs	(96,701.0)	(99,420.7)	(101,648.5)	(104,328.9)
Interest charges	(2,344.2)	(1,840.0)	(1,659.3)	(1,288.0)
Depreciation and amortisation	(25,419.4)	(25,715.6)	(25,431.5)	(26,855.4)
Materials, contracts and other	(99,118.4)	(103,783.6)	(87,894.1)	(90,134.3)
Asset utilisation and overheads	304.2	304.2	304.2	304.2
TOTAL	(223,278.8)	(230,455.7)	(216,329.2)	(222,302.4)
Operating revenue				
Rates and annual charges	139,220.2	146,668.1	154,833.1	159,657.7
User charges and fees	45,027.6	45,293.9	45,964.7	46,599.2
Interest income	3,001.2	3,055.7	3,074.2	3,084.2
Operating grants and contributions	40,461.8	45,150.1	22,679.2	22,701.5
Profit on sale of assets	(485.9)	(485.9)	(485.9)	(485.9)
TOTAL OPERATING REVENUE	227,224.9	239,681.9	226,065.3	231,556.7
Result before capital grants and contributions	3,946.2	9,226.2	9,736.1	9,254.3
Capital grants and contributions	29,100.4	29,867.7	29,747.5	29,968.5
OPERATING RESULT	33,046.6	39,093.9	39,483.6	39,222.8
Funding statement (sources and application)				
Add back non funded items	28,562.5	28,858.7	28,574.6	29,998.5
Funds received from sale of assets	5,502.5	1,912.5	1,912.5	1,912.5
Loans received	3,900.0	5,895.1	1,099.0	(2.0)
Budget (surplus)/ deficit	-	-	-	-
Funds transferred (to)/from reserves held	(10,297.1)	(14,964.4)	(12,627.8)	(4,581.6)
NET FUNDS AVAILABLE	60,714.5	60,795.8	58,441.9	66,550.2
Application of funds				
Assets acquired	(49,188.2)	(48,662.5)	(46,427.4)	(56,234.2)
Internal loans	324.0	324.0	325.0	326.0
Loan repayments made	(11,850.3)	(11,281.1)	(9,866.1)	(8,322.8)
TOTAL APPLICATION	(60,714.5)	(59,619.6)	(55,968.5)	(64,231.0)
NET COSTS FUNDED FROM RATES AND OTHER UNTIED INCOME	-	1,176.2	2,473.4	2,319.2

2016-17 BUDGET BY SERVICE

SERVICE	OPERATIONAL EXPENDITURE \$'000	CAPITAL EXPENDITURE \$'000	INCOME \$'000	NET COST \$'000
Fire Safety Certification & Compliance	2,633.2	-	(1,904.6)	728.6
Building Maintenance & Construction	(820.2)	3,580.5	(1,054.4)	1,705.9
Bushland Management	471.4	270.6	(344.1)	397.9
Cemeteries	683.8	-	(683.8)	-
Children's Services	24,044.9	533.2	(22,832.7)	1,745.4
City Parks	14,092.3	1,277.9	(1,035.3)	14,335.0
City Partnerships	432.9	-	-	432.9
Civil Construction & Maintenance	20,871.0	28,366.8	(24,913.8)	24,323.9
Community & Cultural Development	2,386.5	35.0	(974.6)	1,446.9
Community Safety	4,094.8	191.9	(358.0)	3,928.6
Corporate Governance	1,239.1	-	167.5	1,406.6
Council & Corporate Support	3,944.0	-	192.8	4,136.8
Customer Service	2,290.1	-	-	2,290.1
Design & Project Management	16,252.3	8,940.2	(21,887.5)	3,305.0
Development Applications	4,689.9	-	(2,239.6)	2,450.3
Development Engineering	1,441.3	-	(460.4)	980.8
Emergency Services Management	2,886.6	790.8	(1,364.7)	2,312.7
Environmental Health	3,156.1	405.3	(1,382.7)	2,178.7
Financial Services	6,167.2	3,823.3	(118,492.0)	(108,501.5)
Plant Maintenance	(747.0)	1,090.2	(70.2)	273.0
Floodplain & Stormwater Management	1,534.2	-	(986.7)	547.5
Information Technology	(94.9)	464.3	1,191.3	1,560.8
Legal Services	263.1	-	(6.5)	256.6
Libraries	6,252.9	769.4	(717.1)	6,305.2
Business Improvement	325.0	-	-	325.0
Mapping Information GIS	590.8	-	(101.8)	488.9
Marketing	2,024.5	-	13.0	2,037.5
Communications	830.2	-	6.9	837.2
Regional Planning and Advocacy	1,615.2	775.4	(470.9)	1,919.7
Neighbourhood Facilities Management	1,512.2	118.0	(810.3)	819.8
Place Management	2,002.7	315.0	(1,623.0)	694.7
Penrith Performing & Visual Arts	3,649.0	-	(2,011.4)	1,637.7
Penrith Whitewater Stadium	1,480.0	-	(1,513.8)	(33.8)
City Planning	2,430.6	726.2	(1,141.1)	2,015.7

2016-17 BUDGET BY SERVICE				
SERVICE	OPERATIONAL EXPENDITURE \$'000	CAPITAL EXPENDITURE \$'000	INCOME \$'000	NET COST \$'000
Property Development & Management	4,409.0	4,645.8	(8,224.8)	830.1
Public Domain Maintenance	6,391.2	627.9	(1,780.9)	5,238.2
Purchasing & Supply	888.0	-	(14.3)	873.7
Records Management	165.2	-	(108.5)	56.7
Recreation & Leisure Facilities Management	1,574.0	850.0	(613.6)	1,810.5
Regulatory Control	4,872.5	-	(2,629.1)	2,243.4
Ripples - St Marys Leisure Centre	5,459.5	-	(4,404.5)	1,055.0
Risk Management & Insurance	832.9	-	(33.0)	799.9
Corporate Planning	528.3	-	(72.9)	455.5
Sustainability Planning	578.3	67.9	(53.2)	593.0
Traffic Management & Road Safety	1,360.9	2,068.1	(1,543.0)	1,886.0
Waste Management	29,845.2	304.7	(28,510.8)	1,639.2
Workforce Development	3,185.8	-	43.3	3,229.1
TOTAL	194,716.3	61,038.4	(255,754.7)	-

FINANCIAL SUMMARY

FRAMEWORK

This document provides a background to Council's financial capacity and sets out Council's financial intentions for 2017-18. The plans are not fixed and Council can amend its budget at any time during the year. The budget sets out capital and other works and how they will be funded and incorporates the directions of the *Community Plan* and *Delivery Program*.

FINANCIAL SETTINGS

Penrith is a large Regional City with a population of approximately 200,000 and 71,768 rateable properties. The elected Councillors have a responsibility to provide a range of services, both regulated and discretionary, to meet the community's expectations and to responsibly manage over \$3.5 billion worth of assets.

Council's financial strategy over the years has been developed giving consideration to income and expenditure forecasts, management of enterprise risks, past and future efficiency opportunities, maintaining Council's commitment to invest in our infrastructure assets, supporting the needs of the community and providing services to our community in a financially prudent and sustainable way. While Council's financial position is sound with adequate cash liquidity and projected Fit for the Future (FFTF) benchmarks being met, recent years have required the Council to make a number of difficult decisions to ensure a sustainable financial strategy and to maintain current services and service levels.

Council has long been faced with the challenge of establishing and maintaining long term financial sustainability as we grow into our Regional City role, catering for the increased populations within the City and the regional catchment that we service.

Local government is traditionally asset rich and income poor, with limited ability to raise revenue to cater for increasing expenses. Decisions made by the Council almost 20 years ago to redirect significant investment to focus on asset maintenance and a policy to reduce our debt burden have laid the foundation for sustainability that many local councils are now grappling with. These decisions have been supported by a strong focus on:

- budget control
- long term modelling (well before it was a legislative requirement)
- recent reviews of services and service levels
- asset renewal programs across all asset classes and
- productivity improvement.

Together these strategies have enabled us to deliver a balanced budget during challenging financial times, improve the condition of our priority infrastructure assets and continue to meet the expectations of our community.

To achieve financial sustainability the Council initiated a comprehensive Capacity Review, commencing with the Financial Capacity Review in early 2014 which ensured we were well placed to respond to the NSW Government's FFTF reforms. It included the recently approved Special Rate Variation (SRV) for 9.09% in 2016-17 (including the renewal of Asset Renewal Established Area Strategy (AREAS)), in conjunction with an increase in the minimum rate in 2016-17 of 16%, followed by 5.0% in 2017-18, 5.2% in 2018-19 and 5.4% in 2019-20. These actions have ensured Council is now positioned to take advantage of the opportunities that our growth and Regional City status will present. Initiatives to ensure appropriate capacity included:

- refocusing our borrowings strategy to gradually remove recurrent general infrastructure borrowings.
- addressing the challenges of s94 contribution changes that will require General Revenue to repay loans for works forward funded for the Cultural Facilities Plan.
- implementing an enhanced Property Development Strategy to grow an alternate income stream.
- establishing the Public Open Space Reinvestment Project (formerly Surplus Lands).
- undertaking an independently developed and audited Services Review to examine current and alternate service delivery models to drive efficient delivery of our current services into the future without compromising quality.

- reviewing and reshaping our customer service model to ensure an efficient and quality experience for our customers.
- major restructuring and investment in our Information and Communications Technology (ICT) infrastructure and strategy to enable us to drive productivity in service delivery.
- continuing productivity reviews.

The financial strategies developed over the past two years rely not just on the SRV but also on reform within the organisation's processes, systems, procedures, culture, and structure. We made a commitment to match the SRV with a further \$10m of ongoing productivity savings over the next four years, on top of the \$4.9m of savings and \$1.3m

of enhanced capacity included in the 2016-17 budget. During 2016-17 year to date total savings of \$2,391,067 have been achieved which already exceeds our target of \$2,143,964.

Reform will continue over the next 2-3 years with a focus on leveraging our property portfolio and reforming our ICT approach. Council has set targets to match the funds from the 2016-17 SRV with savings from better ways of doing things, harnessing technology improvements, implementing new systems, and reviewing service delivery. These savings will provide the capacity to continue to service our growing City, ensuring the SRV funds are directed towards city shaping and future-proofing priorities.



BUDGET OVERVIEW

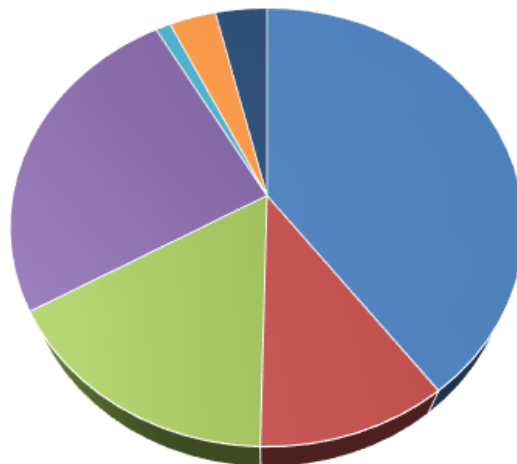
A balanced budget has currently been prepared although a number of variables remain outstanding including the Financial Assistance Grant (currently estimated to increase by 1.5% on unadjusted actual 2016-17 grant), and Emergency Services Levies. Some capacity has been provided within the budget to allow Council to respond to any small changes in these estimates.

The Draft 2017-18 budget is summarised below:

BUDGET- FUNDING SUMMARY	2016-17 ORIGINAL \$'000	2017-18 DRAFT \$'000
Income		
Rates	102,731	110,114
Fees and Charges	71,350	74,134
Grants and Contributions	60,445	69,562
Net Reserve Movement	(890)	(10,297)
Other Income	12,138	12,242
TOTAL INCOME	\$245,775	\$255,755
Expenditure		
Capital Works	50,671	49,188
Other Funded Expenses	195,104	206,567
TOTAL EXPENDITURE	\$245,775	\$255,755
NET BUDGET POSITION – SURPLUS/(DEFICIT)	0	0

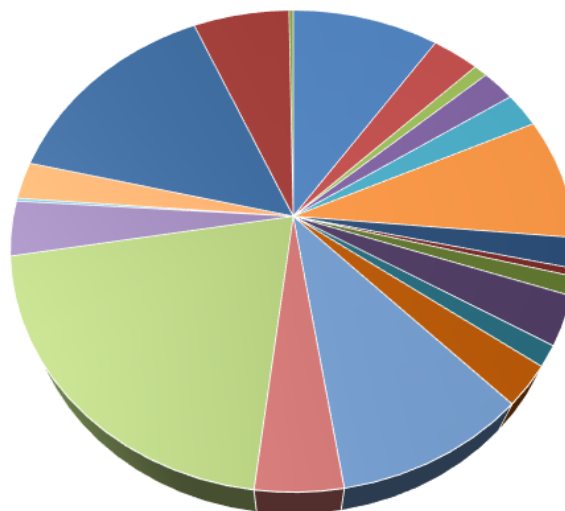
WHERE WILL THE MONEY COME FROM? \$255.8M

- Rates- \$110.1m (43%)
- Waste Management- \$29.1m (11.4%)
- Other Fees & Charges- \$45m (17.6%)
- Grants & Contributions- \$69.6m (27.2%)
- Interest- \$3m (1.2%)
- Loans & Sales- \$9.3m (3.6%)
- Net Reserves- \$-10.3m (-4%)



WHERE WILL THE MONEY BE SPENT? \$255.8M

- Childrens Services \$24.6m (9.6%)
- Planning and Advocacy \$7.9m (3.1%)
- Community Facilities \$2.3m (0.9%)
- Community Information and Events \$5.6m (2.2%)
- Community Well Being \$6.1m (2.4%)
- Corporate Finance \$21.1m (8.2%)
- Corporate Governance \$5.2m (2%)
- Corporate Support \$1.3m (0.5%)
- Corporate Workforce \$3.2m (1.3%)
- Development Applications \$8.4m (3.3%)
- Environmental and Health Management \$3.6m (1.4%)
- Libraries \$7m (2.7%)
- Major Infrastructure Projects & Design \$25.2m (9.9%)
- Public Spaces and Community Safety \$11.3m (4.4%)
- Roads, Footpaths and Buildings \$52.3m (20.4%)
- Sport and Recreation \$9.4m (3.7%)
- Strategic Planning \$0.5m (0.2%)
- Traffic, Parking and Drainage \$6.4m (2.5%)
- Waste and Community Protection \$37.6m (14.7%)
- Parks \$16.1m (6.3%)
- Sustainability \$0.7m (0.3%)



EMPLOYEE COSTS

The employee costs shown in the Operating Budgets have been prepared by service.

