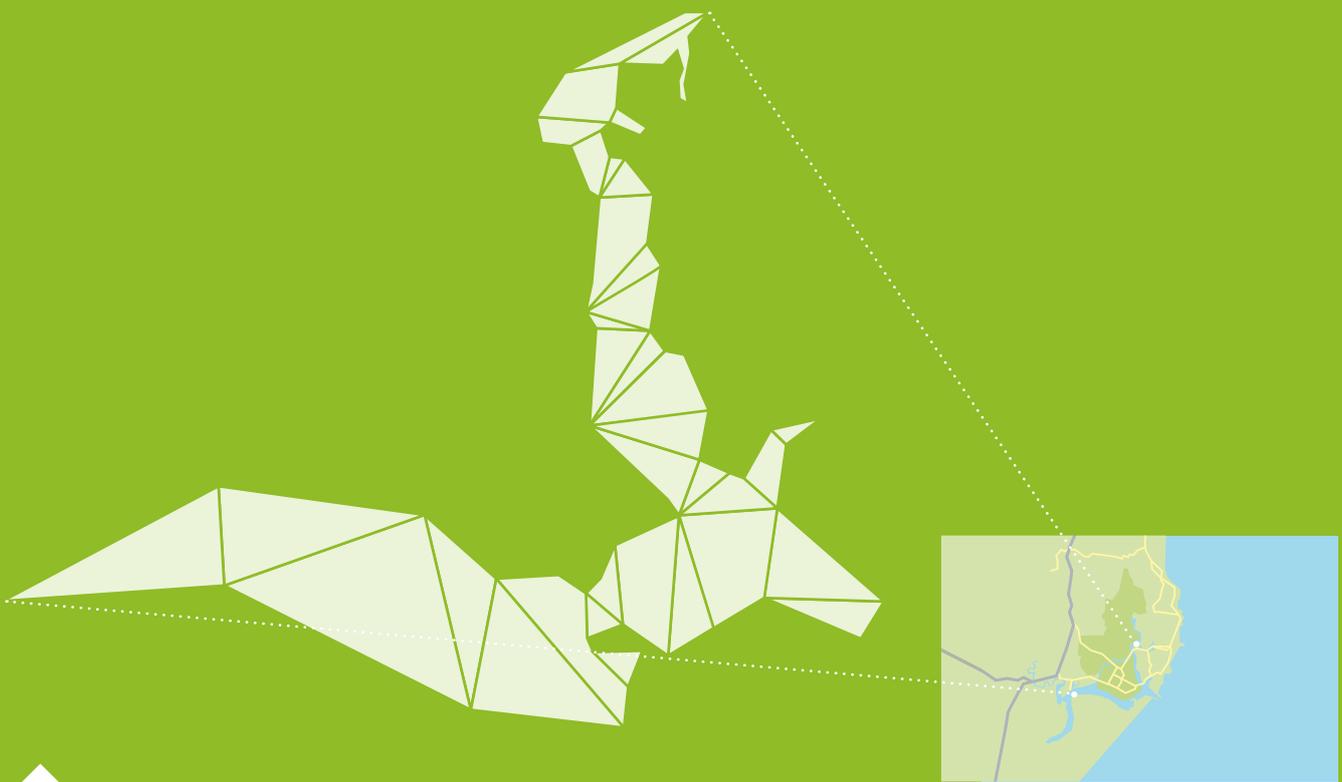


annual report

2016–2017



ballina
shire council



Our design rationale for this document is based on a conceptual interpretation of its contents. To symbolise the strategic community approach, we have used segmented shapes to represent the elements of the community that fit into the geographic focus – Ballina. Together, the shapes form the Ballina River map. Every element impacts on the challenges, direction and ultimately the future of its entire form – our community. We hope you enjoy the journey and the view.

ballina
shire council

Ballina Shire Council acknowledges that we are here on the land of the Bundjalung people. The Bundjalung are the traditional owners of this land and are part of the oldest surviving continuous culture in the world.

© NSW Spatial Services 2017. This map is illustrative and not to scale.

table of contents

04	MAYORAL MESSAGE
05	OUR VISION AND VALUES
06	SHIRE PROFILE
08	2016/17 SNAPSHOT
10	YOUR COUNCILLORS
11	OUR TEAM
12	INTEGRATED PLANNING AND REPORTING FRAMEWORK
01	15 OUR ACHIEVEMENTS AND PROGRESS
02	25 STATUTORY INFORMATION
03	49 APPENDICES
A1	GETTING INVOLVED
A2	DELIVERY PROGRAM FINAL REPORT JUNE 2017
A3	COUNCILLOR FACILITIES AND EXPENSES POLICY
A4	GIPA ACT 2009 ANNUAL REPORT 2016/17
A5	DISABILITY INCLUSION ACTION PLAN
A6	CAPITAL EXPENDITURE
A7	FINANCIAL STATEMENTS

mayoral message

It is my privilege to deliver the Mayoral Message for the year ending June 2017 following my election as Mayor in September 2016. This message relates to the 2016/17 financial year which includes achievements from the previous and current elected Council.



With the election having been held in September, the period from October 2016 to June 2017 included an comprehensive induction process for the newly elected Council where Councillors were briefed on all functions of Council and the major projects for the electoral term.

I am pleased to say, that as a collective group, there has been a great deal of goodwill among the Councillors and even though we are not always in agreement in respect to our various viewpoints, we all want Ballina Shire to continue to prosper from an economic perspective while at the same time protecting our environment.

There were many highlights for Council during 2016/17 and some major achievements included:

- Completion of the new \$7 million Wollongbar Sportfields, which now includes AFL field/cricket oval, rugby union grounds, tennis and netball courts, lighting and clubhouse amenities.
- Growth at the Ballina – Byron Gateway Airport continues with over 500,000 passengers per annum taking advantage of the 58 direct flights with Sydney, Newcastle and Melbourne.
- Adoption of the Disability Inclusion Action Plan, and constructed accessible toilet facilities, audited our pathway network, employ people with a disability and continue to build new assets incorporating accessibility.
- Improved access to our coastal environment for everyone and aid a healthy lifestyle by constructing the shared path between Angels Beach and Sharpes Beach.
- Simplified access to documents and developed a portal to make is easier to do business with Council.
- Delivered the Land Buyer Subsidy Scheme in Wollongbar with 96 grants issued to eligible residents. The Land Buyers Subsidy Scheme is nearing completion within the Ballina Heights and CURA A Estates with 91 of the 120 grants being issued.
- Continued our compliance with the NSW Government's Fit for the Future program and received a temporary special rate variation approval for 2017/18.
- Launched Bundjalung Cultural Ways Interpretative Signage project in East Ballina.
- Undertook the two-yearly customer satisfaction survey, which involved a random survey of 500 residents. Overall our results are higher than the NSW average.
- Received NSW government funding to commence management plan works at Shaws Bay.
- Finalised and implemented our Floodplain Risk Management Plan. Overall, this is only a small sample of the of activities undertaken by Council during the year and as you read through the Annual Report I'm sure you will be impressed with the depth and breadth of services and infrastructure delivered during 2016/17.
- Participated in the 20 million trees koala habitat plantings program.

This is only a sample of the activities undertaken by Council during the year and as you read through the Annual Report I am sure you will be impressed by the depth and breadth of services and infrastructure delivered during 2016/17.

our vision

“The Ballina Shire is safe, with a connected community, a healthy environment and a thriving economy.”

our values

CREATIVE – we want to encourage ideas and be innovative.

ACCESSIBLE – we need to be accessible and responsive to our community and our fellow employees.

RESPECT – we take responsibility for our actions and appreciate everyone’s opinions.

ENERGETIC – we want to be enthusiastic in our approach to work.

SAFE – safety takes priority over all actions and we want everyone to arrive at work and go home from work safe.

getting involved

There are an number of ways you can get involved and help shape decisions for our community by:

- Attending Council meetings
- Making an appointment to speak with the Mayor or Councillors (see page 10 for contact details)
- Making an appointment to speak with the General Manager or relevant Group Manager
- Writing or telephoning Council about the issues important to you
- Attending a public meeting or forum to discuss specific issues
- Joining a Council committee or reference group

For details on you can get involved refer to Appendix 1.



shire profile

LOCATION

The Ballina Shire is located in the Northern Rivers region of NSW, the traditional country of the Bundjalung people.

Our main town and commercial centre is Ballina, which is supported by other small towns and centres including Lennox Head, Alstonville, Wollongbar and Wardell. There are also a number of small villages and districts along the coast and in the hinterland.

Our coast, the Richmond River and the escarpment and plateau near Alstonville are the standout geographic features in the shire. Their associated waterways, natural habitats, farming landscape and cultural and heritage values, along with the beaches and ocean, help to define our place and communities.

The total area of the Ballina Shire is 485km² and some 93 percent is zoned rural or environmental protection. A large proportion of the remaining native vegetation is on private land.



OUR ECONOMY

Ballina Shire's Annual Gross Regional Product is estimated at \$1.77billion and we support almost 4,000 local businesses which provide 15,300 local jobs.

The services sector accounts for the majority of jobs in the shire, with 15.4 percent of the workforce employed in health care and social assistance jobs and 13 percent employed in the retail sector.

We have a diverse industry base including construction, tourism, agriculture, forestry and fishing and manufacturing.

OUR COMMUNITY

Between 2017 and 2036 the Ballina Shire population is forecast to increase by approximately 8,400 persons, or 19.38% growth, at an average annual change of 0.93%.

Our population in 2015 was 41,828 people and this is expected to increase to about 51,300 by 2036 when over 20% of our residents are expected to be over the age of 65 years.

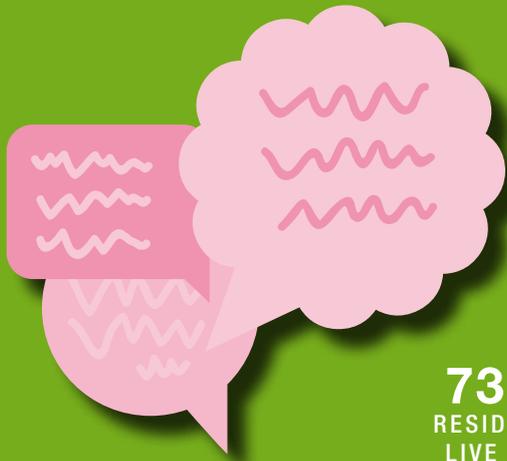
We are proud of our cultural heritage, with just over three percent of our residents identifying as Aboriginal and Torres Strait Islanders.

OUR FUTURE

In the future Ballina Shire is recognised as a place that has balanced residential growth with protection of the amenity and the environment. The shire has a more diversified economy, attractive and comparatively affordable housing and our transportation networks, road and air, are the envy of other localities. Our residents are proud to be part of the Ballina Shire and keenly participate in activities that promote and enhance our local attributes.

We have created a picture of the future based on our extensive community engagement process. To create our future we identify our vision, our values and the directions we will focus on to guide us to that future.

2016/17 snapshot



42,626
POPULATION

487km²
TOTAL AREA

667km
OF ROADS IN
BALLINA SHIRE

5
CITIZENSHIP
CEREMONIES

72
NEW
CITIZENS

20
DIFFERENT
COUNTRIES

73%
RESIDENTS
LIVE AND
WORK IN
THE BALLINA
SHIRE

23%
RESIDENTS
PROVIDE
VOLUNTARY
WORK

21
SCHOOL
ZONES
PATROLLED
TO ENSURE
CHILD SAFETY

101
DOG ATTACKS
INVESTIGATED



88%
CUSTOMER
REQUESTS
RESOLVED
WITHIN SERVICE
DELIVERY
TARGETS

14
COUNCIL
MEETINGS
WITH

432
COUNCIL
RESOLUTIONS

18,208
RATEABLE
PROPERTIES

\$9.8M
GRANTS
RECEIVED

100%
FOOD
PREMISES
INSPECTED

13,663
WATER METERS
READ FOUR
TIMES PER YEAR

1,132
RECYCLED
WATER METERS

13.9
DAYS LOST DUE
TO WORKERS
COMP/INJURY

94%
DEVELOPMENT
APPLICATIONS
DETERMINED
UNDER
DELEGATED
AUTHORITY

100%
COMPLYING
DEVELOPMENT
CERTIFICATES
ISSUED IN
10 DAYS

23.5km
OF ROADS
CONSTRUCTED/
RECONSTRUCTED



\$2.1M
COMMERCIAL
PROPERTY
REVENUE

503,000
PASSENGERS
AT THE BALLINA
BYRON GATEWAY
AIRPORT

615,000
OVERNIGHT
VISITORS TO
BALLINA SHIRE

\$31.94M
CAPITAL
EXPENDITURE (NEW
ASSETS)

\$180M
WORTH OF
DEVELOPMENT
APPROVED

\$6.65M
LOAN
REPAYMENTS

\$13.76M
CAPITAL
EXPENDITURE
(ASSET RENEWAL)

\$1.15B
WORTH OF NET
ASSETS



1,000
NATIVE
SEEDLINGS
PLANTED BY
VOLUNTEERS
ON LENNOX
HEADLAND

74%
OF WASTE
DIVERTED
FROM LANDFILL
TO REUSE/
RECYCLING

250kg
WASTE PER
PERSON SENT
TO LANDFILL

>1000
HOMES
CONNECTED
TO RECYCLED
WATER (3%
OF SHIRE)

39%
OF WATER
REUSED (WELL
ABOVE 20%
TARGET)

<173kl
OF WATER PER
HOUSEHOLD
(WELL BELOW
THE 200KL
TARGET)

your councillors

	Cr David Wright phone 0415 965 403 david.wright@ballina.nsw.gov.au	MAYOR
	Cr Phillip Meehan phone 0408 349 833 phil.meehan@ballina.nsw.gov.au	WARD A
	Cr Stephen McCarthy phone 0407 841 149 stephen.mccarthy@ballina.nsw.gov.au	
	Cr Nathan Willis phone 0434 154 782 nathan.willis@ballina.nsw.gov.au	
	Cr Sharon Cadwallader phone 0413 091 440 sharon.cadwallader@ballina.nsw.gov.au	WARD B
	Cr Keith Williams phone 0418 504 644 keith.williams@ballina.nsw.gov.au	
	Cr Jeff Johnson DEPUTY MAYOR phone 0407 651 948 jeff.johnson@ballina.nsw.gov.au	
	Cr Sharon Parry phone 0408 683 052 sharon.parry@ballina.nsw.gov.au	WARD C
	Cr Benjamin Smith phone 0415 482 412 ben.smith@ballina.nsw.gov.au	
	Cr Eoin Johnston phone 0407 416 149 eoin.johnston@ballina.nsw.gov.au	

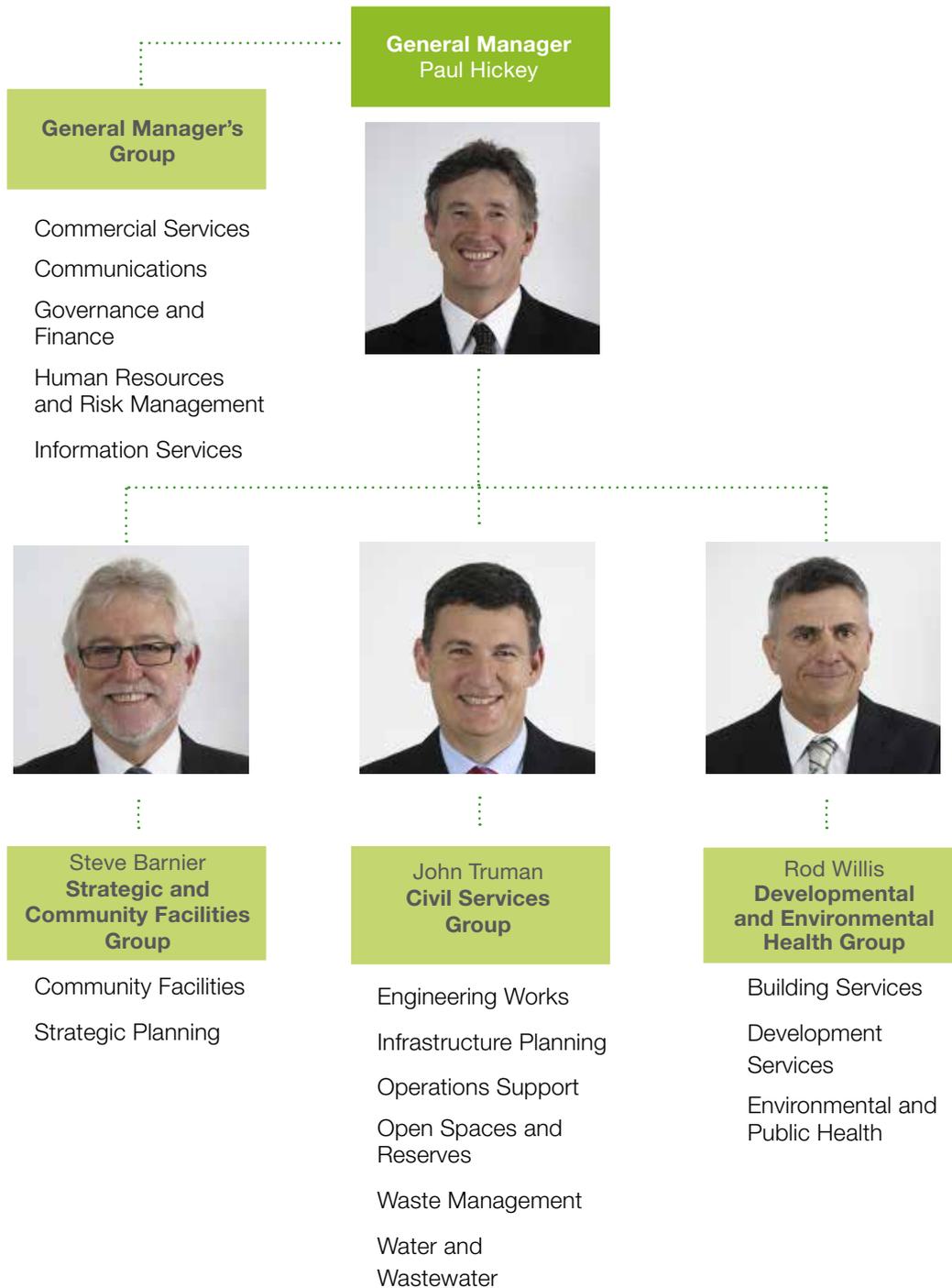
what ward are you in?



Councillors are here to represent your views. Councillors are elected in Wards, however each Councillor represents the entire community and can be contacted on any matter. You can contact Councillors in person, by phone or email.

our team

Our team includes 300 staff who are responsible for the delivery of effective and efficient services for our community and support the General Manager in implementing the Strategies and Actions identified in the Delivery Program and Operational Plan. The adopted structure is as follows.

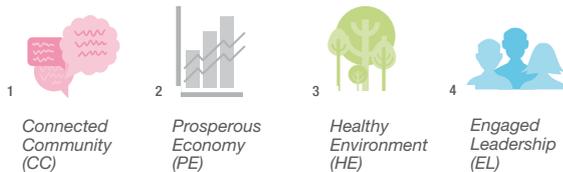


ipr framework

“The Ballina Shire is safe, with a connected community, a healthy environment and a thriving economy.”

This vision, together with our priorities and aspirations for the future are encompassed in the Ballina Shire Community Strategic Plan and then translated into actions and activities in our four-year Delivery Program and annual Operational Plan.

Our Community Strategic Plan is built around four key themes:



The NSW Government’s Integrated Planning and Reporting framework (illustrated overpage) outlines how local government’s capture the community’s main priorities and aspirations for the future and outlines how these will be achieved. These documents are linked through a series of cascading actions that detail how the community’s long term aspirations and outcomes will be achieved. All councils have a:

1. Community Strategic Plan
2. Delivery Program and Operational Plan
3. Resourcing Strategy

Council reports to its community how it has progressed in achieving these plans through:

1. Quarterly Reports
2. Annual Report
3. End of Term Report.

COMMUNITY STRATEGIC PLAN



The **Community Strategic Plan** identifies the community’s future goals, and strategies to achieve those goals by posing four key questions:

- Where are we now?
- Where do we want to be in 10 years time?
- How will we get there?
- How will we know when we’ve arrived?

Our Community Our Future is supported by other plans in the planning framework which reflect the priorities and aspirations identified in the Community Strategic Plan.

The Community Strategic Plan (CSP) is the visionary long term document within the Integrated Planning and Reporting Framework. It provides the broader strategic direction for a council and outlines the key outcomes that the council, other agencies and the community will be working to achieve such as improved services for health, education, and transport, modern community infrastructure and viable businesses.

It translates the community’s key priorities and aspirations into long-term strategic goals that guide the future direction of Ballina Shire. Safe, healthy and happy communities and protection of the environment were key concerns identified during the community engagement undertaken to develop this plan.

Whilst the Community Strategic Plan is Ballina Shire Council’s work, its success inevitably depends upon collaboration and partnership with the community and State and Federal Governments.

DELIVERY PROGRAM & OPERATIONAL PLAN (COMBINED DOCUMENT)



This is the point where the directions outlined in the CSP are systematically translated into actions. The Delivery Program & Operational Plan (combined document) is designed as a single point of reference for all key activities to be undertaken by the Council during their elected term.

This document is reviewed annually with Council receiving progress reports every quarter.

The Delivery Program Final Quarter Report for 2016/17 is attached as Appendix 2. This report provides actual results against the goals and priorities set out in the Delivery Program and the Operational Plan for the quarter ending June 2017. This information is also linked to the CSP Objectives. The traffic light indicators provide a picture of whether or not programmed actions and service delivery targets have been achieved. Commentary is also provided on project progress and any shortfalls.

RESOURCING STRATEGY



The Community Strategic Plan can not be fulfilled without sufficient resources – time, money, assets and people – to actually carry them out.

The Resourcing Strategy has three components:

- Asset Management Planning
- Workforce Management Planning
- Long Term Financial Planning

The Resourcing Strategy assists Council to translate the outcomes identified in the CSP, for which it is responsible, into actions. Some issues will be the responsibility of Council, some will be the responsibility of other levels of government and some will rely on input from community groups or individuals.

ANNUAL REPORT



The Annual Report focuses on our implementation of the Delivery Program & Operational Plan (combined document). The report also includes some information that is prescribed by the Local Government (General) Regulation 2005. This information has been included in the Regulation to help community members understand how council has been performing both as a business entity and a community leader.

END OF TERM REPORTS



Councils are required every four years to produce an End of Term Report on the progress in implementing the Community Strategic Plan. The Report covers the term of office for an elected council.

The most recent End of Term Report 2012 - 2016 can be downloaded from Council's website ballina.nsw.gov.au

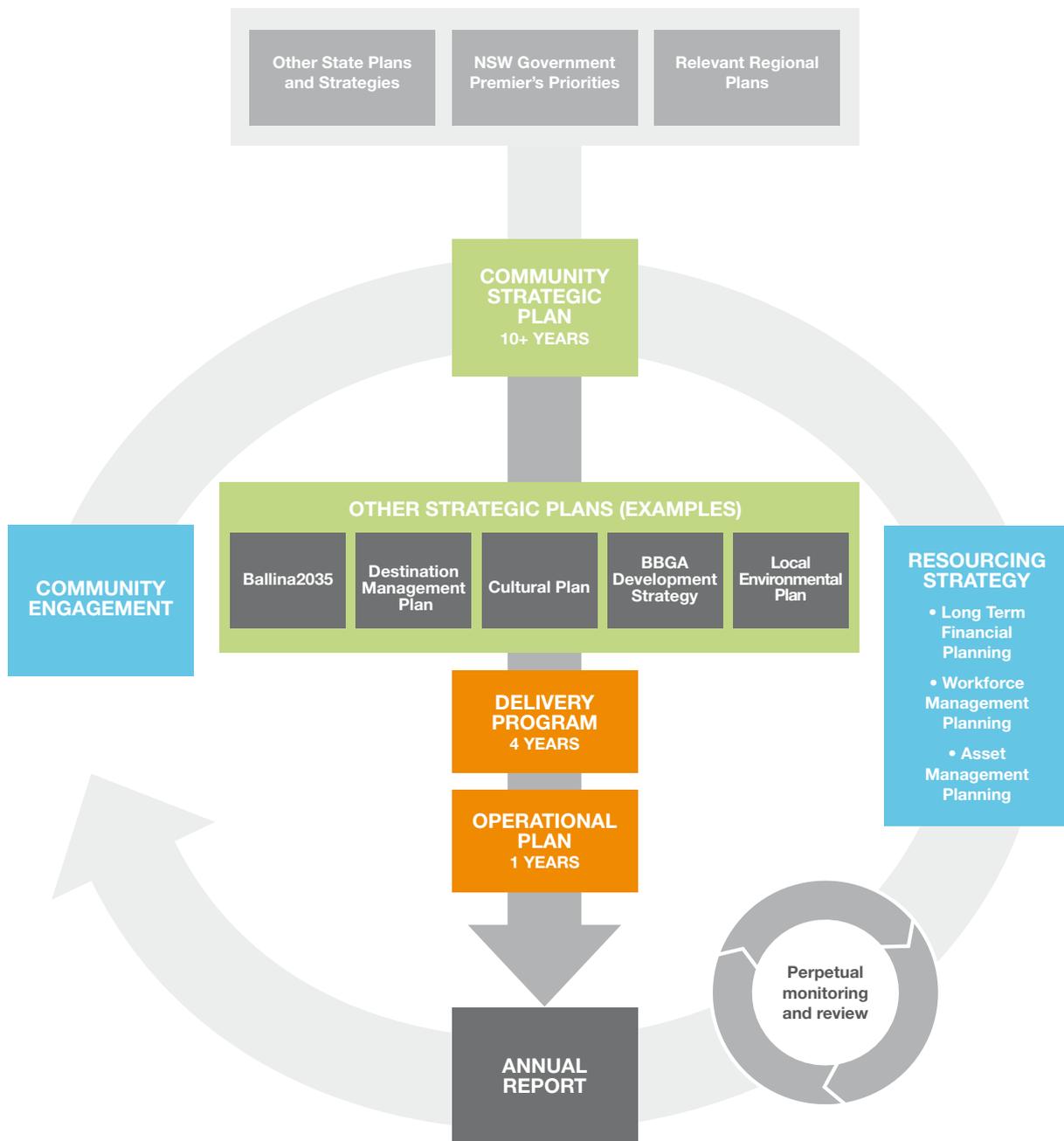
PROGRESS REPORTS

In accordance with the Integrated Planning and Reporting requirements progress reports must be provided to Council at least every 6 months. At Ballina Shire Council we present quarterly reviews to Council. This monitoring mechanism provides a snapshot of accomplishments and any shortfalls in achieving Council's goals and priorities. Council's achievements in implementing its Delivery Program are outlined in Appendix 2 of this Annual Report.

ipr framework

The Annual Report forms part of the NSW Office of Local Government's Integrated Planning and Reporting Framework.

There is a number of key elements in the framework which focus on planning and reporting requirements. The diagram below illustrates where the Annual Report fits in the overall framework and how our plans interrelate.





01

***our
achievements
and progress***



connected community

People told us they want to feel connected to a community which is respectful, inclusive and tolerant of all ages and cultures. We want to feel safe and supported. We want to live in an area that is relaxed, where we know our neighbours, where people are happy and friendly and where the needs of all residents, from the young to the old, and those with disabilities are treated equally and fairly.

CC1 WE FEEL SAFE

ROAD SAFETY

We educated our community on road safety by providing workshops and seminars on:

- RRISK
- Mobility Scooter Safety
- Road Safety around schools
- Older road users
- Shared path community education.

SWIMMING POOL SAFETY

We inspected over 40 swimming pool fences to ensure they complied with safety measures.

ASSET SAFETY

We inspected our assets to ensure they were safe including footpaths, bridges and causeways and recorded these assessments to determine their useful life.



CC2 WE FEEL CONNECTED TO THE COMMUNITY

VALUING OUR VOLUNTEERS

We value our volunteers and celebrated their contribution to Ballina Shire with a thank you function and presented each volunteer with a certificate and gift. We also provided training opportunities and uniforms.



PUBLIC ART

We installed public art 'Homeward Currents', created by artist Leigh Walton and students from Empire Vale School, on the roundabouts at Cherry Street and Moon Street.



IMPROVING ACCESSIBILITY

We implemented our Disability Inclusion Action Plan by constructing accessible toilet facilities, audited our pathway network, employing people with a disability, providing free MLAK keys to eligible residents, and continue to build new assets incorporating accessibility.



CC3 THERE ARE SERVICES AND FACILITIES THAT SUIT OUR NEEDS

WOLLONGBAR SPORTFIELDS

We completed the new Wollongbar Sportsfields which includes tennis and netball courts, rugby and AFL fields as well as a clubhouse



SWIMMING POOLS REDEVELOPMENT

We are constructing new swimming pools at Ballina and Alstonville. This \$14 million project will include:

- FINA compliant 50m heated pools and 25m enclosable pools
- access ramps
- wet splash areas for children
- new amenities for Ballina.



INDOOR SPORTS CENTRE

We entered into an agreement with the Department of Education to build a new indoor sports facility in the heart of Ballina.





prosperous economy

During our community engagement people told us they want a vibrant and diverse local economy that provides a range of jobs and opportunities for people of all ages. Importantly, we want to ensure there are job opportunities for our young people so they do not have to leave the area to find work. We want to attract innovative and progressive businesses that will ensure our villages and towns continue to thrive and prosper.

PE1 WE ATTRACT NEW BUSINESSES AND VISITORS

DISCOVER BALLINA TOURISM

We worked with our tourism businesses to update our image library and to produce a new promotional video to promote the region.

SHARED PATH

We constructed the shared path between Angels Beach and Sharpes Beach to improve access to our coastal environment. We also launched Bundjalung Cultural Ways Interpretative Signage project in East Ballina.

IMPROVED DOCUMENT ACCESS

We simplified access to documents and developed a portal to make it easier to do business with Council.



PE2 MY BUSINESS CAN GROW AND DIVERSIFY

AIRPORT TERMINAL UPGRADE

We are upgrading the Ballina Byron Gateway Airport terminal, with detailed plans and consent now in place. Passenger numbers exceeded 500,000 in 2016/17.



DREDGING NORTH CREEK

We are pursuing the dredging of North Creek and have lodged applications with relevant authorities



ECONOMIC DEVELOPMENT

We are preparing an economic development strategy to help guide the way our businesses can grow.



PE3 IMPROVE LIVEABILITY IN THE BALLINA SHIRE

AFFORDABLE HOUSING

We delivered the Land Buyer Subsidy Scheme in Wollongbar with 96 grants issued to eligible residents. The Land Buyers Subsidy Scheme is nearing completion within the Ballina Heights and CURA A Estates with 91 of the 120 grants being issued.



