

FACT SHEET

SHAPING OUR FUTURE

Building asset renewal



Asset Renewal and Established Areas Strategy (AREAS)

In 2005, following community consultation, Council was given Ministerial approval to introduce a 10 year special rate variation (SRV) known as the Asset Renewal & Established Areas Strategy (AREAS). This allowed Council to direct extra resources and investment to infrastructure and public domain renewal (including roads, buildings, graffiti removal and street cleaning), as well as enhancements to the Penrith City and St Marys Town Centres through urban design enhancements. AREAS also included funding for the Neighbourhood Renewal Program tasked with revitalising of the City's older suburbs in collaboration with residents. The AREAS SRV will cease in June 2016.

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Council buildings include community centres, public halls, public amenities and child care centres, as well as the main Council offices in Penrith and St Marys and the Joan Sutherland Performing Arts Centre. Council's asset base has grown over the past 10 years to 293 buildings valued at \$457.6 million. These buildings play a key role in the life of our City and local neighbourhoods.

Regular maintenance is covered by operational budgets. However an audit undertaken in 2005 found there was a significant annual shortfall for asset renewal, which meant we wouldn't be able to do major works such as replacing air conditioning systems or other upgrades or modifications to meet current standards or community expectations. The audit also identified that should this shortfall not be met over 10 years, there would be an increase to the deferred liability after ten years of \$8.8 million.

AREAS funding has meant Council has been able to avoid this cost, and deliver facilities that meet required standards. Continuing AREAS will enable the existing program to continue with an increased level of funding to address compliance upgrades across our facilities.

How will the proposed rate variation affect building asset renewal?

Council has outlined 3 different options for our rates:

- **Improve services:** This option will see our current levels of building asset renewal continued. It will also address a shortfall in asset renewal funding required in Council's Long Term Financial Plan, as well as providing for a number of City project initiatives.
- **Maintain services:** This option will see our current levels of building asset renewal maintained.
- **Decrease services:** This option will see a significant decrease from our current levels of building asset renewal and presents a risk that facilities will no longer meet required standards.

How can I get more information and give feedback on the proposed SRV?

More detailed information can be found at yoursaypenrith.com.au, at the Penrith Council Civic Centre (601 High Street), or in Council libraries. If you would like this more detailed information posted to you, call 4732 8551 or email ourfuture@penrith.city

You can ask questions or give your feedback online at yoursaypenrith.com.au, by email to ourfuture@penrith.city or in writing addressed to:

General Manager

Penrith City Council
PO Box 60 Penrith
NSW, 2751

All comments should be submitted to Council by Friday 11 December.

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For more information on the proposed Special Rate Variation call the Organisational Performance and Development department on 4732 8551 or email ourfuture@penrith.city