Total employee costs are predicted to increase overall by \$3.7m (4.0%) from the original 2016-17 Budget. This includes an increase for salaries and wages based on the estimated 2.5% award increase from 1 July 2017, superannuation contributions and an allowance for staff progression through the salary system. The number of staff included in the budget, excluding controlled entities is 1,086 (full-time equivalent). Entities staff numbers will vary seasonally but have been approximated at 109 full-time equivalents.

The current Award expires in July 2017 with the last round of salary increases having occurred in July 2016. The parties to the Award are preparing for new Award negotiations and it is anticipated that Council's party to the new award will be advised of the new ratified award in mid-2017. It is likely that the next Award will again cover a 3 year period and will include a new round of salary increases. At this stage we are not aware of what these next increases are likely to be and an increase of 2.5% has been included in the draft 2017-18 budget.

EMPLOYEE COSTS		OPERATING BUDGET 2017-18 \$'000
Salaries & Wages		\$79,849
Accrued Entitlements (includes annual, sick and long service leave)		\$9,334
Superannuation		\$7,850
Workers Compensation		\$860
Sub Total		\$97,893
Less Capitalised Employee Costs		(\$1,192)
TOTAL		\$96,701

Workers Compensation

Claims history has a significant impact on workers compensation costs. In recent years Council has implemented a program of Occupational Health & Safety and Injury Management (OHSIM) that reduced workplace injury through proactive injury management.

The volatility of the premiums under the traditional Workers Compensation Model was one of the reasons that Council endorsed a move to the "Burning Cost" model for Workers Compensation insurance commencing in 2010-11. Under the "Burning Cost" model only actual claims costs form part of the premium calculation.

Participation in WorkCover's Burning Cost Scheme provides additional incentive and reward for improvements in safety and injury management as it delivers significant monetary savings if current claims history is maintained or improved. A total of \$3.22m in savings have been transferred to Reserve from 2010-16 to provide funding for any adjustments to the premium, thus insulating Council from the effects of premium changes. The Workers Compensation Reserve is currently estimated to have a closing balance of \$3.35m as at 30 June 2017.

The Workers compensation premium for 2017-18 is estimated to be \$860,000 which represents a decrease of \$102,200 (10.6%) on the 2016-17 original estimates.

Superannuation

The minimum level of superannuation for employees who are not members of the Local Government Superannuation Scheme (LGSS) Defined Benefit Scheme (DBS) will be 9.5% of wages in 2017-18. The next increase in the planned phased increases to the Superannuation Guarantee Levy is in 2021-22 when the levy will increase to 10%, eventually increasing to 12% by 2025-26.

Council currently has 82 employees covered by the DBS which requires members to contribute a percentage of their salary to superannuation. This percentage is reviewed and varied by employees on an annual basis. Council's contribution is calculated based on the percentages nominated by employees. An increase in the percentages nominated by employees will result in an increase in superannuation costs for Council.

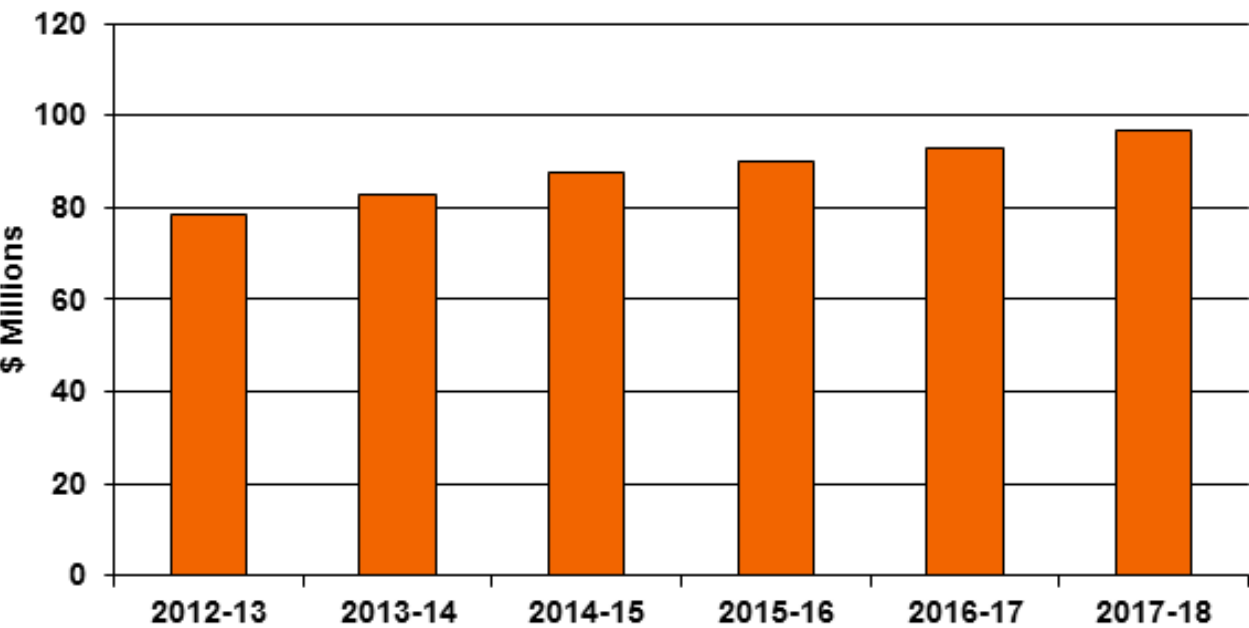
The DBS remains negatively impacted from the Global Financial Crisis (GFC). Council has been required to make increased contributions to the fund to make up for the deficits and liabilities of the fund as a result of the GFC. LGSS has a revised methodology for calculating the additional contribution, which is no longer only based on the individual contributions of employees but also includes a flat annual contribution. As a result, an additional contribution of \$756,000 is included in the 2017-18 budget. This amount will be reviewed yearly, with amended figures applying from 1 July each year. It is expected that this additional contribution will be required for the next couple of years.

The total superannuation expense for 2017-18 is estimated to be \$7.8m which is similar to the 2016-17 original estimates. This estimate is an accumulation of:

- » the standard 9.5% super contribution based on higher salaries, and more staff being employed in this scheme.
- » a net decrease in DBS employees and therefore DBS costs.
- » a decrease in the Additional DBS Levy that LGS requires Council to pay (decrease of \$60,000) due to revised methodology.

Of the total superannuation budget for 2017-18, \$1.5 million relates to Children's Services and is included in the budget estimates of the Children's Services Cooperative.

Employee Costs



REVENUE POLICY

Each fee is set in accordance with one of the following principles and then revised each year.

The pricing structures currently used are:

PRICING STRUCTURE	PRICING APPLICATION
Direct Cost Recovery Pricing *	Includes the recovery of salary, salary on-costs, and materials directly attributable to the provision of the good or service.
Full Cost Recovery Pricing *	Includes all costs, direct and indirect, incurred in providing the good or service. Indirect costs include a proportion of shared costs (or overheads) which include supply and information technology; the recording and processing of financial information, correspondence, payroll, and personnel data; together with professional management of these systems and costs associated with providing shared buildings and equipment.
External Cost	Price is determined by external parties carrying out the relevant works.
Subsidised (Partial Cost) Pricing	Council only recovers a portion of costs. New services, services located in areas of need within the City, and services from which benefits accrue to the City's community as a whole, are often subsidised. Services described as Community Service Obligations are included.
Rate of Return Pricing	Prices are set to recover an excess over costs that may then be directed to capital improvements/development of similar facilities.
Reference Pricing	Involves the identification of like or similar services in the community followed by the adoption of similar prices to those charged by such services.
Statutory Pricing	Prices are set to comply with statutory legislation.

** Costs are generally recovered through charging methods such as flat fee, period of use, time of use or frequency of use.*

The following factors are to be considered by Managers in setting proposed fees and charges:

- cost of the service or operation
- other revenue sources which may fund the service
- laws and regulations
- ability of the people using the service to pay
- benefit to the community (possible subsidy) and
- benchmarking with others providing similar services.

Council may also choose to retain fees and charges at their 2016-17 level, taking into account such issues as social factors, community benefit, ability of the user to pay, and the comparative fees charged by others (benchmarking). The Draft Fees & Charges provides a detailed description of each item, the current year's rate for each item, the proposed 2017-18 rate and the pricing structure applied.

RATING INFORMATION

Rating Increase - IPART Announcement

From 2011-12 onwards the responsibility for determining and announcing the rate peg was transferred from the Minister for Local Government to IPART, which uses a Local Government Cost Index (LGCI). This index, less a productivity coefficient, now forms the annual rate peg announced in December each year for the following financial year.

IPART also approves Special Rate Variations (SRV) for councils above the rate peg amount through an extensive application and community consultation process. In 2016 IPART approved a four year SRV for Penrith City Council from 2016-17 through to 2019-20 with rates increases of 9.09%, 5%, 5.2% and 5.4% respectively. The rate increase for 2017-18 will therefore be 5%.

Ordinary Rates

Each year Council must determine a rating policy for the next financial year. *The Local Government Act 1993* provides for a number of rating structures so councils have the flexibility to develop a structure that best provides equity for their Local Government Area.

Council currently applies a rate structure in which rate assessments are based on property valuations (Ad Valorem) with a Minimum Amount. This means that rates are based on the land value of the property as determined by the NSW Valuer-General.

Council charges rates on three types of land categories:

- a. Residential
- b. Farmland
- c. Business – with the following sub-categories
 - i. Penrith CBD
 - ii. St Mary's Town Centre

The differentiation between rating categories and sub-categories is:

- the rate in the dollar for all Residential properties is the same (subject to a Minimum Amount);
- the Farmland rate as 50% of the Residential rate;

- all Business Minimum Amounts the same; and
- two Business rating sub-categories for Penrith CBD and St Marys Town Centre which have different Ad Valorem rates to the Ordinary Business category.

Every three years Council receives updated valuations for all properties in the Local Government Area. As a result of the introduction of the Emergency Services Property Levy (ESPL), all NSW councils will be moved to the same Base Date for their land valuations from 1 July 2016. Penrith City Council received a revaluation with a base date of 1 July 2016 and these new valuations will be used for rating and ESPL purposes.

The maximum rate revenue is calculated by:

- a. taking last year's revenue and adding the approved increase adjustment announced by IPART (being 5% in 2017-18)
- b. adding rates on new properties created by subdivision, and on new strata-titles.

Council provides a subsidy for eligible pensioners - a 50% rebate of rates and domestic waste charges to a maximum of \$250. In addition, pensioners receive a 100% rebate towards their Stormwater Service Charge of \$25 for a standard residential property or \$12.50 for a strata residential property. A rebate of \$50 will also apply to the Fire & Emergency Services Levy (FESL).

Council currently has 71,768 rateable properties contributing approximately 43% of Council's total revenue. It is expected that both the Penrith CBD Corporation and the St Marys Town Centre Corporation will request a continuation of business sub-category rates to fund their respective activities. A total of \$411,756 will be raised from Penrith CBD rates with \$399,403 transferred to Penrith CBD Corporation after 3% has been allocated towards the triennial independent review, Board training, and administration costs. A total of \$313,394 will be raised from St Marys Town Centre rates with \$303,992 transferred to St Marys Town Centre Corporation after 3% has been allocated towards the triennial independent review, Board training, and administration costs.

PROPOSED 2017-18 RATING INCOME

RATE CATEGORY	AD VALOREM RATE IN \$	MINIMUM RATE 2017-18 \$	MINIMUM RATE INCREASE \$	TOTAL ANTICIPATED GROSS REVENUE \$'000S	NUMBER OF PROPERTIES
Residential	0.00343687	1,007.00	47.50	87,516	67,984
Farmland	0.001718435	1,007.00	47.50	1,779	427
Business	0.0061189	1,214.15	57.80	17,382	2,713
Business - Penrith CBD Rate	0.0069449	1,214.15	57.80	2,792	410
Business - St Marys Town Centre Rate	0.00940774	1,214.15	57.80	846	234
TOTAL PROPOSED RATING INCOME				\$110,316*	71,768

* The revenues identified in this section represent the gross anticipated revenues from the Rates Levy prior to the application of Pensioner Subsidies, Provision for Doubtful debts and abandonments.

The current dynamic situation of the rating environment was discussed at the 22 February 2017 Finance & Economic Opportunities Working Party where continuation of the existing Rates Structure was recommended due to the SRV, Emergency Services Property Levy, and land revaluation. In addition, Council will be required to conduct a major review of the Rating Structure once IPART has completed the review of rating legislation.



Review of Local Government Rating System

Following Destination 2036, the NSW Government appointed an Independent Panel and Acts Taskforce to review the *Local Government Act 1993* and the *City of Sydney Act 1988*. The taskforce looked at ways to modernise the legislation, to ensure it would meet the future needs of councils and communities. Its final report and recommendations were exhibited for public comment in early 2014, and the NSW Government delivered its response to the recommendations in September 2014, with the launch of the Fit for the Future package. One of the recommendations was to review the Local Government rating system.