INDUSTRIAL LAND RELEASES

We are progressing with new industrial land releases in Alstonville and Ballina



UPGRADED INFRASTRUCTURE

We have progressed infrastructure works to support growth areas.





engaged leadership

During our community engagement people told us they want to have confidence and trust in their elected representatives and want a genuine partnership with Council where their voices are heard and their opinions respected. Our community wants resources to be used efficiently and responsibly. People want Council to act locally but to also work effectively and collaboratively with other levels of government, private sector organisations and community groups to drive economic and social prosperity.

EL1 OUR COUNCIL WORKS WITH THE COMMUNITY

COMMUNITY STANDARDS

We developed new policies to reflect the community standards including Mobile Vending on Public Land, On Site Sewage Management.

COMMUNITY ENGAGEMENT

We implemented a number of community engagement methods including online surveys, pop-up shops, community markets, forums, workshops and one on one meetings

GOVERNMENT ADVOCACY

We approached state and federal representatives on issues such as the wild dog control, funding for an ocean pool, and the development of Ballina Coast High School.



EL2 COUNCIL'S FINANCES AND ASSETS ARE WELL MANAGED

FIT FOR THE FUTURE

We continue to comply with the NSW Government's Fit for the Future program and received a temporary special rate variation approval for 2017/18.



ONLINE PROCUREMENT

We implemented a new online procurement procedure which has reduced paperwork and payment delays.



DIGITAL LITERACY

We continue to invest in our staff, being our greatest asset, with 30 field staff undertaking digital literacy training to increase their knowledge and skills in technology.



EL3 WE ARE ALL VALUED CITIZENS

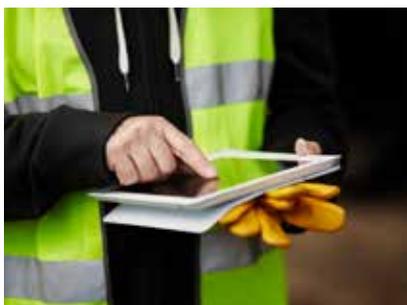
CUSTOMER SATISFACTION

We undertook the two-yearly customer satisfaction survey, which involved a random survey of 500 residents. Overall 93% of residents are 'somewhat satisfied' with Council's performance, this result is higher than the NSW average.



RESPONSIVE AND EFFICIENT

Installed high capacity internet to Council which will provide greater connectivity for remote devices resulting in more responsive and efficient service.



MOTIVATED WORKFORCE

We provided leadership development training to increase the skills and knowledge of staff within management and supervisory level positions.





healthy environment

The health and preservation of our natural environment was a strong recurring theme from our community engagement. We want to continue to find a balance between development and the environment to ensure we preserve what people love so much about living in the Ballina Shire. We want to restore and repair our waterways and areas that have been degraded to maintain aquatic and bird life. We understand the importance of peace, serenity and harmony with nature. We want our built environment to meet our needs but not at the expense of our natural environment or the people who live and work here.

HE1 WE UNDERSTAND THE ENVIRONMENT

TREE PLANTING

We implemented proactive tree management plans and street planting programs.

SHAWS BAY IMPROVEMENTS

We received NSW government funding to commence management plan works at Shaws Bay.

FLOODPLAIN MANAGEMENT

We finalised and implemented our Floodplain Risk Management Plan.



HE2 WE USE OUR RESOURCES WISELY

RECYCLED WATER

We reuse our water by implementing recycled water to residents in Lennox Head.



PERFORMANCE MANAGEMENT

We introduced new software for the performance management of staff to be conducted electronically to reduce paper.



RESOURCE RECOVERY

We promoted resource recovery satchels to the community to recycle common household waste such as batteries, x-rays, printer cartridges etc.



HE3 OUR BUILT ENVIRONMENT BLENDS WITH THE NATURAL ENVIRONMENT

ASBESTOS SAFETY

We established a local asbestos policy to guide Council in dealing with matters relating to asbestos.



BALLINA 2035

We implemented actions as part of the Major Regional Centre Strategy for Ballina with some activities included the construction of the coastal shared path, preparation of an economic development strategy, and planning an indoor sports facility.



20 MILLION TREES

We participated in the 20 million trees koala habitat plantings program.



01

our progress



Council has made significant progress against its Delivery Program and Operational Plan. Appendix 2 outlines our progress against each action which are grouped under the four directions:

- connected community
- prosperous economy
- healthy environment
- engaged leadership.

Service Delivery targets are also measured and provide a comparison of results over the previous four/five years.

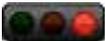
The progress of our Program Actions and Service Delivery Targets are noted as either:



Achieved

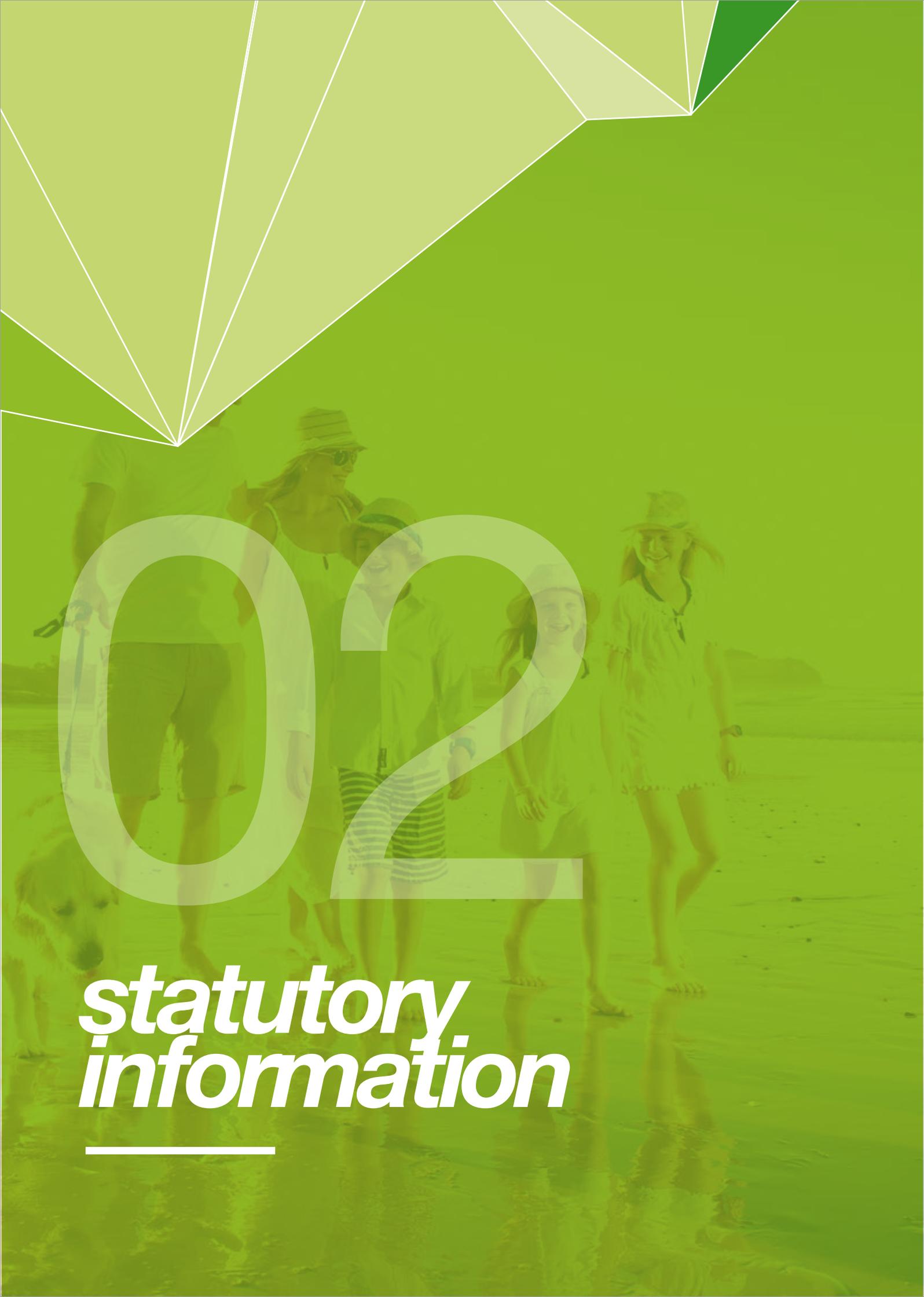


Substantially achieved



Not achieved





02

***statutory
information***

02

statutory information

councillor attendance



COUNCILLOR	ORDINARY # 12	EXTRAORDINARY # 2
Cr David Wright	11	2
Cr Jeff Johnson	11	2
Cr Sharon Cadwallader	12	2
Cr Keith Williams	12	2
Cr Ben Smith	12	2
Cr Phillip Meehan**	10	1
Cr Sharon Parry**	8	1
Cr Eoin Johnston**	10	1
Cr Stephen McCarthy**	10	1
Cr Nathan Willis**	10	1
Cr Keith Johnson*	2	1
Cr Susan Meehan*	2	0
Cr Ken Johnston*	2	1
Cr Paul Worth*	2	1
Cr Robyn Hordern*	2	1

Two Ordinary Meetings and one Extraordinary Meeting
Number of meetings held prior to the 10 September 2016
Local Government Election.

Number of meetings held after the Local Government
Election was ten Ordinary Meetings and one Extraordinary
Meeting.

* Outgoing Councillor - did not stand at the 2016 Local
Government Election.

** Incoming Councillor - elected at the 2016 Local
Government Election.

staffing profile

The table below provides details of the staffing resources available to deliver the works and services identified in the Operational Plan. The numbers are based on equivalent full-time employment (EFTs) and include permanent full-time and part-time staff. The figures exclude temporary and casual appointments and also apprentices and trainees, who are typically employed by external training providers

SECTION	2012/13	2013/14	2014/15	2015/16	2016/17
Administrative Services	6	6	3	3	3
Asset Management	8	8	8	8	9
Building Services	7	7	7	7	7
Commercial Services and Airport	10	8	8	8	8
Development Services	12	9	9	9	10
Engineering Works	54	62	62	66	66
Financial Services	16	16	13	13	14
General Manager's Office	2	2	4	5	10
Group Managers	3	3	3	3	3
Human Resources and Risk	8	8	8	8	8
Information Services	6	9	13	15	15
Open Spaces and Reserves	33	33	33	33	33
Operations Support	34	34	34	34	34
Environmental & Public Health	9	9	10	12	12
Regulatory Support	7	7	7	7	7
Strategic Planning / Community Services	11	11	18	18	13
Tourism	4	4	3	3	3
Waste Management	19	19	19	19	19
Water and Wastewater	35	35	35	36	36
TOTAL	284	290	297	307	310



02

achievements 2016/17

lga act s428 (1)

Council's achievements in implementing the Delivery Program / Operational Plan are summarised in sections one and two of this report.

Our Operational Report for June 2017 further outlines how we are progressing in implementing our Actions in our Delivery Program. Service Delivery targets are also measured and provide a comparison of results over the previous four/five years.

See Appendix 2 for the June 2017 Delivery Program Report.

audited financial reports

LGA s428(4)(a) LG Code of Accounting Practice & Financial Reporting

Ballina Shire Council places ongoing emphasis on prudent financial management. The Audit Office of New South Wales audit Council's financial records.

A full set of financial reports including the auditor's report, for the period 1 July 2016 to 30 June 2017 is attached as Appendix 7.

overseas visits

LGA REG c1217

Ballina Shire maintains a sister city friendship with Ballina, County of Mayo in Ireland as well as Mata Mata in New Zealand. However, Councillors and staff were not involved in any exchange projects necessitating overseas travel during the year.

councillor expenses and facilities

REG cl 217 (1)(a1)

The total Mayoral and Councillor fees for the reporting period were \$597,576, of which \$246,486 was for the Local Government Election in September 2016. The Councillors Expenses and Facilities Policy allows for the payment of appropriate and reasonable expenses and the provision of facilities to assist Councillors in discharging their roles as elected persons and members of the governing body of the Council. Expenditure outlined in the table (excl GST) below is in accordance with Council's Councillor Expenses & Facilities Policy (Appendix 3)

	Cr D Wright	Cr J Johnson	Cr S Cadwallader	Cr K Williams	Cr B Smith	Cr P Meehan**	Cr S Parry**	Cr E Johnston**	Cr S McCarthy**	Cr N Willis**	Cr K Johnson*	Cr S Meehan*	Cr K Johnston*	Cr P Worth*	Cr R Hordern*	Combined	TOTAL
Councillor/Mayoral Allowance	59,930	18,840	18,840	18,840	18,840	15,176	15,176	15,176	15,176	15,176	3,663	3,663	3,663	3,663	3,663		229,485
Additional facilities for the Mayor																	
<i>fax machine</i>	326																326
<i>motor vehicle</i>	12,708																12,708
Civic Activities/ Functions/Meetings																14,545	14,545
Election expenses																246,486	246,486
Induction Training																4,985	4,985
Printing/Stationery																6,825	6,825
Technology (iPad/ software)	878	1,761	878	1,859	780	1,859	780	1,859	1,859	1,859							14,372
Insurance																33,734	33,734
Travel Intrastrate		871	1,313			472	608	1,748			196	242	71	336			5,857
Newspaper/Other	455	312	468	147		417	366	348	432		217	122		102	122		3,508
Professional Development		1,826	1,762	600	522		2,034	2,135	2,756	2,615							14,250
Telephone & Internet Charges	1,018	1,782	1,870	950	757	995	405	343	399	322	273	498	286	137	459		10,494
TOTAL	75,315	25,392	25,131	22,396	20,899	18,919	19,369	21,609	20,622	19,972	4,349	4,525	4,020	4,238	4,244	307,356	597,576

* Outgoing Councillor - did not stand at the 2016 Local Government Election.

** Incoming Councillor - elected at the 2016 Local Government Election.

02

contracts awarded

reg cl 217(1)(a2)

The following contracts, over \$150,000, were awarded during the reporting year:

CONTRACTOR	NATURE OF GOODS/SERVICES	AMOUNT(\$) EXCL GST
Diona Pty Ltd	Byron Street Sewage Pumping Station SP3001 Replacement	\$1,738,895
Goldsmiths Building Works	Replacement Air Conditioning System & Roof - Administration Building	Schedule of Rates
L & B Worldwide	Provision for Certified Air Ground Radio Services	Schedule of Rates
Precision Skate Parks Pty Ltd	Design & Construction of Wollongbar Skatepark	\$350,000
Sanders Turner Ellick Architects Pty Ltd	Airport Terminal Building & Infrastructure Design & Documentation	\$427,866
Woollam Constructions Pty Ltd	Design & construction Ballina & Alstonville Swimming Pools	Schedule of Rates
Bennett Constructions Pty Ltd	Construction Tennis Clubhouse Building - Wollongbar Sporting Fields	\$373,399
Liberty Industrial Pty Ltd	Transportation and disposal of aggregate containing friable asbestos	\$205,104
Ray's Machinery Painting Pty Ltd	Design & Construction East Ballina Reservoir Refurbishment	\$647,722
Civil Logic Pty Ltd	Provision for Industrial Subdivision, North Creek Road Ballina	\$447,604
NJ Constructions Pty Ltd	Supply & Installation Road Lighting - Skennars Head/Coast Road Roundabout	\$158,900

legal proceedings and results

reg cl 217(1)(a)3

DEVELOPMENT REGULATORY FUNCTIONS

Proceedings related to development consents and regulatory functions, including costs for obtaining ancillary legal advice

CASE REF	COST	ACTION	STATUS
BSC v Verna Kathleen WALL	\$20,000	Action has been taken by landowner to satisfactorily respond to Council's Order to remove waste material from property and comply with a Remedial Action Plan. Matter referred to Council's Debt Collection Agency to recoup outstanding costs.	Finalised
BSC v Brian William Camidge	\$7,000	Failure to obtain development consent for clearing of native vegetation. Matter heard in the Local Court for prosecution and a revegetation order in accordance with an agreed Revegetation Management Plan. Court found the landowner guilty, recommended a criminal conviction, fined \$4,000, and ordered to pay Council's legal costs of \$6,000. In addition the Vegetation Management Action Plan was recorded on the title of the land binding the current and future owners.	Finalised
BSC v Carmont and Ors DA 2015/138	\$6,500	Class 1 Appeal to the NSW L & E Court against Council's refusal of the development application to carry out coastal protection works (rock revetment wall) along the North Creek frontage of properties at Skinner Street and Camden Lane, Ballina. Agreement was reached at S.34 Conference and consent orders were issued by the court.	Finalised
BSC v Retail Fuel Developments Pty Ltd DA/2016/25	\$9,500	Class 1 Appeal to the NSW L & E Court against Council's refusal of the development application to construct a service station and ancillary kiosk on River Street, Ballina. Amended plans were submitted by the Applicant and subsequent agreement was reached during the S.34 Conference. Consent orders were issued by the court.	Finalised
BSC v Catherine Anne Le Messurier	\$4,000	Class 1 Appeal to the NSW L & E Court to the NSW L & E Court against Council's order S.121b of the EP & A Act 1979 to remedy unapproved earthworks and building works. Landowner subsequently withdrew appeal.	Finalised
BSC v Planners North DA 2016/184	\$185,000	Class 1 Appeal to the NSW L & E court against the Northern Region's JRPP's deemed refusal of the development application for subdivision of Cumbalum Urban Release Area Precinct A (CURA A)	Ongoing

PUBLIC LIABILITY AND PROFESSIONAL INDEMNITY

During this period, legal proceeding costs paid by Council (being payment of excess of claims) associated with public liability and professional indemnity insurance claim representation was approximately \$31,700.

INDUSTRIAL RELATIONS

During this period, there were no legal costs associated with industrial relations advice and assistance provided by Local Government New South Wales (LGNSW) and Council's appointed legal services.

02

rates and charges debt recovery

reg 132

The table below is a summary of rates & charges legal debt recovery action statistics from 2015/16 to 2016/17.

The 2016/17 rates and charges & interest written off totalled \$17,578.01.

	2015/16 RATES/ CHARGES	2016/17 RATES/ CHARGES	2015/16 DEBTORS	2016/17 DEBTORS
Statements of Claim issued	60	59	-	2
Number of assessments currently with debt recovery agency	125	122	4	3
Balance payable on assessments currently managed by debt recovery agency at 30 June	\$377,245.00	\$347,880.00	\$9,076.44.00	\$2,270.50
Total assessments referred to debt recovery agency for recovery action during financial year	268	438	3	6
Total principal amount referred to debt recovery agency for recovery action during financial year	\$617,105.00	\$888,676.00	\$9,296.44	\$5,023.00
Legal costs incurred (recoverable from ratepayers)	\$48,252.00	\$48,911.00	\$168.78	\$662.00

private works

LGA s67(3) and REG cl 217(1)(a4)

In accordance with section 67 of the Local Government Act Council is permitted to provide, at current approved market rates, specific services on private land. Any private works carried out in 2016/17 were charged as per Council's adopted fees and charges.

contributions and donations

LGA s356 and REG cl 217(1)(a5)

Section 356 of the Local Government Act enables Council to make donations or provide financial assistance to persons or groups. This assistance includes contributions for:

- Financial Assistance \$40,258
- Community Halls - Capital Assistance \$21,681
- Sporting Groups - Capital Assistance \$9,667
- Festival and Event funding \$120,000
- Rates and charges for community groups \$66,164.

During the 2016/17 financial year Council made contributions to the organisations listed in the following tables:

CAPITAL ASSISTANCE - COMMUNITY HALLS	
Pearces Creek Public Hall inc	6,123
Ballina Shire Concert Band for Wigmore Hall	5,838
Wardell and District War Memorial Hall	7,000
Rous Mill and District Memorial Hall Inc	2,720
TOTAL	21,681

CAPITAL ASSISTANCE - SPORTING GROUPS	
Tintenbar Tennis Club (1)	2,750
Lennox Longboarders Club	2,000
Northern Rivers Outrigger Canoe Club	4,917
TOTAL	9,667

FESTIVAL AND EVENT FUNDING	
Rotary Club of Ballina on Richmond	10,000
Quota International of Alstonville/Wollongbar	5,000
Rotary Club of Ballina	25,000
Alstonville Agricultural Society Inc	15,000
Lennox Head Chamber of Commerce	10,000
Le-Ba Boardriders	20,000
Ballina Chamber of Commerce	35,000
TOTAL	\$120,000

contributions and donations (cont)

FINANCIAL ASSISTANCE PROGRAM 2016/17		
Westpac Life Saver Rescue Helicopter	Waste Disposal costs following the Lennox Head Community Markets	5,140
Ballina RSL Sub Branch	Rates for RSL Youth Club	3,776
Ballina Breast Cancer Group	Venue Hire for meetings	432
Ballina General Cancer Group	Venue Hire for meetings	432
East Ballina Lions Club	Purchase banners for Ballina Markets	1,000
Cabbage Tree Island Rugby League Football Club	Costs associated with attending NSW Annual Aboriginal RLF Carnival	1,000
Ballina Lions Club	Fun Run Walk Fundraising	1,000
Ballina Jet Boat Surf Rescue	Consumables for rescue vehicles	2,700
Ballina Jet Boat Surf Rescue	Insurance and survey renewal costs	6,000
Air Force Association (Ballina Branch)	Provide shelter for patrons at event	690
Ballina Lighthouse RSL Day Club	Venue hire for meetings	1,000
Sprung! Integrated Dance Theatre	Cost of resources to assist persons with disabilities	770
Northern Rivers Women's bowling Association	Operational costs 59th Annual Carnival	1,000
Wollongbar Community Preschool	Tree removal to allow carpark construction	2,250
North Coast Academy of Sport	Services to sport in the region	2,000
Lennox Head Chamber of Commerce	Lennox Head Carols event	4,000
Lions Club of Lennox Head	Provide concret floor for trailer shelter	900
Northern Rivers Ulysses Motorcycle Club	Traffic control for Toy Run 2016	750
Australian Seabird Rescue	Waste disposal following beach clean ups and dead animals	2,000
Biala Support Services	Mobi mat for mobility impaired people to access the beach	2,000
Ballina on Richmond Rotary Club	Operational costs for Conference	10,000
Our Kids	Provide/install safety mesh and waste management costs for Our Kids Day Out 2017	510
Lennox Head Residents' Association (Coast Care Committee)	Materials and equipment for maintaining amenities in Lennox Head	1,800
Ballina Naval and Maritime Museum	Complete enclosure for MV Florrie	5,000
Ballina Community Men's Shed	Constructions for the relocation and expansion project	5,000
Paradise FM Community Radio Assoc	Upgrading hardware and software required for running on air	2,671
	Total	\$63,821

delegates external bodies

reg cl 217(1)(a6)

COUNTY COUNCILS

Ballina Shire Council is a constituent member of Rous County Council which exercises Water Supply, Weed Biosecurity and Flood Mitigation functions on our behalf.

OTHER GROUPS

Council has formal arrangements with several local management groups that have authority for the care, control and management of reserves, surf clubs, halls, sporting facilities, preschools, cultural facilities and youth centres. Licenses are reviewed within twelve months of each local government general election. A list of these committees together with general license conditions is available from Council's Customer Service Centre.

controlling interest in companies

reg cl 217(1)(a7)

Council held no controlling interests in any company for the period 1 July 2016 to 30 June 2017.

corporations, partnerships, cooperatives and joint ventures

reg cl 217(1)(a8)

Council was party to the following partnerships, cooperatives and joint ventures:

STATEWIDE MUTUAL

Pooling arrangement with various NSW local government authorities to acquire insurance coverage and best practice systems for risk management.

RICHMOND-TWEED REGIONAL LIBRARY

A jointly funded relationship with other Councils in the Richmond-Tweed to provide library services throughout the region. Lismore City Council delivers these services on behalf of the member Councils.

NORTH EAST WEIGHT OF LOADS GROUPS (NEWLOG)

Enforces vehicle weight limits, to reduce damage to council classified roads and thus decrease road maintenance costs.

NORTH EAST WASTE FORUM (NEWASTE)

This cooperative pursues effective disposal of waste on a local and regional basis. This group operates in lieu of a Regional Waste Council under NSW legislation.

02

equal employment opportunity

reg cl 217(1)(a9)

The four key focus areas within our EEO Management Plan are women, Aboriginal and Torres Strait Islander people, people with disability and people from non-english speaking backgrounds.

During the 2016/17 period Council was successful in obtaining government funding to support the ability to provide further school based traineeship opportunities to our local indigenous students. As part of this funding, Council was able to provide seven placements throughout various sections within Council.

Council has maintained our disability employment program and we continue to be audited each year as part of our ongoing funding requirements for our disability program. Council achieved successful results enabling ongoing financial support for this important program. The changes being introduced by NDIS are progressively being implemented.

Within each employment process, consideration is given to our gender equity strategy to increase the number of women in both non-traditional field based roles and professional/management positions. Council has received very limited suitable applications from females wanting to undertake field based type roles and has utilised the recent recruitment promotional video to assist in this area. Council is continuing to increase the percentage of women in professional and management level positions.

senior staff remuneration

reg cl 217(1)(b)&(c)

The number of staff designated as senior staff employment by Ballina Shire Council under the Local Government Act is three. All Senior Staff are employed under five year performance based contracts. The total value of the remuneration package to senior staff is

\$712,491 for the period 2016/17 financial year.

Total remuneration packages for each senior staff member for the reporting period:

General Manager - \$303,531.

Other Senior Staff (combined) – \$408,960

This remuneration figure includes the salary component, super contributions (employer or salary sacrifice), non-case benefits and FBT for non-cash benefits for the senior staff.

state of the environment

lga act s428 (2)

The Northern Rivers Catchment Management Authority (NRCMA) prepared a Regional State of Environment (SOE) Report in the previous financial year, 2015/16, on behalf of twelve local councils and three county councils from Port Macquarie to Tweed Heads. One of the main aims for the report was to provide information to the community and decision-makers on the condition of the local environment and where resources might be best placed to respond to community expectations. The Regional State of the Environment 2016 Report is available on Council's website ballina.nsw.gov.au

coastal protection services

reg cl 217(1)(e1)

Ballina Shire Council applied no annual charge for coastal protection services during the reporting period.

The coastal protection works provided and coordinated by Council included the maintenance of rock walls, groynes and replenishment of sand.

Volunteers erected dune forming shadecloth fences and planted natives to assist in sand accretion at several dune locations along the shire's coastline

local government environmental upgrade agreement 2010

s8(2)

Ballina Shire Council did not enter into any environmental upgrade agreements.

02

stormwater levy and services

reg cl 217(1)(e)

Income raised from the stormwater levy in 2016/17 replaced and upgraded stormwater networks at the following locations:

PROJECT	\$
Coogee Street - pump Ballina	39,500
Coast Road North - stormwater Lennox Head	34,000
Grant Street - stormwater Ballina	2,800
Stormwater asset data collection	14,900
Megan Cres/Dodge Lane - outlet upgrade Lennox Head	78,800
Rutherford Street and Tresise Place - backflow Lennox Head	3,700
Burns Point Ferry Road - tide gates South Ballina	25,000
Tanamera Drive - stormwater Alstonville	56,300
Skinner Street - stormwater Ballina	88,000
Gap Road - culvert Alstonville	10,700
Total	\$375,100

enforcement and compliance with companion animals act

reg cl 217(1)(f) & Companion Animals Act 1998

LODGEMENT OF POUND COLLECTION DATA TO THE OFFICE OF LOCAL GOVERNMENT (OLG)

Animal Shelter collection data for the reporting period was lodged with the Office of Local Government in September 2017.

POUND DATA SUMMARY 2016/17	CATS	DOGS	TOTAL
Seized and transferred to council's facility	32	135	167
Surrendered by owners	15	47	62
Released to owners	8	103	111
Euthanised	7	5	12
Sold	0	0	0
Released for rehoming	22	43	65
Died at council's facility	0	0	
Stolen or escaped from council's facility	0		

LODGEMENT OF DATA RELATING TO DOG ATTACKS WITH OLG

Council notifies the OLG within 72-hours where possible when Council officers have investigated complaints of dog attacks. A total of 101 dog attacks were reported to the OLG for the 2016/17 year for either on a person and/or animal.

COMPANION ANIMALS FUND EXPENDED AS PER S85(1A)

Council received approximately \$26,400* from the Companion Animals Fund for the 2016/17 year. These funds were used for companion animal management, education programs, the maintenance and upkeep of Council's Animal Shelter and towards the wages of Rangers.

The Minister for the Office of Local Government has requested local councils conduct audits of the NSW Companion Animals Register for dogs and cats not registered.

Council commenced a regular review of NSW Register for the shire. This has resulted in an increase in animals registered and improved the accuracy of information held.

* accounts for three payments. Final quarter to be paid by the OLG in 2017/18.

LODGEMENT OF DATA RELATING TO DOG ATTACKS WITH OLG

Council notifies the OLG within 72-hours where possible when Council officers have investigated complaints of dog attacks. A total of 101 dog attacks were reported to the OLG for the 2016/17 year for either on a person and/or animal.

COMPANION ANIMALS FUND EXPENDED AS PER S85(1A)

Council received approximately \$26,400* from the Companion Animals Fund for the 2016/17 year. These funds were used for companion animal management, education programs, the maintenance and upkeep of Council's Animal Shelter and towards the wages of Rangers.

The Minister for the Office of Local Government has requested local councils conduct audits of the NSW Companion Animals Register for dogs and cats not registered.

Council commenced a regular review of NSW Register for the shire. This has resulted in an increase in animals registered and improved the accuracy of information held.

Those that have not paid their registration may be issued with a \$275 penalty infringement notice for not complying with the requirement to register their pet.

This process ensures Council has current information on the number of dogs and cats in the shire and also ensures animals that are roaming and or have been lost can be returned to their owners as quickly as possible making it more efficient for the Rangers and most importantly less traumatic for the pet and their owner.

The Office of Local Government also commenced a new on line portal called the NSW Pet Registry to allow pet owners to access this interactive site to update their details, report a pet missing, transfer ownership and pay lifetime registration fees online.

ANIMAL MANAGEMENT/ACTIVITIES EXPENDITURE

Expenditure for animal management/activities including wages, cleaning of animal shelter and maintenance of animal shelter, veterinary expenses totalled approximately in excess of \$ 360,000 for 2016/17.

During this period 98 barking dog matters were investigated.

COMPANION ANIMALS MANAGEMENT PLAN

Council has a Companion Animals Management Plan which set out how Council will fulfill its responsibilities under the NSW Companion Animals Act.

Council is aware how important pets, particularly dogs and cats, are to many people and this plan aims to work with the community to promote responsible dog and cat ownership and to provide a healthy environment in which animals, their owners and the wider community can comfortably live.

The Management Plan also details the areas where dogs can be exercised off-leash and areas where dogs are prohibited.

In order for Council to achieve the objectives of the Companion Animals Management Plan a series of Action Plans accompany the Plan. These Action Plans outline the implementation strategy of the Plan and the measures that will be used to assess the effectiveness of its implementation.

As part of the action plans new procedures and processes have been implemented for:

- Barking dogs
- Roaming dogs
- Dangerous dog management
- Dog attack investigation
- Animal release procedure from Animal Shelter
- Chip n' Check Program Microchip and Desexing Marketing Campaign, funded by the Office of Local Government – Companion Animals, resulted in 50 animals being microchipped and 32 desexed
- Council has also implemented a Companion Animal Review Panel and the purpose of this panel is:
 - To determine appropriate course of action following a dog attack complaint and initial investigation by Rangers.
 - To protect public interest and the safety of the community.
 - To prevent further attacks and/or inappropriate dog management.