In December 2015 the NSW Government directed the Independent Pricing and Regulatory Tribunal (IPART) to review the rating legislation component of the NSW Local Government Act 1993. In April 2016 IPART released an Issues Paper and called for submissions from councils and other stakeholders. Penrith City Council submitted a response to the Issues Paper in May 2016.

On 22 August 2016 IPART released its draft report to the NSW Government outlining its recommendations for changing the rating legislation. The report addressed some of the main concerns raised by the Council, particularly in relation to recommending the removal of some rate exemptions and removing council subsidised pensioner concessions. Penrith City Council made a submission on the due date of 14 October 2016 after presenting to Council at the Policy Review Committee meeting on 10 May 2016. A final report to the Minister for Local Government was delivered by IPART in December 2016, however no further timeframe has been provided as to when any of the recommended changes will be implemented.

IPART has indicated that rates per household would not increase, on average, in real terms as a result of their recommendations. Proposed changes appear to have addressed the major concerns of most councils, particularly around the ability to capture income growth from new strata developments, the removal of the requirement for councils to subsidise pension rebates (as is the case in all other states), and the expanding of the rates base by removing some exemptions from rates.

Fire & Emergency Services Levy (FESL)

Local governments across NSW will be involved in the FESL which is a new system to fund the community's fire and emergency services from 1 July 2017 and brings NSW in line with all other mainland States. Local councils will collect the levy from all ratepayers in their area via the Rates Notices and then forward the funds on to the State Government. The levy will support the work of the NSW Fire Service, Rural Fire Service, and State Emergency Service in assisting NSW residents and business owners protect their properties from fire, flood, storm and other natural disasters. The NSW Government and Local Government also make a direct contribution towards funding these services. The total level of funding available for these services will not change under the new system.

The FESL will replace the Emergency Services Levy (ESL) that is currently collected as part of all property-based insurance policies. From this date, insurance companies will no longer collect the levy as part of property insurance premiums and therefore it is expected that insurance premiums will be lower for the vast majority of insured residential property owners.

As a result of the introduction of this new system it is expected that the vast majority of insured property owners will be better off as:

- property insurance premiums will be lower
- the level of contribution will be clearly displayed on Council rates notices
- the level of contribution will be the same for similar properties as the levy is based on land classification and land value
- pensioner concessions of \$50 will apply, and
- GST and stamp duty will no longer apply.

The amounts payable are to be released by the NSW Government in late April 2017.

From 1 July 2017, the FESL will be included on a rates notice and consolidated with the other amounts payable for rates and charges and divided over four instalment payments.

Penrith City Council will collect and remit the FESL payments received to the NSW Office of State Revenue on a quarterly basis. Council will receive reimbursement of reasonable costs associated with the implementation and ongoing costs of the FESL.

General Land Revaluation for 2017-18 Rating

The NSW Valuer General has provided Council with the General Valuation of land for the Penrith Local Government Area. This out of cycle revaluation has a Base Date of 1 July 2016 and was provided in late February in order for all NSW councils to have a harmonised Base Date for the introduction of the Fire & Emergency Services Levy.

Although Penrith City Council received a Revaluation last year with a Base Date of 1 July 2015, these new values will be used for rating and Fire and Emergency Services Levy purposes from 1 July 2017.

This average valuation increases for each rating category is shown below:

GENERAL LAND REVALUATION FOR 2017-18 RATING					
RATING CATEGORY	2012 REVALUATION - AVERAGE INCREASE FROM PREVIOUS VALUATION	2015 REVALUATION - AVERAGE INCREASE FROM PREVIOUS VALUATION	2016 REVALUATION - AVERAGE INCREASE FROM PREVIOUS VALUATION	NUMBER OF PROPERTIES	% OF PROPERTIES
Residential - All	2%	33%	11%	67,984	95%
Residential - Excluding Rural	3%	33%	7%	63,400	88%
Rural Residential Properties	4%	31%	34%	4584	6%
Farmland	3%	32%	39%	427	0.6%
Business (other)	-1%	33%	14%	2713	4%
Penrith CBD	-2%	9%	10%	410	0.6%
St Marys Town Centre	6%	11%	15%	234	0.3%
All Rateable Properties	2%	28%	12%	71,768	100%

The 2016 valuations show a greater increase in Rural Residential and Farmland property valuations compared to other Rating Categories. This will mean these property owners will see a greater increase in the 2017-18 rates than other ratepayers in our area.

A Land Revaluation doesn't affect Council's total rates income but it does redistribute this income throughout the City. A property owner's proportional increase or decrease in rates (prior to any general increase) is dependent on their land valuation change in comparison to other properties and relative to the average change.

Impact of revaluation on rates

Despite the land valuation increases, total rates on average will increase by 5%, being the second year of the Special Rate Variation (SRV) approved increase for 2017-18. The impact of the land valuation changes for each category and for pensioners are as follows:

Residential Rates

It is principally the suburbs in the rural areas that will see significant increases to their rates in 2017-18. Properties in the 10 suburbs which have average rates increases above 15% (Agnes Banks, Badgerys Creek, Berkshire Park, Caddens, Castlereagh, Kemps Creek, Llandilo, Londonderry, Luddenham and Mulgoa) will see average rates increases of between \$541 for Londonderry and \$2,414 for Kemps Creek.

Most (82% of) residential properties will see rates increases of 5% or less so will not be negatively impacted by the new valuations. There will be some rate decreases in some suburbs and this is not unusual following a revaluation. Erskine Park will receive the biggest rates reduction on average with an \$87 reduction.

Overall Residential properties will see an average increase of \$51 in 2017-18. The minimum residential rate will increase from \$959.50 to \$1,007.00.

Pensioner Rates

Pensioner rates increases similarly reflect the changes for residential properties with approximately 83% of pensioners increasing by 5% or less.

Farmland Rates

Similar to the rural residential valuations, the rates for farmland properties will increase by 26% with an average \$781 increase.

Business Rates

Business rates will increase on average by 5.1% which is around \$305 per assessment. In line with the increases in rural areas, the business rates in the rural areas have increased the most on average.

Business - Penrith CBD Rates

Penrith CBD rates will increase on average by 5.1% which is around \$142 per assessment.

Business - St Marys Town Centre Rates

St Marys Town Centre rates will increase on average by 5.9% which is around \$202 per assessment.

Hardship Policy

In the year after a general revaluation, Council is required to adopt a policy to assist ratepayers who suffer hardship due to a significant increase in their rates. Council will continue our previous policy of allowing ratepayers who have a rates increase of greater than 25% to defer the increased amount only for up to two years. In addition any interest raised as a result of the deferred rates will be waived.

Council also has a general Hardship Policy to deal with other ratepayers at all other times. The following principles apply:

1) Aggregation of valuations

Aggregation of two adjoining lots owned by the same owner and where the levying of an individual minimum rate on one or both parcels would cause hardship. This does not apply where a dwelling is contained on each separate lot or where a lot has been subdivided for development purposes.

2) Payment arrangements

Under Section 564 of the Act, Council provides ratepayers who are unable to meet the quarterly instalment due date with alternative payment arrangements. Negotiations of alternative arrangements are available to the ratepayer at any time, including at each stage of the debt recovery process.

Arrangements provide the customer with an opportunity to make weekly, fortnightly or monthly payments or a fixed payment by a certain date. Many arrangements are only short term payment extensions while others run over several months. Generally the arrangements are for no longer than six months, with a view to settle the account in full by the end of the financial year. This allows the customer more time to pay, therefore reducing the financial impact on them.

Arrangements that extend beyond six months are carefully analysed as they can cause an unmanageable situation for the ratepayer if the debt increases beyond their future means.

The additional option to write-off or reduce interest is not offered for payment arrangements as it is the only incentive Council has available to entice payments by the due date. As we do not offer discounts for payments in full, interest reductions for overdue accounts is considered unfair to those ratepayers who pay on time.

BUSINESS SUB-CATEGORY PENRITH CBD RATE

All properties currently rated as a business category within the boundary, as outlined, are included in the sub-category Business rate named "Penrith CBD rate"




Penrith CBD Rate



BUSINESS SUB-CATEGORY ST MARYS TOWN CENTRE RATE

All properties currently rated as a business category within the boundary, as outlined, are included in the sub-category Business rate named "St Marys Town Centre rate"

 St Marys Town Centre



Stormwater Management Service Charge (SMSC)

Penrith City Council's Enhanced Environmental Program (EEP) provided funding to enable the delivery of a number of significant environmental programs that improved our local environment through infrastructure and stormwater improvement programs.

With the expiry of the 2002-03 Special Rate Variation (EEP) in June 2012 other mechanisms were explored to fund essential environmental enhancement programs and projects. The 2011-12 SRV foreshadowed the introduction and implementation of a charge in accordance with the Department of Local Government's

Stormwater Management Service Charge (SMSC) Guidelines as the funding mechanism for a significant number of stormwater management services. The charge only applies to urban residential and business properties. The introduction of a SMSC ensures Council can deliver a wide range of stormwater management initiatives essential to the health of the catchment and in line with community expectations.

The table below shows the number of properties subject to the proposed annual SMSC, and an estimate of the revenue generated.

2017-18 ESTIMATED STORMWATER MANAGEMENT SERVICE CHARGE REVENUE			
STORMWATER CATEGORY	ANNUAL CHARGE	NO. OF PROPERTIES	2017-18 TOTAL REVENUE
Urban Residential			
Residential	\$25.00	42,161	\$1,054,025
Residential (Strata)	\$12.50	8,851	\$110,638
Residential (Pensioner)	\$25.00*	8,261	-
Residential (Strata - Pensioner)	\$12.50*	1,125	-
Urban Business			
Business	\$22.80 plus an additional \$22.80 for each 350m2 or part of 350m2 by which the area of parcel of land exceeds 350m2	3,030	\$768,054
TOTAL REVENUE			\$1,932,717

* Council's Policy has provided a 100% rebate for eligible pensioners.

DOMESTIC WASTE MANAGEMENT

DOMESTIC WASTE

Residential properties, including vacant land, in Penrith City are required to be charged for the provision of a domestic waste management service under the provisions of the *Local Government Act 1993*. Council provides a truly sustainable domestic waste service to maximise high value resource recovery and diversion of waste from landfill. Residents benefit from this service program as it minimises the State Waste Levy which targets landfill disposal. The 2017-18 levy is projected to be \$138.70 per tonne. In Penrith City, Waste Levy impacts are significantly lower than other Councils due to the food and garden organics resource recovery program.

Council's *Domestic Waste Strategy*, currently under review, provides for the collection and processing of a variety of waste streams with each stream being sent to an appropriate recycling, composting, processing or disposal facility. Organics, recyclables and a portion of the residual waste stream are currently processed to recover valuable resources, while residual waste is sent to landfill.

A 3-bin waste collection service for organics, recyclables and residual waste is provided in the urban and similar areas of the City. A 2-bin recycling and residual waste collection service extends to most non-urban properties and properties with multi-unit dwellings.

To accommodate the diversity in households across the community, there are a wide range of bin combinations and options to provide the best service level to households. For those residents who do not wish to participate in resource recovery, the true cost of their service is charged so as not to penalise the Penrith community who are contributing to sustainable practice.

In 2010, the Domestic Waste Working Committee including community representatives resolved to provide Domestic Waste operations and management as a user-pays service. This allowed for residents who avoided generating excess waste and sorted to maximise resource recovery to realise the financial benefit.

The 2017-18 Domestic Waste Management Charge is calculated for full cost recovery. All waste charges are set by Council to cover the cost of domestic waste collection services, landfill, waste processing costs, education, communications, illegal dumping and provision for future planning and new technologies and all other associated services.

A proportion of the waste levy paid by Council is returned annually via the Waste Less Recycle More Initiative (Better Waste Recycling Fund) funds provided Council satisfies the criteria set by the State Government. This criteria includes household hazardous waste management, reporting to RID (Report Illegal Dumping) Online, adoption of the Waste Not DCP (Development Control Plan) and adequate waste planning.

As required, all service options have been calculated to ensure sufficient funds for provision and maintenance of the service, allowances for contingency and future planning for environmental objectives, amenity, legislative requirements and the impact on Council's road infrastructure.

The Fees and Charges section of the Draft 2017-18 Operational Plan provides for different service combinations. A summary of the main services expected to be utilised is summarised in the following table:

The Fees and Charges section of the Draft 2017-18 Operational Plan provides for different service combinations. A summary of the main services expected to be utilised is summarised in the following table:

DOMESTIC WASTE SERVICE	RATE PER WEEK \$	ANNUAL CHARGE\$	PERCENTAGE INCREASE (DECREASE) %	ANTICIPATED REVENUE \$
Vacant Land	1.23	64.00	10.3	138,688
1 Waste Management Service				
Dom Waste – Standard Service	7.38	384.00	0	14,244,480
Dom Waste – Reduced Organics	6.79	353.00	0	1,116,892
Dom Waste – Large Service	8.77	456.00	0	3,536,736
Dom Waste – Weekly	10.79	561.00	2.2	4,283,796
Dom Waste – Weekly Reduced Organics	10.17	529.00	2.2	253,920
Dom Waste – Weekly Large	14.03	730.00	2.2	795,700
Dom Waste – 2 Bin Service	8.17	425.00	2.2	3,840,300
Dom Waste – 2 Bin Service – Reduced Garbage	7.50	390.00	2.2	337,350
Dom Waste - Collect and Return	8.87	461.00	2.2	2,964,691
TOTAL REVENUE				31,512,553

* Council's Policy has provided a 100% rebate for eligible pensioners.



NON-DOMESTIC WASTE

NON-DOMESTIC WASTE

An annual charge (subsidised) for effluent removal services applies to each residential occupancy with a single or shared pump out septic tank system. An annual charge (subsidised) for a fortnightly collection service may apply to single residential occupancies on separate parcels of land subject to Council's Guidelines for Effluent Removal Services. Additional pump-out services are subject to an additional charge.

The full cost recovery rate applies to all properties that have access to the sewer. A differential rate is continued in the Draft 2017-18 Fees & Charges for those properties that have access to the sewer compared to properties where the service is not available.