Council understands the joy people get from owning companion animals and are trying to find a balance that suits the entire community. We have continued to promote 'Pippa' the Dog Poo Fairy - a mythical creature that encourages dog owners to pick up after their pets and use bags from the dispensers publicly available at various sites around the Ballina Shire.

The Companion Animal Management Plan can be viewed on Council's website ballina.nsw.gov.au

OFF LEASH DOG AREAS

Council recognises the importance under the Companion Animal Management Plan of dogs being allowed time to exercise unrestrained and as such provides seven (7) full time off-leash dog exercise areas in the shire.

- Bicentennial Gardens, the northern area of reserve, Ballina
- Compton Drive, East Ballina
- Gap Road, Alstonville
- Seven Mile Beach, north of Lake Ainsworth Reserve (old 4WD access point), Lennox Head
- Ballina Heights Estate, eastern reserve area, Ballina Heights
- Headlands Drive Drainage Reserve, Skennars Head
- The Spit, Ballina.

Council is investigating having Compton Drive fully fenced to provide a dog exercise area.

DOG PROHIBITED AREAS

Council also provides beaches and places where dogs are not permitted to enable people to visit and enjoy these places where dogs are not permitted and avoid the undesired interaction.

- Lighthouse beach
- Shelly Beach
- Flat Rock Reef
- Sharpes Beach (when surf life saving services are provided)
- Seven Mile Beach (south of the old 4WD access point)
- Chickiba Lake, north/eastern corner surrounding the bird migratory area

Under the Act, dogs are not permitted in certain public places and Council also monitors these areas for non compliance.

02

special variation to general income

lga s508(2)

The Minister for Local Government approved a special variations to the notional ordinary rate yield for various years. These approvals enabled Council to raise additional ordinary rate income. The table below details the ways in which these funds were applied in **2016/17**.

2007/08 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Roads Construction			
Friday Hut Road	75,000	75,000	Reconstruction of failed pavement
Skennars Street	10,000	10,000	Reconstruction of failed pavement
Road Reseals	30,000	567,000	
Road Heavy Patching	22,000	347,000	
Foothpaths/Cycleways			
Shared Path Coastal Recreational Path	66,000	729,500	Shared path
Street Lighting			
River Street West	31,000	53,800	Upgrade included expenditure on street lighting in the locale
Community Infrastructure			
Homeless shower facilities	20,000	20,000	Convert toilet into shower
Various Community Halls	5,700	5,700	Minor Upgrades to various community halls
Ferry Shed	30,300	35,700	Repairs, roofing and painting
Wollongbar Preschool	36,600	36,600	Carpark
Missingham Park	92,400	92,400	Carpark
Regulatory Services Management			
Development services compliance manager	133,000	165,000	Increase the level of resources applied to compliance
total expenditure	552,000	2,137,700	

2008/09 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Roads Construction			
Shelly Beach Road	238,000	238,000	
Road Reseals	13,000	567,000	
Foothpaths/Cycleways			
Shared Path Coastal Recreational Path	61,000	729,500	Shared path
Sportsfields			
Wollongbar Sportsfields	93,000	3,484,500	New sportsfields and amenities
Open Spaces			
Play equipment for various parks	93,000	171,700	New and replacement play equipment to meet contemporary standards
Environment			
Ballina Flood Risk Study and Modelling	22,000	22,000	Study to assist with appropriate development levels and strategies for the future
Blackwater Research	39,000	40,000	Study to understand fish kills following periods of extensive rain and flooding
total expenditure	559,000	5,252,700	

2010/11 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Roads Construction			
Teven Road	188,000	188,000	
Fenwick Drive	26,000	26,000	
Road Reseals	100,000	567,000	
Road Heavy Patching	74,000	347,000	
Foothpaths/Cycleways			
Shared Path Coastal Recreational Path	119,000	729,500	Shared path
Sportsfields			
Wollongbar Sportsfields	89,000	3,484,500	New sportsfields and amenities
Surf Life Saving Services			
Life Saving Services	31,000	301,000	Additional funds for extra lifeguards over peak holiday periods. The outcome was a safer environment for beach users.
total expenditure	627,000	5,643,000	

special variation to general income cont

lga s508(2)

2011/12 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Roads Construction			
Bagotville Road	122,000	122,000	
Road Reseals	161,000	567,000	
Road Heavy Patching	116,000	347,000	
Footpaths/Cycleways			
Shared Path Coastal Recreational Path	7,800	729,500	Shared path
Community Facilities			
Administration Centre	74,000	1,372,000	Air conditioning and roofing
total expenditure	480,700	3,137,500	

2012/13 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Roads Construction			
Skennars Head Road	321,000	321,000	
Hickey Place	67,000	67,000	
Road Reseals	32,000	567,000	
Road Heavy Patching	32,000	347,000	
Footpaths/Cycleways			
Shared Path Coastal Recreational Path	7,500	729,500	Shared path
Community Facilities			
Ballina Indoor Sports Centre	5,500	25,000	Planning and design
total expenditure	465,000	2,056,500	

2013/14 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Roads Construction			
Nashua Road	551,000	551,000	
Road Reseals	6,000	567,000	
Road Heavy Patching	5,000	347,000	
Footpaths/Cycleways			
Shared Path Coastal Recreational Path	7,800	729,500	Shared path
Community Facilities			
Ballina Surf Club	4,600	6,300	Update AV security control panels
total expenditure	480,700	3,137,500	

2015/16 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Pools Loan			
Repayment of Pools Loan	499,000	499,000	Council commenced the major refurbishment of the Ballina and Alstonville Pools during 2016/17. The special variation funds will be used to repay loans taken out to finance the work. The first loan was not taken out until June 2016/17 so funds were transferred to reserve for future loan repayments.
Operating Deficit			
Funding to reduce operating deficit	61,000	61,000	Council has been striving to achieve a break-even operating result in General Fund, in accordance with 'Fit for the Future' requirements. Funds not applied to the pools loan will be used to meet 'Fit for the Future' ratios.
total expenditure	560,000	560,000	

2016/17 RATE RISE

expenditure items	income from special variation	actual expense to date	comment
Pools Loan			
Repayment of Pools Loan	416,000	416,000	Council commenced the major refurbishment of the Ballina and Alstonville Pools during 2016/17. The special variation funds will be used to repay loans taken out to finance the work. The first loan was not taken out until June 2016/17 so funds were transferred to reserve for future loan repayments.
Operating Deficit			
Funding to reduce operating deficit	39,000	39,000	Council has been striving to achieve a break-even operating result in General Fund, in accordance with 'Fit for the Future' requirements. Funds not applied to the pools loan will be used to meet 'Fit for the Future' ratios.
total expenditure	455,000	455,000	

public access to information

gipa act 2009 s125

Council is committed to the proactive release of information under the Government Information (Public Access) Application (GIPA Act 2009). The GIPA Act stipulates access arrangements as follows:

MANDATORY DISCLOSURE allows a large amount of information to be available free of charge on Council's website.

PROACTIVE RELEASE allows some types information not published on Council's website to be available for viewing unless there is an overriding public interest against its release.

INFORMAL ACCESS allows information to be released in response to an informal request unless there is an overriding public interest against its disclosure.

FORMAL ACCESS where informal access is not possible, formal GIPA procedures and associated fees apply.

Formal applications for information under GIPAA should be accompanied by a \$30 application fee. A \$30 per hour processing fee is charged to access documents that are not for personal information (about the applicant) and cannot be obtained under other legislation.

Council's GIPA Act Annual Report 2016/17 developed in accordance with Section 125 of the GIPA Act outlines access requests made during the reporting period (see Appendix 4).

Contact Information for Access Requests | The Public Officer
Ballina Shire Council | PO Box 450, Ballina NSW 2478 | 1300 864 444 | council@ballina.nsw.gov.au

voluntary planning agreements

ep&a s93G(5)

A voluntary planning agreement (VPA) is an agreement entered into by a planning authority (such as Ballina Shire Council) and a developer and/or property owner. Under the agreement a developer agrees to provide or fund public amenities and public services, transport or other infrastructure. The following agreements were current in 2016/17.

- Teven Road Transport Precinct Planning Agreement (June 2016)
- Cumbalum B Precinct Planning Agreement - Part 1 (September 2012)
- Cumbalum B Precinct Planning Agreement - Part 2 (September 2012)
- Henderson Farm Voluntary Planning Agreement (May 2011)

carers recognition

act 2010 s.8(2)

Council is not considered a 'human service agency' under the Carers Recognition Act 2010.

disability inclusion

act 2014 s.13(1)

Council's Disability Inclusion Action Plan (DIAP) has been prepared to meet the requirements of the NSW Disability Inclusion Act 2014. Council's DIAP has been developed by listening to people with disabilities, their families, carers and local organisations who work with people with disabilities.

We aim to ensure that access and inclusion is a key consideration in all areas of our services and operations. This includes:

- Promoting positive community attitudes and behaviours
- Working to ensuring that our built environment is accessible
- That our systems and processes deliver information and services that are accessible and inclusive; and
- Supporting employment opportunities for people with disability.

A Disability Access Reference Group has operated in Ballina Shire Council for over 20 years. The group includes individuals with a range of abilities and lived experiences that provide Council with advice on development applications, proposed redevelopments and a broad range of access and inclusion issues.

Council has undertaken a range of projects and implemented actions that directly support the needs of people with disability. Some of the more recent examples include:

- Construction of the first fully Accredited Changing Place toilet facility in NSW
- Alteration of the design templates for the construction of footpaths to improve accessibility
- Construction of an extensive network of accessible shared pathways
- Ongoing condition audits of the pathway network
- Employment of the regional works crew
- Alteration of the design specification for public amenities such as picnic tables, drinking fountains and garbage bins
- Redevelopment of the public swimming pools in Ballina and Alstonville incorporating accessible pool entry ramps and change facilities
- Maintaining a network of accessible unisex toilets
- Providing MLAK keys free of charge to eligible residents.

Information in implementing this DIAP will be published in next year's Annual Report 2017/18.

The Disability Inclusion Action Plan 2017 – 2021 can be viewed in Appendix 5.

fisheries management

act 1994 s.220ZT

Council has not had proposals or obligations under this act.





03

appendices



appendix 1: gettting involved

3. PUBLIC PARTICIPATION

There are a number of ways in which the community can get involved in Council's decision making, such as attendance at Council meetings, representations to Councillors and by nominating for election to Council. Submissions and comments may also be relayed to the Council by contacting the General Manager's office.



Councillors 

Talk to your councillors

The Councillors are here to represent your views. For the most current contact information please refer to Council's website ballina.nsw.gov.au

Council meetings

Council and Committee Meetings are held at Council's Customer Service Centre, situated at 40 Cherry Street, Ballina. Ordinary Council Meetings are held on the fourth Thursday of each month commencing at 9.00 am. You have the opportunity to participate in the Council Meetings in the following ways:

- By making a deputation on an agenda item. Deputations are allowed five minutes to address Council, and are limited to one speaker in the

affirmative and one in the negative. Deputation requests must be lodged with the General Manager by noon on the day preceding the meeting. Deputations are held at 9.00am.

- Asking questions during Public Question Time, this is normally conducted at 12.45pm.

Availability of business papers

Business papers are available on the Monday preceding the Council meeting at the Community Access Points:

- Council's Customer Service Centre
- Alstonville, Ballina and Lennox Head Libraries
- Council's website ballina.nsw.gov.au

PUBLIC PARTICIPATION (CON'T)

STANDING COMMITTEES

Council has five Standing Committees, as follows:

Australia Day Committee

Consisting of all Councillors to determine award recipients for Australia Day.

Commercial Services Committee

Introduces, evaluates and reviews commercial proposals for Council typically related to property matters

Environmental and Sustainability Committee

Considers land use planning matters of a strategic and regulatory nature

Facilities Committee

Identifies priorities for community infrastructure projects and provides oversight and on-going review of approved projects from initial feasibility through to final completion and commissioning

Finance Committee

Considers financial matters of a strategic nature including Council's annual budget deliberations.

The Committees listed above have no delegated authority and minutes are submitted to Council for confirmation.

Reserve Trust

Considers crown land matters where Council is the appointed Trust Manager. This Committee has delegated authority to determine matters where Council is the Reserve Trust Manager for the land.

REFERENCE GROUP

Access Reference Group

This group identifies the major access needs of different disability groups in the Ballina Shire and to make recommendations to Council to resolve identified issues in priority order.

A, B and C Ward Committees

Council's area is divided into three Wards. Each Ward is represented by its own Ward Committee. The Ward Committees are designed to provide Council with feedback and policy advice on matters referred by Council and/or raised by members on behalf of their community. The Ward committees have no delegated authority and minutes are distributed to members for confirmation at the next meeting.

OTHER COMMITTEES

Council also has a range of Advisory Committees that include members of our community to assist in providing feedback to Council:

Aboriginal Community Committee

Provides advice to Council on matters that involve or potentially impact the shire's Aboriginal residents.

Conduct Review Panel

The Panel meets when required to consider Code of Conduct complaints.

Internal Audit Committee

Provide independent, objective assurance and consultation to add value and improve Council's operations. It helps Council accomplish its objectives by bringing a systematic, disciplined approach in evaluating and improving the effectiveness of risk management, control and governance processes.

Donations Working Party

Considers applications for donations and makes recommendations to Council.



Local Traffic Committee

This Committee is a requirement of Council's statutory obligations as delegated by the Roads and Traffic Authority in respect to the Roads Act 1993. The role of the Committee is to consider the technical aspects of any proposal and make a recommendation to the Council. The public perspective is the responsibility of the Council and thus residents' views should be considered by Council rather than the Local Traffic Committee.

Port Ballina Taskforce

Consists of the Mayor and four Councillors, representatives from Ballina Chamber of Commerce, Ballina Fishermen's Co-operative, the State Department of Premier and Cabinet, Roads & Maritime Service, Recreational Fishers and three community representatives. The Taskforce's goal is to improve the overall marine infrastructure and marine environment for Ballina through promotion and lobbying.

Public Art Advisory Panel

Provides guidance on the implementation of Council's Public Art Policy. Consists of three Councillors and a representative from Arts Northern Rivers.

COUNCIL NEWS AND INFORMATION

We aim to better inform the community about Council's activities, we do this through a number of avenues;

Council's notices

Published weekly in the Ballina Shire Advocate (and on occasions in the Northern Star).

Media releases, advertisements and documents on exhibition

Are available under the Noticeboard on Council's website.

Mayoral column

Published in the Ballina Shire Advocate on the first week of the month.

Community Connect Newsletter

Is distributed to all residents our four times a year and is available at Council's Community Access Centres (i.e. Libraries, Community Centres, Visitor Information Centre, Ballina-Byron Gateway Airport, and website).

Social Media

Corporate Facebook site now live



appendix 2: delivery program final
report june 2017

Delivery Program and Operational Plan Status Report as at 30 June 2017

Key Tasks

as at 30 June 2017

Direction One: A Connected Community (CC)

CC1.1: Actively promote crime prevention and safety strategies

Program Actions	Principal Activity	On target for this year?
<i>CC1.1.1: Pursue Safety Initiatives that make us feel safer</i>		
CC1.1.1a: Implement Council's adopted Road Safety Plan to maximise community awareness	Infrastructure Planning	
RMS Speed and Drink Drive (Plan B) directives have been undertaken as per the programmed activities for 2016/17. Road safety and community awareness programs (including RRISK, shared path community education, road safety around schools, mobility scooter, community radio road safety initiatives and older road user workshops) are ongoing. The PAMP field audit has been completed and the prioritisation and final review of projects is underway. Anticipated completion is in the next quarter. The Council has been recently advised that the Bike Plan has been completed.		
CC1.1.1b: Implement NSW State Government Pool Barrier Inspection Program	Building Services	
A total of 40 Swimming Pool Barrier Compliance Certificate applications have been determined for the quarter.		
CC1.1.1c: Support productive relations with key agencies (i.e. NSW Police, etc)	Community Facilities and Customer Service	
A meeting was held with representatives of the Local Area Command in May. The next LAC meeting is scheduled for November 2017.		
CC1.1.1d: Work with the NSW Cancer Council to promote initiatives that aim to reduce the incidence and impacts of cancer	Community Facilities and Customer Service	
Council continues to support Local Cancer Council meetings held in Ballina Shire through the provision of a meeting room. Council also has a continuing system in place to ensure that staff take precautions to limit their exposure to the sun, via the use of PPE. Council staff continue to liaise with Cancer Council representatives to canvass promotional opportunities for the service.		

CC1.2: Ensure adequate plans are in place for natural disasters and environmental changes

Program Actions	Principal Activity	On target for this year?
<i>CC1.2.1: Deliver contemporary disaster and environmental plans</i>		
CC1.2.1a: Provide contemporary emergency centre and response capability	Support Operations	
Ballina Shire Council has a primary and secondary Emergency Operations Centre (EOC) for use by the Local Emergency Management Committee (LEMC) in the event of an emergency situation. The LEMCON (NSW Police) and LEMO (Council) are currently re-evaluating alternative secondary EOC sites. The primary EOC is audited quarterly in accordance with the EOC Policy released by the NSW Government. An EOC Procedure is currently being prepared in consultation with the LEMC. Staff have provided input into the regional after action review following the recent flood event in relation to the performance of the EOC's in the region. The outcomes of this work will assist us to continue to develop our local arrangements.		
CC1.2.1c: Review Emergency Management Plan	Support Operations	
The EMPlan has been submitted to the Regional Emergency Management Committee (REMC) and was endorsed on the 21 September 2016. The LEMC identified the opportunity to add further to the EMPlan by including a 'Recovery Consequence Management Guide', this has been drafted and reviewed by the LEMC, for formal adoption at the 2 August meeting.		
CC1.2.1d: Ensure Business Continuity Plans (BCP) are contemporary and tested	Human Resources and Risk Management	
Overarching plan reviewed. Manager Risk and Human Resources currently exploring software options to automate and streamline the BCP review process to support the ability for the plans to remain contemporary and tested. Testing of plans scheduled for next financial year.		

CC1.3: Monitor the built infrastructure and the services delivered to the community to ensure relevant standards are being met

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

CC1.3.1: Improve asset management to minimise risk of failure and to maximise benefits delivered

CC1.3.1a: Deliver proactive infrastructure asset inspection and condition assessment programs

Infrastructure Planning



The final report for the water and wastewater assets from the consultant asset valuer has been received and loaded to Authority. The determined values approximate our expectations. Footpath, bridge, large culvert and causeway data are continually updated via Reflect and integrated into the GIS and Authority.

CC1.3.2: Seek a high level of development compliance in our community

CC1.3.2a: Implement Compliance Program

Development Services



A report was prepared for the June 2017 Ordinary Council Meeting outlining progress made throughout the year in the implementation of the 2016/17 Compliance Program.

CC2.1 Encourage community interaction and volunteering

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

CC2.1.1: Encourage and foster community pride through volunteering initiatives

CC2.1.1a: Acknowledge and support volunteers

Community Facilities and Customer Service



- Invited all Council volunteers including Community Spaces, Gallery and Tourism Ambassadors to attend an acknowledgment morning tea for Volunteers Week. Presented volunteers with a certificate of appreciation for their service.
- Support Tourism Ambassadors to complete TAFE assessments in Destination Ambassador Program.
- Informed and encouraged Tourism Ambassadors to participate in Richmond Tweed Libraries Tech Savvy Technology Training.
- The Gallery's 'Lynda.com' volunteer subscription is ongoing and being utilised by the Gallery Volunteer and Internship program. Collectively, Gallery volunteers have completed a total of 45 Courses through this online training platform to date.

CC2.1.1b: Support Council initiated volunteer programs (Airport, Gallery etc)

Community Facilities and Customer Service



- Created an online Ambassador noticeboard and a private Ambassador Facebook group for sharing information in regard to the destination.
- Circulated the Destination Management Plan amongst all Tourism Ambassadors.
- Revised the position description, application form; and tailored interview questions to select additional suitable candidates for the Tourism Ambassador Program based at Ballina Byron Gateway Airport.
- Updated the Visitor Services Volunteer Ambassador operations manual.
- A radio interview on Paradise FM was held with an Ambassador to promote the benefits of volunteering in the community.
- Provided refresher training to Tourism Ambassadors.
- Consulted with Ambassadors to update the uniform to make it consistent with Council's branding and Customer Service Officers uniform. This update to the uniform will ensure the Ambassadors are recognisable to arriving passengers.
- The Gallery continues to host and support a high level of volunteer participation with 41 members currently active in the Gallery volunteering program. The Gallery has also engaged an adult trainee (formerly a volunteer) who has been long-term unemployed to be provided on-the-job skills development training for 6 months.

CC2.2 Create events and activities that promote interaction and education, as well as a sense of place

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

CC2.2.1: Identify existing and reduce gaps in cultural facilities in the Shire

CC2.2.1a: Implement Cultural Plan

Strategic Planning



Cultural Ways Aboriginal signage project along the Coastal Recreational Path at East Ballina complete with signage installed. Pixel the Past (digital media) heritage project completed, inclusive of exhibition of the Northern Rivers Community Gallery. Public art installations on new roundabouts in Cherry Street and Moon Street nearing completion with installation scheduled for July 2017. Preparation of a historic script relating to the Richmond River for tourism in preparation and work underway to create a new display for the MV Florrie at the Naval and Maritime Museum.

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

CC2.2.1: Identify existing and reduce gaps in cultural facilities in the Shire (cont'd)

CC2.2.1b: Implement Public Art Program

Strategic Planning



Provision for public art installations on roundabouts in Cherry Street and Moon Street is continuing. Art works being fabricated and are programed for installation in July 2017.

CC2.2.2: Support cultural services within the Shire

CC2.2.2a: Promote initiatives for Northern Rivers Community Gallery

Community Facilities and Customer Service



Gallery usage continues to trend upwards with increased patronage this quarter (7,059 Gallery visitors being a 22% increase on the same period last year). Social Media statistics (Apr – Jun): Facebook: 600 Likes = 2%^; Instagram: 764 Followers = 6%^. The Gallery website has had a total of 4,607 = 17%^ unique page views this quarter (Social Media & Web Stats compared to previous quarter results).

The Gallery has hosted twelve individual exhibitions in this quarter (supporting over 31 individual artists, 12 schools involving 363 students and 23 teachers). All exhibitions have been well attended and attracted 836 visitors collectively to the launch events.

The Gallery hosted the following workshops/public programs:

- 2 x School Holiday Workshop – Design-A-Deck with Jeremy Austin – both workshops were fully booked with a total of 20 participants

New Audience development program update:

BOLD Sparks – Lifelong Learning

1. Monthly creative workshops for people living in Aged Care Facilities in Ballina Shire. Four facilities are participating in the monthly program with each workshop at capacity.

1000 Words Arts and Literacy Program

1. 14 Schools / 38 teachers from across the Northern Rivers have registered for the program to date. Three teacher training sessions have been provided and one school group of 54 students / 5 teachers visited the Gallery in June as part of the program.

The NRCG applied for the following external grants for the 2017/2018 financial year period to support the sustainability lighting upgrades and minor building works for the former Ballina Fire Station:

1. NSW Office Environment & Heritage - Heritage Activation Grant
2. Create NSW - Arts and Cultural Fund 2017/18

CC2.2.4: Promote the benefits of companion animals

CC2.2.4a: Implement Companion Animals Management Plan

Environmental and Public Health



Following success in receiving a grant from the Office of Local Government to assist in responsible pet ownership Council has developed a new education pet ownership pack and held two microchipping days at the Animal Shelter. Included in this was a \$50 voucher to assist in the desexing of cats and dogs which was supported by all local commercial veterinary clinics in the Shire. Companion Animals Management Plan is due to be reviewed and reported to October 2017 Council Meeting.

CC2.3 Assist disadvantaged groups within our community

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

CC2.3.1: Increase opportunities for people with a disability

CC2.3.1a: Support Council's Access Committee

Community Facilities and Customer Service



The Access Reference Group has provided input into the redevelopment of the Ballina Byron Gateway Airport. The Group also contributed to the finalisation of Council's Disability Inclusion Action Plan

CC2.3.1b: Complete Disability Employment Audit to ensure continued accreditation and funding of program

Human Resources and Risk Management



Audit under currently funding and legislation completed this financial year. The changes to NDIS which commence in July 2017 have removed the need for ongoing formal auditing process from Department of Social Services. Internal auditing process will continue.

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

CC2.3.1: Increase opportunities for people with a disability (cont'd)

CC2.3.1c: Implement EEO Management Plan

Human Resources and Risk Management



EEO Management Policy and Plan reviewed, reported to Council and public consultation process completed. Plan monitoring and review process on identified actions commenced.

CC2.3.1d: Prepare and implement Disability Inclusion Action Plan (DIAP)

Community Facilities and Customer Service



The Disability Inclusion Action Plan (DIAP) has been completed and adopted by Council. The DIAP can be viewed via Council's web page.

Council has undertaken a range of projects and implemented actions that directly support the needs of people with disability. Recent examples include:

- Construction of the first fully Accredited Changing Place toilet facility in NSW
- Alteration of the design templates for the construction of footpaths to improve accessibility
- Construction of an extensive network of accessible shared pathways
- Ongoing condition audits of the pathway network
- Employment of the regional works crew
- Alteration of the design specification for public amenities such as picnic tables, drinking fountains and garbage bins
- Redevelopment of the public swimming pools in Ballina and Alstonville incorporating accessible pool entry ramps and change facilities
- Maintaining a network of accessible unisex toilets
- Providing MLAK keys free of charge to eligible residents.

CC2.3.2: Foster opportunities and partnerships with Aboriginal people

CC2.3.2b: Support an effective and consultative Aboriginal Community Committee

Community Facilities and Customer Service



- Members of the Aboriginal Community Committee were advised that a review of the committee is to be undertaken, with meetings on hold until the review is completed.
- Council made a further decision at its June 2017 Ordinary Meeting resolving to:
 - a) undertake a further review and prepare a report as to how to increase the membership number and attendance of the Aboriginal Community Committee.
 - b) liaise with Reconciliation Australia to further guide how to make the Aboriginal Community Committee more effective.

CC3.1 Provide strategies for older residents to be part of our community

Program Actions	Principal Activity	On target for this year?
<i>CC3.1.1: Provide appropriate services and facilities for an ageing population</i>		
CC3.1.1a: Implement adopted Ageing Strategy	Community Facilities and Customer Service	
<ul style="list-style-type: none"> Refurbishment of the Senior Citizens Centre has been completed. In reviewing the Pedestrian Access and Mobility Plan (PAMP), Council received over 280 community submissions. An on-foot audit of all PAMP submissions was conducted between March and May 2017. The submissions have been evaluated to identify high, medium and low priority pedestrian routes. 		
CC3.1.1b: Implement East Ballina Cemetery Master Plan	Open Spaces and Reserves	
Works were delayed until the 2017/18 budget for implementation of this plan.		

CC3.2 Provide young people with a range of leisure activities, along with opportunities for personal development

Program Actions	Principal Activity	On target for this year?
<i>CC3.2.1: Ensure provision of appropriate facilities for younger people</i>		
CC3.2.1a: Enhance sporting field facilities	Open Spaces and Reserves	
Contracted works at Wollongbar Sporting Fields completed, with intersection works at Pearce's Creek Road and minor works on site to be undertaken by Council. Some damage to access road requires rectification after weather event.		
CC3.2.1b: Implement Playground Upgrade and Renewal Plan (PURP)	Open Spaces and Reserves	
New playground equipment installed at Porter, Rubiton and Bullwinkel Parks.		
<i>CC3.2.1: Ensure provision of appropriate facilities for younger people (cont'd)</i>		
CC3.2.1c: Provide skate park facilities for Alstonville/Wollongbar	Open Spaces and Reserves	
Council has now confirmed a preferred location and design.		

CC3.3 Provide equitable access to a range of community services and facilities

Program Actions	Principal Activity	On target for this year?
CC3.3.1: Improve access, services and usage of community centres		
CC3.3.1d: Determine long term future of Ballina Fire Station site and precinct	Community Facilities and Customer Service	
<p>The development application for the Gallery's future use of the former Ballina Fire Station has been approved. Additional building specifications were requested and have been submitted. Awaiting issue of Construction Certificate. A revised scope of works has been supplied to the builder for works to be undertaken as per approved DA and awaiting final estimate for works to commence.</p>		
<p>Outcome of grants pending for: Building Better Regions Fund – Community Investments Stream; and Justice Liquor and Gaming – Arts and Culture Infrastructure Club Grants. New Grant Applications submitted: NSW Office Environment & Heritage - Heritage Activation Grant; Create NSW - Arts and Cultural Fund 2017/18.</p>		
CC3.3.2: Ensure appropriate provision of recreation facilities		
CC3.3.2b: Implement upgrade of Ballina and Alstonville swimming pools	Community Facilities and Customer Service	
<ul style="list-style-type: none">• Demolition works commenced at both pools sites in late March.• The construction of the pools continues to progress. The recent wet weather events, including Cyclone Debbie and prolonged rain in June, has resulted in project delays.• Work continues with the Project Reference Group, with a meeting schedule established.		
CC3.3.2c: Progress provision of indoor sports facility for Ballina	Strategic Planning	
<p>Lease negotiations completed and project deed and lease executed by Council in June 2017.</p>		
CC3.3.2d: Implement Captain Cook Master Plan	Open Spaces and Reserves	
<p>Reported to the April 2017 Council meeting. Following adoption of the preferred road access option, Council have progressed with detailed design to adopt changes. Still awaiting access to western end of precinct.</p>		
CC3.3.2e: Implement Pop Denison Master Plan	Open Spaces and Reserves	
<p>Planning approval received for civil works as first stage of Pop Denison master plan. Works currently being planned to coincide with CZMP implementation works to facilitate delivery.</p>		

Direction Two: A Prosperous Economy (PE)

PE1.1 Promote our area as an attractive place to invest and visit

Program Actions	Principal Activity	On target for this year?
PE1.1.1 Work together to plan, co-ordinate and implement tourism initiatives for the region and Ballina Coast and Hinterland to benefit the local economy and community		
PE1.1.1a: Implement regional visitor services strategy	Community Facilities and Customer Service	
<ul style="list-style-type: none">To improve the customer service experience of arriving passengers to Ballina Byron Gateway Airport, an iPad was implemented for use at the Visitor Services desk.Organised and hosted a visual merchandising workshop for the Accredited Visitor Information Centre (AVIC) network staff to encourage higher sales of local produce and giftware		
PE1.1.1b: Participate in and leverage opportunities to market the Ballina Coast and Hinterland	Community Facilities and Customer Service	
<ul style="list-style-type: none">Worked with National Parks and Wildlife Service to receive press coverage on whale watching, in the Singapore <i>Strait Times</i>. This coverage included an image from the Aboriginal Cultural Ways signage along the Coastal Recreational Path.Produced two A3 brochures, highlighting the must see and do activities along Tourist Drive 28 and Tourist Drive 30. This literature is a requirement of the Tourist Signposting and Assessment Committee (TASAC) to assist navigation on sign posted drives.		
PE1.1.1c: Implement Destination Management Plan for Ballina Shire	Community Facilities and Customer Service	
<ul style="list-style-type: none">Circulated the Destination Management Plan amongst all Tourism Ambassadors.Communicated industry and service-oriented training for tourism industry staff through the Industry Newsletter.Updated the Terms of Reference for the Tourism Management Group and identified collectively objectives.Produced digital assets to promote key tourism experiences within the Ballina Coast & Hinterland.Encouraged businesses & industry operators to participate in annual tourism awards programmes.Made weekly updates to Ballina Coast & Hinterland social media sites promoting festivals, events, local markets, key tourism experiences and buy local initiatives.To enable the Ballina Visitor Information Centre to produce an annual audit of most popular products sold, a stock management system (within council's current point of sale system, Authority) was implemented.		
PE1.1.1e: Improve Promotional and interpretative signage	Communications	
Council has assisted with artwork advice and installation of the heritage signage for the Lennox Head Heritage Committee. Responded to four requests for signage within the Shire.		
PE1.1.1f: Participate in Roads and Maritime Services Location Marker Program for Ballina	Communications	
Council staff undertook consultation with Councillors on the image to be selected for the Ballina Location Markers. This information has been sent to the RMS so that they can continue with the project. The RMS is also looking to undertake a marketing campaign to assist towns and villages impacted by bypasses. These campaigns are being funded and implemented by the RMS in consultation with councils.		
PE1.1.2 Provide infrastructure that supports our towns as an attractive place to invest and visit		
PE1.1.2a: Progress Coastal Shared Path	Engineering Works	
Coastal Recreational Path (Section 1): The construction of the shared path between Angels Beach underpass and Sharpes Beach underpass, known as Section 1, is complete and was open to the public in time for the 2016/217 Christmas holiday period. The Cultural Ways Aboriginal interpretive signage project is also complete, with a launch occurring early February 2017. The project requires ongoing vegetation management comprising rehabilitation works and compensatory works for a five year period, and a contractor has been appointed. Council has currently endorsed the next stage of the project for 2017/18 to be the Shared Path East, being a shared path adjacent the Coast Road between the Skennars Head Road roundabout and Pat Morton Lookout. Council is waiting on grant funds to be allocated from RMS to support this project.		