WASTE MANAGEMENT SERVICE	RATE PER WEEK \$	ANNUAL CHARGE\$	PERCENTAGE INCREASE (DECREASE) %	ANTICIPATED REVENUE \$
Unsewered Areas				
1 Waste Management / Weekly Sullage Service	27.50	1,430.00	3.0	31,460
1 Waste Management / Fortnightly Sullage Service	27.50	715.00	3.0	8,580
Sewered Areas				
1 Waste Management / Weekly Sullage Service	77.10	4,009.00	3.0	4,009
TOTAL REVENUE				44,049

The charge to residents using Council's sullage removal service was previously subsidised by the Domestic Waste Management charge paid by all residential ratepayers. Due to a change in the Local Government Act, Council was unable to continue this practice from 2004-05. A special rate variation was applied for and received to subsidise the cost of this service for those households not having access to sewerage services.

Each year, funding for the sullage services is increased by the IPART rate increase on Council's notional yield, however as more households connect to the sewer the subsidy required will decrease. The former Division of Local Government, determined that Council will retain the current special rate variation and may re-direct any savings to environmental enhancement projects across the City. It is proposed that this initiative continue again in 2017-18 with projects totalling \$888,722 funded from the Environment/ Sullage Reserve. Projects proposed to be funded from Reserve in the draft 2017-18 budget at this time are:

- Urgent Tree Removal- \$110,000
- Support of Bushcare Groups - \$30,000
- Waterways Maintenance - \$15,000
- Biodiversity Operational Budget - \$20,000
- Urban Drainage Maintenance/ Embellishment - \$400,000
- Weekend Litter Removal - \$33,784
- On-Site Sewer Management - \$141,508.
- Litter Bin Tipping (Street and Parks) contribution- \$80,000
- RID Squad Contribution - \$58,430

Funding for remaining sullage services in the other villages, specified in the application for the special rate rise in 2004-05, will be increased by the IPART Rate increase percentage allowed to Council in its notional yield for 2017-18.

USER CHARGES VOLUME BASED		CHARGE PER 100 LITRES \$	ANTICIPATED REVENUE \$
Commercial Effluent Removal		3.20	6,000
Mixed Commercial/Domestic Effluent Removal		2.80	n/a

ON SITE SEWERAGE		
SEWER MANAGEMENT SYSTEMS PERIODIC CHARGES	FEE	ANTICIPATED REVENUE \$
Approval to Operate a Sewage Management System (including one inspection) Domestic	65.00	90,000



BORROWINGS

Council's borrowings are monitored by the Office of Local Government (OLG). Council advises the OLG of its Borrowing Program on an annual basis and Council's proposed borrowing program for 2017 is included in the 2016-17 Budget. In past years loans were obtained from various financial institutions and secured by a charge on Council's income, however June 2016 borrowings were financed through the NSW Treasury Corporation Loan Facility. Council qualified for access to the Facility in 2016 by being assessed as Fit for the Future.

Council's revised Borrowing Strategy included reducing the annual Infrastructure Borrowing Program from \$3.2m to \$2.2m in 2015-16. In 2017-18 this annual borrowing has been further reduced to \$1.0m, and will reduce to nil over the next two years. A further \$2.9m is proposed to be borrowed to fund the deficit in the s94 Lambridge Estate contributions with debt servicing to be funded by the 2016-17 SRV.

The 2017-18 Borrowing Program will also include over \$8m of existing loans due for renewal, however 2016 was the final year of the 10 year program to fund the loan component of AREAS.

Council's debt service costs continue to be partly offset by interest subsidies from the NSW Local Infrastructure Renewal Scheme (LIRS). Council was successful in its applications for all 3 years of the LIRS between 2012 and 2014 and receives two subsidies for AREAS and one for each of the City Centres Renewal and Improvement Program and the CBD Drainage Program.

Borrowing levels for the past few years are shown in the following table:

NEW MONEY BORROWINGS	2013-14 \$M	2014-15 \$M	2015-16 \$M	2016-17 \$M	PROPOSED 2017-18 \$M
Infrastructure Borrowings	3.2	3.2	2.2	2.2	1.0
Asset Renewal	0.9	0.9	0.9	-	-
Property Acquisition	1.98	0.9	-	-	-
Caddens Open Space Land (WELL)	-	-	2.0	-	-
City Centres Renewal and Improvement Program and Shared Pathways	2.6*	-	-	-	-
Glenmore Pk Stage 2 - Open Space Embellishment	-	-	2.8	-	-
CBD Drainage Program	-	5.7*	-	-	-
S94 Lambridge Estate Plans in deficit	-	-	-	-	\$2.9
Penrith Progression	1.5	-	-	-	-
TOTAL	\$10.2M	\$10.7M	\$7.9M	\$2.2M	\$3.9M

*Additional borrowings relating to successful applications to the NSW Local Government's Infrastructure Renewal Scheme, which provides an interest rate subsidy. Each loan has a dedicated funding source and has resulted in accelerating the delivery of the programs.

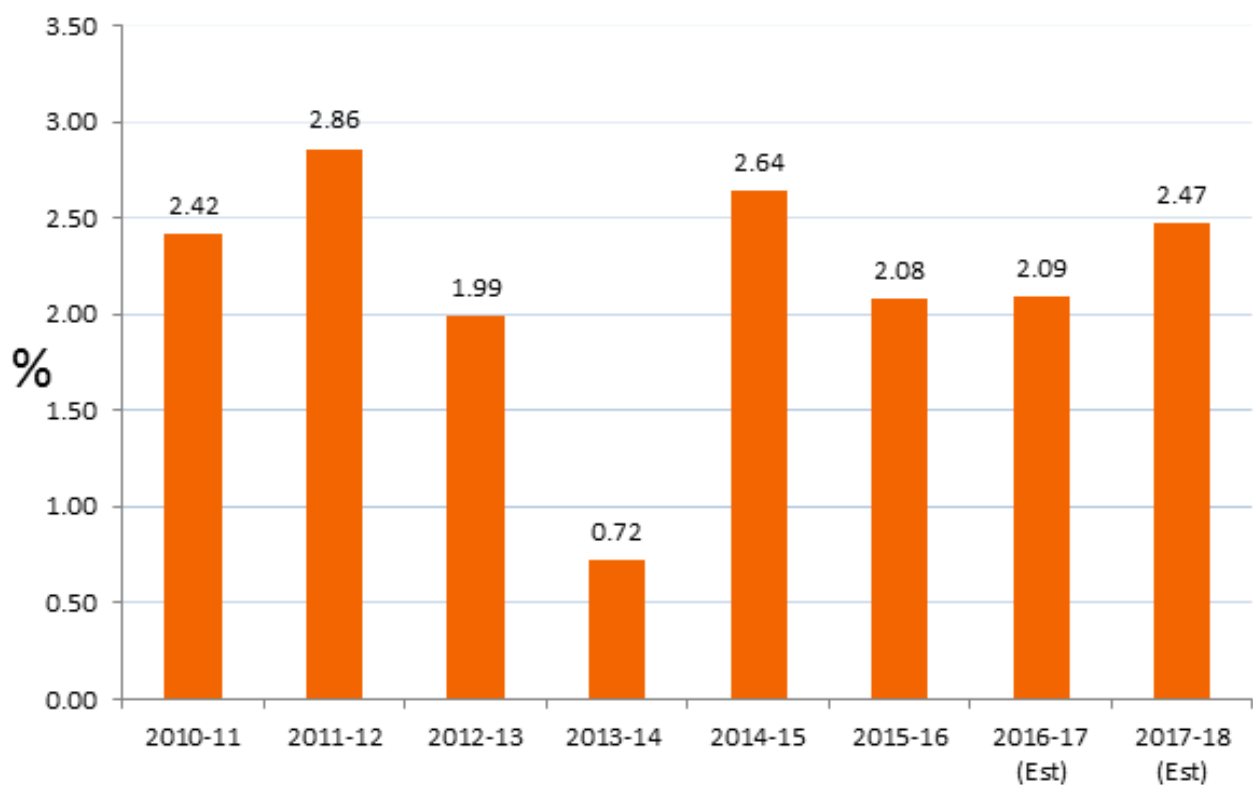
Any additional projects, above the borrowing targeted by the debt reduction policy, will be included in accordance with a practice of utilising additional loan funds only where there will be a positive net cash flow achieved. The figures do not include any refinancing of existing loans which may occur periodically when contractual arrangements and interest rate differentials make it advantageous.

The Council will use its long-term financial plan, which is based on sound financial management principles, to make decisions about affordable and appropriate levels of debt.

Council may use internal reserves and surplus funds to minimise existing or future loan liabilities. The basis of this is that interest rates on borrowings are, on average, higher than the interest income rates earned on cash investments.

The table below indicates the actual and future Debt Service Cover Ratios based on predicted borrowings.

Debt Service Cover Ratio



GRANTS

Grant income of \$26.4m is anticipated to be received from various government departments to fund capital and operational projects during 2017-18. This figure represents a decrease of \$1,623,402 (6.0%) compared with the original 2016-17 budget. The reduction in grant income compared to the original 2016-17 estimates mainly relates to the NSW Rural Fire Service revised methodology for estimation of expenditure of the NSW Rural Fire Fighting Fund (RFFF) across the Rural Fire Districts.

SCHEDULE OF ANTICIPATED GRANTS FOR 2017-18	\$'000
Financial Assistance Grant	10,577
Recreation & Leisure Facilities	3,770
Roads, Footpath & Buildings	2,502
Children's Services	2,156
Traffic Management, Parking & Road Safety	1,713
Pensioner Rate Subsidy	1,680
Emergency Services Management	1,097
Penrith Performing & Visual Arts	874
Other	798
Libraries	582
Community Safety	506
Community & Cultural Development	230

FINANCIAL ASSISTANCE GRANT

A significant part of Council's annual revenue (\$10.42m in 2016-17 and \$10.9m in 2015-16) is derived from the Financial Assistance Grant. Local Government financial assistance grants are general purpose grants that are paid to local councils under the provisions of the *Commonwealth Local Government (Financial Assistance) Act 1995*.

The grant to be received in 2016-17 consists of two components (1) a general component (\$8.17m) and (2) a roads component (\$2.25m). The calculation of the grant is an extremely complex exercise and Council has no control over many of the factors. In addition, each year an adjustment is required for the previous year's grants that takes into account variations in the actual CPI and population shares compared to the estimates used to determine that year's grants.

As part of the 2014-15 Federal Budget, the Government announced that it "...will achieve savings of \$925.2 million over four years by pausing indexation of the Local Government Financial Assistance Grants Programme for three years commencing 1 July 2014." Accordingly, there will be no further adjustments to the overall national funding pool for CPI and population growth until 2017-18.

As part of the annual budget process, indexation of 1.5% has been applied to the previous year's actual grant, with the change to the roads component amount being reflected in the roads budget as has been Council practice in recent years.

RESERVES

An integral part of Council's financial capacity is the administration of funds held for specific purposes. Council holds these funds in reserves and differentiates them into External & Internal Restrictions. External Restriction accounts have been established to control specific receipts and payments made by Council. These funds are tied in nature and carry specific conditions of use, which are managed throughout the budget process. Internal Restrictions are aimed at supporting a self-funding strategy concept whereby agreed funds are transferred into each reserve and utilised for a specific purpose.

Total reserves are budgeted to increase to \$114.1m by 30 June 2018 (\$89.9m in 2016-17 original budget). Of this amount, \$58.8m (\$53.4m in 2016-17) will be held in reserves required by external legal obligations (mainly s94 contributions) and \$55.3m (\$36.5m in 2016-17) in accordance with Council resolutions and policy.

BUDGETED POSITION	ORIGINAL 2016-17 \$'000	DRAFT 2017-18 \$'000
Externally Restricted Cash Reserves		
s94	20,834	37,862
Other	32,574	20,940
Internally Restricted Cash Reserves	36,511	55,260
TOTAL CASH RESERVES	89,919	114,062



2017-18 RESERVE MOVEMENTS FOR PERIOD ENDING 30 JUNE 2018				
RESERVE	ESTIMATE OPENING BALANCE 1 JULY 2017	2017/18 ORIGINAL BUDGET TRANSFERS TO	2017/18 ORIGINAL BUDGET TRANSFERS FROM	ESTIMATE CLOSING BALANCE 30 JUNE 2018
INTERNAL RESERVES				
Assets and construction				
Car parking/traffic facilities	1,581,122	814,550	-	2,395,672
ICT reserve	551,131	3,585,419	3,132,071	1,004,479
Library reserve	482,000	-	-	482,000
Major projects reserve	3,500,000	-	-	3,500,000
OOSH bus fleet replacement program	223,530	45,000	25,000	243,530
Plant and motor vehicle replacement reserves	3,219,990	693,337	602,500	3,310,827
City economy and planning				
City planning	298,863	(15,361)	83,742	199,760
Economic Initiatives reserve	196,612	-	150,000	46,612
Committee closures				
Alister brass foundation	81,161	1,826	-	82,987
S377 Committee closure proceeds	159,801	-	-	159,801
Samuel Marsden Road riding facility	1,452	-	-	1,452
Community facilities				
Cemetery reserve	882,188	120,473	-	1,002,661
Children's Services reserves	475,000	-	10,000	465,000
Recreation reserve	(24,240)	(10,166)	-	(34,406)
Employment				
Employee's leave entitlements	5,656,834	-	-	5,656,834
Salary system training and development reserves	536,949	-	25,419	511,530
Environmental programs				
Environmental awareness programs	258,756	-	28,000	230,756
Stormwater management service charge	965,982	1,930,667	1,930,667	965,982
Financial management				
Financial management reserves	6,877,360	3,951,857	450,990	10,378,227
Grant funded projects reserve	253,799	50,000	-	303,799
Productivity revolving fund	362,130	86,678	185,899	262,909
Property development reserve	17,676,291	7,638,983	10,015,642	15,299,632
Special Rate Variation 2016-17	(157,909)	10,673,000	8,255,805	2,259,286
Sustainability revolving fund	790,456	395,661	-	1,186,117