Program Actions	Principal Activity	On target for this year?
PE1.1.2b: Implement Regional Boating Strategy and related master plans	Engineering Works	
Tenders were called in March 2017 for the supply and installation of the pontoon component of the projects, and this will be reported to the July 2017 Council meeting. Part 5 approvals have been received for the pontoon component, however licences from Dept of Industry (Lands) is yet to be provided.		
PE1.2 Provide infrastructure that supports business and delivers economic benefits		
Program Actions	Principal Activity	On target for this year?
PE1.2.1 Improve infrastructure and viability of business precincts		
PE1.2.1b: Implement Ballina Town Centre enhancements programs	Engineering Works	
Moon Street / River Street roundabout and Moon Street upgrade is complete as is Cherry Street / Tamar Street roundabout. The landscaping for the Moon Street roundabout and the Cherry Street / Tamar Street roundabout has proceeded with the appointment of an artist by the Public Art Committee. The agreed installation of the public art at the roundabouts is scheduled for July 2017.		
PE1.2.1c: Support enhancements in other key business centres (Wardell, Alstonville)	Engineering Works	
A contractor has been appointed for the construction of the Wardell boardwalk and commenced on-site late September 2016. Piling works were completed during October and November 2016. Unfortunately there was a delay with the project due to DPI-Fisheries requirement for a DoI-Lands licence. This has not previously been asked, and appears to be a new procedure which will need to be followed for future projects. The contract works for the boardwalk recommencement in February 2017 and was completed late May 2017. Council staff have now commenced the construction of the connecting concrete footpaths either side of the boardwalk.		
PE1.2.1d: Prepare Ballina Marina (Trawler Harbour) Master Plan	Strategic Planning	
Draft master plan publicly exhibited during April and May 2017. Final master plan presented to Council's June Ordinary Meeting.		
PE1.2.1f: Finalise rezoning of Southern Cross Expansion Precinct and implement expansion of existing estate	Commercial Services	
Ecological reports on hold pending a report from WBM on flooding, stormwater and associated hydrology issues.		
PE1.3 Minimise the costs and regulatory requirements for doing business		
Program Actions	Principal Activity	On target for this year?
PE1.3.2 Streamline processes for undertaking business with Council		
PE1.3.2a: Introduce online certificates application process	Financial Services	
Interface issues with the eservices gateway platform are currently being resolved by Civica (vendor). Once the platform is operational we can begin to bring the services online. Civica have not been able to provide an expected timeframe at this point in time.		
PE1.3.2 Streamline processes for undertaking business with Council (cont'd)		

Program Actions	Principal Activity	On target for this year?
PE1.3.2b: Simplify access to documents and expand volume of digitised records	Information Services	
Development of a document delivery portal for development and environmental health group in final testing prior to release. This will significantly reduce the number of documents associated with approval processes that are sent in hardcopy. Scanning of sewer diagrams continues (multi-year project), and the development of a new Name and Address strategy has commenced – this is a necessary preliminary step prior to Council making increased number of services available online. Plans being developed to reduce the size of Council's physical document archive through bulk-scanning of archived documents by a third-party.		
PE1.3.2c: Support the NSW State Government's Small Business Friendly Council's Program	Communications	
Council continues to meet with the three Chambers on a regular basis. The preparation of the Economic Development Strategy and the current review of the impact of developer contributions on small business are two projects underway that aim to support small business.		
PE2.1 Develop plans that encourage business growth and diversification		
Program Actions	Principal Activity	On target for this year?
PE2.1.1 Develop and enhance the Ballina Byron Gateway Airport Precinct	Commercial Services	
The design drawings and detail documentation for the terminal expansion project have been completed. The development application for this project is expected to be approved by late July 2017. The last year has been a fantastic year with record passenger numbers, record income, and a record operating surplus of approximately \$1.7m.		
PE2.2 Promote and facilitate a range of business activities		
Program Actions	Principal Activity	On target for this year?
PE2.2.1 Maximise Opportunities and benefits to be gained from Council dredging and quarrying activities	Support Operations	
The Councillor briefing was held 18 April 2017 which discussed the details of the future strategic direction of the quarries along with the previous endorsed recommendations (as per Council report at the 24 November 2016). Proceeding with the action of engaging a suitable qualified consultant to prepare and implement a community engagement strategy for the quarry expansion. A brief is currently being drafted for this engagement.		
PE2.2.1b: Proactively manage Council sand pit	Support Operations	
A business case report is being prepared which outlines the asset value, capital costs and potential revenues from the operation of the sandpit. The report will go to the August 2017 Council meeting and will be seeking endorsement to allocate funds for accessing and extracting this asset.		

Program Actions	Principal Activity	On target for this year?
<i>PE2.2.1 Maximise Opportunities and benefits to be gained from Council dredging and quarrying activities</i>		
PE2.2.1c: Pursue dredging of North Creek	Infrastructure Planning	
Council is expecting the dredging sampling licence approval from Department of Industry - Crown Lands in July 2017. The sediment investigation works are planned to be undertaken in the next quarter with the results reported to the Council later this year. Council has lodged an application with Department of Industry – Lands under the Rescuing our Waterways program for 50/50 funding to assist with the investigation and approvals necessary for the dredging program.		
<i>PE2.3: Establish planning regulations that encourage opportunities for diversification</i>		
Program Actions	Principal Activity	On target for this year?
<i>PE2.3.1: Enhance opportunities for business interaction with Council</i>		
PE2.3.1b: Prepare economic development strategy	Strategic Planning	
Initial stakeholder and community engagement completed, inclusive of a discussion paper and letters to all registered businesses in Ballina Shire (some 6000 businesses). Engagement has also included meetings with the Ballina and Lennox Head Chambers of Commerce and open workshops. Draft strategy in preparation.		
<i>PE3.1 Facilitate and provide economic land and infrastructure to support business growth</i>		
Program Actions	Principal Activity	On target for this year?
<i>PE3.1.1 Provide adequate land for business growth</i>		
PE3.1.1a: Progress availability of land at the Russellton Industrial Estate	Commercial Services	
Negotiations with adjoining owners completed. Deed of Agreement executed. Contracts for sale exchanged with adjoining J & R Fleming.		
PE3.1.1b: Progress availability of land at the Southern Cross Industrial Estate	Commercial Services	
Civil Logic appointed as civil contractor and scheduled to commence works in mid July, 2017. Expected project completion date revised to December 2017.		
<i>PE3.1.2 Support our retail centres</i>		
PE3.1.2a: Progress improvements to the Wigmore Arcade to encourage retail trade in the Ballina Town Centre	Commercial Services	
Works to northern access to Arcade to reduce solar impacts on business to be initiated in July 2017.		

PE3.2 Facilitate and provide affordable infrastructure, both business and residential

Program Actions	Principal Activity	On target for this year?
<i>PE3.2.1 Pursue affordability strategies in respect to the availability of residential land</i>		
PE3.2.1a: Progress Wollongbar and Ballina Heights Building Better Regional Cities Programs	Commercial Services	
A total of 91 grants have been issued for Ballina Heights Estate out of a total 120. Wollongbar completed.		
PE3.2.1b: Monitor effectiveness of waiver of Section 94 contributions for secondary dwellings	Strategic Planning	
Policy is being monitored on a six monthly basis. Next reporting period ends 30 June 2017 with reporting to follow thereafter.		
<i>PE3.2.2 Plan for and provide new residential land and facilities in line with population growth in other areas in the shire outside Ballina</i>		
PE3.2.2a: Release land at Council's Wollongbar residential land holding	Commercial Services	
Civil construction works well advanced and forecast for completion in mid September 2017.		
PE3.2.2b: Monitor infrastructure to support identified growth areas at Pacific Pines (Lennox Head), Wollongbar and Ballina Heights	Infrastructure Planning	
Council's capital works program reflects the outcomes of monitoring and planning works for the major projects included in the delivery program. The Wollongbar Sports Fields project is nearing completion with intersection road works at Pearces Creek Road in progress. The skate park location has now been determined for this precinct and those works are planned. Hutley Drive investigations are proceeding with vegetation mapping completed. Ecological and vegetation reports now require approval from OEH before the compensatory and offset areas can be determined. The road design will need to be finalised to ensure stormwater, ecological and vegetation outcomes are consistent. The development areas of Wollongbar, EPIQ, Ballina Heights, Ferngrove and Riveroaks estates have stages under construction or construction certificate applications under assessment.		

PE3.3 Encourage technologies and transport options that support work at home or close to home business activities

Program Actions	Principal Activity	On target for this year?
<i>PE3.3.1 Expand accessibility options</i>		
PE3.3.1a: Implement Pedestrian Access and Mobility Plan (PAMP) and ensure plan remains contemporary	Engineering Works	
Footpath works have been completed according to the delivery program, including adjustments made at the July and December 2016 Council meeting. Council has also received a RMS grant for 2016/17 for the preparation of a new PAMP. Advertising for community input closed December 2016 and a significant number of submissions have now been assessed and a draft PAMP prepared. The draft PAMP is under final review.		
PE3.3.1b: Pursue access to latest technologies for the business community (i.e. NBN)	Communications	
Council is reliant on the roll out of this infrastructure by NBN Co, which means there is little we can do to fast track technology. If opportunities arise with greenfield submissions those opportunities are pursued with NBN Co and / or the developer.		

Direction Three: A Healthy Environment (HE)

HE1.1 Our planning considers past and predicted changes to the environment

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE1.1.1 Plan, monitor and manage to protect our coastline

HE1.1.1a: Finalise and implement Coastal Zone Management Plan

Engineering Works



Council's Draft CZMP was formally approved by the Minister for Planning in July 2016, subject to minor amendments recommended by the NSW Coastal panel and OEH. These amendments have been made and the CZMP was gazetted and commenced 2 September 2016. The actions for implementation this year are the establishment of the monitoring program. Early project management activities have commenced. The report for the Seven Mile Beach seawall investigation has also been finalised during December 2016 and been reviewed by OEH. This will now be presented to Council.

HE1.1.2 Plan, monitor and manage to protect our floodplains

HE1.1.2a: Finalise and implement Floodplain Risk Management Plan (FRMP)

Engineering Works



The Floodplain Risk Management Plan has been adopted by Council with amendments, and the DCP was also adopted with a further review to be undertaken. A grant for investigation and design of flood relief at Gallans Road shared path (Cumbalum) has been received. Work has concluded on this project with outcomes to be assessed as part of broader floodplain considerations between Emigrant Creek and North Creek catchments. A grant application was made in March 2016 under NSW Floodplain Management Program for further assessment and commencement of FRMP actions. The grant application was unsuccessful and Council resolved at the December 2016 Ordinary meeting to proceed with early investigations using Council's existing flood consultant. Early work for this project will commence shortly comprising updating aerial imaging for improved level information. A further grant application was also made in early October 2016 under the NSW Local Government and OEH Building Resilience to Climate Change Program for commencement of investigation of Council infrastructure subject to sea level rise vulnerability. Since the last report, a Councillor briefing has been held with a subsequent Council report dealing with rural properties. Further advice is being sought for reporting back to Council.

HE1.1.3 Actively promote and undertake climate saving and environmental actions as an organisation

HE1.1.3a: Implement Council's Climate Action Strategy and Environmental Action Plan

Strategic Planning



20 million trees revegetation program for koala habitat completed including additional habitat plantings on the Alstonville Plateau. Regular reporting on environmental initiatives being undertaken through Community Connect. Planning for regional Sustainable House Day for 2017 (collaboration with other councils) underway. Regional State of the Environment Report completed and published in November 2016.

HE1.2 Promote initiatives that improve our natural environment

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE1.2.1 Protect and enhance our waterways

HE1.2.1a: Support implementation of the Coastal Zone Management Plan (CZMP) for the Richmond River

Strategic Planning



Council has received approval for a special rate variation to fund CZMP related works for the 2017/18 financial year. Program of works considered and endorsed by Council at its May 2017 Ordinary Meeting.

Program Actions	Principal Activity	On target for this year?
HE1.2.1 Protect and enhance our waterways (cont'd)		
HE1.2.1b: Implement Shaws Bay Coastal Zone Management Plan (CZMP)	Environmental and Public Health	
Fisheries Permit lodged with Department of Primary Industry for works nominated in Part V approval. Works have been delayed slightly due to reporting of a 'Works Plan' to Office of Environment and Heritage prior to payment of funds under grant.		
HE1.2.1c: Implement Lake Ainsworth Management Plan	Environmental and Public Health	
A grant application is due to be submitted to Office of Environment and Heritage under the Coastal and Estuary Planning Program to request financial assistance in the development of an updated Coastal Management for the Lake.		
HE1.2.2 Reduce impact of stormwater on our waterways		
HE1.2.2a: Implement Stormwater Management Plan	Engineering Works	
Chickiba wetland (civil works) was completed in October 2016. Monitoring is in progress which will continue for two years. Feedback from OEH has been positive regarding progress so far. Northlakes rehabilitation works have also concluded and further consultation with the community will be likely as further monitoring progresses. Follow-up water quality testing indicates possible pool water discharges. A trial section of rehabilitation of Alstonville Creek (approximately 100 metres) at Tamarind Drive Alstonville was completed in Nov 2016 and the planting contractor is now following-up with weed management. A successful grant notification was also received from the NSW Environmental Trust, being for a community educational animation.		
HE1.3 Promote our open spaces, reserves, natural areas and their heritage values		
Program Actions	Principal Activity	On target for this year?
HE1.3.1: Undertake actions to beautify our streetscapes and open spaces		
HE1.3.1a: Implement a proactive street tree planting program	Open Spaces and Reserves	
Plants procured for major Crane Street planting project. Civil works on tree pits and tree installation to continue during cooler months. Other street tree planting and maintenance occurs as part of our ongoing operations.		
HE1.3.1b: Maintain contemporary vegetation management plans	Open Spaces and Reserves	
Vegetation management plans continue to be maintained and updated.		
HE1.3.1c: Implement a proactive fig tree management plan	Open Spaces and Reserves	
Significant failure of fig tree on North Creek Rd. Further damage to private property reported from Tamar Street fig. Inspections undertaken as required with detailed arborist report undertaken on Peppercorn Figs. Pruning and other tree management tasks undertaken as part of our operations. Reporting to Council to be undertaken where fig tree removal needs to be considered.		

HE2.1 Implement total water cycle management practices

Program Actions	Principal Activity	On target for this year?
HE2.1.1 Plan and deliver adequate water cycle requirements in urban areas		
HE2.1.1a: Implement adopted Urban Water Management Strategy	Water and Wastewater	
In preparation for commencement of supply to the Ballina scheme in the second billing quarter of 17/18, Council has sought and been granted an amendment to the Section 60 approval to allow supply of recycled water from Lennox Head Treatment Plant to Ballina residents. Supply of recycled water for dual reticulation from Ballina WWTP is subject to the completion of a contract dispute resolution process with the contractor.		
HE2.1.2 Provide good quality recycled water and minimise water consumption		
HE2.1.2a: Implement recycled water quality management plan	Water and Wastewater	
The quarterly review of the recycled water quality management plan was completed and recycled water supply continued to Lennox Head residents from the Lennox Head Treatment Plant without any reportable incidents.		
HE2.1.2b: Provide recycled water to dual reticulated properties	Water and Wastewater	
Construction work for the recycled water scheme interconnection is nearing completion. Upon completion, flushing and auditing works will be commenced to prepare the system for supply commencement in the second billing quarter of 2017/18.		

HE2.2 Reduce, reuse and recycle our resources

Program Actions	Principal Activity	On target for this year?
HE2.2.1 Reduce our waste to landfill through effective management and recycling		
HE2.2.1a: Implement Council Waste strategy	Waste Services	
The Contract for the removal of friable asbestos contaminated aggregate has been successfully completed. This previously quarantined area can now be included in Council's waste management procedures. Council has completed the roll out of the resource recovery satchel education program, where a satchel and information fact sheet was rolled out to most residents in the Shire. This program aimed to inform and educate the community about the opportunities to recycle common household items such as batteries, printer cartridges and even x-rays. Council is in the final stages of completing an infrastructure feasibility study to devise and design the most effective and efficient waste load out facility. No decisions have been made to date on the scheme coordinator or network operators for the container deposit scheme (CDS).		
HE2.2.2 Reduce water wastage		
HE2.2.2a: Implement water loss reduction program	Water and Wastewater	
Night works is planned for Alstonville in the next quarter to search for and locate leaks. Prevalence of what appears to be many smaller leaks in the network makes the detection very difficult and time consuming.		

HE2.3 Pursue innovative technologies

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE2.3.1 Reduce finite resource use through innovation

HE2.3.1a: Implement innovative technologies to generate efficiencies and reduce resource use

Communications



Introduction of an electronic performance management system PULSE for the Human Resources section has saved significant resources throughout this quarter (6 weeks saved). The introduction of new telephone system Skype for Business will generate efficiencies for all Council staff that use telephones, this implementation will be staged from June to November 2017. Introduction of Communications Helpdesk will generate operational efficiencies for the Communications section so that work can be prioritised and measured using existing technology.

HE3.1 Develop and implement plans that balance the built environment with the natural environment

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE3.1.1 Plan and provide for residential urban and semi-rural expansion

HE3.1.1a: Complete DCP for Skennars Head expansion

Strategic Planning



DCP adopted by Council at its October 2016 Ordinary Meeting and implemented. Project is complete.

HE3.1.2 Ensure planning instruments reflect current and future needs

HE3.1.2a: Develop Major Regional Centre Strategy for Ballina and implement actions

Strategic Planning



Various programs to implement the Strategy are underway with reporting on progress contained within a project webpage on Council's website. Examples of initiatives progressing include planning for the upgrade of Pop Denison Park, construction of the coastal recreational path, preparation of an economic development strategy, planning for an indoor sporting facility and planning for enhanced marine infrastructure in Ballina. First annual report on strategy in preparation...

HE3.1.2b: Oversee implementation of Wardell Strategic Plan

Strategic Planning



Various strategic plans actions have been progressed or completed. These include a review of infrastructure and capital works plans for the village, preparation of a commentary on the historic use of the Richmond River, construction of a board walk along the riverfront in the vicinity of Bridge Drive, and continued provision of contributions incentives for secondary dwellings in urban areas.

HE3.1.2c: Review Planning Framework for Alstonville and Wollongbar

Strategic Planning



Public exhibition of draft Alstonville Strategic Plan completed. Final strategic plan to be reported to the Council in first quarter of 2017/18 financial year. Phase 1 of Wollongbar Strategic Plan community engagement complete (including on line survey and face to face interviews). Background study for Wollongbar plan in preparation.

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE3.1.2 Ensure planning instruments reflect current and future needs (cont'd)

HE3.1.2f: Review environmental protection zone framework

Strategic Planning



Council reconsidered its approach to the deferred matters integration program in April 2017. Council resolved to retain existing environmental protection zones under the BLEP 1987 and progress with the review and integration of deferred areas not subject to these zones. Ecological assessment to support the integration program is underway. Once the ecological assessment is complete a planning proposal (or proposals) will be prepared.

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE3.1.2 Ensure planning instruments reflect current and future needs

HE3.1.2i: Review Local Growth Management Strategy

Strategic Planning



Current work program commitments have resulted in a delay to the commencement of this project. This project is now planned for commencement in the 2017/18 financial year.

HE3.1.2j: Review Generic Plan of Management and Specific Plans in a timely manner

Strategic Planning



Plan of Management for Community Land (Generic POM) has been reviewed and amendments adopted by Council at its December 2016 Ordinary Meeting. Project complete for the 2016/17 financial year. Specific plans are in the process of being prepared for Ocean Breeze Reserve, Tosha Falls and Killen Falls. Plans for Tosha Falls and Killen Falls are at the public exhibition phase of plan production. It is expected that master planning options for Ocean Breeze Reserve will be reported to the Council in the first Quarter of the 2017/18 financial year.

HE3.2 Minimise negative impacts on the natural environment

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE3.2.1 Ensure compliance with environmental legislation and standards

HE3.2.1a: Establish Local Asbestos Policy

Environmental and Public Health



Completed.

HE3.2.1c: Implement on-site sewage management (OSSM) strategy

Environmental and Public Health



Strategy and Guidelines being reported to the Council at its June 2017 Ordinary Meeting. If endorsed at meeting Strategy and Guidelines will be placed on public exhibition. Note that Stakeholders meetings have been held prior to the finalisation of the Draft Strategy with plumbers, designers and consultants and favourable feedback has been provided to technical advice in the Strategy and supporting Guidelines.

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE3.2.2: Undertake initiatives that protect our local fauna

HE3.2.2a: Implement Koala Management Plan

Strategic Planning



Council is awaiting endorsement of the Core Koala Habitat Plan of Management within the Koala Management Strategy by the Department of Planning and Environment. Liaison with the DPE in this regard is ongoing. Planning for the implementation of the strategy is continuing in the meantime. Fact sheets, standardised conditions of development consent, establishment of a reference group and mapping information tools are being prepared at present. 20 million trees koala habitat plantings area complete. Council has made submissions to the Department of Planning and the Office of Environment and Heritage on the review of SEPP 44 Koala Habitat Protection and the NSW Koala Strategy, respectively.

HE3.3 Match infrastructure with development

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

HE3.3.1 Plan what public facilities and services are required as a consequence of new development

HE3.3.1a Complete review of Section 94 Open Spaces and Community Facilities Plans

Strategic Planning



Review completed and revised plan adopted by Council at its November 2016 Ordinary Meeting. New plan in operation from January 2017. Project complete.

Direction Four: Engaged Leadership (EL)

EL1.1 Facilitate and develop strong relationships and partnerships with the community

Program Actions	Principal Activity	On target for this year?
EL1.1.1 Encourage greater participation in Council's operations		
EL1.1.1a Ensure Council policies reflect contemporary community standards (review 100% of policies during each term of Council)	Communications and Finance	
Policies reviewed and adopted in June: On Site Sewage Management, Mobile Vending on Public Land. Policies reviewed and adopted in May: Monuments and Memorials on Public Land, Related Party Disclosures. Policies reviewed and adopted in April: Interaction between Councillors and Staff, Equal Employment Opportunity, Investments Summary,		
EL1.1.1b Review land classifications to ensure they reflect community standards and intended land use outcomes	Strategic Planning	
System in place to monitor changes in public land holdings and associated classification and categorisation. Public land holdings reviewed on a six monthly basis.		
EL1.1.1c: Complete review of Community Strategic Plan	Communications and Finance	
The Community Strategic Plan 2017 to 2027 was adopted at the June 2017 Council meeting. It will be sent to the Office of Local Government in order to complete the reporting process.		

EL1.2 Involve our community in the planning and decision making processes of Council

Program Actions	Principal Activity	On target for this year?
EL1.2.1 Expand opportunities for involvement in Council activities		
EL1.2.1a Implement consultation methods to increase community involvement in Council's activities	Communications	
Community consultation on the Location Marker Program (Pacific Highway Signage) with the Chambers of Commerce, draft Alstonville Planning and Environmental Study and draft Strategic Plan 2017 – 2037 , pre-study community consultation commenced in Wollongbar during this quarter for the preparation of Wollongbar 2038 draft Strategic Plan.		

EL1.3 Actively advocate community issues to other levels of government

Program Actions	Principal Activity	On target for this year?
EL1.3.1 Be the voice of our community and liaise with State and Federal Governments		
EL1.3.1a Approach State and Federal Governments and local members in respect to issues that affect our Shire	Communications	
Approaches made to the following: Ben Franklin MLC - Ballina Indoor Sports Centre – Funding Support, Tamara Smith - Ballina Coast High School redevelopment - carparking , Ben Franklin MLC - carparking for Ballina Coast High School redevelopment site, Hon Niall Blair – Minister for Primary Industries – wild dog control in the Shire Gladys Berejiklian – Premier of NSW – thanks for funding for ocean pool, Ben Franklin MLC - further representations re Ballina Coast High School redevelopment and off street carparking arrangements, Tamara Smith - further representations re Ballina Coast High School redevelopment and off street carparking arrangements		

EL2.1 Proactively pursue revenue opportunities, cost savings and/or efficiencies

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

EL2.1.1 Utilise plant, equipment and stock effectively and efficiently

EL2.1.1a Implement procurement process improvement program

Support Operations



The recently purchased barcode scanners were used for cyclical stocktakes leading up to our full EOFY stocktake. The accuracy and consistency the scanners provided have assisted in the final EOFY stocktake resulting in a total stock discrepancy of \$31 on \$400k plus worth of stock. We will now look to instigating barcoding non-stock items for identification and traceability. Work continues on developing a web interface detailing approved suppliers/contractors with the possible option of populating our existing contracts/tendering software platform (Contracts6) with the relevant information. The advantage of using Contracts6 lies in the information pertaining to our own RFT's already being there and the ability for data fields to carry the relevant WH&S and Insurance information. The ability for the information within Contracts6 to be readily transferred to a web/HTML interface is currently being explored with IT and software vendors.

EL2.1.1 Enhance financial sustainability

EL2.1.1a: Level of compliance with and progress towards the Fit for the Future Program

Communications



Council submitted an application for a special rate variation for three years in 2017/18, 2018/19 and 2019/20. IPART approved a temporary special rate variation for one year only 2017/18. The reason for the temporary approval was due to deficiencies in the Delivery Program and Operational Plan for 2016/17. Council staff have rectified the Delivery Program and Operational plan for 2017/18

EL2.2 Utilise modern operating systems

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

EL2.2.1 Generate efficiencies in operating systems and practices

EL2.2.1a Implement technology solutions that improve business processes and introduce productivity gains

Information Services



Skype for Business project commenced with sign off of detailed design. On the ground implementation to commence in July 2017. Staff performance management system used to conduct 2016/17 annual staff appraisals with a significant reduction in admin time (6 weeks less) associated with the process as a result of implementation. Corporate reporting, Policies and Procedures, and Delegations module to be implemented in 2017/18.

EL2.2.1b Develop and enhance core integrating platform (Authority, TRIM and GIS) to improve customer service

Information Services



Additional Authority registers developed and released to improve management of information. TRIM upgrade issues resolved - new go live date now early August. Development of eService platform underway with a view to releasing a variety of online services via Council's website in 2017/18.

EL2.2.1c Implement online requisitions and optimise use

Support Operations



The new Procurement Procedure has been fully implemented and has been operating effectively since 1 May 2017.

The requisition review process has enabled Procurement Staff to attribute a number of purchase orders to prescribed contracts and amortise requisitions to provide more informative and accountable information. The use of "Alternate Requisitioner" functionality has allowed more accountable attribution of requisitions/purchase orders to the staff wishing to acquire the goods/services as opposed to a generic attribution to the staff member physically initiating the Online Requisition.

Auditable electronic attribution, review, approval and receipt has resulted in reduced paperwork and payment delays as well as improving productivity, resulting in post supply resources now being available to perform pre-supply review.

EL2.3 Provide effective risk and safety practices

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

EL2.3.1 Reduce risks from Council owned and controlled assets

EL2.3.1b Complete Statewide Insurance Audit to ensure compliance with Insurer and Council requirements	Human Resources and Risk Management	
---	--	---

Insurer Audit completed on time during this financial year period. Next Audit scheduled to be completed in first quarter of next financial year.

EL3.1 Provide prompt, knowledgeable, friendly and helpful advice

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

EL3.1.1 Improve trust and confidence in local government

EL3.1.1a: Community survey to measure perception of Council service delivery	Communications	
---	-----------------------	---

Community satisfaction survey completed and results presented to Council through a Councillor briefing. Results deteriorated as part of the consultation for the special rate variation.

EL3.2 Deliver responsive and efficient services

Program Actions	Principal Activity	On target for this year?
-----------------	--------------------	--------------------------

EL3.2.2 Provide efficient internal customer service

EL3.2.2c: Introduce BIS reporting	Financial Services	
--	---------------------------	---

BIS reports significantly improved.

EL3.2.3 Effectively manage maintenance and capital works programs

EL3.2.3a: Increase efficiencies for road maintenance (hand patching) asphalt for pothole repair	Engineering Works	
--	--------------------------	---

For this quarter a total of 3,458 pothole defects were repaired which is 10% more than the last period. There were also 63 category 2 (major potholes) defects recorded. This number of category 2 potholes is high as we sustained a recurrent period of wet weather throughout the quarter.

EL3.2.3b: Improve efficiencies for road maintenance of gravel roads	Engineering Works	
--	--------------------------	---

As noted in the last quarterly report our gravel road maintenance team was temporarily diverted to road construction due to a very good overall condition rating for gravel roads. This deployment was for approximately two months during the quarter which resulted in grading of 39,876m² (8%) of the 505,000m² of our gravel pavements. This aligns with one month activity out of three months compared to our quartile target of 25%. During this period however further inspections and assessments of gravel roads were undertaken. This resulted in some reactive maintenance being completed where necessary including the response to the wet weather.