2017-18 RESERVE MOVEMENTS FOR PERIOD ENDING 30 JUNE 2018

RESERVE	ESTIMATE OPENING BALANCE 1 JULY 2017	2017/18 ORIGINAL BUDGET TRANSFERS TO	2017/18 ORIGINAL BUDGET TRANSFERS FROM	ESTIMATE CLOSING BALANCE 30 JUNE 2018
Legal and governance				
Election reserve	40,235	192,793	-	233,028
Insurance reserves	3,861,295	302,371	88,958	4,074,708
Legal reserve	616,465	-	-	616,465
Other				
International relationships	19,724	-	-	19,724
Revote reserve	25,000	-	-	25,000
Town centre review and administration	6,796	-	-	6,796
Voted works	449,370	159,000	-	608,370
TOTAL INTERNAL RESERVES	49,868,144	30,616,088	24,984,693	55,499,539
INTERNAL LOANS				
Costs to advance next year's projects	(24,360)	24,360	-	-
Penrith Swimming Centre waterplay facility	(750,000)	86,339	-	(663,661)
Public Space Reinvestment Project	(2,059,326)	-	95,405	(2,154,731)
Whitewater Canoe Slalom	(745,727)	209,130	194,414	(731,011)
Woodriff Gardens facility development	(133,000)	28,500	-	(104,500)
TOTAL INTERNAL LOANS	(3,712,413)	348,329	289,819	(3,653,903)
Section 94 in deficit internal loan	(8,088,629)		(2,493,496)	(5,595,133)
TOTAL INTERNAL RESERVES AND LOANS	38,067,101	30,964,417	22,781,016	46,250,502

2017-18 RESERVE MOVEMENTS FOR PERIOD ENDING 30 JUNE 2018				
RESERVE	ESTIMATE OPENING BALANCE 1 JULY 2017	2017/18 ORIGINAL BUDGET TRANSFERS TO	2017/18 ORIGINAL BUDGET TRANSFERS FROM	ESTIMATE CLOSING BALANCE 30 JUNE 2018
EXTERNAL RESERVES				
Civic improvement S94	(1,300,670)	-	-	(1,300,670)
Claremont Meadows S94	(455,250)	-	414,036	(869,286)
Cultural facilities S94	(3,453,851)	742,388	414,642	(3,126,105)
Erskine Business Park S94	2,243,367	-	84,108	2,159,259
Erskine Park residential area S94	27,512	-	-	27,512
Glenmore Park Stage 2 S94	415,280	346,926	501,670	260,536
Kingswood neighbourhood centre S94	67,311	-	-	67,311
Lambridge industrial estate S94	(2,878,859)	2,900,000	-	21,141
Penrith City district open space S94	26,038,874	7,464,114	164,781	33,338,207
Penrith City local open space S94	1,694,623	689,000	591,072	1,792,551
Waterside S94	198,001	-	2,953	195,048
WELL Precinct S94	961,293	245,350	1,505,716	(299,073)
Funding for S94 plans in deficit	8,088,629	-	2,493,496	5,595,133
Total Section 94 reserves	31,646,262	12,387,778	6,172,474	37,861,566
Other external reserves				
Waste disposal reserve	11,033,694	2,232,008	2,930,679	10,335,023
Environment/ sullage reserve	14,350	873,166	888,722	(1,206)
Unexpended loans	5,853,785	127,097	2,997,387	2,983,495
Unexpended grants	1,080,052	10,606,694	10,981,163	705,584
Contributions	7,492,442	16,117,308	16,692,318	6,917,432
Total other external reserves	25,474,323	29,956,273	34,490,269	20,940,328
TOTAL EXTERNAL RESERVES	57,120,585	42,344,051	40,662,743	58,801,894
Other internal reserves/ committees				
Bonds and deposits	6,967,131	-	-	6,967,131
Children's Services Cooperative reserves	1,402,043	397,110	146,990	1,652,163
Other (committees)	393,796	(3,583)	-	390,213
Total other internal reserves	8,762,969	393,527	146,990	9,009,506
GRAND TOTAL OF RESERVES	103,950,655	73,701,996	63,590,749	114,061,901
CONTROLLED ENTITY				
Total controlled entity reserve movements	185,850	185,850	-	371,700
RESERVE MOVEMENTS PER BUDGET		73,887,846	63,590,749	

Reserves are shown as surplus / (deficit).

ENTITIES

The Council subsidy for all entity budgets is currently being finalised. New figures, when included, will alter totals but not the net budget position. The overall impact of the Controlled Entities on the proposed budget is discussed below.

Included in the draft 2017-18 budget at this stage are the following subsidies/contributions:

- Penrith Aquatic and Leisure Ltd – total of \$1.055m (2016-17 - \$0.955m)
- Penrith Performing and Visual Arts - total of \$1.638m (2016-17 - \$1.614m)
- Penrith Whitewater Stadium – Nil (2016-17- Nil)

In addition, the draft 2017-18 budget currently includes:

- A contribution to the RID Squad of \$58,430
- A subsidy to the Children's Services Co-operative of \$90,000 which is \$30,000 lower than the subsidy received in 2016-17 largely due to the ISS hourly rate of pay increasing from \$17.41 to \$23.00 from July 2016. This subsidy assists with funding the cost of the Inclusion Support program not met by government funding.

BUDGETED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

ASSETS	\$'000	LIABILITIES	\$'000
Current Assets		Current Liabilities	
Cash & Cash Equivalents	34,504	Payables	(13,612)
Investments	44,500	Borrowings	(8,000)
Receivables	4,481	Provisions	(27,815)
Inventories	1,250	Total Non-Current Liabilities	(49,427)
Other	1,200	Non-Current Liabilities	
Total Current Asset	85,935	Borrowings	(48,000)
Non-Current Assets		Provisions	(680)
Investment Securities	20,000	Total Non-Current Liabilities	(48,680)
Receivables	2,000	TOTAL LIABILITIES	(98,107)
Inventories	-	NET ASSETS	3,610,700
Other	-		
Infrastructure, Property, Plant & Equipment	3,573,872	EQUITY	\$'000
Investments - Equity Method	5,000	Retained Earnings	(2,154,739)
Investments Property	22,000	Revaluation Reserve	(1,455,960)
Total Non-Current Assets	3,622,872	TOTAL EQUITY	(3,610,699)
TOTAL ASSETS	3,708,807		

LONG TERM FINANCIAL PLAN

This is Penrith Council's Long Term Financial Plan (LTFP), prepared in accordance with the provisions of the Local Government Act, Regulations and relevant accounting standards. The aim of the LTFP is to ensure that Council identifies financial issues at an early stage and reviews their effect on future activities. This plan is prepared as part of Council's Annual Operational Plan and was used as an integral part of Council's Fit for the Future Improvement Plan and 2016-17 Special Rate Variation (SRV) application. The plan is based on a number of assumptions around rate increases, grant funding, population growth and productivity improvements and is continually monitored and updated as these assumptions change.

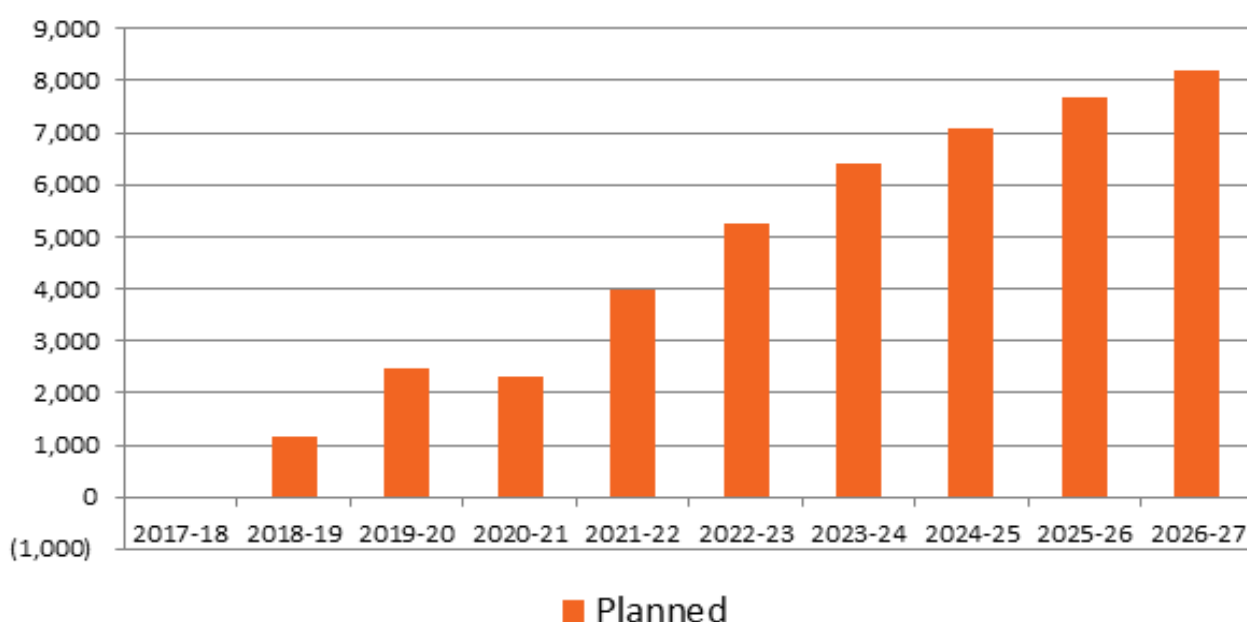
The LTFP process involves four main elements:

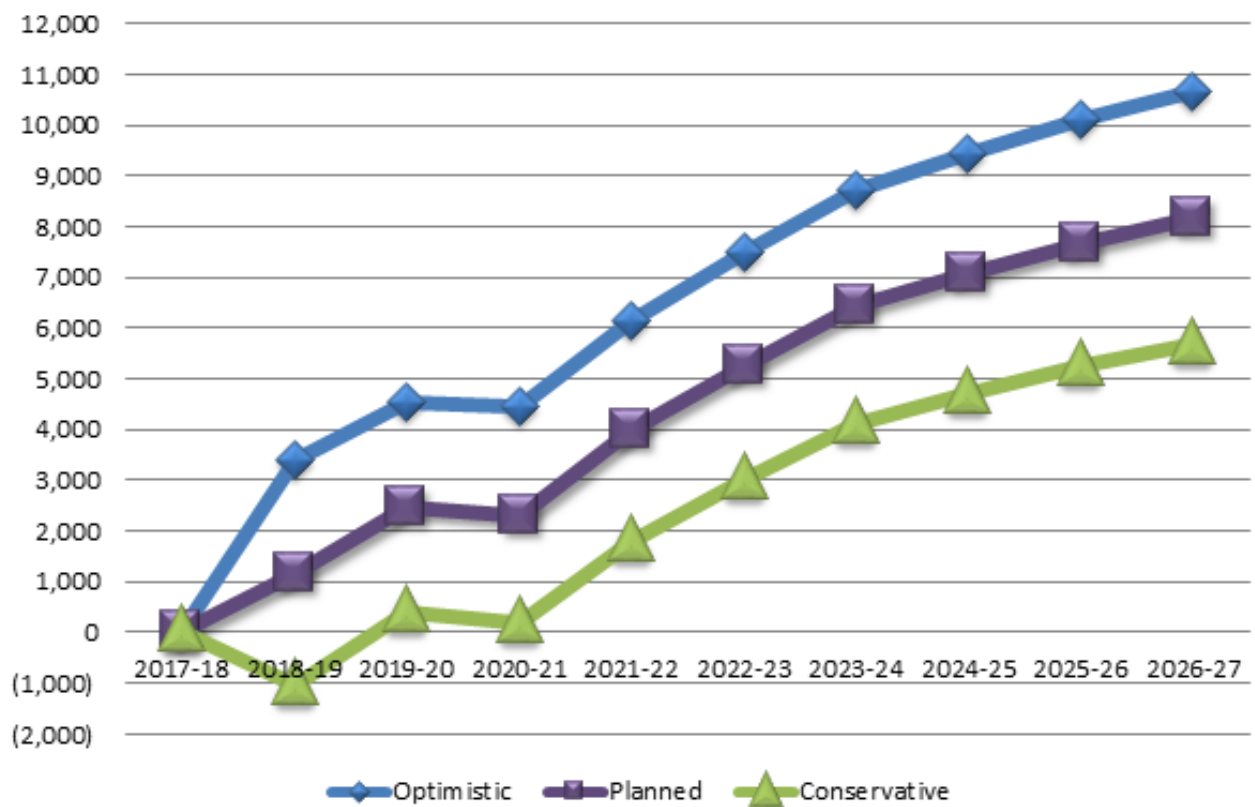
- Planning Assumptions
- Revenue Forecasts
- Expenditure Forecasts
- Sensitivity Analysis.

Council's LTFP and model is capable of extrapolating the current year base budget, incorporating current 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.

Major Assumptions:

- Growth in rates in line with Council's 2016-17 SRV 5.2% in 2018-19, 5.4% in 2019-20 and 2.5% thereafter.
- New Rate Growth is estimated between \$500k - \$750k per year.
- Components of the 2016-17 Special Rate Variation have been included.
- Financial Assistance Grant is maintained at current level and not indexed.
- Salaries & Wages are indexed by 2.5% per year.
- Indexation for expenditure ranges between 2.5% & 5.0% based on expenditure type.
- Current Asset Maintenance is indexed at same rates as rate peg.
- New Asset Maintenance has been maintained at 2017-18 levels and indexed at the appropriate indexation based on expenditure type.
- Annual Loan Borrowing Program reduced to nil in 2020-21.