EL3.3 Encourage a motivated and adaptive workforce

Program Actions	Principal Activity	On target for this year?
EL3.3.1 Build present and plan future organisational capability		
EL3.3.1a Implement strategies to expand staff skills and to plan for future changes to the industry	Human Resources and Risk Management	
<p>Enhancing leadership skills and information technology skills for field based staff remains the current priority. All senior leadership, coordinator and team leader positions have completed a leadership program with frontline supervisory staff scheduled in next stage. Staff survey has identified that this strong focus on improving leadership capabilities is receiving positive organisation employee engagement results.</p> <p>The next round of information digital literacy training to field staff to increase knowledge and skills in use of computers has commenced enabling 30 more staff to expand their skills and prepare for increased technology within the field.</p>		
EL3.3.3 Provide modern and efficient resources to maximise employee capabilities		
EL3.3.3a Improve access to remote and mobile services to increase efficiencies	Information Services	
<p>Installed high-capacity internet connection for primary entry point. This will provide greater connectivity for remote devices by improving the bandwidth available. Tablet PC rollout continues.</p>		
EL3.3.3b Implement Fleet Management Plan	Support Operations	
<p>As at 30 June 2017, there was 50 vehicles delivered, 8 are on order. There are still 24 vehicles yet to be replaced, they have been rolled over to 2017/18.</p>		

Service Delivery Indicators as at 30 June 2017

Building Services	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Ensure a high level of compliance for safety certificates	N/A	N/A	N/A	87	>90	89% (443/495)		Compliance Section now dealing with essential services. Target expected to be achieved in next quarter as familiarity with register and procedures continues to improve.
Percentage of complying development certificates issued within 10 working days (%)	100 (32 of 32)	96 (47 of 49)	100 (44/44)	89 (47/53)	>90	100 (34/ 34)		
Percentage of construction Certificates issued by Council (% of total market)	92 (357 of 390)	88 (443 of 505)	84 (515/610)	91 (627/690)	>70	82% (602/735)		
Percentage of building development applications determined within 40 days (%)	91 (378 of 415)	90 (467 of 516)	90 (523/581)	86 (556/643)	>80	81% (594/731)		
Median days for determination of building development applications (excluding integrated development) (# days)	19	20	18	25	<40	23		
Percentage of Building Certificates (Section 149D of EPA Act) determined within 10 working days (%)	85 (47 of 55)	87 (39 of 45)	92 (60/65)	90 (71/79)	>90	94% (65/69)		

Commercial Services (Airport)	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Increase in operating revenue for Airport (\$)	4,005,000	4,617,000	4,709,000	5,112,000	>5.5 million	\$5,494,000		Still may be some accruals for 30 June
Operating surplus is greater than 25% of revenue, excluding depreciation (%)	20	23	22	27	>25	27		
Increase in passengers for Airport (#)	357,000	398,000	434,000	469,300	>480,000	503,000		The passenger numbers have reached the 500,000 target number. The airport is now ranked number 19 in the top 20 airports in Australia.

Commercial Services (Property)	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Vacancy rate for Crown owned commercial properties (buildings) (% by number)	0	0	0	0	<10	3.70% (number) 0.60% (area)		
Increase operating revenue – Tent Park (\$)	355,000	422,000	432,000	421,000	>420,000	414,900		Cyclone Debbie and other weather events impacted upon occupancy rates and income.
Increase operating surplus – Tent Park (\$ and % of operating revenue)	\$71,000 %20	\$122,000 29%	\$173,000 40%	\$170,400 40%	>25%	\$155,400 37%		
Increase revenue generated from commercial property (\$)	2,036,000	2,058,000	1,944,000	2,060,000	>2.0 million	2,197,000		

Community Facilities and Customer Service	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Visits to Community Gallery (# pa)	16,521	16,511	15,017	19,801	>16,000	23,346		
Increase visits to Gallery website	N/A	N/A	N/A	N/A	>9,000	14,933		
Increase Library membership (# pa)	26,900	20,900	22,652	22,604	>22,000	21,130		
Increase Library loans (# pa)	429,000	417,000	395,786	392,952	>400,000	409,085		
Increase Library PC usage (# pa)	N/A	19,600	23,809	25,366	25,000	26,309		
Increase Library wireless usage (# pa)	N/A	13,500	23,599	29,098	>25,000	27,933		
Bookings for Kentwell Centre (# pa)	923	835	1,019	1,063	>1,000	986		
Bookings for the Lennox Head Cultural and Community Centre (# pa)	2,536	2,541	4,110	4,506	4,000	4,689		
Bookings for the Ballina Surf Club (# pa)	N/A	181	372	399	>400	385		
Bookings for the Richmond Room (# pa)	185	N/A	191	199	>180	277		
Increase swimming pool patrons (# pa)	150,853	N/A	157,149	158,764	>155,000	164,750		Ballina 75,755 Alstonville 88,995
Enquiries to Visitor Centre (# pa)	52,400	57,300	54,403	58,509	>54,000	Walkin: 38,728 Phone:4,289 Email/Post:840 Airport: 9,676 Total: 53,387		Severe wet weather in April and June directly impacted on visitor numbers and enquiries to Ballina Coast and Hinterland. During the wet weather it was rare to receive a walk in visitor, however phone enquires did increase during this same period.

Community Facilities and Customer Service	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Increase visits to tourism website	35,300	42,500	61,382	57,903	>60,000	54,691		78% of visits to the website were first time visits to the website. Two of the three months in this quarter were affected by severe wet weather resulting in pre-planning being impacted.
Proportion of satisfied visitors to the Visitor Information Centre (%)	99	100	100	99	>95	100%		Visitors commented that they appreciated the informative service and extra information provided by friendly staff.

Community Facilities and Customer Service (cont'd)	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Net operating deficit for swimming pools (excluding depreciation) (\$ pa)	(434,400)	(470,000)	(367,100)	(282,700)	<(380,000)	(284,000)		Loan repayments were deferred as compared to the original budget.
Net operating deficit for Community Facilities (excluding depreciation) (\$ pa)	(275,000)	(363,400)	(358,400)	(325,800)	<(420,000)	(389,007)		
Minimise operating deficit for Gallery (excluding depreciation) (\$ pa)	(95,000)	(97,000)	(147,000)	(166,000)	<(147,000)	(193,000)		Original target did not reflect budget amended during the year. Final budget was a deficit of \$211,200 with income being above budget and expenses below budget.
Revenue from Visitor Services (\$ pa)	28,500	40,900	44,300	54,600	>40,000	44,300		
Revenue from Marketing (\$ pa)	65,500	69,700	95,400	90,200	>10,000	19,600		Decrease on previous quarter due to raised invoices not being paid for Airport advertising.

Development Services	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Percentage of development applications determined within 40 days (excluding integrated development) (%)	63	76	73	74	>50	60		
Percentage of Section 96 applications determined within 40 days (excluding integrated development) (%)	56	71	65	61	>60	56		
Percentage of Section 149 certificates issued within four days of receipt (%)	91	92	93	93	>90	94		
Time taken to determine development applications (excluding integrated development) (# days)	32	22	32	25	<60	34		
Time taken to determine Section 96 applications (excluding integrated development) (# days)	39	32	35	37	<40	43		
Percentage of development applications determined under delegated authority (%)	95	95	91	91	>90	94		

Engineering Works	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Minimise operating deficit for Burns Point Ferry (\$)pa	(239,000)	(198,000)	(212,200)	(188,200)	<(100,000)	(67,700)		
Financial management of operating expenses (%)	103	102	100	105	Within 10% of budget	91		
Financial management of capital expenditure projects (%)	78	71	77	79	Within 10% of budget	57		Wet weather last quarter with significant work in progress (Lake Ainsworth, Ross Lane RAB, Skennars Head Rd RAB, maritime infrastructure + unscheduled projects (Wollongbar sportsfields and Buccalton))

Environmental and Public Health	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Percentage of barking dog complaints responded to within 7 days (%)	100	100	85	99	100	85		Process now reviewed to streamline response time.
Percentage of reported dog attacks responded to within 48 hours (%)	95	98	98	100	100	95		
Percentage of drinking water sites monitored per week (%)	100	100	100	100	100	99.5		As we could not access Ballina Heights Drinking and Recycle Res on the week of 26 June 2017 these sites could not be sampled.
Non-compliance with National Health & Medical Research Council drinking water standards (#)	0	5	0	2	Nil	4		Three of the failed samples were from Marom Raw due to the presence of E.coli but all ok from treated sample site. Resample from Cummings Crescent Reclaimed passed.
Percentage of food premises audited per year (%)	99	100	97	99	100	100		
Percentage of food premises issued with Infringement Notices (%)	2	3	2	7	<5	2		
Percentage of other commercial premises audited (# inspected) (target high risk premises audited twice pa)	100	100	99	99	>20	67		
Number of public pools monitored. Target all public pools and 1/3 of semi public pools audited (#inspected) pa	100	100	100	100	17	100		

Environmental and Public Health (cont'd)	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
--	---------	---------	---------	---------	----------------	--------------	----------------------	----------

Number of onsite effluent disposal systems inspected per annum (#)	167	46	50	176	>100	17		Program been on hold whilst Strategy and Guidelines have been reviewed and developed. Processing back log of ATO's currently high priority.
Number of OSSM Approval to Install (#) pa	N/A	N/A	N/A	68	>10	20		
Number of OSSM Approval to Operate (#) pa	N/A	N/A	N/A	130	>10	103		

Financial Services	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Investment returns greater than 90 day bank bill rate # basis points above benchmark)	147	102	101	88	>50	111		

Communications and Finance	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Percentage of complaints receiving response within 15 working days (%)	N/A	75	81	85	>80	73		Total of 80 defined complaints received during the year
Percentage of customer request dealt with effectively and promptly (% within allocated timeframe)	N/A	88 (7,672 out of 8,740)	88 (8,788 out of 9,995)	89 (9,523 out of 10,700)	>85	89% (10,007 out of 11,201)		
Grant applications submitted (# pa)	51	23	25	15	>25	27		

Human Resources and Risk Management	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Result	Benchmark Comparison	Comments
Increase Aboriginal employment and integration within the workforce (#)	14	17	13	14	Increase number	19		
Workers' compensation claims (#)	18	13	9	6	<20	7		
Hours of lost time due to workers' compensation claims (# hours)	1,580	1,379	217	260	<1,000	204		
Number of insurance claims (#)	25	28	30	28	<30	31		
Percentage of staff turnover per year (%)	6	10	6	6	<10	4.48		
Percentage of staff undertaking formal training per year (%)	100	74	85%	89	>80	93		
Average number of days sick leave per employee (# days pa)	7.73	6.24	6.55	7.39	<7	6.78		

Information Services	2012/113	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Number of external visits to Council website (#)	166,900	178,400	209,200	215,951	>200,000	268,066		
Proportion of requests for assistance addressed within one working day (%)	93	85	86	87	>85	85		7,624 out of a total of 8,999 requests closed within one working day of receipt.

Infrastructure Planning	2012/113	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Percentage of development application referrals completed within 21 days (%)	45	38	62	71	>70	63		

Open Spaces and Reserves	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Number of events to expand community involvement in Council approved events (# pa)	N/A	N/A	N/A	N/A	>25	44		
Financial management of operating expenses (%)	95	97	93	97	Within 10% of budget	95		
Financial management of capital expenditure projects (%)	90	69	60	48	Within 10% of budget	79		Captain Cook, Pop Denison and Wollongbar Skate Park remain uncompleted.

Strategic Planning	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Proactively promote lease and use of Council managed community Properties (% regularly leased or used)	N/A	N/A	N/A	N/A	90	98		

Support Operations	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Average fleet green star rating (light fleet) (gram/km)	3.66 leaseback 2.66 light vehicles	3.83 leaseback 2.54 light vehicles	3.91 Lease 2.56 Light	3.9 Leaseback 2.5 Light Vehicles	<220	Passenger = 183.50 g/km Commuter = 223.46 g/km Total Average = 210.71 g/km		
Reduce CO2 emissions from Council's Built Assets energy consumption (# tonnes)	8,400	8,900	9,635	9,228	<9,500	8,492		Estimated as all accounts not received.
Increase the generation of renewable energy generated on Council sites (kw) pa	N/A	N/A	N/A	380	>380	380		Investigating further opportunities.
Reduce energy consumption (dollar value) from Council's Built Assets (\$) pa	1,959,300	1,809,000	2,072,400	1,772,100	<2 million	1,810,700		Estimated as all accounts not received.

Support Operations (cont'd)	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Operating surplus from fleet and plant operations (excluding depreciation) (\$)	1,331,000	1,375,100	1,502,500	1,647,000	>1.1 million	1.54 million		
Increase non stock item catalogue within inventory system (#pa)	N/A	N/A	N/A	>500	>75	93		
Value of store stock control bin errors (\$ biannual)	947	777	86.60 Warehouse 30.77 Ballina WWTP	\$478.45 Warehouse \$263.05 Ballina WWTP	<500	31.22		
Maximise revenues on quarry assets to ensure sufficient return (\$)	410,500	349,700	251,800	272,000	>100,000	81,395		Reviewed opportunities for Council to operate ourselves. Due to certification required by Department of Industries and screening plant required, deemed more feasible to lease operation in the short term while Council work on having an internal staff member certified. A short term lease is to be issued to a qualified person to operate the quarry on Councils behalf.
Financial management of operating expenses (%)	95	92	89	92	Within 10% of budget	95		
Financial management of capital expenditure projects (%)	39	57	53	71%	Within 10% of budget	39		Budgets yet to be fully expended were rolled over to the following year.

Waste Services	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Volume of waste placed in landfill as a % of total waste received (%)	N/A	0	0	0	<10	0		
Proportion of received waste diverted for beneficial reuse from landfill (%)	53	55	74	65	>60	67		

Water and Wastewater Services	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Number of unplanned water supply interruptions greater than four hours in duration (#)	N/A	N/A	N/A	N/A	Nil	1		
Percentage of fire hydrants inspected per annum (%)	N/A	55	47	34	>50	0		Following the approval of two new positions in the workforce plan, two officers are being appointed to undertake the hydrant maintenance program.
Number of notifiable drinking water health incidents at Marom Creek Water Treatment Plant (#)	N/A	N/A	N/A	N/A	Nil	1		CCP 4 (Free Chlorine) Critical Low 11 April 2017, managed through DWIMS.
Percentage of drinking water reticulation monitoring compliance with ADWG (Microbial) (%)	N/A	N/A	N/A	N/A	100	100		
Percentage of drinking water reticulation monitoring compliance with ADWG (Chemical & Physical) (%)	N/A	N/A	N/A	N/A	100	99.7		1 of High pH in Wardell.

Water and Wastewater Services (cont'd)	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Number of notifiable recycled water health incidents at Ballina and Lennox Head Wastewater Treatment Plants (#)	N/A	N/A	N/A	N/A	Nil	Nil		
Percentage of Recycled Water Reticulation Monitoring Compliance with AGWR in Ballina and Lennox (Microbial) (%)	N/A	N/A	N/A	N/A	100	100		
Percentage of Recycled Water Reticulation Monitoring Compliance with AGWR in Ballina and Lennox (Chemical and Physical) (%)	N/A	N/A	N/A	N/A	100	95.7		11 of 48 THMs at Lennox RWTP exceeded guideline value.
Average water consumption per connection (# kl pa)	147	212	181	172	<200	175		
Recycled water during dry weather (% ADWF)	N/A	35	32	32	>20	7		Following heavy rainfall through March and June inflows have been elevated and reuse demand minimal.
Volume of unaccounted water (%)	22	19	20	17	<15	15.4		Result is subject to variability caused by meter-lagging – Rous County Council meters are read at different times to BSC meters. Identifying and reducing unaccounted for water continues to be a focus for 17/18.
Water main breaks per 30km of main (#)	0.33	1.96	1.8	1.2	<1	5.8		64 recorded mains breaks for financial year.

Water and Wastewater Services (cont'd)	2012/13	2013/14	2014/15	2015/16	2016/17 Target	June Results	Benchmark Comparison	Comments
Number of notifiable pollution incidents under the POEO Act (1997) (#)	N/A	N/A	N/A	N/A	Nil	3		PIRMP has been triggered 3 times since 1 April: 2 x Ballina WWTP 4 April / 19 June and Lennox Head WWTP 18 June All due to excessive rainfall through March and June.
Percentage of compliance with Environmental Protection License concentration limits at all times (%)	N/A	N/A	N/A	N/A	100	99		2 of 50 Faecal Coliform tests at Ballina WWTP exceeded guideline value 6 of 30 Faecal Coliform tests at Wardell WWTP exceeded guideline value.
Percentage of continuing trade waste licenses renewed on expiry (%)	N/A	15	50	100	100	100		
Percentage of trade waste inspections completed in accordance with legislative requirements (%)	N/A	N/A	N/A	N/A	100	31		The minimum annual 100% re-inspection as required by DPI equates to 676 inspections/year. is challenging with current resourcing. Review of processes to streamline where possible will be undertaken in 17/18.
Financial management of operating expenses (%)	95	94	98	99	Within 10% of budget	95		92% water, 98% wastewater
Financial management of capital expenditure projects (%)	90	71	82	70	Within 10% of budget	54		Significant delays to the Byron Street Sewer Pump Station Upgrade and the East Ballina Reservoir Refurbishment have pushed forecast expenditure into next financial year.



appendix 3: councillor facilities and expenses policy

POLICY NAME: COUNCILLOR EXPENSES AND FACILITIES

POLICY REF: C04

MEETING REVIEWED: 25 August 2016
Resolution No 250816/21

POLICY HISTORY: . 270815/19; 260614/35; 281112/20; 260913/28;
280313/17, 250914/14



TABLE OF CONTENTS

PART 1 - INTRODUCTION	1
OBJECTIVE	1
BACKGROUND	1
DEFINITIONS	1
SCOPE OF POLICY	1
RELATED DOCUMENTATION	1
APPROVAL ARRANGEMENTS	2
PART 2 - PAYMENT OF EXPENSES	2
2.1 GENERAL PROVISIONS	2
2.1.1 PAYMENT OF EXPENSES GENERALLY	2
2.1.2 ESTABLISHMENT OF MONETARY LIMITS AND STANDARDS	3
2.2 SPECIFIC PROVISIONS FOR MAYORS AND COUNCILLORS	4
2.2.1 TRAVEL ARRANGEMENTS	4
2.2.2 COUNCILLOR TRAINING AND DEVELOPMENT	4
2.2.3 ATTENDANCE AT FUNCTIONS AND EVENTS NOT ORGANISED BY COUNCIL	5
2.2.4 SPOUSE AND PARTNER EXPENSES	5
2.2.5 TRAINING AND DEVELOPMENT ALLOCATION	5
2.2.6 TELEPHONE COSTS AND EXPENSES	6
2.2.7 CARER AND OTHER RELATED EXPENSES	6
2.2.8 MISCELLANEOUS EXPENSES	6
2.2.9 INSURANCE EXPENSES AND OBLIGATIONS	6
2.2.10 LEGAL EXPENSES AND OBLIGATIONS	7
2.2.11 REPRESENTATION ON JOINT REGIONAL PLANNING PANEL	7
2.2.12 USE OF STAFF RESOURCES TO ASSIST COUNCILLORS AT THEIR PRIVATE RESIDENCE	7
2.3 ADDITIONAL MAYORAL EXPENSES	8
PART 3 - PROVISION OF FACILITIES	8
3.1 GENERAL PROVISIONS	8
3.1.1 PROVISION OF FACILITIES GENERALLY	8
3.1.2 PRIVATE USE OF EQUIPMENT AND FACILITIES	8
3.2 PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS	8
3.2.1 TELECOMMUNICATIONS AND AUXILIARY EQUIPMENT	8
3.2.2 MISCELLANEOUS ITEMS	9
3.3 PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR MAYOR	9
3.3.1 OFFICE SPACE AND SUPPORT	9
3.3.2 MOTOR VEHICLE	9
3.3.3 TELECOMMUNICATIONS	9
3.3.4 QANTAS CLUB MEMBERSHIP	9
3.3.5 CAR PARK	10
PART 4 - OTHER MATTERS	10
4.1 ACQUISITION AND RETURNING OF FACILITIES & EQUIPMENT BY COUNCILLORS	10
4.2 COUNCILLORS CONTRIBUTING INTO SUPERANNUATION	10
PART 5 - REVIEW	10

PART 1 - INTRODUCTION

OBJECTIVE

The objective of this policy is to ensure that there is accountability and transparency in the reimbursement of reasonable and appropriate expenses incurred or to be incurred by Councillors in the performance of their role.

The policy also ensures that a range of facilities are provided to Councillors to assist in discharging the function of civic office.

BACKGROUND

In accordance with the Local Government Act (LGA s.252) a council is required to adopt a policy concerning the payment of expenses incurred by, and the provision of facilities to, the Councillors in relation to their roles as elected persons and members of the governing body of the Council. This policy complies with the LGA.

The LGA (s.428(2)(f)) requires councils to include in their annual report a copy of this policy. This information must be submitted to the Office of Local Government by 30 November each year.

DEFINITIONS

In the Councillor Expenses and Facilities Policy the following definitions apply:

Council	Ballina Shire Council
Policy	Councillor Expenses & Facilities Policy
LGA	Local Government Act 1993 (NSW)
ATO	Australian Taxation Office
OLG	Office of Local Government
Region	The region encompasses the Richmond, Tweed and Clarence Valleys (i.e. Kyogle, Tweed, Byron, Lismore, Ballina, Richmond and Clarence council areas)

SCOPE OF POLICY

The Councillor Expenses and Facilities Policy applies to Councillors.

RELATED DOCUMENTATION

This policy has been prepared with reference to the following publications:

- Council's Code of Conduct

- OLG Code of Conduct – Administrative Procedures
- Council's Councillor Training and Development Policy
- Local Government Act 1993 (NSW)
- Local Government (General) Regulation 2005
- OLG Circulars:
 - 08/62 Councillor Induction and Professional Development Guide
 - 08/24 Misuse of Council Resources
 - 09/36 OLG Revised Guidelines for the Payment of Expenses and Provision of Facilities for Mayors and Councillors for Local Councils in NSW (October 2009)
 - 11-27 Findings from the Review of Councillor Expenses and Facilities Policy
- ICAC Publication - No Excuse for Misuse, preventing the misuse of Council resources

As a minimum this Policy should be read in conjunction with

- Council's Code of Conduct
- Council's Councillor Training and Development Policy

APPROVAL ARRANGEMENTS

The General Manager, in consultation with the Mayor, is responsible for authorising the payment of expenses or the provision of facilities in accordance with this policy. In the case of the Mayor's expenses, authorisation shall be provided by the General Manager and one other Councillor. If agreement cannot be reached on any particular matter the matter will be reported to Council for determination.

PART 2 - PAYMENT OF EXPENSES

2.1 GENERAL PROVISIONS

2.1.1 Payment of Expenses Generally

Councillors must provide a certified claim in the form provided by the General Manager for all travel and out of pocket expenses incurred.

Payment will only be made for expenses covered under this policy that are accompanied by appropriate tax invoices and receipts. To ensure claims are submitted promptly and accurately any claims submitted in excess of three months of the time of expenditure will not be approved.

2.1.2 Establishment of Monetary Limits and Standards

The following limits will apply in the operation of this policy:

Accommodation and Meals

The maximum payable for accommodation and meals will be the maximum reasonable travel and meal expense amounts determined by the ATO. The current rates are:

<i>Place</i>	<i>Accommodation \$</i>	<i>Food and Drink (1) \$</i>	<i>Incidentals \$</i>	<i>Total \$</i>
Adelaide	209.00	146.20	26.80	382.00
Brisbane	257.00	146.20	26.80	430.00
Canberra	246.00	146.20	26.80	419.00
Darwin	287.00	146.20	26.80	460.00
Hobart	195.00	146.20	26.80	368.00
Melbourne	265.00	146.20	26.80	438.00
Perth	299.00	146.20	26.80	472.00
Sydney	265.00	146.20	26.80	438.00
Country	195.00	146.20	26.80	360.00

(1) *This figure is dissected between - breakfast \$33.25, lunch \$47.00, dinner \$65.95. Over-expenditure for one meal can be offset by under-expenditure for another.*

Travel

The reimbursement rate for use of a Councillors' vehicle shall be in accordance with the rate issued by the ATO. From 1 July 2016, the ATO has one fixed rate of **66 cents per km for all cars** regardless of engine size.

This reimbursement will be considered to cover all costs associated with the vehicle use, including tyres, insurance, repairs, petrol, oil and associated incidental costs.

Telephone and Tablets

Councillors will be reimbursed for Council related telecommunication charges (ie landline, mobile phone, internet etc) up to a maximum figure of \$80 per calendar month (with the line rental and connection charges to be provided as additional reimbursements), upon receipt of a copy of the tax invoice(s) and a declaration by that Councillor that the amount claimed relates to Council related activities.

If the cost of calls made from a Council provided phone are less than \$5 for any one month, that cost will **not** be deducted from the Councillor's allowance as the administrative cost of deducting that charge more than offsets the return to Council.

Where Council provides a telephone service to Councillors, that number will be available for publication in Council documents and media.

Any excess data charges incurred on smart phones or tablets shall be deducted from a councillor's allowance.

2.2 SPECIFIC PROVISIONS FOR MAYORS AND COUNCILLORS

2.2.1 Travel Arrangements

Councillors will receive reimbursement for the cost of using their private vehicle for travelling in accordance with rates set by the ATO (refer 2.1.2), for attendance at:

- Meetings of Council
- Meetings of committees of Council (whether a committee member or not)
- Council inspections
- Council business
- Civic functions where representing the Mayor
- Meetings with Council staff within the shire
- Meetings at the Council Chambers with constituents and
- Other approved functions

The General Manager, in consultation with the Mayor, shall prepare a weekly list of approved meetings / events / functions for which travel by Councillors shall be reimbursed. This travel will not be subject to the \$5,000 (excl GST) limit as per clause 2.2.2.

Councillors who wish an event to be included on this list should forward details to the General Manager a minimum of one week in advance.

2.2.2 Councillor Training and Development

The General Manager and / or Mayor will approve attendance by Councillors at training and development activities, such as seminars, conferences and other meetings not approved under clause 2.2.1, subject to an annual allowance of \$5,000, exclusive of GST.

The exception to this is the Mayor who is not subject to the \$5,000 limit, **however travel outside the region, must be reported to Council at the next available Ordinary Meeting.**

The class of air travel to be used by a Councillor will be economy travel for journeys not exceeding five hours, and business class for continuous journeys (not including overnight stopovers) in excess of five hours.

Personal Frequent Flyer membership is not to be linked to Council travel in accordance with recommendations from ICAC publications.

Should a Councillor elect to use their vehicle to undertake such travel, or to travel via a non-direct route, travel expenses will be paid equivalent to the most cost effective airfare, available at that time, to the destination or payment at the ATO rate per kilometre, whichever is the lower (refer 2.1.2).

Council will pay actual costs of overnight accommodation and the costs of all meals where those meals are not provided as part of the meeting, conference, seminar or engagement fee, subject to the limits identified within this policy (refer 2.1.2 and 2.2.2).

2.2.3 Attendance at Functions and Events not organised by Council

To assist the Mayor in undertaking his / her responsibilities Council will provide reimbursement of travel and entrance expenses where the Mayor is invited, in his / her official capacity as Mayor, to attend functions and events that are not organised by Council. For a function / event to be approved the Mayor must be invited to attend in his / her official capacity as Mayor.

A Councillor, invited by the Mayor to attend an event on behalf of the Mayor, will also be eligible for reimbursement of travel and entrance expenses.

Approval will only be provided for events within the region.

Consideration will be also given to meeting the cost of Councillors' attending, including travel and entrance fees, at non-Council functions / events etc which provide briefings to Councillors from key members of the community, politicians and business organisations.

Approval to meet these expenses will only be given when the function / event is relevant to Council's interest and attendance at the function is open to all Councillors.

Any approvals provided will be circulated weekly to Councillors. Attendance at these activities will not be subject to the expenditure limits identified in clause 2.2.2.

2.2.4 Spouse and Partner Expenses

Where the Mayor and / or Councillor is required to attend a function / event etc on behalf of Council, and the nature of the function is such that the person's spouse, partner or accompanying person could reasonably be expected to attend, Council will meet their reasonable expenses, eg ticket, meal and or direct cost of attending the function.

If a service is shared between a Councillor and spouse / partner, the expense associated with that service will be reimbursed as long as the expense did not increase due to the attendance of the spouse / partner. An example of this may be accommodation where the cost of the room is the same with or without the attendance of the spouse / partner.

2.2.5 Training and Development Allocation

Council will make an annual allocation within the budget for training and development expenses for Councillors. This allocation will be treated as a lump sum figure able to be accessed by all Councillors. There will not be a specific allocation per Councillor, subject to the limitations in clause 2.2.2

Approved training and development programs must be consistent with Council's Councillor Training and Development Policy. Refer to that policy for further details.

Reimbursement of expenses relating to a Councillor's attendance at training and education programs will be made in accordance with the provisions of this policy.

2.2.6 Telephone costs and expenses

Each Councillor shall be entitled to:

- Payment of monthly rental of a Council approved telephone line
- Call charges up to the monthly limit as determined within this policy (refer 2.1.2).

2.2.7 Carer and other related expenses

a) Councillor as a carer

Where a Councillor has to act as a primary carer Council will reimburse any reasonable costs incurred for alternative carer arrangements required whilst that Councillor is attending a Council approved activity (ie meeting, training, event etc). This includes items such as child care expenses and costs related to the care of the elderly, disabled and/or sick immediate family members.

b) Councillor requiring care

Where a Councillor requires a primary carer, Council will reimburse any reasonable costs related to that primary carer, incurred whilst that Councillor is attending a Council approved activity (ie meeting, training, event etc), where the reimbursed costs would not normally have been incurred except due to the Councillor's attendance at that activity. This includes items such as travel, meals or carer wages, where those wages would not normally have been incurred.

2.2.8 Miscellaneous Expenses

Each Councillor is entitled to have one Northern Star newspaper delivered to their home each day or made available at a mutually convenient point should a home delivery service not be available, or an on-line subscription to the Northern Star, whichever method is chosen.

2.2.9 Insurance expenses and obligations

As a minimum Council will provide the following insurance cover in respect to Councillors for matters arising out of Councillors' performance of their civic duties and / or exercise of their Council functions:

- Public liability (covers councillors for negligence arising from day to day Council activities)
- Professional Indemnity (covers Councillors for errors and omissions relating to their Council activities)
- Personal Accident (covers Councillors and partners for bodily injury whilst travelling to and from any local government activity or business)

- Councillors and Officers (covers Councillors for any civil claims arising out of their normal actions as a Councillor)
- Statutory Liability (covers Councillors for their liability to pay fines which may arise out of innocent breaches of the many Acts which control Council's operations)

All these insurances are subject to the limitations and conditions set out in each respective policy.