LONG TERM FINANCIAL PLAN - BASE SCENARIO

	BASE	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27
OPERATIONS FROM ORDINARY ACTIVITIES											
Operating Revenue											
Rates & Annual Charges	139,220.2	139,154.2	146,668.1	154,833.1	159,657.7	164,616.8	169,663.2	174,863.2	180,221.5	185,742.9	191,432.2
User Charges & Fees	6,857.7	6,857.7	6,586.6	6,693.4	6,803.3	6,916.6	7,033.2	7,153.4	7,277.1	7,404.6	7,535.9
Fees for Commercially Available Services	36,039.2	36,039.2	36,576.6	37,140.6	37,665.2	38,292.1	38,938.3	39,604.4	40,290.9	40,998.5	41,652.0
Interest Income	3,001.2	3,001.2	3,055.7	3,074.2	3,084.2	3,094.5	3,104.8	3,115.5	3,126.5	3,137.8	3,149.4
Other Operating Revenues	2,130.7	2,130.7	2,130.7	2,130.7	2,130.7	2,130.7	2,130.7	2,130.7	2,130.7	2,130.7	2,130.7
Operating Grants	25,352.9	25,352.9	25,284.5	20,573.7	20,596.0	20,626.1	20,656.9	20,688.2	20,720.2	20,752.8	20,786.1
Operating Contributions	15,108.9	15,108.9	19,865.6	2,105.5	2,105.5	2,105.5	2,105.5	2,105.5	2,105.5	2,105.5	2,105.5
Profit on Sale of Assets	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)	(485.9)
TOTAL OPERATING REVENUE	227,224.9	227,158.9	239,681.9	226,065.3	231,556.7	237,296.4	243,146.7	249,175.0	255,386.5	261,786.9	268,305.9
Operating Expenditure											
Employee Costs	(93,557.9)	(93,557.9)	(96,277.6)	(98,505.4)	(101,185.8)	(104,201.0)	(107,455.4)	(110,806.2)	(114,256.4)	(117,809.0)	(121,010.7)
Employee Costs - ELE	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)	(3,143.1)
Interest Charges	(2,344.2)	(2,133.4)	(1,840.0)	(1,659.3)	(1,288.0)	(912.1)	(657.6)	(468.7)	(325.8)	(226.2)	(147.5)
Depreciation & Amortisation	(25,419.4)	(25,419.4)	(25,715.6)	(25,431.5)	(26,855.4)	(27,172.2)	(27,492.9)	(28,038.3)	(26,812.6)	(29,296.8)	(29,649.8)
Materials	(42,418.5)	(42,418.5)	(45,864.9)	(28,294.1)	(29,180.0)	(30,197.4)	(31,245.4)	(32,324.9)	(33,436.7)	(34,581.9)	(35,761.4)
Contracts	(41,716.5)	(41,716.5)	(42,470.9)	(43,473.2)	(44,515.2)	(44,873.8)	(46,000.4)	(47,171.9)	(48,390.2)	(49,657.2)	(50,974.8)
Other Operating Expenses	(14,983.4)	(14,983.4)	(15,462.8)	(16,141.8)	(16,454.1)	(16,777.0)	(17,110.9)	(17,456.1)	(17,813.1)	(18,182.4)	(18,564.4)
Other Expenses - Internal Charges	304.2	304.2	304.2	304.2	304.2	304.2	304.2	304.2	304.2	304.2	304.2
TOTAL EXPENDITURE	(223,278.8)	(223,068.0)	(230,470.7)	(216,344.2)	(222,317.4)	(226,972.4)	(232,801.5)	(239,105.0)	(243,873.7)	(252,592.4)	(258,947.5)
OPERATING RESULT BEFORE CAPITAL	3,946.1	4,090.9	9,211.2	9,721.1	9,239.3	10,324.0	10,345.2	10,070.0	11,512.8	9,194.5	9,358.4
Capital Grants and Contributions	29,100.4	29,100.4	29,867.7	29,747.5	29,968.5	32,343.3	27,490.4	22,200.2	21,355.3	26,842.8	20,742.7
OPERATING RESULT	33,046.5	33,191.3	39,078.9	39,468.6	39,207.8	42,667.3	37,835.6	32,270.2	32,868.1	36,037.3	30,101.1

	BASE	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27
FUNDING STATEMENT (SOURCE & APPLICATION)											
Add back non funded Expenses	25,419.4	25,419.4	25,715.6	25,431.5	26,855.4	27,172.2	27,492.9	28,038.3	26,812.6	29,296.8	29,649.8
Depreciation											
Add back non funded Expenses - ELE	3,143.1	3,143.1	3,143.1	3,143.1	3,143.1	3,143.1	3,143.1	3,143.1	3,143.1	3,143.1	3,143.1
Funds Received from Sales of Assets	5,502.5	5,502.5	1,912.5	1,912.5	1,912.5	1,912.5	1,912.5	1,912.5	1,912.5	1,912.5	1,912.5
Loans Received	4,224.0	4,224.0	6,219.1	1,424.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0
3803 - Budget Surplus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Funds Transferred (to) / from Reserves held	(10,297.1)	(10,335.3)	(10,949.4)	(12,612.8)	(4,566.6)	(22,063.4)	(16,895.8)	1,943.4	(12,833.4)	(18,913.8)	33,195.2
NET FUND AVAILABLE	61,038.4	61,145.0	61,119.8	58,766.9	66,876.2	53,155.7	53,812.3	67,631.5	52,226.9	51,799.9	98,325.7
Application of Funds											
Asset Acquired (non current)	(49,188.1)	(49,188.1)	(52,662.5)	(46,427.4)	(56,234.2)	(43,174.4)	(44,202.0)	(58,080.0)	(43,535.4)	(43,664.1)	(90,577.3)
Loan Repayments Made	(11,850.3)	(11,956.9)	(11,281.1)	(9,866.1)	(8,322.8)	(6,335.0)	(5,031.8)	(4,175.1)	(3,059.0)	(2,305.5)	(1,471.8)
TOTAL APPLICATION	(61,038.4)	(61,145.0)	(59,943.6)	(56,293.5)	(64,557.0)	(49,509.4)	(49,233.8)	(62,255.1)	(46,594.4)	(45,969.6)	(92,049.1)
NET COST FUNDED FROM RATES & OTHER INCOME	0.0	0.0	1,176.2	2,473.4	2,319.2	3,646.3	4,578.5	5,376.4	5,632.5	5,830.3	6,276.6

ASSET RENEWAL AND REPLACEMENT PROGRAMS

Asset Management remains a key focus of Council's *Community Strategic Plan*, with funds committed in recent years for substantial increases in road maintenance and building asset renewal.

ROADS ASSET RENEWAL

Council's established policy has been to maintain, and where possible increase, its annual allocation for the maintenance of roads in order to prevent a decline in the overall condition of the City's roads.

The Australian Road Research Board survey vehicle completed a survey of the City's Road Network in 2005 and this formed the basis for Council's commitment to increase resources for road assets to \$10m per annum by June 2009. The increased funding to achieve this target was phased in over four years with 2008-09 being the final year having a total of \$10.27m allocation for Road Asset Renewal. A further road network survey was undertaken in 2013. An analysis of the survey, together with modelling of future condition based on current funding levels indicated that the network has improved and can be maintained in its current condition if current funding levels (indexed) are maintained. The road length has increased by 78km from 2005 to 30 June 2016. Currently components of this budget allocation are indexed to cover increases in materials and also to fund new assets built or dedicated to Council.

Funding of approximately **\$14.24m** is provided in the draft 2017-18 budget for Roads Asset Renewal works. This includes the revised Federal Government Roads to Recovery Program funding from 2015-16 to 2018-19.

BUILDING ASSET RENEWAL

Council owns and operates a property portfolio of over 286 buildings with a replacement value of over \$368m (excludes commercially managed properties). Routine building maintenance is provided for within operational budgets. Following the Asset Renewal and Established Areas Strategy special rate rise approved in 2006-07, the Building Asset Renewal Program achieved the required funding of \$1,500,000 in 2008-09 (indexed from 2015-16), in addition the 2011-12 SRV included a further \$400,000 annually from 2011-12 onwards for the Building Asset Renewal Program.

Funding of **\$2.07m** is provided in the draft 2017-18 budget for the Building Asset Renewal Program.

PARKS ASSET RENEWAL

Parks assets include playground equipment, fencing, sports ground flood lighting, irrigation systems, signage, park furniture and seating, and sporting field surfaces. These assets have a current replacement value of approximately \$30m

Previously, fixed assets in parks had either been repaired or replaced using funds from the Parks Operational Budget. In some situations Parks assets have been replaced using funds in the Capital Works Program. Using funds from the Parks Operational budget for Asset Renewal is ineffective in preserving assets over the long term and puts pressure on the delivery of the specified standard of service for ongoing park mowing and maintenance.

A revised 10 year asset renewal strategy, incorporating the outcomes of the Sportsground Management Strategy, has been developed to renew existing assets so that they are contemporary, fit for purpose and meet community expectations. The total value of the program is \$8.5m.

Prior to the 2011-12 SRV the annual allocation to Parks Asset Renewal was \$250,000. The SRV included an additional \$480,000 for the Parks Asset Renewal Program annually from 2011-12 increasing to \$530,000 in 2015-16 and then indexed annually. This brings the proposed allocation in 2017-18 for Parks Asset Renewal to **\$791,926**.

PUBLIC AMENITIES REPLACEMENT

A Public Toilet Replacement Program was developed in 2008 to initiate an ongoing program of toilet replacement which aims to provide improved safety, amenity and public perception of the City's public toilets. This program was in response to the 2007 Community Survey and previous surveys, in which the provision and maintenance of public toilets was consistently ranked of high importance but low satisfaction ratings.

The cost of replacing a stand-alone public toilet ranges depending on its size and various other factors. The estimated cost of a 10-year program to either demolish and construct new or refurbish current amenities to incorporate "Crime Prevention through Environmental Design" (CPETD) treatments and accessibility requirements is approximately \$2.7m.

A 10-year program was adopted by Council in 2008-09. There are 27 stand-alone public toilets across the City at varying standards of condition. For the 10-year program to be completed requires an annual average allocation of \$240,000. Annual funding of \$150,000 was allocated in 2008-09, 2009-10 and 2010-11, with an additional \$90,000 provided from SRV funding from 2011-12.

By December 2015 the replacement and/or refurbishment of nine public amenity facilities across the LGA had been completed. The upgrade of facilities at Penrith Cemetery was completed in June 2016. A further seven facilities across the city are listed for replacement and/or refurbishment under the program over the next few years.

The proposed allocation for 2017-18 for Public Amenities Replacement is **\$215,640**. This amount consists of the base allocation of \$240,000 less repayment of \$24,360 forward funded for Kingswood Cemetery Amenities.

PATH PAVING PROGRAM

Before the 2007-08 Management Plan the footpath paving program received an annual general revenue allocation of \$750,000. This allocation was to fund the identified footpath paving program which required the continuation of this allocation up to and including 2012-13, for a total of \$4.5m. A strategy was proposed and subsequently implemented to accelerate this program through loan borrowings to fund a \$4m program over two years. The loan repayments generated by borrowing for the accelerated program are being funded through General Revenue and total \$600,000 from 2012-13. This strategy identified that at the completion of the program a need would remain to provide additional footpaths and proposed that an annual allocation of \$150,000 be provided. This annual program of \$150,000 is primarily focussed on missing links in the existing network available to pedestrians.

A growing demand from the community for a broader network of shared pathways to provide dual service for pedestrians and cyclists was identified in 2010. On this basis the 2011-12 SRV included additional annual funding of \$640,000 to advance the key elements of the priority network of shared pathways, and \$320,000 to fund maintenance and renewal of Council's path network from 2013-14 onward.

In the draft 2017-18 budget the total allocation to Path Paving, Shared Pathways and Pathway Modification and Improvement is **\$1.62m**.

ASSET REPLACEMENT PROGRAMS

Council over recent years has developed a number of asset replacement and refurbishment programs. In its Strategic Plan Council has identified Asset Management as a major issue and set an objective to **"Maintain assets to agreed standards"**.

Current asset replacement programs include:

Plant

This comprehensive program is based around the individual plant life cycles. Council charges all jobs plant hire where plant is used. The internal plant hire rates cover all expenses and depreciation. Funds recovered for depreciation through hire rates are allocated to plant purchase.

All plant is purchased and disposed of via competitive tender or government contract or auction other than minor plant and equipment which is sold at auction only.

Motor Vehicles

Council purchases all motor vehicles through the NSW Government's prequalification scheme or competitive quotes and disposes of them by auction at optimal replacement points. The current change-over period for the light vehicle fleet is two years and nine months, and this has been incorporated into estimates for 2017-18.

Computer Equipment

Council is currently trending away from the standard 3 year replacement of PCs to a more contemporary view to provision of personal computing devices based on worker based requirements. The past 18 months have seen the budget utilised to purchase Microsoft Surface Pro devices for mobility and paperless use and replace very old out of specification PCs.

CAPITAL AND OPERATING PROJECTS

CAPITAL AND OPERATING PROJECTS

At the Ordinary Meeting of 1 May 2017, Council endorsed a list of Capital and Operating Projects to be included in the Draft Operational Plan. These projects may be categorised as follows:

1. Established annual works programs, encompassing a number of specific projects or capital works, which by policy have a 'notional' funding level assigned in the initial preparation of the Plan, which may then be approved or varied by Council (further commented on below).
2. Continuation of programs commencing in 2011-12 resulting from the SRV which focus on maintaining existing assets and service levels, enhanced services, and City Centre upgrade and renewal for Penrith and St Marys.
3. 2016-17 Asset Renewal and Established Areas Strategy (AREAS) Special Rate Variation programs for road and building asset renewal and established areas revitalisation which originally commenced in 2006-07 and are included in the Capital and Operating Projects lists and Service budgets included in this document.
4. Strategies associated with the additional 2016-17 SRV.

ESTABLISHED CAPITAL WORKS PROGRAMS

Funding for the established annual works programs, noted above, is drawn from Council's general revenue (which can be applied to priorities at Council's discretion), grants (normally 'tied' to a particular purpose), Section 94 contributions (required to be used for works proposed in the relevant S94 Plan), and reserves. In each case, specific projects or works within the particular Program are recommended to Council for the coming year. Council has the opportunity, according to its contemporary priorities, to adjust the program either in its funding level or by the addition or deletion of particular components.

Once the Operational Plan has been adopted, projects may be added to these Programs by Council decisions reflecting consideration of the annual Operational Plan through Revotes, through

re-allocation of savings in the Quarterly Reviews, or Voted Works allocations.

These Programs and their funding levels for 2017-18 include:

ESTABLISHED CAPITAL WORKS PROGRAM	
PROGRAM	\$'000S
Roads Reconstruction	2,476
Path Paving Program	150
Shared Pathways	190
Building Asset Renewal	2,071
Urban Drainage Construction Program	1,003
Traffic and Transport Facilities Program	318
Construction of Bicycle Facilities	30
Park Asset Renewal	777
Public Amenity Replacement Program	216
Desktop Hardware / Devices	350
Library Resources - Capital	660
Neighbourhood Renewal	190
City Centre Improvements	4,852

In addition, the Federal Government-funded *Roads to Recovery* program (\$1,052,766) is separately identified in the Operating Projects listing (as these works are considered to be additional asset maintenance and not new infrastructure).

SECTION 94 PROJECTS

Section 94 of the *Environmental Planning and Assessment Act* (s94) allows Council to require the payment of a contribution, towards the provision of public amenities and services, if a proposed development is likely to require the provision of, or increase the demand for such amenities and services. In order to levy s94 contributions, Council must first prepare and adopt a plan detailing the additional infrastructure that will be required and the cost of providing it. At certain times it may be necessary to re-exhibit adopted plans where there are fundamental changes to the plan e.g. increased cost of providing the asset or changes to the laws governing the management of contribution plans.

A summary of the Section 94 program capital works expenditure for 2017-18 under each relevant Plan is provided below.

2017-18 DRAFT S94 PROJECTS	
PLAN / PROJECT	BUDGET (\$)
Penrith City Local Open Space S94	
Local Open Space S94 Funded Capital Works	501,000
Mayoral Youth Challenge (Lincoln Park)	85,000
Total Penrith City Local Open Space S94	586,000
Penrith City District Open Space S94	
Our River - Pathways and Fitness - Tench Reserve, Penrith	115,000
Our River - Large Fishing Platform - Regatta Park, Emu Plains	45,000
Total Penrith City District Open Space S94	160,000
TOTAL DRAFT S94 PROJECTS	746,000

CAPITAL PROJECTS

A summary of capital and operating projects by service is set out below.
Specific programs are set out in Schedule 1.

DESCRIPTION	BUDGET\$	FUNDING
Building maintenance and construction		
Bus shelters program	85,000	General Revenue
Building asset renewal	2,070,566	General Revenue / SRV
TOTAL BUILDING MAINTENANCE & CONSTRUCTION	2,155,566	
Bushland management		
Natural cooling tree planting South Penrith	270,593	Section 94
TOTAL BUSHLAND MANAGEMENT	270,593	
Children's Services		
Building upgrades	285,000	Contribution
CS IT replacement capital	28,158	Contribution
OOSH bus fleet replacement	50,000	Asset sales/ reserve
CS playground upgrades	170,000	Contribution
TOTAL CHILDREN'S SERVICES	533,158	
City Parks		
Local open space s94 funded capital works	501,000	Section 94 contribution
Park asset renewal	776,926	General revenue
TOTAL CITY PARKS	1,277,926	
Civil construction and maintenance		
Construction of bicycle facilities	30,000	General revenue
Dedication - subdivision roads	13,000,000	Contribution
Dedication - drainage works	6,000,000	Contribution
Rural roads widening	156,000	Grant
Roads reconstruction (2)	2,475,926	General revenue/ grant / contribution
Path paving program	150,000	General revenue
Shared pathways	190,000	General revenue
Urban drainage construction program	1,003,000	General revenue/ reserve
Traffic and transport facilities program	318,270	General revenue
TOTAL CIVIL CONSTRUCTION & MAINTENANCE	23,323,196	
Community & Cultural Development		
Disability access improvements	35,000	General revenue
TOTAL COMMUNITY & CULTURAL DEVELOPMENT	35,000	
Community Safety		
Community Safety program	191,866	General revenue
TOTAL COMMUNITY SAFETY	191,866	

DESCRIPTION	BUDGET\$	FUNDING
Design and project management		
City centre improvements	4,851,719	General revenue
Better boating program	3,500,000	Grant/ S94/ reserve
MGP 2015 Our River - pathways and fitness	230,000	Section 94
Our River - Regatta Park large fishing platform	88,500	Section 94
Weir Reserve – provision of extension to boating pontoon	270,000	Grant
TOTAL DESIGN & PROJECT MANAGEMENT	8,940,219	
Emergency Services management		
SES equipment priority list	20,000	General revenue
Rural Fire Service equip-grant funded	770,760	Grant/ asset sales
TOTAL EMERGENCY SERVICES MANAGEMENT	790,760	
Environmental Health		
Stormwater work improvement program	405,268	Reserve
TOTAL ENVIRONMENTAL HEALTH	405,268	
Financial Services		
Motor vehicle purchases	2,475,000	Asset sales/ general revenue / reserve
TOTAL FINANCIAL SERVICES	2,475,000	
Plant maintenance		
Plant replacement	1,090,150	Asset sales/ general revenue
TOTAL PLANT MAINTENANCE	1,090,150	
Information Technology		
Desktop hardware/ devices	350,200	Reserve
Server infrastructure	60,000	Reserve
Network equipment upgrade	20,000	Reserve
Telephony upgrade	3,571	Reserve
Wireless internet network solution upgrade	30,567	Reserve
TOTAL INFORMATION TECHNOLOGY	464,338	
Libraries		
Library resources - capital	659,910	General revenue
Library special purpose projects - building	30,000	Grant
Library management system	79,500	Grant
TOTAL LIBRARIES	769,410	

DESCRIPTION	BUDGET\$	FUNDING
Neighbourhood facilities management		
Neighbourhood centres/ hall improvements	99,048	General revenue
TOTAL NEIGHBOURHOOD FACILITIES MANAGEMENT	99,048	
Place Management		
Neighbourhood Renewal	190,000	General revenue
Mayoral Youth Challenge	125,000	General Revenue/ reserve
TOTAL PLACE MANAGEMENT	315,000	
Property development and management		
Public domain works - Erskine Park (surplus land)	15,000	Reserve
Property development expenditure project (1)	2,545,000	Reserve
Property development expenditure project (2)	1,140,000	Reserve
TOTAL PROPERTY DEVELOPMENT & MANAGEMENT	3,700,000	
Public domain maintenance		
Public amenity replacement program	215,640	General revenue
TOTAL PUBLIC DOMAIN MAINTENANCE	215,640	
Sustainability planning		
Solar communities program	67,909	Grant
TOTAL SUSTAINABILITY PLANNING	67,909	
Traffic management and road safety		
LTC/ urgent traffic facilities	80,634	General revenue
National black spot program	837,500	Grant
NSW bike plan river cities program	1,000,000	General revenue
Pedestrian infrastructure safety around schools program	150,000	General revenue
TOTAL TRAFFIC MANAGEMENT & ROAD SAFETY	2,068,134	
TOTAL CAPITAL PROJECTS	49,188,181	

OPERATING PROJECTS

DESCRIPTION	BUDGET\$	FUNDING
Bushland management		
Protect two endangered ecological communities - Ropes Creek	15,000	General revenue
Control of woodland passionfruit	13,500	General revenue
TOTAL BUSHLAND MANAGEMENT	28,500	
City parks		
Green waste mulcher	10,000	General revenue
Implement plans of management	183,774	General revenue
Control of aquatic plants	5,000	General revenue
TOTAL CITY PARKS	198,774	
City partnerships		
International relations	80,111	General revenue
TOTAL CITY PARTNERSHIPS	80,111	
Civil construction and maintenance		
Rural roads resealing	59,500	General revenue
Road resealing/ resheeting (Pt AREAS)	4,695,653	General revenue/ reserve
Traffic facilities - regulatory	426,000	Grant
Roads maintenance - roads to recovery	1,052,766	Grant
The Driftway - road maintenance	33,000	General revenue/ contribution
Shared pathways maintenance	280,000	General revenue
Maintenance of GPT constructions	338,127	Reserve
TOTAL CIVIL CONSTRUCTION & MAINTENANCE	6,885,046	
Community & Cultural Development		
Computerised community directory system	4,500	General revenue
Community Resources Development Officer	85,088	General revenue
Cultural Development Officer - City	7,000	General revenue
Community health promotion	6,000	Reserve
TOTAL COMMUNITY & CULTURAL DEVELOPMENT	102,588	
Design and project management		
WSIP local roads package	14,611,641	Contribution
Major project design costs	200,000	Reserve
TOTAL DESIGN & PROJECT MANAGEMENT	14,811,641	

DESCRIPTION	BUDGET\$	FUNDING
Environmental Health		
Onsite sewer management strategy	272,174	Contribution/ reserve
Biodiversity strategy	20,000	Reserve
Integrated catchment management	133,568	Reserve
Natural systems resourcing	122,679	General revenue
Waterways health monitoring program	35,000	Reserve
TOTAL ENVIRONMENTAL HEALTH	583,421	
Financial Services		
Investigate grant funding opportunities	25,000	General revenue
TOTAL FINANCIAL SERVICES	25,000	
Floodplain and stormwater management		
Floodplain management resourcing	123,222	Reserve
Flood studies SMSC	850,000	Reserve
TOTAL FLOODPLAIN & STORMWATER MANAGEMENT	973,222	
Information Technology		
ICT system and software licences	33,280	Reserve
Manage computer services	382,923	Reserve
TOTAL INFORMATION TECHNOLOGY	416,203	
Libraries		
Library special purpose projects-promotion	15,611	Grant
Library resources - operating	220,000	General revenue
TOTAL LIBRARIES	235,611	
Business improvement		
Capacity improvement program	35,950	General revenue/ reserve
TOTAL BUSINESS IMPROVEMENT	35,950	
Marketing		
Australian Ballet Event 2016 – Under the Stars	80,000	General revenue/ contribution
River Festival	102,000	General revenue
City Marketing & Events Sponsorship	132,600	General revenue
Cancer Council Relay for Life Sponsorship	3,000	General revenue
Australia Day	77,000	General revenue
TOTAL MARKETING	394,600	

DESCRIPTION	BUDGET\$	FUNDING
Communications		
Corporate advertising	103,926	General revenue
Website maintenance	45,590	General revenue
TOTAL COMMUNICATIONS	149,516	
Regional planning and advocacy		
Advocacy program	5,000	General revenue
Economic Initiatives resourcing	886,239	General revenue
Economic Initiatives operational	25,000	General revenue/ contribution / reserve
Economic Initiatives projects	150,000	General revenue/ reserve
TOTAL REGIONAL PLANNING AND ADVOCACY	1,066,239	
Neighbourhood facilities management		
Hall hire - fee waiver	3,000	General revenue
TOTAL NEIGHBOURHOOD FACILITIES MANAGEMENT	3,000	
Place Management		
Urban Design (AREAS)	181,479	Reserve
Neighbourhood Renewal resourcing (AREAS)	435,362	Reserve
Neighbourhood Renewal projects (AREAS)	33,588	Reserve
Magnetic Places	50,000	General revenue
The Village Cafe	44,652	Not applicable
TOTAL PLACE MANAGEMENT	745,081	
City Planning		
Externally commissioned studies	15,000	General revenue
Integrated local plan	125,000	General revenue
Planning proposal applications to amend a LEP	77,730	General revenue/ reserve
Applications to amend a DCP	6,012	General revenue
TOTAL CITY PLANNING	223,742	

DESCRIPTION	BUDGET\$	FUNDING
Property development and management		
Masterplan for Erskine Park	52,000	Reserve
Property development operational project	70,800	Reserve
Public Open Space Reinvestment - Erskine Park Pilot	533,836	Reserve
Opportunity Sites Project	315,000	Reserve
Project management	28,405	Reserve
New West major projects - operational costs	880,000	Reserve
POSR Project - Phase 1 South Ward Precinct	474,458	Reserve
POSR Project - East Ward Urban Renewal Project	385,620	Reserve
TOTAL PROPERTY DEVELOPMENT & MANAGEMENT	<u>2,740,119</u>	
Public domain maintenance		
Enhanced public domain team (Pt AREAS)	4,174,757	General revenue/ reserve
Enhanced public domain	157,658	General revenue
TOTAL PUBLIC DOMAIN MAINTENANCE	<u>4,332,415</u>	
Recreation and leisure facilities management		
Western Sydney Academy of Sport	14,823	General revenue
TOTAL RECREATION & LEISURE FACILITIES MANAGEMENT	<u>14,823</u>	
Regulatory control		
Audit Ind Comm and Ag activities	130,779	Reserve
Companion Animals Act Education Program	10,000	General revenue
TOTAL REGULATORY CONTROL	<u>140,779</u>	
Corporate planning		
Strategic research and planning	40,000	General revenue/ reserve
TOTAL CORPORATE PLANNING	<u>40,000</u>	
Sustainability planning		
Sustainability programs	47,330	General revenue
Louise Petchell Learning for Sustainability Scholarship	5,000	Reserve
Compact of Mayors	13,680	General revenue
TOTAL SUSTAINABILITY PLANNING	<u>66,010</u>	
Traffic management and road safety		
Road safety project	14,000	General revenue/ grant
TOTAL TRAFFIC MANAGEMENT & ROAD SAFETY	<u>14,000</u>	

DESCRIPTION	BUDGET\$	FUNDING
Waste management		
Biodegradable bags - purchase and delivery	925,000	Reserve
eWaste	180,000	Reserve
Small eWaste	10,000	Contribution
Waste strategy and contract development	400,000	Not applicable
Domestic waste rangers	186,465	Not applicable
TOTAL WASTE MANAGEMENT	<u>1,701,465</u>	
Workforce development		
Corporate training budget	245,000	General revenue
Management and leadership development program	50,000	General revenue
Traineeship program	39,000	Grant
Skills and knowledge assessment process	10,000	General revenue
Performance management system	56,604	General revenue
Empower iCloud 5 solution	29,700	General revenue
eRecruitment onboarding and succession planning system	129,295	General revenue
TOTAL WORKFORCE DEVELOPMENT	<u>559,599</u>	
TOTAL OPERATING PROJECTS	36,567,455	

SPECIAL RATE INITIATIVES

2016-17 SPECIAL RATE VARIATION (INCLUDING RENEWAL OF AREAS)

Council's 2015-16 Operational Plan detailed the intention to apply to renew the AREAS SRV, and in line with the findings of the Financial Capacity Review an additional SRV, phased in over four years commencing 2016-17.