2.2.10 Legal expenses and obligations

Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her functions under the Act are to be distinguished from expenses incurred in relation to proceedings arising merely from something that a Councillor has done during his or her term in office. An example of the latter is expenses arising from an investigation as to whether a Councillor acted corruptly by using knowledge of a proposed rezoning for private gain.

Council may disburse money only if the disbursement is authorised by the Local Government Act 1993. Therefore, if a Councillor has a legal matter that they believe merits assistance, then that matter is to be reported to Council for determination.

In considering such a matter Council will be guided by the contents of Department of Local Government circular 05/08 *"Legal assistance for councillors and council employees"*.

2.2.11 Representation on Joint Regional Planning Panel

Council will pay the NSW Department of Planning's maximum recommended fee per meeting for Councillor representation on the Northern Region – Joint Regional Planning Panel (currently \$600 per meeting).

2.2.12 Use of Staff Resources to Assist Councillors at their Private Residence

The General Manager is entitled to authorise Council staff to attend a Councillor's residence to assist in resolving a Council related matter. However this approval can only to be given in the following circumstances:

- The Councillor must declare that the matter is directly related to Council business; and
- It has been assessed by the General Manager that the issue can be resolved relatively quickly; and
- There will be no additional expense incurred by Council in providing that assistance; and
- The work environment must be considered safe from work health and safety perspective; and

- The General Manager is of the opinion that the use of the Council staff resource is the quickest and most effective method to resolve the matter.

2.3 ADDITIONAL MAYORAL EXPENSES

The Mayor is not entitled to the reimbursement of any additional expenses, other than being able to undertake certain levels of travel and attendance at seminars, conferences, training courses and meetings, without prior approval, as per clause 2.2.

PART 3 - PROVISION OF FACILITIES

3.1 GENERAL PROVISIONS

3.1.1 Provision of Facilities Generally

Facilities provided to the Mayor and Councillors will generally relate to telecommunications to ensure that all Councillors are readily accessible to the community and Council.

3.1.2 Private use of Equipment and Facilities

In accordance with Council's Code of Conduct, any resources provided, under this policy, or otherwise, shall not be used for private purposes. Nor shall such resources be used for political purposes, i.e. Council elections and the like.

3.2 PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS

3.2.1 Telecommunications and Auxiliary Equipment

Each Councillor shall be entitled to:

- Provision of a smart phone (1GB limit per month) including a suitable hands free device for the Councillor's private vehicle (one only)
- Provision of tablet technology (ie IPAD or similar with a 3GB limit per month)
- Installation of one home telephone line
- Provision of a laser multi-function centre device that allows scanning, copying, printing, telephone and answering machine (excluding facsimile) along with consumables such as cartridges and paper for printing.

The above equipment will be provided to a standard as determined by the General Manager in accordance with Council approved budgets and the communication needs of Council. Internet services, in accordance with the Council's corporate internet service provider plan, will be available to Councillors through the provision of the Council supplied smart phone and/or tablet computer.

3.2.2 Miscellaneous Items

Miscellaneous items each Councillor may receive are:

- Council business cards up to a maximum of 500 per annum
- Support of the General Manager's Personal Assistant on an as-available basis
- Access to a shared office space within the Council Chambers, including availability of photocopier, telephone etc during Council office hours
- A Council name badge
- A Council blazer
- Standard stationery items on an as required basis

3.3 PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR MAYOR

In recognition of the duties and responsibilities undertaken by the Mayor, Council will provide the following additional equipment and facilities:

3.3.1 Office Space and Support

Council will provide the Mayor with a dedicated office along with all support services such as phone, facsimile and consumables. The Mayor will also have access to the General Manager's Personal Assistant for secretarial services.

3.3.2 Motor Vehicle

Council will provide the Mayor with a Council motor vehicle for Council and private use. In the event of the vehicle being used for private use Council shall set any contribution level from time to time. The current contribution rate is nil, subject to the following clause:

A fuel card is provided for refuelling from Council authorised facilities, however, during periods of private use any refuelling occurring outside a 200km radius from the Council administrative centre, must be paid for by the Mayor.

The maximum standard of the motor vehicle will be that of a Holden Caprice or equivalent.

3.3.3 Telecommunications

Council will provide the Mayor an additional home telephone line, and rental thereon, if requested.

3.3.4 Qantas Club Membership

Council will provide the Mayor with an annual Qantas Club Membership.

3.3.5 Car Park

Council will provide the Mayor with a dedicated car park at the Council Customer Service Centre.

PART 4 - OTHER MATTERS

4.1 ACQUISITION AND RETURNING OF FACILITIES & EQUIPMENT BY COUNCILLORS

All items provided to Councillors in accordance with the policy shall remain the property of Council. Items shall be returned to Council:

- Upon request of the General Manager for repair, replacement, maintenance or upgrade
- Immediately upon the Councillor ceasing to hold office for any reason.

Items will be replaced when uneconomical to repair, or in accordance with any Council policy or resolution from time to time.

At the end of the Council term, if a Councillor wishes to purchase an item of equipment, the General Manager shall consider each request and set an appropriate selling price, which will not be less than the written down value of the equipment.

4.2 COUNCILLORS CONTRIBUTING INTO SUPERANNUATION

In accordance with the ATO Interpretative Decision 2007/205, Council may enter into an arrangement with a Councillor under which the Councillor agrees to forego all or part of their annual fee in exchange for the Council making contributions to a complying superannuation fund on their behalf.

PART 5 - REVIEW

The LGA (s.252) requires Council to review this policy within five months of the end of each financial year.



appendix 4: gipa act 2009 annual
report 2016/17

Clause 7A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review

Reviews carried out by the agency	Information made publicly available by the agency
Yes	Yes

All policies, planning documents, plans of management, developer servicing plans, developer contribution plans that were adopted or updated since the last review. Other documents as follows; • Active Ageing Strategy • Ballina Landscape Entry Treatment Master Plan 2013 • Climate Action Strategy 2011 • Disability Inclusion Access Plan (DIAP) 2017 • Environmental Action Plan 2012 • Martin Street Boat Harbour Precinct Master Plan 2016 • Wardell Landscape/Streetscape Plan (Part 1 and 2) • Water and Sewerage Infrastructure Plan

Clause 7B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

Total number of applications received
14

Clause 7C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure)

Number of Applications Refused	Wholly	Partly	Total
	1	0	1
% of Total	100%	0%	

Schedule 2 Statistical information about access applications to be included in annual report

Table A: Number of applications by type of applicant and outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/Deny whether information is held	Application Withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	0	1	1	0	0	0	0	0	2	15%
Not for profit organisations or community groups	0	0	0	0	1	0	0	0	1	8%
Members of the public (by legal representative)	3	0	0	1	0	0	0	0	4	31%
Members of the public (other)	4	0	1	0	0	0	0	1	6	46%
Total	7	1	2	1	1	0	0	1	13	
% of Total	54%	8%	15%	8%	8%	0%	0%	8%		

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/Deny whether information is held	Application Withdrawn	Total	% of Total
Personal information applications*	0	0	0	0	0	0	0	0	0	0%
Access applications (other than personal information applications)	7	1	2	1	1	0	0	1	13	100%
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0%
Total	7	1	2	1	1	0	0	1	13	
% of Total	54%	8%	15%	8%	8%	0%	0%	8%		

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications	% of Total
Application does not comply with formal requirements (section 41 of the Act)	2	100%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	2	100%
Invalid applications that subsequently became valid applications	2	100%

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act

	Number of times consideration used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	1	100%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Total	1	

*More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of times consideration used*	% of Total
Responsible and effective government	0	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	1	50%
Business interests of agencies and other persons	1	50%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	2	

Table F: Timeliness

	Number of applications*	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	11	92%
Decided after 35 days (by agreement with applicant)	1	8%
Not decided within time (deemed refusal)	0	0%
Total	12	

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	0	0	0%
Review by Information Commissioner*	0	0	0	0%
Internal review following recommendation under section 93 of Act	0	0	0	0%
Review by NCAT	0	0	0	0%
Total	0	0	0	
% of Total	0%	0%		

*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review	% of Total
Applications by access applicants	1	100%
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0	0%
Total	1	

Table I: Applications transferred to other agencies.

	Number of applications transferred	% of Total
Agency-Initiated Transfers	0	0%
Applicant - Initiated Transfers	0	0%
Total	0	



appendix 5: disability inclusion action plan



ballina
shire council

Disability Inclusion Action Plan 2017-2021

prepared by Ballina Shire Council

05/2017

Disability Inclusion Action Plan

Table of Contents

Table of Contents

Mayor's Message	4
Overview and Vision	5
Policy and Legislative Context	9
Community Profile	15
Community Consultation Outcomes	25
Strategies and Actions	39
Monitoring and Evaluation	49

version 17/49298



Mayor's Message

I am very pleased to present Ballina Shire Council's Disability Inclusion Action Plan (DIAP) 2017-2021. I am proud of the work that Ballina Shire Council has undertaken over many years to improve access and inclusion in our shire. This DIAP formalises our actions as we continue to work at creating an accessible and inclusive Ballina Shire.

This Disability Inclusion Action Plan (DIAP) has been developed by listening to people with disabilities, their families, carers and local organisations who work with people with disabilities. We aim to ensure that access and inclusion is a key consideration in all areas of our services and operations. This includes:

- Promoting positive community attitudes and behaviours
- Working to ensuring that our built environment is accessible
- That our systems and processes deliver information and services that are accessible and inclusive; and
- Supporting employment opportunities for people with disability.

I would like to thank everyone who has taken the time to contribute his or her ideas. I would particularly like to acknowledge and thank the current and past members of Ballina Shire Council's Disability Access Reference Group (ARG).

The ARG has provided advice to Council on many projects and developments. They have had a key role in increasing Council's awareness of the importance of access and inclusion. The current members of the ARG have guided the development of our DIAP.

Our DIAP sets out actions that Council will follow to ensure that we are creating a community that is inclusive and accessible for all people regardless of ability.

Cr David Wright
Ballina Shire Council Mayor



Overview and Vision

The purpose of this Disability Inclusion Action Plan is to guide Council and the broader community in creating and maintaining an accessible and inclusive community for all residents and visitors, regardless of ability.



The plan has been prepared to meet the requirements of the NSW Disability Inclusion Act 2014 (DIA 2014) which requires all councils in NSW to undertake disability inclusion action planning (DIAP) by 1 July 2017. The DIA 2014 sets out four key areas that all councils must address:

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

The strategies and actions set out in this plan address the key areas listed above. The actions are designed to help provide opportunities for all people, regardless of ability, to lead active fulfilling lives. Council will help to implement our strategies with the aim of increasingly accessible and inclusive Council facilities and services in the shire.

Ballina Shire Council's Vision for Inclusion

“ Working with our community partners to make Ballina Shire accessible and inclusive for all our residents and visitors regardless of ability ”

The DIAP is focused on Council's roles and responsibilities but it is not just for Council to follow; it should be seen as a guide for developing and creating partnerships between Council, our residents, local community providers and other levels of government.

Ballina Shire Council has a strong record of promoting access and inclusion. We have our Disability Access Reference Group (ARG), operating for over 20 years. The ARG has provided Council with input and guidance on a range of access issues over the years. One of the most recent achievements of the ARG was advocating for and supporting the construction of a changing place toilet facility in the Ballina CBD.



Summary of Consultation Methods

Partnership with councils in the Northern Rivers region

Ballina Shire forms part of the Northern Rivers Region of NSW. There are seven local councils within this region. Council staff with responsibility for access and inclusion from each council have been meeting regularly for a number of years. Ballina Shire Council along with Byron Shire Council, Clarence Valley Council, Kyogle Shire Council, Lismore City Council and Richmond Valley Council formed a regional partnership to work collaboratively to develop a DIAP for each council. Coffs Harbour City Council also participated in the development phase.

Collaboration between the councils has enabled the sharing of information and resources, which has strengthened partnerships and increased awareness of access and inclusion across the region.

Survey

A joint survey was developed based on the key focus areas found in the NSW DIAP guidelines. The survey was released simultaneously by each council and was available online, hard copies were placed at key locations, advertised through local media, distributed to local service organisations across the region, and promoted extensively. At the completion of the survey period, over 500 responses were received. The data collected can be analysed based on the region as a whole, or at an individual LGA level. Interestingly, similarities emerged across the region. For example, the need for continuous accessible paths of travel and the availability of accessible toilets was identified.

Community Forum

A community forum to assist in developing the DIAP was held in Ballina in May 2016, with over 70 participants from across the region. The purpose of the forum was to gather information and feedback from the community, particularly those with disability experience, and to identify opportunities for developing partnerships within the community.

Regional Stakeholder Analysis

A regional stakeholder analysis was undertaken which identified key groups that would need to be consulted. A targeted consultation plan was developed that saw Council staff teaming up and conducting consultations with key stakeholder groups.

Each partner council conducted local consultation with people with disabilities, carers, service providers and individuals, and the information gathered was shared by all partner councils.

In response to preparing its DIAP, Ballina Shire Council formed an internal Access and Inclusion Team made up of staff from all departments across the organisation. The team assesses current levels of services and identifies opportunities for improvement. It coordinates the delivery of inclusive services and infrastructure to meet the needs of people with disabilities.

Many of the actions listed later in this plan will form part of the ongoing work of the Access and Inclusion Team. Its role is to ensure that access and inclusion are considered to be a key factor in the delivery of Council's services and functions.



Policy and Legislative Context

Ballina Shire Council's DIAP sits under a range of international, Commonwealth and State responses that aim to reduce barriers and increase opportunities for access and inclusion. These are the policy instruments that require Ballina Shire Council to ensure that its services and facilities are accessible and inclusive.

International

United Nations Convention on the Rights of Persons with Disabilities (UNCRPD)

In 2008, the Australian Government ratified the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) "to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity." (United Nations (2006), Convention on the Rights of Persons with Disabilities).

Commonwealth

Disability Discrimination Act 1992 (DDA)

The Commonwealth Disability Discrimination Act 1992 (DDA) makes it unlawful to discriminate on the basis of disability. Ballina Shire Council, along with other organisations, has an ongoing obligation to ensure that its facilities and services are accessible to all people.

National Disability Strategy (NDS) 2010–2020

The Commonwealth National Disability Strategy (NDS) 2010–2020 sets out a 10-year national plan for improving life for Australians with disability, their families

and carers. The NDS is underpinned by the UN human rights approach. The NDS aims to improve the life experiences of people with disability, their families and carers. The NDS seeks to develop an accessible and inclusive society that provides people with disability opportunities to participate in community life as equal citizens.

Disability (Access to Premises – Buildings) Standards 2010

The national Disability (Access to Premises – Buildings) Standards 2010 aim to improve the accessibility and safety of new or upgraded buildings to address the needs of a range of people including the aged, parents and children and people with disabilities.

New South Wales

Disability Inclusion Act 2014 (NSW)

The Disability Inclusion Act 2014 (NSW) provides the legislative framework to guide state and local government disability inclusion and access planning. The Act supports people with disabilities to access:

- The same human rights as other members of the community, facilitated by government and the community
- Independence and social and economic inclusion within the community
- Choice and control in the pursuit of their goals and the planning and delivery of their supports and services.

In meeting the requirements under the Disability Inclusion Act 2014 for disability inclusion and access planning, Council must:

1. Specify how it will incorporate the UN human rights disability principles into

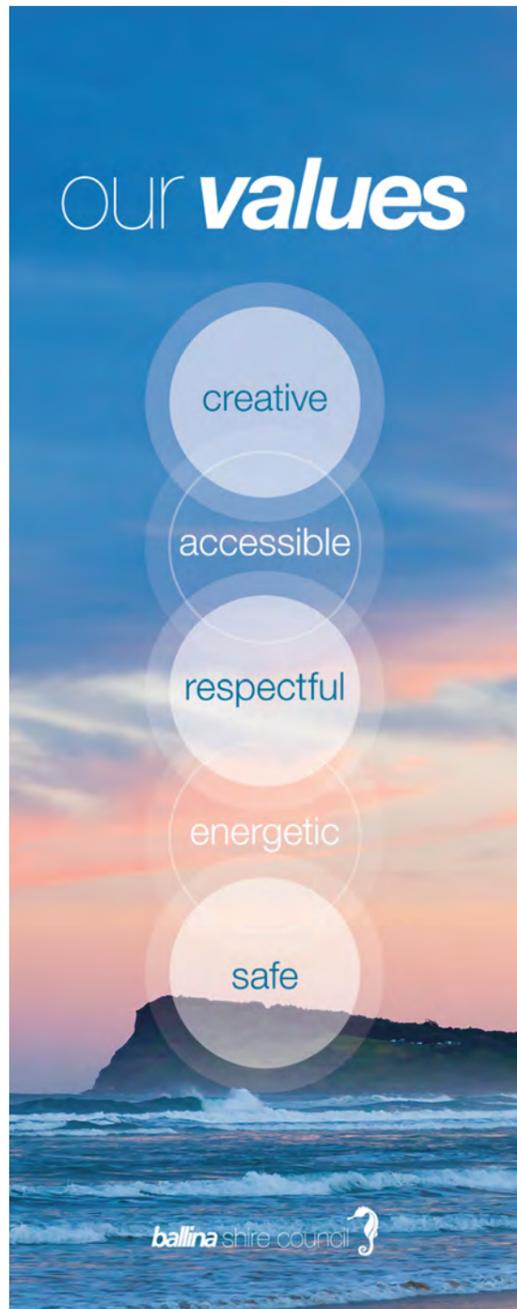
its dealings with matters relating to people with disabilities.

2. Include strategies to support people with disabilities, for example, strategies to:
 - a) Provide access to buildings, events and facilities
 - b) Provide access to information
 - c) Accommodate the specific needs of people with disabilities
 - d) Support employment of people with disabilities
 - e) Encourage and create opportunities for people with disabilities to access services and activities.
3. Include details of its consultation about the plan with people with disabilities.
4. Explain how the plan supports the goals of the State Disability Inclusion Plan, (i.e. strategies that support the four key DIAP areas).

Additional related legislation and standards for NSW:

- NSW Anti-Discrimination Act 1977 (ADA)
- Local Government Act 1993 and Local Government (General) Regulation 2005
- Disability Standards for Accessible Public Transport 2002
- Carers (Recognition) Act 2010 (NSW)
- NSW Disability Inclusion Act (DIA) 2014.
- National Disability Strategy – NSW Implementation Plan 2012 – 2014.

Ballina Shire Council has a number of plans and policies that its DIAP will work



alongside. Council’s principal planning document is “Our Community Our Future”, Ballina Shire’s Community Strategic Plan (CSP). The CSP has a set of core values which underpin the way Council works as an organisation. Ballina Shire Council’s values are: creative, accessible, respectful, energetic, safe.

These values are reflected in the strategies and actions outlined later in this plan. Council’s strategies and actions will also inform Council’s Delivery Program and Operational Plan.

The DIAP will also work along with a number of additional Council plans including the Active Ageing Plan, the Pedestrian Access and Mobility Plan and the Equal Employment Opportunity Plan. The linkages between Council’s plans and policies will assist in ensuring that the needs of people with disability will be included in all aspects of Ballina Shire Council’s services, infrastructure and resources.

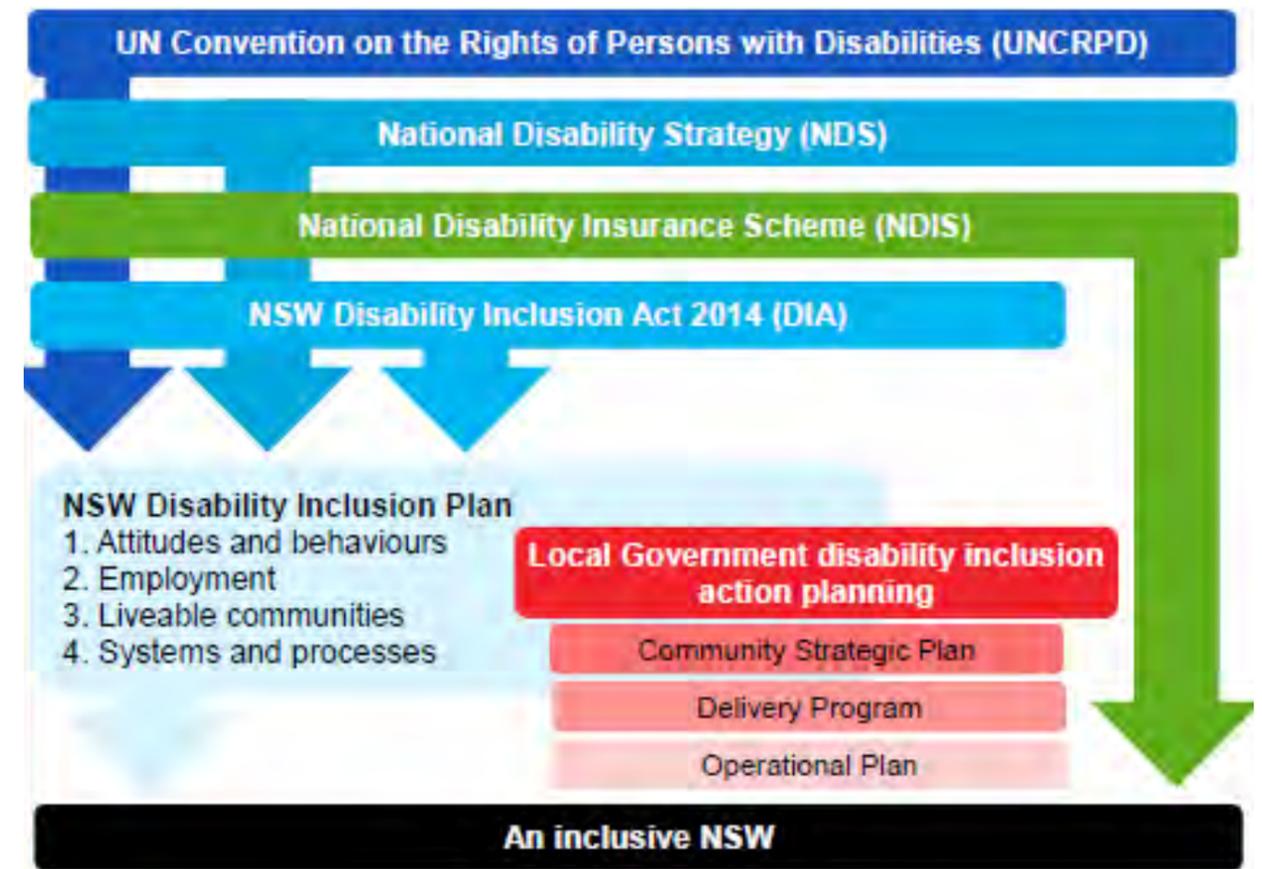


Figure 1: Relationship between the relevant policy and legislative instruments (Source NSW Disability Inclusion Action Planning Guidelines, November 2015)



Community Profile

What is a disability?

A disability can occur at any time in a person's life; prior to or at birth, as the result of accident, injury, chronic illness, or trauma, during childhood, adulthood or through older age. There is also a diverse range of psychological, biological, social and environmental factors which can impact on an individual's mental health, and can cause a person to experience psychiatric disability.

The Disability Discrimination Act 1992 (DDA) defines **disability** in relation to a person as:

- total or partial loss of the person's bodily or mental functions
- total or partial loss of a part of the body
- the presence in the body of organisms causing disease or illness
- the presence in the body of organisms capable of causing disease or illness
- the malfunction, malformation or disfigurement of a part of the person's body
- a disorder or malfunction that results in the person learning differently from a person without the disorder or malfunction, or
- a disorder, illness or disease that affects a person's thought processes, perception of reality, emotions or judgment or that results in disturbed behaviour.

And includes a disability that:

- presently exists
- previously existed but no longer exists
- may exist in the future (including because of a genetic predisposition to that disability), or
- is imputed to a person.

To avoid doubt, a disability that is otherwise covered by this definition includes behaviour that is a symptom or manifestation of the disability.

The Australian Bureau of Statistics conducts regular surveys to measure the incidence of disability in Australia, and the need for support for older people and people with disabilities, to provide a demographic profile of people with disability compared with the general population. The most recent survey was conducted across Australia in 2015 and this is the fourth survey of its type since 2003, and the infographic on page 17 provides a summary of the results of the survey.



A profile of people with disability in Australia



The United Nations Convention on the Rights of Persons with Disabilities aims to enhance opportunities for people with disability to participate in all aspects of social and economic life. While there have been many improvements in the lives of people with disability, significant barriers still remain.

The results of the 2015 Survey of Disability, Ageing and Carers provide a profile of people with disability in Australia.



There were **4.3 million** Australians with disability in 2015



The likelihood of living with disability increases with age, **2 in 5** people with disability were **65 years or older**



Almost **1/3** of people with **disability** had a profound or severe disability



Around **3 in 5** people with disability* needed assistance with at least one activity of daily life



Around **half** of people with disability used **aids or equipment** to help with their disability



Around **1 in 5** people with disability said their main long-term health condition was a mental or behavioural disorder



People with disability* aged **15-24 years** were **10 times** more likely to report the experience of discrimination than those aged **65 years and over**



People with disability

53% of people with **disability** participated in the workforce**, compared with **83%** of people with **no reported disability**



People with no reported disability



\$465 **\$950**

The weekly median income** of people with **disability** was **\$465**, which was less than half of those with **no reported disability**

*Living in households

**Labour force and income figures are for persons aged between 15 and 64 living in households

Further information is available in *Disability, Ageing and Carers, Australia: Summary of Findings, 2015* (cat. no. 4430.0) available from the ABS website (www.abs.gov.au). A pdf version of the information sheet is available from the Downloads tab of this publication.

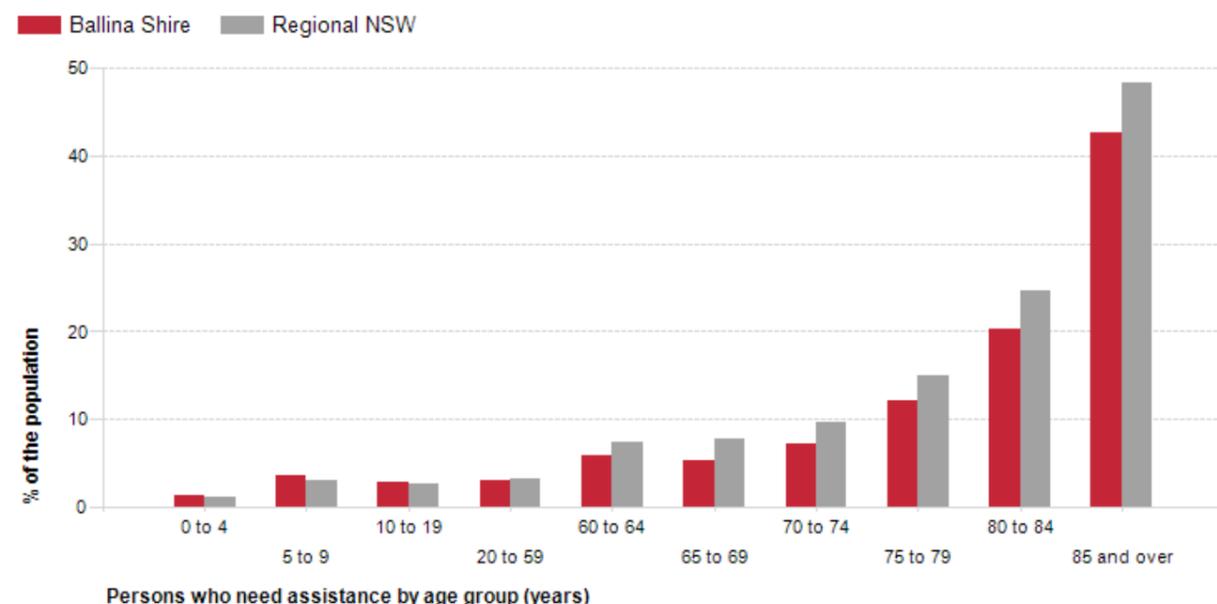
Levels of Disability in Ballina Shire

In 2011 Ballina Shire had a total resident population of 39,273 people, living in 18,074 dwellings with an average household size of 2.35. The census identified that 2,274 residents or 5.8% of our population reported needing help in their day-to-day lives due to disability.

Analysis of the need for assistance of people in Ballina Shire compared to New South Wales shows that there was a higher proportion of people who reported needing assistance with core activities.

Overall, 5.8% of the population reported needing assistance with core activities, compared with 4.9% for New South Wales.

Need for assistance with core activities, 2011



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)
Compiled and presented in profile.id by .id, the population experts.



Need for assistance with core activities

Ballina Shire persons (usual residence)

assistance needed by age group (years)	2011			2006			change
	no.	% of total age group	% NSW	no.	% of total age group	% NSW	2006 to 2011
0 to 4	29	1.4	1.0	28	1.4	0.9	+1
5 to 9	82	3.6	2.6	65	2.7	1.9	+17
10 to 19	143	2.9	2.2	110	2.1	1.6	+33
20 to 59	542	2.9	2.4	508	2.7	2.1	+34
60 to 64	164	5.7	6.7	98	4.6	5.8	+66
65 to 69	120	5.3	7.7	87	4.6	6.5	+33
70 to 74	132	7.2	10.6	99	6.2	9.6	+33
75 to 79	182	12.0	16.6	224	13.4	15.5	-42
80 to 84	286	20.2	26.4	332	24.7	27.0	-46
85 and over	594	42.6	48.3	482	46.6	47.7	+112
total persons needing assistance	2,274	5.8	4.9	2,033	5.3	4.2	+241

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011.
Compiled and presented in profile.id by .id, the population experts. (Usual residence data)

In Ballina Shire there were 4,246 carers providing unpaid assistance to a person with a disability, long term illness or old age in 2011. The proportion of people providing unpaid care can be an important indicator of the level of demand for care services and the need for local and state governments to make provision for local facilities.. An increasing proportion of carers among the population may indicate inadequate care provision, the need for in-home support, or support for the carers themselves.



Unpaid care

Ballina Shire persons aged 15+ (usual residence)

assistance to a person with a disability, long term illness or old age	2011			2006			change
	no.	%	% regional NSW	no.	%	% regional NSW	2006 to 2011
provided unpaid assistance	4,246	13.2	12.5	3,648	11.7	11.5	+598
no unpaid assistance provided	25,616	79.5	78.9	24,881	79.6	79.0	+735
not stated	2,370	7.4	8.6	2,720	8.7	9.5	-350
total persons aged 15+	32,232	100.0	100.0	31,249	100.0	100.0	+983

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented by .id, the population experts. (Usual residence data)

A Disability Access Reference Group has operated in Ballina Shire Council for over 20 years. The group includes individuals with a range of abilities and lived experiences that provide Council with advice on development applications, proposed redevelopments and a broad range of access and inclusion issues.

Council has undertaken a range of projects and implemented actions that directly support the needs of people with disability. Some of the more recent examples include:

- Construction of the first fully Accredited Changing Place toilet facility in NSW
- Alteration of the design templates for the construction of footpaths to improve accessibility
- Construction of an extensive network of accessible shared pathways
- Ongoing condition audits of the pathway network
- Employment of the regional works crew
- Alteration of the design specification for public amenities such as picnic tables, drinking fountains and garbage bins
- Redevelopment of the public swimming pools in Ballina and Alstonville incorporating accessible pool entry ramps and change facilities
- Maintaining a network of accessible unisex toilets
- Providing MLAK keys free of charge to eligible residents.



Changing Places toilet facility in Tamar Street, Ballina



Community Consultation Outcomes

As detailed earlier in this plan, Ballina Shire Council worked collaboratively with neighbouring councils to develop a region-wide approach to consultation. A joint survey was developed which received over 500 responses from people with disabilities, carers, family and friends of people with a disability and a range of local disability service providers.

Councils also undertook additional joint consultation with regional stakeholder groups as well as groups within each LGA. Results of each consultation were shared between the councils in the region. Locally, Ballina Shire Council consulted with the Ballina Community Disability Information Alliance, St Andrews Indigenous Respite group, Ability Links, and vision impaired and deaf communities. Ballina Shire Council's Disability Access Reference Group also provided ongoing feedback in the preparation of this plan.

All consultations were developed to ensure that the four key areas identified by the NSW State Government were addressed, namely:

1. Developing positive community attitudes and behaviours
2. Creating liveable communities
3. Supporting access to meaningful employment
4. Improving access to services through better systems and processes

By focusing on these themes Council was able to combine the results of the survey and face-to-face meetings to identify priority areas for each theme and then formulate strategies and actions to address the identified priorities.

Throughout the consultation process, many issues were raised. Some sit within the responsibility of Council, whilst others are beyond the domain of local government. Analysis of the responses from the consultations identified a number of issues that impede the ability of a person with a disability to participate fully in community life.



There are a number of reoccurring issues raised in Ballina Shire that relate to access and inclusion, including:

- Lack of appropriate accessible paths of travel
- Inability to physically gain access into shops and cafes
- Having to ask businesses to put out ramps
- Inappropriate/limited access points along our pathway networks
- Kerb ramps not built to current standards
- Accessible parking bays that do not accommodate rear exiting passengers.



“Disability parking needs readdressing ...most (accessible) parking spots are designed for side entry... a lot of people unload from the rear of the vehicle ... we have to unload into traffic ... which is highly impracticable and dangerous”

- survey respondent

“Some of the shops down River Street cannot be accessed in my wheelchair due to there being a step or large obstacles in the doorway”

- survey respondent

The regional survey had a total of 540 responses across the seven local government areas, with 91 from the Ballina LGA. Overall, 72% of the respondents were individuals, 12% were from organisations and 16% were made on behalf of an organisation.

The majority of respondents from Ballina Shire were aged between 45-64 years. Ballina Island had the most respondents (43%) followed by residents of Lennox Head and Alstonville.

The survey asked respondents to indicate if they identified as having a type of disability. The following table provides a breakdown of what respondents from Ballina Shire identified with. (Please note that responders to the survey were able to tick more than one option and as such the results add up to more than 100%).

identify as having a/an	percentage of respondents
hearing impairment	10%
vision impairment	10%
user of mobility aids	40%
mental health issue	13%
intellectual disability	15%
other type of disability	30%



The majority of respondents from Ballina Shire identified that they were users of a mobility aid such as a wheelchair or a wheelie walker. This is perhaps a reflection of Ballina Island's suitability for users of mobility aids as for the most part the island itself is relatively flat and well connected via an extensive pathway network.

Respondents were asked to nominate up to three priority areas for each of the key themes. The following section provides a summary of the findings.



1

developing positive community ATTITUDES AND BEHAVIOURS

The survey asked ***“What is most important for changing attitudes and behaviours towards people with a disability in the community?”***

Respondents were encouraged to nominate up to three actions. Key responses were:

- Public message campaigns should be developed and supported that highlight inclusion and recognises the rights and contribution of people with disabilities in the community (68%)
- People with disability should be involved in developing communication campaigns regarding inclusion (62%)
- Public events should be accessible (55%)
- Positive images of people with disability should be included in publications and promotions (51%)
- Council staff should be provided with training on access and inclusion (49%).

“The biggest access issue is human attitudes”

- survey respondent



accessible beach matting, Lennox Head

2

creating LIVEABLE COMMUNITIES

The survey asked **“What is most important for making communities liveable and accessible for people with disabilities?”**

Respondents were encouraged to nominate up to three priority areas. Key responses were:

- Encouraging promotion of accessible-for-all design (universal design) in the planning of new housing, infrastructure and buildings (70%)
- Providing continuous accessible paths of travel between facilities and services in town centres and public areas e.g. accessible matting at beaches (68%)
- Providing accessible toilets in all public buildings (62%)
- Ensuring community programs and events are accessible through early consideration of venues, transport, toilets, parking (59%)
- Providing change tables (including adult change tables and hoists) in appropriate locations (20%).

“Good access is the concern of all
as it benefits everyone”

- survey respondent



members of Ballina Shire Council Regional Works Crew

3

supporting access to MEANINGFUL EMPLOYMENT

The survey asked ***“What is most important for improving employment opportunities for people with disabilities?”***

Respondents were encouraged to nominate up to three priority areas. Key responses were:

- Changing people’s attitudes (75%)
- Accessible workplaces (65%)
- Designing roles suitable for people with disabilities (54%)
- Inclusive recruitment processes (50%)
- Flexible working hours and locations (39%).

“I’ve tried many times to find work, but the opportunities for me just aren’t there”

- member of the Access Reference Group



Ballina Shire Council Chambers

4

**improving access to services through
SYSTEMS AND PROCESSES**

We asked **“What is most important for improving accessibility of systems and processes?”**

Respondents were encouraged to nominate up to three priority areas. Key responses were:

- Ensuring all information is available in different formats for all abilities (70%)
- Access to communication supports such as hearing loops, touch screens, and translation services (55%)
- Knowing that there are ways to provide feedback and mechanisms for inclusion and accessibility e.g. Council access advisory committees (55%)
- Ensuring feedback and complaint mechanisms are accessible for people with disability (50%)
- Ensuring workplaces’ internal systems and processes are accessible (48%).

“There are so many services and activities that (most) people do and enjoy. These should be available for all folks to enjoy”

- survey respondent

Strategies and Actions

The following section sets out the actions that Council will take to promote access and inclusion in response to:

1

**developing positive community
ATTITUDES AND BEHAVIOURS**

2

**creating
LIVEABLE COMMUNITIES**

3

**supporting access to
MEANINGFUL EMPLOYMENT**

4

**improving access to services through
SYSTEMS AND PROCESSES**



River Street, Ballina

1. ATTITUDES AND BEHAVIOURS

strategy		action	indicator	responsibility	estimated costs (exclusive of staff time)	time frame	CSP theme/ priority
1.1	Continue to support the role and function of the Ballina Shire Access Reference Group (ARG)	conduct bi-monthly meetings with ARG	meetings held	Strategic and Community Facilities Group	\$ 0 integrated into existing access and inclusion activities	ongoing	 <p>Connected Community (CC)</p> <p>CC 2.3 Assist disadvantaged groups in our community</p>
1.2	Work with community event organisers to ensure that their events are inclusive and accessible	prepare inclusion and access guidelines for cultural and community events	participation rates of people with disability at community events	Strategic and Community Facilities Group	\$ 0 integrated into existing activities	1 year	 <p>Connected Community (CC)</p> <p>CC 2.3 Assist disadvantaged groups in our community</p>
		review Council events and implement strategies to improve access		Events Support Officer			
1.3	Incorporate images of people with disability into plans and corporate documents	Council documents and websites to include people with a disability	images included	Corporate Communications	\$ 0 integrated into existing activities	ongoing	 <p>Connected Community (CC)</p> <p>CC2.2 Create events and activities that promote interaction and education as well as a sense of place</p>
1.4	Increase Council staff awareness of access and inclusion	conduct disability awareness training for staff	training conducted	Risk and Human Resources	\$ 0 integrated into existing training program	ongoing	 <p>Connected Community (CC)</p> <p>CC2.3 Assist disadvantaged groups in our community</p>
1.5	Promote inclusion and recognise the contribution of people with disabilities	ensure that our systems and services meet the needs of people with disabilities	Council's Access and Inclusion Team to monitor	Strategic and Community Facilities Group	\$ 0 integrated into existing access and inclusion activities	ongoing	 <p>Connected Community (CC)</p> <p>CC2.3 Assist disadvantaged groups in our community</p>
		utilise quarterly Community Connect publication to highlight the work of Council's Disability Access Reference Group	articles in Community Connect				

2. LIVEABLE COMMUNITIES

strategy		action	indicator	responsibility	estimated costs (exclusive of staff time)	time frame	CSP theme/ priority
2.1	Assess the suitability of existing community facilities	undertake disability access audits of Council's community facilities	audits undertaken	Strategic and Community Facilities Group	\$ 0 integrated into existing access and inclusion activities		 <p>Connected Community (CC)</p> <p>CC 1.3 Monitor the built infrastructure and service delivered to the community to ensure relevant standards are met</p>
2.2	Improve awareness of accessible toilets throughout the shire	implement a program to promote the location of accessible public toilets	accessible toilets listed on Council's website and the national toilet map	Strategic and Community Facilities Group	\$ 0 integrated into existing access and inclusion activities	1 year	
2.3	Maintain a network of Continuous Accessible Paths of Travel (CAPT)	continue to construct CAPT and repair sections as required	additional CAPT constructed all new community amenities to be accessible via CAPT	Civil Services Group	\$ 0 integrated into existing Civil Services works program	ongoing	
2.4	Provide access to streetscapes and community spaces	ensure access and inclusion outcomes are key criteria in all new infrastructure projects	universal accessible open space and streetscapes constructed	Strategic and Community Facilities Group	\$ 0 integrated into existing access and inclusion activities	ongoing	
		develop accessible design guidelines for Ballina Shire	guidelines developed	Civil Services Group		2 years	

3. MEANINGFUL EMPLOYMENT

strategy	action	indicator	responsibility	estimated costs (exclusive of staff time)	time frame	CSP theme/ priority	
3.1	Maintain employment opportunities for people with disabilities	continue to support the employment of the Regional Works Crew	Regional Works Crew maintained	Risk and Human Resources	\$ 0 integrated into existing staffing costs	ongoing	 <p>Connected Community (CC)</p> <p>CC 2.3 Assist disadvantaged groups in our community</p>
3.2	Increase opportunities for people with disabilities to enter the workforce	Implement disability employment audit program	audit completed	Risk and Human Resources	\$ 0 integrated into planed Risk and Human Resources activity	2 years	 <p>Connected Community (CC)</p> <p>CC 2.3 Assist disadvantaged groups in our community</p>  <p>Prosperous Economy (PE)</p> <p>PE 2.2 Enhance transport and other business networks</p>
		register as an employment provider under the NDIS	Ballina Shire Council registered with the NDIS				
3.3	Increase awareness of working with people with a disability	provide access and inclusion training to all new staff	training completed	Risk and Human Resources	\$ 0 integrated into existing training program	2 years	 <p>Connected Community (CC)</p> <p>CC2.3 Assist disadvantaged groups in our community</p>
3.4	Improve opportunities for participation in Council's workforce	ensure recruitment methods provide people with a disability the opportunity to apply for positions	recruitment processes is not discriminatory	Risk and Human Resources	\$ 0 integrated into planed Risk and Human Resources activity	ongoing	 <p>Connected Community (CC)</p> <p>CC2.3 Assist disadvantaged groups in our community</p>

4. SYSTEMS AND PROCESSES

strategy	action	indicator	responsibility	estimated costs (exclusive of staff time)	time frame	CSP theme/ priority
4.1 Council information is accessible to all people regardless of ability	provided training to staff in the creation of accessible documents	Council information is available in a range of formats that meet the needs of people with a disability	Risk and Human Resources	\$ 0 integrated into existing training program	1 year	 Engaged Leadership (EL) EL 1.1 Facilitate and develop strong relationships and partnerships with the community
	audit of Council's website to be compliant with WCAG 2.0 AA	Council documents and websites meet the requirements of the WCAG 2.0 AA				
4.2 People of all abilities have the opportunity to participate in community process	ensure that any new community facilities with meeting rooms incorporate hearing loops	new facilities are equipped with hearing loop systems	Strategic and Community Facilities Group	\$ 0 integrated into the building design process	ongoing	 Engaged Leadership (EL) EL 1.2 Involve our community in the planning and decision making process of Council
4.3 Ensure that Council's community engagement processes are accessible and inclusive	provided training to staff on inclusive community engagement	people with disabilities have the opportunity to participate in community consultations interpreter provided for Council meetings and community consultations upon request	all of Council	\$ 90 per hour of interpreter services	ongoing	 Engaged Leadership (EL) EL 1.2 Involve our community in the planning and decision making process of Council



Monitoring and Evaluation

Ballina Shire Council's Access and Inclusion Team will oversee and monitor the implementation of Council's DIAP. The actions will be integrated into Council's Delivery Program and progress on the plan will be reported each quarter.

The DIAP and its actions will become a permanent agenda item for Council's Access Reference Group (ARG). The ARG will suggest modifications of strategies and actions to ensure the anticipated outcomes are met. Council's Strategic and Community Facilities Group will continue to service the ARG and report on the actions arising out of the DIAP.

Many of the actions in the DIAP are a continuation of the work Council is already doing and will continue to do. Some of the actions listed in the DIAP are not funded and the funds will be subject to Council's annual budget process. When Council constructs new facilities or amenities the needs of people with a disability will become a key consideration in the process.

Council understands it has a legal responsibility to provide services and facilities that do not discriminate against people with a disability. Council will continue to improve access and inclusion to its services and facilities. This DIAP is a demonstration of Council's commitment to continually improving the Ballina Shire community to meet the needs of all residents regardless of ability.



ballina
shire council



appendix 6: capital expenditure to
June 2017

Capital Expenditure - General Fund - Open Spaces - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
								Design / Consent	Commence	Completion	
	Open Spaces and Reserves										
2373	Captain Cook Master Plan	150,000			150,000	0	0	N/A	01-Aug-17	31-Dec-17	Awaiting completion of RSL works at western end of RSL prior to project commencing
2205	Crown Reserves - Improvements	24,000			24,000	29,700	124	N/A	Complete	Complete	Minor projects on crown reserves
2134	Play Equipment - Improvement Program	162,000	28,700		190,700	171,700	90	N/A	Complete	Complete	
2134	Ross Park, Lennox Head	0	15,000		15,000	0	0	N/A	Uncertain	Uncertain	
2373	Pop Denison Master Plan	350,000			350,000	7,500	2	Complete	01-Sep-17	30-Jun-18	Consent issued - waiting for Shaws Bay works program to be confirmed
2205	Sharpes Beach Observation Tower	0		39,800	39,800	1,100	3	30-Sep-17	01-Oct-17	31-Dec-17	
2160	Wollongbar Skate Park	490,000	10,000	(450,000)	50,000	1,000	2	31-Dec-17	01-Feb-18	30-Jun-18	Council has confirmed preferred design
	Sub Total	1,176,000	53,700	(410,200)	819,500	211,000	26				
	Sports Fields										
2356.7777	Ballina Netball Lights	25,000		75,000	100,000	98,100	98	Complete	Complete	Complete	
2171	Kingsford Smith Lights	137,000	25,000	(55,000)	107,000	0	0	Complete	01-Aug-17	31-Dec-17	Design reviewed and updated
2341.777	Megan Crescent Amenities	0	45,000		45,000	45,000	100	Complete	Complete	Complete	
2338.6299.	Wollongbar Sports Fields	625,500	2,590,300	530,000	3,745,800	3,474,200	93	Complete	01-Aug-15	31-Aug-17	Project largely complete
	Sub Total	787,500	2,660,300	550,000	3,997,800	3,617,300	90				
	TOTAL - OPEN SPACES	1,963,500	2,714,000	139,800	4,817,300	3,828,300	79%				

Capital Expenditure - General Fund - Waste Management - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
								Design / Consent	Commence	Completion	
2235.529	Conveyor System and Shed	0	315,000	(300,000)	15,000	0	0	31-Aug-17	01-Sep-17	30-Jun-18	Currently revising the proposed infrastructure for the most effective design.
2225.6487	Resource Recovery	105,000	0	(100,000)	5,000	0	0	31-Aug-17	01-Sep-17	30-Jun-18	Currently developing a screening/sorting load out area for the most effective design.
2225.6495	Stockpile Processing Areas	0	56,000	(56,000)	0	0	100	Complete	01-Sep-17	31-Dec-17	This area was on hold due to the asbestos clean-up.
2225.6496	External Roads	0	47,000	(47,000)	0	0	100	Complete	01-Sep-17	30-Jun-18	Design complete, works to be scheduled to reduce impact during peak periods.
2225.7128	Organics Processing Pad	0	14,000		14,000	0	0	Complete	01-Sep-17	31-Dec-17	Pad remediation to be completed early 2017/18.
	TOTAL - WASTE MANAGEMENT	105,000	432,000	(503,000)	34,000	0	0%				

Capital Expenditure - Environmental and Public Health - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
								Design / Consent	Commence	Completion	
2172.777	Shaws Bay Coastal Zone Management Plan	172,000		223,900	395,900	0	0	Complete	01-Sep-17	30-Jun-18	Additional funding may be needed to complete preferred scope of works
	TOTAL - ENVIRONMENTAL AND PUBLIC HEALTH	172,000	0	223,900	395,900	0	0%				

Capital Expenditure - General Fund - Operations Support - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carried Forward	Approved Variations	Revised Budget	Expended to date	% Expended	Milestone Dates			Status
								Design / Consent	Commence	Completion	
Administration Centre and Depot Facilities											
2102.2287	Depot No. 1 - Improvement Program	137,000	11,200		148,200	38,000	26	Complete	01-Aug-16	31-Dec-17	Five major tasks with two completed to date. Works largely complete
2102.3964	Administration Centre - Air-conditioning and Roof	1,017,000		551,600	1,568,600	1,372,000	87	Complete	01-Jan-17	31-Jul-17	
	Sub Total	1,154,000	11,200	551,600	1,716,800	1,410,000	82				
Community Buildings and Amenities											
2344.8718	Ballina Sports / Leisure Centre - Design and Approval	0	3,000	97,000	100,000	24,900	25	31-Dec-17	01-Jan-18	31-Jan-19	Preparing consultancy briefs for DA and Architect
2342.4404	Ballina Surf Club B and Associated Facilities	625,000	60,500		685,500	2,100	0	Complete	01-Sep-17	31-Dec-17	Contract agreed
2101.536	Ferry Shed (paint / repairs)	34,000			34,000	35,700	105	N/A	Complete	Complete	Nearing completion
2101.536	Lennox Head Community Centre	79,000			79,000	11,200	14	N/A	01-May-17	31-Dec-17	
2101.536	Alstonville Leisure and Entertainment Centre	15,000		(11,300)	3,700	3,700	100	N/A	Complete	Complete	
2101.536	Public Hall - Swift Street	55,000		7,000	62,000	0	0	N/A	Complete	Complete	
2101.536	SES Headquarters	15,000		(15,000)	0	0	100	N/A	Complete	Complete	Complete - costs were charged as expenses
2101.537	Visitor Centre - Homeless Shower Facilities	20,000			20,000	20,000	100	N/A	Complete	Complete	
2345.8697	Lennox Head Surf Club - Design and Approval	0	15,000	35,000	50,000	400	1	Uncertain	Uncertain	Uncertain	Seeking support from the Lennox Head SLSC to advance
2347.3461	Ballina Marine Rescue Centre	0	1,017,000		1,017,000	1,021,100	100	Complete	Complete	Complete	
2207.589	Public Amenities - Pop Denison	151,000			151,000	200	0	Complete	01-Sep-17	31-Dec-17	Awaiting Shaws Bay works
	Sub Total	994,000	1,095,500	112,700	2,202,200	1,119,300	51				
Quarries											
2223	Road Extension	83,000			83,000	4,200	5	Complete	Uncertain	Uncertain	Project being managed by community group
	Sub Total	83,000	0	0	83,000	4,200	5				
Community Facilities and Halls											
2104.6476	Community Centres and Halls	22,000			22,000	8,600	39	N/A	Complete	Complete	Allowance for minor works as required
2342.4404	Wardell Hall	0	1,300		1,300	0	0	N/A	Uncertain	Uncertain	Minor allowance
2105.112	Community Gallery - Expansion Crane Street	0		25,000	25,000	3,600	14	31-Dec-16	Uncertain	Uncertain	Works on hold due to relocation of office staff to building
	Sub Total	22,000	1,300	25,000	48,300	12,200	25				
Swimming Pools											
2220.6478	Ballina and Alstonville Swimming Pools - Refurbishment	11,600,000		(3,509,300)	8,090,700	1,687,000	21	Complete	01-Apr-17	31-Oct-17	Woollams has been confirmed as the approved contractor
	Sub Total	11,600,000	0	(3,509,300)	8,090,700	1,687,000	21				
Plant and Fleet											
2215	Light Vehicles and Heavy Plant (Net)	1,510,300	559,700		2,070,000	1,364,200	66	N/A	01-Jul-16	30-Jun-17	Program on-going
	Sub Total	1,510,300	559,700	0	2,070,000	1,364,200	66				
TOTAL - OPERATIONS SUPPORT		15,363,300	1,667,700	(2,820,000)	14,211,000	5,596,900	39%				

Operational Plan Review
Capital Expenditure - General Fund - Commercial Services Unit - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	New Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
									Design / Consent	Commence	Completion	
Airport												
2351.3963	Miscellaneous Works	78,000				78,000	60,000	77	N/A	Complete	Complete	Allowance for minor works - focus is on terminal expansion Tender accepted for design and consent related works at September 2016 meeting
2351.4188	CAGRO Installation	0		65,000		65,000	65,000	100	N/A	Complete	Complete	
2351.4165	Terminal Expansion	5,400,000	(84,400)	(4,815,600)		500,000	574,400	115	Complete	01-Aug-17	30-Jun-18	
	Sub Total	5,478,000	(84,400)	(4,750,600)	0	643,000	699,400	109				
Camping Ground												
2375	Flat Rock	10,000		10,000		20,000	0	0	N/A	01-Aug-17	31-Dec-17	Allowance for boom gates - Works to be undertaken in 2017/18
	Sub Total	10,000	0	10,000	0	20,000	0	0				
Property - Commercial												
2336.6571	89 Tamar Street - Air-conditioning	0		29,000		29,000	30,200	104	Complete	Complete	Complete	Essential works for air-conditioning due to concerns from office workers
2336.7791	Wigmore Arcade - Refurbishments	0	343,000		35,000	378,000	377,900	100	Complete	Complete	Complete	
2336.7793	Shelly Beach Café - Infrastructure	0		80,000		80,000	28,400	36	N/A	Complete	Complete	
	Sub Total	0	343,000	109,000	35,000	487,000	436,500	90				
Property - Land Development												
2336	54 North Creek Road	1,020,000		50,000		1,070,000	49,700	5	Complete	01-Jun-17	31-Aug-17	Works underway
2323	Russellton Industrial Estate	100,000				100,000	60,400	60	Uncertain	Uncertain	Uncertain	Adjoining land owners have received consent - negotiations continuing
2320	Southern Cross Industrial Estate	0	10,000			10,000	14,600	146	N/A	Complete	Complete	On-going master plan related works
2335	Wollongbar Urban Expansion Area	2,348,000		416,000	(720,000)	2,044,000	622,500	30	Complete	01-Mar-17	31-Dec-17	Expenditure incurred over two financial years - reported to April Finance Committee
	Sub Total	3,468,000	10,000	466,000	(720,000)	3,224,000	747,200	23				
TOTAL - COMMERCIAL SERVICES		8,956,000	268,600	(4,165,600)	(685,000)	4,374,000	1,883,100	43%				

Operational Plan Review
Capital Expenditure - General Fund - Information Services - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	New Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
									Design / Consent	Commence	Completion	
2312.11	Records	5,000				5,000	4,500	90	N/A	Complete	Complete	Funds to be expended on backscanning project commencing in March 2017
2312.7524	Telephone System	65,000				65,000	27,200	42	N/A	01-Mar-17	31-Dec-17	Project funded over two financial years
2312.7912	Computers	21,000				21,000	22,300	106	N/A	Complete	Complete	
2312.7923	IS Mapping Project	12,500				12,500	12,700	102	N/A	Complete	Complete	
TOTAL - INFORMATION SERVICES		103,500	0	0	0	103,500	66,700	64%				

Operational Plan Review
Capital - Water Operations - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
								Design/ Consent	Commence	Completion	
Main Renewals											
7000.3946	Main Renewals - Recurrent Works	400,000		(175,000)	225,000	218,400	97	N/A	Complete	Complete	
7000.4984	Underbore - Ross Lane	40,000			40,000	43,500	109	Complete	Complete	Complete	
	Sub Total	440,000	0	(175,000)	265,000	261,900	99				
Reservoirs											
7001.3851	Reservoir - Ross Lane Land Acquisition	500,000			500,000	0	0	Uncertain	Uncertain	Uncertain	Dependent on land acquisitions from RMS
7001.3947	Reservoirs - Integrity Upgrades	500,000		(400,000)	100,000	91,500	92	N/A	01-Jul-16	30-Jun-18	On-going improvements - work to be carried forward into 2017/18
7001.3948	Reservoir - East Ballina	19,000			19,000	0	0	Complete	01-Jul-17	31-Dec-17	
	Sub Total	1,019,000	0	(400,000)	619,000	91,500	15				
Plant and Miscellaneous											
7008	Water Plant Replacement Program	140,000			140,000	60,300	43	N/A	On-going	On-going	On-going replacement program
7002.3863	Telemetry	106,000			106,000	17,500	17	N/A	On-going	On-going	On-going improvement program
	Sub Total	246,000	0	0	246,000	77,800	32				
7003	Water Pressure Management Zones	234,000		(234,000)	0	0	100	N/A	On-going	On-going	\$234,000 to be carried forward into 2017/18.
Pumping Stations											
7005.3870	Basalt Court	170,000	40,000	(160,000)	50,000	28,500	57	Complete	01-Apr-17	31-Dec-17	\$160,000 to be carried forward into 2017/18.
7005.3899	East Ballina	192,000			192,000	102,400	53	Complete	Complete	Complete	
	Sub Total	362,000	40,000	(160,000)	242,000	130,900	54				
Trunk Mains											
7006.3910	East Ballina - Booster	800,000		(200,000)	600,000	247,700	41	Complete	10-Oct-16	31-Dec-17	Contract let. \$200,000 to be carried forward into 2017/18
	Sub Total	800,000	0	(200,000)	600,000	247,700	41				
Treatment Plant (Marom Creek)											
7007.3938	Secure Yield and Master Planning	150,000		(75,000)	75,000	22,500	30	N/A	On-going	On-going	Consultancy work currently out to tender, will continue into 2017/18
7007.3943	Renewal Works	23,000			23,000	30,100	131	N/A	Complete	Complete	Works undertaken as required during year
	Sub Total	173,000	0	(75,000)	98,000	52,600	54				
Service Connections											
7009.3944	Water Meters - New Connections	206,000			206,000	269,500	131	N/A	Complete	Complete	Works undertaken as required during year
7009.3945	Water Meters - Replacement Connections	54,000			54,000	1,900	4	N/A	Complete	Complete	Works undertaken as required during year
	Sub Total	260,000	0	0	260,000	271,400	104				
	TOTAL - WATER OPERATIONS	3,534,000	40,000	(1,244,000)	2,330,000	1,133,800	49%				

Operational Plan Review
Capital - Wastewater Operations - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
								Design / Consent	Commence	Completion	
Pumping Stations											
7502.4835	Pump Upgrade - Byron Street	1,400,000	531,000	(1,000,000)	931,000	324,600	35	Complete	01-Jan-17	30-Sep-17	Transferred to 2017/18 as awaiting Essential Energy approval
7503.4834	Emergency Storage Program	280,000		(80,000)	200,000	129,300	65	N/A	On-going	On-going	Savings forecast
7503.4838	Skennars Head / Tara Downs - SP3101, SP3102	735,000	(531,000)	(104,000)	100,000	12,100	12	N/A	01-Jul-18	30-Jun-19	Deferred to 2018/19
7503.4842	Well Lining - SP2001	50,000			50,000	0	0	Complete	01-Jul-17	31-Dec-17	
7503.5279	Pump Upgrades - Various	175,000	90,000	85,000	350,000	305,900	87	N/A	On-going	On-going	On-going improvement program
Sub Total - Pumping Stations		2,640,000	90,000	(1,099,000)	1,631,000	771,900	47				
Treatment Plants - Minor Renewals											
7504.3935	Ballina - Manifold	0	60,000		60,000	25,800	43	N/A	Complete	Complete	Complete except for final software. Payment held until complete.
7504.3936	Ballina - Membrane Replacement	125,000	20,000		145,000	285,800	197	N/A	Complete	Complete	
7504.3939	Ballina - DAF Removal	0	5,000		5,000	500	10	N/A	On-going	On-going	
7504.3949	Ballina - Control Valve	0			0	0	100	N/A	On-going	On-going	
7504.3950	Ballina - Various	21,000			21,000	10,100	48	N/A	On-going	On-going	
7509.3956	Lennox - Various	21,000			21,000	25,000	119	N/A	Complete	Complete	
7504.3957	Alstonville - Various	10,000		15,000	25,000	27,000	108	N/A	Complete	Complete	
7504.3958	Wardell - Various	25,000		(15,000)	10,000	500	5	N/A	On-going	On-going	
7509.4949	Alstonville - Scada	103,000			103,000	6,200	6	N/A	01-Jun-17	30-Jun-18	Contract award scheduled for May 2017.
7504.4950	Treatment Plant - Wardell	191,000			191,000	5,400	3	N/A	01-Jun-17	30-Jun-18	Contract award scheduled for May 2017.
7504.4991	Lennox - Decanters	100,000		(100,000)	0	0	100	N/A	01-Jul-17	30-Jun-18	Deferred until 2017/18
Sub Total - Treatment Plants		596,000	85,000	(100,000)	581,000	386,300	66				
7532	Treatment Plant - Alstonville	115,000		(115,000)	0	0	100		01-Jul-18	30-Jun-19	Project postponed to align with Alstonville WWTP Master Plan.
7525	Treatment Plant - Ballina Upgrade	83,000	150,000	30,000	263,000	97,500	37	N/A	On-going	On-going	Post commissioning works.
7531	Treatment Plant - Lennox Head Upgrade	31,000	75,000	(41,600)	64,400	64,400	100	N/A	Complete	Complete	
Trunk Mains											
7507.4920	WUEA Link	155,000		(110,000)	45,000	40,000	89	Complete	01-Oct-17	30-Jun-18	Investigation underway - construction planned for 2017/18
7507.5287	Gravity Main Alstonville	62,000			62,000	42,400	68	Complete	01-Oct-17	30-Jun-18	Investigation underway
Sub Total - Trunk Mains		217,000	0	(110,000)	107,000	82,400	77				
Main Renewals											
7500.5282	Main Renewals	200,000			200,000	93,300	47	N/A	On-going	On-going	
7500.5298	Wastewater Connection Gravity	1,000			1,000	0	0	N/A	On-going	On-going	
7500.5299	Wastewater Connection E One	52,000			52,000	9,000	17	N/A	On-going	On-going	
7500.5303	Low Pressure, Cooper Close	0	10,000		10,000	3,600	36	N/A	Complete	Complete	
Sub Total - Main Renewals		253,000	10,000	0	263,000	105,900	40				
Plant and Miscellaneous											
7510.5283	Telemetry Program	15,000	15,000		30,000	3,400	11	N/A	On-going	On-going	On-going improvement program
7510.5284	Reverse Osmosis Plant / Desalination	975,000	25,000	(700,000)	300,000	358,800	120	N/A	01-May-17	30-Sep-17	Savings forecast and some expenditure to occur during 2017/18
7510.5304	Network Servers Pine Avenue	30,000			30,000	0	0	31-Jan-17	01-Mar-17	30-Jun-17	
7512.4985	Plant Changeovers	290,000	91,000		381,000	87,200	23	N/A	On-going	On-going	On-going replacement program
Sub Total - Miscellaneous		1,310,000	131,000	(700,000)	741,000	449,400	61				
Recycled Water Reuse Program											
7533.3766	Meters / Service Connections	0			0	92,000	100	N/A	On-going	On-going	
7508.4891	Recycled Water Communication	60,000			60,000	3,200	5	N/A	On-going	On-going	
7508.4946	Cross Connection Audits	0			0	5,600	100	N/A	On-going	On-going	
7508.4988	Kings Court - Landscaping	0	179,000	(39,000)	140,000	118,400	85	Complete	Complete	Complete	Savings achieved
7811.4952	Montwood Drive Distribution Mains	575,000		(335,000)	240,000	84,400	35	Complete	Complete	Complete	Savings forecast with project being delivered internally
7811.4953	Recycled Water Hydrant Installation	30,000			30,000	13,200	44	N/A	Complete	Complete	
7811.5277	Recycled Water Alstonville	10,000			10,000	15,900	159	N/A	Complete	Complete	
7811.5278	Reservoir Access Upgrades	65,000			65,000	96,200	148	N/A	Complete	Complete	On-going improvements
Sub Total - Re-use - UDR and Open Space		740,000	179,000	(374,000)	545,000	428,900	79				
TOTAL - WASTEWATER		5,985,000	720,000	(2,509,600)	4,195,400	2,386,700	57%				