In 2015 Penrith was deemed 'Fit for the Future' by IPART providing an independent validation of the strategies currently in place and also the strategies proposed for the future. Council's submission to IPART included the 2016-17 SRV and the continuation of AREAS. During October to December 2015, Council undertook an engagement program to inform residents of the SRV proposal.

This SRV is one important element of a broader suite of Council strategies and actions, many of which have commenced implementation including reform of our financial structures and commitment to the continuous pursuit of productivity. The approach being taken is considered measured and complements the other management initiatives that reduce overheads. The SRV will ensure we can provide the necessary infrastructure, continue to maintain our assets and services in line with our community's expectations and growth of the City.

At the Ordinary Meeting of 8th February 2016 Council endorsed the submission of an application to IPART for a Special Rate Variation of 9.09% in 2016-17, 5.0% in 2017-18, 5.2% in 2018-19 and 5.4% in 2019-20 (including the renewal of AREAS). This submission was made in conjunction with a proposal to increase the minimum rate in 2016-17 of 16%, followed by the 5.0% in 2017-18, 5.2% in 2018-19 and 5.4% in 2019-20.

The SRV includes allocations for the following strategies:

1. Asset management, renewal and backlog
2. Realignment of service costs
3. Increased investment to drive productivity initiatives
4. Major Projects and Regional City infrastructure
5. Building capacity to respond to emerging priorities

The successful outcome of this application was advised on 17 May 2016 with the final 2016-17 Budget prepared including those proposed works and initiatives supported by the SRV. The rate increases and program of works to be funded from the 2016-17 to 2019-20 and ongoing SRV are shown in the table below:

2016-17 SPECIAL RATE VARIATION (INCLUDING RENEWAL OF AREAS)					
	2016-17	2017-18	2018-19	2019-20	ONGOING
Requested Increase	9.09%	5.00%	5.20%	5.40%	LGCI
Renewal of Areas					
Public Domain	\$1,223,150	\$1,252,506	\$1,282,566	\$1,313,347	\$1,344,868
Graffiti Removal	\$263,650	\$269,978	\$276,457	\$283,092	\$289,886
Urban Design	\$177,053	\$181,302	\$185,654	\$190,109	\$194,672
Neighbourhood Renewal	\$566,347	\$579,939	\$593,858	\$608,110	\$622,705
Building Renewal	\$680,534	\$696,867	\$713,592	\$730,718	\$748,255
Road Resealing/Resheeting	\$1,688,835	\$1,729,367	\$1,770,872	\$1,813,373	\$1,856,894
TOTAL	\$4,599,569	\$4,709,959	\$4,822,998	\$4,938,750	\$5,057,280
Additional SRV					
Building Asset Renewal	\$0	\$0	\$4,000,000	\$4,000,000	\$4,000,000
Replace PDR contribution to BAR	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000
Impact of s94 changes - loan servicing	\$0	\$361,000	\$361,000	\$991,000	\$991,000
Subsidised Rental (funding)	\$737,200	\$737,200	\$737,200	\$737,200	\$737,200
Funeral Parlour Loan	\$384,000	\$384,000	\$384,000	\$384,000	\$384,000
Parking Reserve	\$815,000	\$815,000	\$815,000	\$815,000	\$815,000
Increase to ICT base	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Major Projects Reserve	\$0	\$0	\$1,500,000	\$1,500,000	\$1,500,000
Design cost Allowance	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
RAR bids (once off)	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
RAR bids (ongoing staff)	\$0	\$106,000	\$218,000	\$337,000	\$463,000
Operational Savings	-\$1,000,000	-\$1,000,000	-\$1,000,000	-\$1,000,000	-\$1,000,000
Multi Deck Car park - Loan	\$0	\$1,530,900	\$2,568,000	\$2,568,000	\$2,568,000
Budget Surplus	-	-	-	-	\$500,000
TOTAL	\$2,436,200	\$4,434,100	\$11,083,200	\$11,832,200	\$12,458,200
TOTAL INCREASED BUDGET	\$7,035,769	\$9,144,059	\$15,906,198	\$16,770,950	\$17,515,480

NB: Property Development Dividend \$1.8m from 2021-22.

GLOSSARY

Action(s): A resourced critical project or action that that will be completed in a 1-2 year timeframe. Actions form part of the annual Operational Plan.

Ad valorem: The method of calculating the amount payable by multiplying the value of land by a rate in the dollar.

AREAS: Asset Renewal and Established Areas Strategy.

Capital Budget: Council's planned expenditure on purchase, sale or construction of items that will provide benefits in future years.

Capital Projects: Projects, which involve expenditure on capital works.

Capital Works Program: Council's adopted program for the provision of capital projects.

CBD: Central Business District.

CCC: Child Care Centre.

City Strategy: Examines the key issues facing us over the next 10-20 years and outlining how Council will respond. The City Strategy includes issues that are not within Council's direct control. The issues and policy responses in the City Strategy inform the Community Plan and Council's 4 year Delivery Program. The City Strategy addresses seven themes – housing, jobs and economy, transport and access, infrastructure delivery, community wellbeing, the environment and places.

Civil Assets: Includes roads, drainage systems, bridges, traffic facilities, footpaths, cycleways, signs and street furniture.

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.

Community 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.

Community Engagement Strategy: The Community Engagement Strategy outlines how Council engaged with its community and partners in developing the Community Plan. Over time it will be reviewed to outline how Council will ensure regular engagement and discussion with our communities about their needs and aspirations for the City.

DA: Development Application.

Delivery Program: Is Council's work program over 4 years. The Delivery Program sets out clear priorities, ongoing activities and specific actions Council will undertake, within its responsibilities and capacity, towards achieving the community outcomes in the Community Plan.

EEO: Equal Employment Opportunities

Indicators: Are assessment methods for determining whether the community outcomes in the Community Plan are being achieved. These are found in the Community Plan.

Integrated Planning and Reporting Legislation and Framework (IPR): The IPR framework for Local Government was introduced in 2009 as an amendment to the Local Government Act 1993. These reforms replace the former Management Plan and Social Plan with an integrated framework.

The IPR framework consists of a hierarchy of documents including a long-term Community Strategic Plan, a Community Engagement Strategy, a Resourcing Strategy and a Delivery Program (including Operational Plan) for each elected council term. The IPR framework was developed to assist Council's to improve their long term community, financial and asset planning.

LEP: local environmental plan.

LTFM: Long-term financial model.

OH&S: Occupational Health and Safety.

Operating Budget: A record of annual transactions that are not Capital (see Capital Budget).

Operating Projects: Projects, which involve expenditure on services or programs of a non-capital nature.

Operational Plan: Is Council's annual plan which outlines specific actions, tasks or projects to be undertaken. It includes Council's annual budget.

Performance Measures: Are the assessment methods to determine the effectiveness of the service and activities detailed in the Delivery Program.

Restricted Assets (Reserves): Cash and investments that may only be spent on the purpose for which the money was received.

RFS: NSW Rural Fire Service.

Section 94 (S94): The section of the Environmental Planning & Assessment Act, which allows Council to require developers to contribute to the cost of community facilities.

Section 94 Plan: The formal plan whereby Council collects contributions under Section 94.

Stakeholders: Individuals, groups and organisations who have an interest in Council's operations.

Untied Income: Money received by Council that is not required to be spent on any particular program.

Waterside: Urban development area between the Penrith Lakes Scheme, Andrews Road and Cranebrook.

Results Based Accountability (RBA): RBA is a framework for developing performance measures and community indicators. It is a framework that aims to set indicators that measure not just what you do, but also the effectiveness of what you do, and whether what you are doing is actually having an achieving the outcomes that you intended it to and therefore providing benefit to the community.

Resource Strategy: Outlines Council's capacity to manage assets and deliver services over the next ten years. The Resource Strategy includes three key elements- a Workforce Plan, an Asset Management Plan, and a long term Financial Plan. To prepare the Resource Strategy, Council determines its capacity and how to effectively manage its finances, the sustainability of its workforce, and the overall cost of its community assets.

Service Activities: Are the principal activities that each of Council's services delivers each year and generally accounts for more than 20% of a service's resources delivered over the 4 years of the Delivery Program. The term 'manage' when used in service activities includes coordinating, implementing, reviewing & researching to contemporary standards, up to date.

Strategies: Strategies are the responses outlining 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.

WHS: Work Health and Safety

INTERPRETING ASSISTANCE

ENGLISH	If you do not understand this, please contact the Telephone Interpreting Service on 131 450 and ask them to contact Penrith City Council on your behalf on (02) 4732 7777. Or come to the Council offices and ask for an interpreter.
ARABIC	إذا لم يكن بإمكانك قراءة النص أعلاه، الرجاء الاتصال بخدمات الترجمة الفورية الهاتفية (TIS) على الرقم 131 450 والطلب منهم الاتصال بدورهم بمجلس مدينة بنريث نيابة عنك على الرقم 4732 7777 (02). أو يمكنك الحضور إلى المجلس وطلب ترتيب مترجم فوري لك.
CHINESE	如果您无法阅读这些文字，请致电 131 450 联系电话传译服务中心，请他们代您拨打 (02) 4732 7777 联系 Penrith 市议会。您也可以亲自到市议会来并要求获得口译服务。
GREEK	Αν δεν μπορείτε να το διαβάσετε αυτό, τηλεφωνήστε στην Τηλεφωνική Υπηρεσία Διερμηνέων στο 131 450 και ζητήστε τους να επικοινωνήσουν με το Δήμο Penrith (Penrith City Council) για λογαριασμό σας στον αριθμό (02) 4732 7777, ή ελάτε στη Δημαρχία και ζητήστε διερμηνέα.
HINDI	यदि आप इसे नहीं पढ़ पाते हैं, तो कृपया 131 450 पर टेलीफोन दुभाषिया सेवा से संपर्क करें और उनसे कहें कि आपकी ओर से पेनरिथ सिटी काउंसिल से (02) 4732 7777 पर संपर्क करें. या आप काउंसिल आएँ और एक दुभाषिया की माँग करें.
ITALIAN	Se non riuscite a leggere questo, contattate il servizio telefonico di interpretariato al numero 131 450 e chiedetegli di contattare da parte vostra il comune di Penrith City al numero (02) 4732 7777 oppure venite in comune e richiedete un interprete.
MALTESE	Jekk ma tistax taqra dan, jekk joghġbok, ikkuntattja lit-Telephone Interpreting Service fuq 131 450 u itlobhom biex jikkuntattjaw Penrith City Council f'ismek fuq (02) 4732 7777. Jew ejja l-Kunsill u itlob għal interpretu.
PERSIAN	اگر نمی توانید این مطلب را بخوانید، لطفاً به خدمات ترجمه تلفنی به شماره 131 450 زنگ بزنید و از آنان بخواهید با شورای شهر پنریت Penrith City Council به شما تماس بگیرند. یا اینکه به شهرداری Council آمده و مترجم بخواهید. (02) 4732 7777 از جانب شما تماس بگیرند.
SINGHALESE	ඔබට මෙය කියවීමට නොහැකි නම්, කරුණාකර දුරකථන අංක 131 450 ඔස්සේ දුරකථන පරිවර්තන සේවාව (Telephone Interpreting Service) අමතා ඔබ වෙනුවෙන් දුරකථන අංක (02) 4732 7777 අමතා පෙන්රිත් නගර සභාව (Penrith City Council) හා සම්බන්ධ කර දෙන ලෙස ඉල්ලා සිටින්න. නැතිනම් නගර සභාව වෙත පැමිණ හානා පරිවර්තකයකු ලබා දෙන ලෙස ඉල්ලා සිටින්න.
TAMIL	இதை உங்களால் வாசிக்க இயலவில்லை என்றால், 'தொலைபேசி உரைபெயர்ப்பு சேவை'யை 131 450 எனும் இலக்கத்தில் அழைத்து 'பென்ரித் நகரவையுடன்' (02) 4732 7777 எனும் இலக்கத்தில் உங்கள் சார்பாக தொடர்பு கொள்ளுமாறு கேளுங்கள். அல்லது நகரவைக்கு விஜயம் செய்து உரைபெயர்ப்பாளர் ஒருவர் வேண்டுமெனக் கேளுங்கள்.
VIETNAMESE	Nếu quý vị không thể đọc được thông tin này, xin liên lạc Dịch Vụ Thông Dịch Qua Điện Thoại ở số 131 450 và yêu cầu họ thay mặt quý vị liên lạc với Hội Đồng Thành Phố Penrith ở số (02) 4732 7777. Hoặc hãy tới Hội Đồng và yêu cầu có thông dịch viên.

Contact:	Penrith City Council Civic Centre 601 High Street Penrith NSW	Telephone: 02 4732 7777 Facsimile: 02 4732 7958 Email: pencit@penrithcity.nsw.gov.au
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