Capital Expenditure - General Fund - Engineering Works - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
								Design / Consent	Commence	Completion	
Urban Stormwater											
2010.3103	Coogee Street, Ballina	80,000		(25,000)	55,000	39,500	72	N/A	N/A	N/A	Trades Services Section currently investigating electrical upgrade requirements
2010.3104	Coast Road	0		41,000	41,000	34,000	83	Complete	Complete	Complete	
2010.3130	Grant Street, Ballina	36,000	115,200		151,200	2,800	2	Complete	01-May-17	31-Jul-17	Works coordinated with Grant Street road reconstruction
2010.3136	Stormwater Asset Data Collection	60,000		(45,000)	15,000	14,900	99	N/A	Complete	Complete	
2010.4013	River Street - Edge Drains	0	14,000	(14,000)	0	0	100	N/A	N/A	N/A	
2010.4014	Kerr Street - Edge Drains	0	34,000	(34,000)	0	0	100	N/A	N/A	N/A	
2010.3134	Megan Crescent / Dodge Lane	50,000			50,000	6,700	13	Complete	01-Apr-17	31-Aug-17	Works to be coordinated with wastewater pumping station capital works
2010.3135	Stormwater Management Plan	21,000		(21,000)	0	400	100	N/A	N/A	N/A	
2010.4025	Rutherford Street and Tresise Place	10,000			10,000	3,700	37	N/A	Complete	Complete	Investigations commenced and initial repairs completed
2010.4026	Kerr Street	70,000		(70,000)	0	0	100	N/A	N/A	N/A	
2010.4027	Burns Point Ferry Road (Tidal Gates)	50,000			50,000	25,000	50	N/A	Complete	Complete	Investigations commenced and initial repairs completed
2161	Martin Street, Ballina (River to Fawcett Streets)	0	16,000	(16,000)	0	0	100	N/A	N/A	N/A	
2162	Tanamera Drive, Alstonville	41,000	35,600	(21,400)	55,200	56,300	102	Complete	Complete	Complete	
2128	Urban Lane Improvements	20,000		(20,000)	0	0	100	N/A	N/A	N/A	
	Sub Total	438,000	214,800	(225,400)	427,400	183,300	43				
Urban Roads											
WO390	Airport Boulevard	0	21,500	14,300	35,800	34,800	97	31-Aug-17	01-Jan-18	31-Dec-18	Planning application expenditure along with costs for National Stronger Regions grant
2074	Alstonville Bypass	20,000			20,000	0	0	N/A	N/A	N/A	Not required
2354	Angels Beach Drive / Links Avenue Roundabout	0		1,000,000	1,000,000	784,500	78	Complete	Complete	Complete	
2093	Angels Beach Drive	172,000		2,500	174,500	0	0	Complete	Complete	Complete	Coordinated with Angels Beach Drive roundabout
WO536	Ballina Bypass	633,000		(525,000)	108,000	70,700	65	N/A	Complete	Complete	
2027	Ballina Heights Drive	0	268,600		268,600	6,300	2	N/A	Uncertain	Uncertain	Contractual dispute
WO503	Fawcett Lane, Ballina	74,100			74,100	0	0	N/A	01-Aug-17	31-Aug-17	
WO509	Fenwick Drive, Ballina	286,000			286,000	145,800	51	Complete	Complete	Complete	
WO381	Grant Street, Ballina	0	20,500		20,500	0	0	Complete	01-May-17	31-Jul-17	Work to be undertaken with Grant Street stormwater project
WO491	Hickey Place, Ballina	107,000		(40,000)	67,000	67,000	100	Complete	Complete	Complete	
WO389	Hutley Drive	0		70,000	70,000	42,100	60	Complete	Uncertain	Uncertain	Council has resolved to apply for Building Better Regions grant to finance project
	Hutley Drive - Section 94 Elevation			239,900	239,900	0		Complete	Complete	Complete	Works related to developer infrastructure
WO441	Lake Ainsworth Precinct - Eastern Precinct	0	850,900	(35,000)	815,900	20,200	2	Uncertain	Uncertain	Uncertain	Preparation of Part 4 consent application in progress
WO	Lake Ainsworth Precinct - Southern Precinct	0		730,000	730,000	0	0	Uncertain	Uncertain	Uncertain	Preparation of Part 4 consent application in progress
WO480	North Creek Road, Lennox Head (Deviation)	0	33,500		33,500	5,800	17	31-Mar-17	Uncertain	Uncertain	New approval needed for realignment of northern end of Hutley Drive
2091	River Street / Moon Street Roundabout	0		12,000	12,000	11,600	97	N/A	Complete	Complete	
WO510	Shelly Beach Road, Ballina	176,000		62,000	238,000	238,000	100	Complete	Complete	Complete	
WO541	Skennars Head Road / Coast Road R'about	1,997,100			1,997,100	1,446,200	72	Complete	01-Feb-17	31-Jul-17	
WO505	Skennars Head Road	367,000		(51,000)	316,000	321,500	102	N/A	Complete	Complete	
WO507	Skinner Street, Ballina (Segment 20)	172,000		(172,000)	0	0	100	N/A	N/A	N/A	Funds from this project needed for contaminated soil identified in segment 10 below
WO506	Skinner Street, Ballina (Segment 10)	140,000		342,000	482,000	482,000	100	N/A	Complete	Complete	Contaminated soil identified and significant extra funds required for management/disposal
2140	Southern Cross Drive	0	0	80,000	80,000	80,400	101	N/A	Complete	Complete	
WO508	Sunnybank Drive, Ballina	313,000		(106,000)	207,000	0	0	N/A	01-Jun-17	31-Jul-17	
WO511	Swift Street, Ballina	114,000		(114,000)	0	0	100	N/A	Uncertain	Uncertain	Defer due to Ballina Coast High School construction
WO146	Urban Roads Heavy Patching	329,000			329,000	212,600	65	N/A	Complete	Complete	
WO145	Urban Roads Reseals	312,000			312,000	275,500	88	N/A	Complete	Complete	
	Sub Total	5,212,200	1,195,000	1,509,700	7,916,900	4,245,000	54				
Rural Roads											
WO513	Bagotville Road (Segment 15)	289,000		115,000	404,000	404,500	100	N/A	Complete	Complete	
WO512	Bagotville Road (Segment 50)	340,000		(113,000)	227,000	226,400	100	N/A	Complete	Complete	
WO514	Friday Hut Road	392,000		33,000	425,000	425,300	100	N/A	Complete	Complete	
2144	Howards Road Realignment	0	26,500		26,500	11,800	45	N/A	Complete	Complete	
WO515	Marom Creek Devils Elbow	360,000			360,000	30,300	8	N/A	01-Jun-17	31-Jul-17	Works to be completed during 2017/18 based on current program
WO516	Nashua Road	488,000			488,000	545,400	112	N/A	Complete	Complete	
WO460	Natural Disaster Funding	0			0	1,200	100	N/A	Complete	Complete	
	River Drive	468,000			468,000	2,100	0	N/A	N/A	N/A	Works only to proceed if \$1,011,000 in Roads to Recovery monies confirmed
	Riverbank Road	310,000			310,000	2,200	1	N/A	N/A	N/A	Works only to proceed if \$1,011,000 in Roads to Recovery monies confirmed
WO542	Ross Lane - Straightening	787,100			787,100	795,000	101	N/A	Complete	Complete	
WO538	Ross Lane / Coast Road - Roundabout	930,000			930,000	68,200	7	31-Aug-17	01-Sep-17	31-Dec-17	RMS funded project over two years - to be completed 2017/18
WO150	Rural Roads Heavy Patching	168,000			168,000	133,800	80	N/A	Complete	Complete	
WO149	Rural Roads Reseals	302,000			302,000	291,900	97	N/A	Complete	Complete	
WO148	Section 94 Reseals and Overlays	196,000		244,900	440,900	431,400	98	N/A	Complete	Complete	
WO432	Teven Road - Black Spot Program	0	21,600		21,600	21,600	100	N/A	Complete	Complete	
WO388	Teven Road	233,000	211,900		444,900	188,000	42	N/A	Complete	Complete	The \$233,000 is only to proceed if \$1,011,000 in Roads to Recovery money confirmed
	Sub Total	5,263,100	260,000	279,900	5,803,000	3,579,100	62				

Capital Expenditure - General Fund - Engineering Works - 2016/17
30-June-2017

Reference	Project Description	Original Budget	Carry Forwards	Approved Variations	Latest Estimate	Expended to date	% Expended	Milestone Dates			Status
								Design / Consent	Commence	Completion	
Bridges											
WO86	Bridge Various	100,000		(26,000)	73,100	33,600	46	N/A	Uncertain	Uncertain	Investigations to commence regarding Northlakes footbridges
WO550	Canal Bridge Guardrail	0	58,000		58,000	0	0	N/A	01-May-17	30-Jun-17	Project to include rail painting
WO549	Fishery Creek Bridge Guardrail	0	32,000		32,000	11,800	37	N/A	01-May-17	30-Jun-17	Project to include rail painting
WO570	Pearces Creek Bridge Deck	0		19,300	19,300	19,300	100	N/A	Complete	Complete	
WO5569	Uralba Road Bridge Deck	0		17,200	17,200	17,200	100	N/A	Complete	Complete	
WO29	Maguires Bridge - Design	0	54,000		54,000	8,100	15	N/A	01-Sep-15	31-Dec-17	Design and investigation works completed - draft reports under review
	Sub Total	100,000	144,000	9,600	253,600	90,000	35				
Total - Roads and Bridges		10,575,300	1,599,000	1,799,200	13,973,500	7,914,100	57				
RMS											
2077	Regional Roads Reseals	0		164,300	164,300	254,700	155	Complete	Complete	Complete	RMS funded works
	Sub Total	0	0	164,300	164,300	254,700	155				
Ancillary Transport Services											
2334	Car Park - 78 Tamar Street - Public Toilets	0	42,000	(31,600)	10,400	10,400	100	Complete	Complete	Complete	Funds transferred back to Section 94 Car Parking contributions
2359	Car Park - Commercial Road	0		31,400	31,400	400	1	Complete	01-Jun-17	31-Jul-17	Clearing works
2359	Car Park - Missingham Park	150,000		(55,000)	95,000	92,400	97	Complete	Complete	Complete	
2358	Car Park - Wollongbar Pre-school	0	44,000		44,000	36,600	83	Complete	Complete	Complete	
2030	Street Lighting - River Street, Ballina	47,000	6,800		53,800	53,800	100	Complete	Complete	Complete	Requested review of design requirements by Essential Energy
	Sub Total	197,000	92,800	(55,200)	234,600	193,600	83				
Cycleways - Coastal Shared Path and Walk											
1998	Shared Path - Coastal Recreational Path	0	833,100	2,600	835,700	740,000	89	Complete	Complete	Complete	Section 1 complete - revegetation works on-going
2363	Shared Path - Coastal Walk	1,700,000		(1,700,000)	0	0	100	Complete	N/A	N/A	
2353	Shared Path - Skennars Head (West) - Sec 3	0	37,800	(35,000)	2,800	2,800	100	Complete	Complete	Complete	
	Sub Total	1,700,000	870,900	(1,732,400)	838,500	742,800	89				
Footpaths and Cycleways											
WO517	Allens Parade, Lennox Head	55,000		(10,000)	45,000	45,100	100	N/A	Complete	Complete	
WO59	Ballina Street, Lennox Head	0	15,000	2,000	17,000	16,900	99	N/A	Complete	Complete	
WO408	Byron Street, Wardell	0	41,000		41,000	62,700	153	N/A	Complete	Complete	
WO409	Carlisle Street, Wardell	50,000		20,000	70,000	75,600	108	N/A	Complete	Complete	
WO519	Compton Drive, Ballina	40,000	(4,000)		36,000	11,700	33	N/A	01-Aug-17	31-Dec-17	Awaiting final scope of works for Shaws Bay Precinct
WO525	Fox Street, Ballina - Pedestrian Refuge	10,000		(1,000)	9,000	8,800	98	N/A	Complete	Complete	
WO522	Gibbon Street, Lennox Head	40,000		17,000	57,000	57,900	102	N/A	Complete	Complete	Extra scope undertaken to finish path at bus stop and walkway
WO520	Horizon Drive, Ballina	12,000		3,000	15,000	18,300	122	N/A	Complete	Complete	
WO459	Martin Street, Ballina	0	17,500	(10,000)	7,500	0	0	N/A	Complete	Complete	
WO	Miscellaneous	0		55,000	55,000	57,200	104	N/A	Complete	Complete	
WO521	Park Lane, Lennox Head	12,000		(12,000)	0	0	100	N/A	Uncertain	Uncertain	Park Lane refuge unlikely to proceed as inadequate spacing
WO430	River Street, Ballina	0	13,200		13,200	0	0	N/A	Complete	Complete	
WO405	Simpson Avenue, Wollongbar	0		16,000	16,000	16,200	101	N/A	Complete	Complete	
WO523	Simpson Avenue, Wollongbar - Refuge	10,000		(4,000)	6,000	6,300	105	N/A	Complete	Complete	
WO524	Sneaths Road, Wollongbar	58,000		10,000	68,000	68,100	100	N/A	Complete	Complete	
WO407	Tamarind Drive, Ballina	43,000	11,000	15,000	69,000	68,800	100	N/A	Complete	Complete	
2029	Wardell Boardwalk	0	510,500		510,500	499,500	98	N/A	01-Sep-16	31-Jul-17	
	Sub Total	330,000	604,200	101,000	1,035,200	1,013,100	98				
Total - Ancillary Services		2,227,000	1,567,900	(1,686,600)	2,108,300	1,949,500	92				
Water Transport											
2200.3965	East Wardell Pontoon	70,000		22,400	92,400	14,000	15	Complete	01-Sep-17	31-Dec-17	Tender for construction going to July 2017 Ordinary meeting
2200.3966	Captain Cook Park Pontoon	226,000		55,300	281,300	23,300	8	Complete	01-Sep-17	31-Dec-17	Tender for construction going to July 2017 Ordinary meeting
2200.3967	Fishery Creek Pontoon	70,000		17,400	87,400	14,200	16	Complete	01-Sep-17	31-Dec-17	Tender for construction going to July 2017 Ordinary meeting
2200.3968	Faulks Reserve Pontoon	147,000		16,600	163,600	17,900	11	Complete	01-Sep-17	31-Dec-17	Tender for construction going to July 2017 Ordinary meeting
2200.4189	Brunswick Street Boat Ramp	0			0	4,100	100	31-Dec-17	01-Jan-18	30-Jun-18	Concept design postponed due to lower priority
2200.419	Lennox Head North Creek Road Boat Ramp	110,000		25,500	135,500	7,700	6	31-Dec-17	01-Jan-18	30-Jun-18	Concept design postponed due to lower priority
2200.6486	Keith Hall Boat Ramp	300,000		34,400	334,400	26,400	8	Complete	01-Sep-17	31-Dec-17	Tender for construction going to July 2017 Ordinary meeting
2200.6499	Emigrant Creek Access Study	40,000			40,000	0	0	N/A	01-Jul-17	31-Dec-17	Consultant's proposal received and study to commence shortly
	Sub Total	963,000	0	171,600	1,134,600	107,600	9				
TOTAL - ENGINEERING WORKS		14,203,300	3,381,700	223,100	17,808,100	10,409,200	58%				



appendix 7: financial statements to
june 2017

Ballina Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Serving the community of today while
preparing for the challenges of tomorrow



Ballina Shire Council

General Purpose Financial Statements for the year ended 30 June 2017

Contents	Page
1. Statement by Councillors and Management	2
2. Primary Financial Statements:	
– Income Statement	3
– Statement of Comprehensive Income	4
– Statement of Financial Position	5
– Statement of Changes in Equity	6
– Statement of Cash Flows	7
3. Notes to the Financial Statements	8
4. Independent Auditor's Reports:	
– On the Financial Statements (Sect 417 [2])	84
– On the Conduct of the Audit (Sect 417 [3])	87

Overview

- (i) These financial statements are General Purpose Financial Statements and cover the operations for Ballina Shire Council.
- (ii) Ballina Shire Council is a body politic of NSW, Australia – being constituted as a local government area by proclamation and is duly empowered by the *Local Government Act 1993* (LGA).

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

- (iii) All figures presented in these financial statements are presented in Australian currency.
- (iv) These financial statements were authorised for issue by the Council on 26 October 2017. Council has the power to amend and reissue these financial statements.
-

Ballina Shire Council

General Purpose Financial Statements for the year ended 30 June 2017

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and professional pronouncements, and
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements:

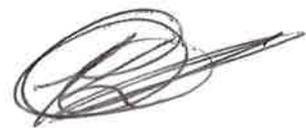
- present fairly the Council's operating result and financial position for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 26 October 2017.



Cr David Wright
Mayor



Councillor Keith Williams
Deputy Mayor



Paul Hickey
General manager



Linda Coulter
Responsible accounting officer

Ballina Shire Council

Income Statement

for the year ended 30 June 2017

Budget ¹ 2017	\$ '000	Notes	Actual 2017	Actual 2016
Income from continuing operations				
<i>Revenue:</i>				
46,395	Rates and annual charges	3a	46,258	43,338
19,974	User charges and fees	3b	21,619	19,943
1,743	Interest and investment revenue	3c	2,260	2,111
4,230	Other revenues	3d	4,134	3,964
9,695	Grants and contributions provided for operating purposes	3e,f	13,608	9,517
17,574	Grants and contributions provided for capital purposes	3e,f	27,029	13,678
<i>Other income:</i>				
1,256	Net gains from the disposal of assets	5	–	–
100,867	Total income from continuing operations		114,908	92,551
Expenses from continuing operations				
21,524	Employee benefits and on-costs	4a	22,308	21,690
5,799	Borrowing costs	4b	5,522	5,949
29,882	Materials and contracts	4c	25,829	25,240
17,162	Depreciation and amortisation	4d	18,956	19,200
–	Impairment	4d	–	636
6,993	Other expenses	4e	7,685	7,518
–	Net losses from the disposal of assets	5	4,712	636
–	Net share of interests in joint ventures and associates using the equity method	19	34	–
81,360	Total expenses from continuing operations		85,046	80,869
19,507	Operating result from continuing operations		29,862	11,682
Discontinued operations				
–	Net profit/(loss) from discontinued operations	24	–	–
19,507	Net operating result for the year		29,862	11,682
19,507	Net operating result attributable to Council		29,862	11,682
–	Net operating result attributable to non-controlling interests		–	–
1,933	Net operating result for the year before grants and contributions provided for capital purposes		2,833	(1,996)

¹ Original budget as approved by Council – refer Note 16

Ballina Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2017

\$ '000	Notes	Actual 2017	Actual 2016
Net operating result for the year (as per Income Statement)		29,862	11,682
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	31,022	9,220
Other movements in reserves	20b (ii)	(436)	–
Total items which will not be reclassified subsequently to the operating result		30,586	9,220
Amounts which will be reclassified subsequently to the operating result when specific conditions are met			
Nil			
Total other comprehensive income for the year		30,586	9,220
Total comprehensive income for the year		60,448	20,902
Total comprehensive income attributable to Council		60,448	20,902
Total comprehensive income attributable to non-controlling interests		–	–

Ballina Shire Council

Statement of Financial Position
as at 30 June 2017

\$ '000	Notes	Actual 2017	Actual 2016
ASSETS			
Current assets			
Cash and cash equivalents	6a	11,989	1,746
Investments	6b	59,896	58,159
Receivables	7	8,310	10,289
Inventories	8	2,420	808
Other	8	341	299
Non-current assets classified as 'held for sale'	22	1,400	–
Total current assets		84,356	71,301
Non-current assets			
Investments	6b	8,022	6,107
Receivables	7	310	361
Inventories	8	1,678	3,026
Infrastructure, property, plant and equipment	9	1,140,730	1,090,742
Investments accounted for using the equity method	19	20	–
Investment property	14	22,025	21,977
Total non-current assets		1,172,785	1,122,213
TOTAL ASSETS		1,257,141	1,193,514
LIABILITIES			
Current liabilities			
Payables	10	8,538	6,300
Income received in advance	10	1,011	803
Borrowings	10	6,219	6,654
Provisions	10	8,091	7,551
Total current liabilities		23,859	21,308
Non-current liabilities			
Borrowings	10	76,078	75,244
Provisions	10	4,319	4,525
Total non-current liabilities		80,397	79,769
TOTAL LIABILITIES		104,256	101,077
Net assets		1,152,885	1,092,437
EQUITY			
Retained earnings	20	675,946	646,084
Revaluation reserves	20	476,939	446,353
Council equity interest		1,152,885	1,092,437
Non-controlling equity interests		–	–
Total equity		1,152,885	1,092,437

Ballina Shire Council

Statement of Changes in Equity
for the year ended 30 June 2017

\$ '000	Notes	2017				2016					
		Retained earnings	Asset revaluation reserve (Refer 20b)	Council interest	Non-controlling interest	Total equity	Retained earnings	Asset revaluation reserve (Refer 20b)	Council interest	Non-controlling interest	Total equity
Opening balance (as per last year's audited accounts)		646,084	446,353	1,092,437	–	1,092,437	634,402	437,133	1,071,535	–	1,071,535
a. Correction of prior period errors	20 (c)	–	–	–	–	–	–	–	–	–	–
b. Changes in accounting policies (prior year effects)	20 (d)	–	–	–	–	–	–	–	–	–	–
Revised opening balance		646,084	446,353	1,092,437	–	1,092,437	634,402	437,133	1,071,535	–	1,071,535
c. Net operating result for the year		29,862	–	29,862	–	29,862	11,682	–	11,682	–	11,682
d. Other comprehensive income											
– Revaluations: IPP&E asset revaluation rsve	20b (ii)	–	31,022	31,022	–	31,022	–	9,220	9,220	–	9,220
– Other reserves movements	20b (ii)	–	(436)	(436)	–	(436)	–	–	–	–	–
Other comprehensive income		–	30,586	30,586	–	30,586	–	9,220	9,220	–	9,220
Total comprehensive income (c&d)		29,862	30,586	60,448	–	60,448	11,682	9,220	20,902	–	20,902
e. Distributions to/(contributions from) non-controlling interests		–	–	–	–	–	–	–	–	–	–
f. Transfers between equity		–	–	–	–	–	–	–	–	–	–
Equity – balance at end of the reporting period		675,946	476,939	1,152,885	–	1,152,885	646,084	446,353	1,092,437	–	1,092,437

Ballina Shire Council

Statement of Cash Flows

for the year ended 30 June 2017

Budget 2017	\$ '000	Notes	Actual 2017	Actual 2016
Cash flows from operating activities				
Receipts:				
46,395	Rates and annual charges		46,468	43,375
19,974	User charges and fees		22,911	20,563
1,743	Investment and interest revenue received		2,259	2,080
25,194	Grants and contributions		23,326	18,712
–	Bonds, deposits and retention amounts received		165	308
4,230	Other		7,971	7,030
Payments:				
(21,524)	Employee benefits and on-costs		(22,147)	(21,782)
(29,882)	Materials and contracts		(28,016)	(27,028)
(5,799)	Borrowing costs		(5,281)	(5,900)
(6,993)	Other		(9,692)	(10,117)
33,338	Net cash provided (or used in) operating activities	11b	37,964	27,241
Cash flows from investing activities				
Receipts:				
4,400	Sale of investment securities		58,159	52,998
5,025	Sale of real estate assets		1,107	1,836
–	Sale of infrastructure, property, plant and equipment		603	803
18	Deferred debtors receipts		21	20
Payments:				
–	Purchase of investment securities		(61,661)	(58,000)
–	Purchase of investment property		(408)	(695)
(50,491)	Purchase of infrastructure, property, plant and equipment		(25,330)	(26,011)
–	Purchase of real estate assets		(611)	(388)
(41,048)	Net cash provided (or used in) investing activities		(28,120)	(29,437)
Cash flows from financing activities				
Receipts:				
12,500	Proceeds from borrowings and advances		6,712	500
Payments:				
(6,654)	Repayment of borrowings and advances		(6,313)	(6,170)
5,846	Net cash flow provided (used in) financing activities		399	(5,670)
(1,864)	Net increase/(decrease) in cash and cash equivalents		10,243	(7,866)
1,746	Plus: cash and cash equivalents – beginning of year	11a	1,746	9,612
(118)	Cash and cash equivalents – end of the year	11a	11,989	1,746
Additional Information:				
	plus: Investments on hand – end of year	6b	67,918	64,266
Total cash, cash equivalents and investments			79,907	66,012

Please refer to Note 11 for additional cash flow information

This statement should be read in conjunction with the accompanying notes.

page 7

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	9
2(a)	Council functions/activities – financial information	23
2(b)	Council functions/activities – component descriptions	24
3	Income from continuing operations	25
4	Expenses from continuing operations	29
5	Gains or losses from the disposal of assets	32
6(a)	Cash and cash equivalent assets	33
6(b)	Investments	33
6(c)	Restricted cash, cash equivalents and investments – details	34
7	Receivables	36
8	Inventories and other assets	37
9(a)	Infrastructure, property, plant and equipment	38
9(b)	Externally restricted infrastructure, property, plant and equipment	39
9(c)	Infrastructure, property, plant and equipment – current year impairments	39
10(a)	Payables, borrowings and provisions	40
10(b)	Description of (and movements in) provisions	41
11	Statement of cash flows – additional information	42
12	Commitments for expenditure	44
13	Statement of performance measures:	
13a	Local government industry indicators (consolidated)	45
13b	Local government industry indicators (by fund)	46
14	Investment properties	48
15	Financial risk management	49
16	Material budget variations	53
17	Statement of developer contributions	55
18	Contingencies and other liabilities/assets not recognised	60
19	Interests in other entities	62
20	Retained earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors	65
21	Financial result and financial position by fund	66
22	'Held for sale' non-current assets and disposal groups	68
23	Events occurring after the reporting date	69 n/a
24	Discontinued operations	69 n/a
25	Intangible assets	69 n/a
26	Reinstatement, rehabilitation and restoration liabilities	70
27	Fair value measurement	72
28	Related party disclosures	83

n/a – not applicable

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the Local Government Act 1993 (NSW) and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not for-profit entity for the purpose of preparing these financial statements.

(i) New and amended standards adopted by Council

AASB 124 Related Party Disclosures was adopted during the year, the impact of this standard had no impact on reporting financial position or performance, however note 28 has been added.

AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 and AASB 11] had no impact on reporting financial position or performance.

(ii) Early adoption of standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.

(iii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

(iv) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in

the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) Estimated fair values of investment properties,
- (ii) Estimated fair values of infrastructure, property, plant and equipment,
- (iii) Estimated remediation provisions,
- (iv) Estimated useful lives of infrastructure, property, plant and equipment.

Significant judgements in applying the Council's accounting policies

- (i) Impairment of Receivables

Council has made a significant judgement about the impairment of a number of its receivables in Note 7.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below.

Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

(i) Rates, annual charges, grants and contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets/contributed assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from contributions is recognised when the Council either obtains control of the contribution or the right to receive it, **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of s94 of the *EPA Act 1979*.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and accordingly would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

A detailed note relating to developer contributions can be found at Note 17.

(ii) User charges and fees

User charges and fees (including parking fees and fines) are recognised as revenue when the service has been provided or when the penalty has been applied, whichever first occurs.

(iii) Sale of infrastructure, property, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

(iv) Interest

Interest income is recognised using the effective interest rate at the date that interest is earned.

(v) Rent

Rental income is accounted for on a straight-line basis over the lease term.

(vi) Other income

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

(c) Principles of consolidation

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General Purpose Operations
- Water Supply
- Wastewater Service

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (NSW) (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of, or in accordance with the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

Trust monies and property held by Council but not subject to the control of Council have been excluded from these reports. A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

(iii) County Councils

Council is a member of Rous County Council, which is a body, incorporated under the *Local Government Act*.

The governing body of the county council is responsible for managing its own affairs.

Council is of the opinion that it neither controls nor significantly influences the above county council and accordingly this entity has not been consolidated or otherwise included within these financial statements.

(iv) Interests in other entities

Subsidiaries

Council has no interest in any subsidiaries.

Joint arrangements

The Council has determined that it has only joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method in accordance with AASB128 Associates and Joint Ventures. Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purpose of the consolidated financial statements.

Detailed information relating to Council's joint ventures can be found at Note 19 (b).

(d) Leases

All leases entered into by Council are reviewed and classified on inception date as either a finance lease or an operating lease.

Finance leases

Council has no finance leases.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(e) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cash-generating purposes (for example infrastructure assets) and would be replaced if the Council was deprived of it, then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill and other intangible assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

(f) Cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

(g) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

(ii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(h) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

be recovered principally through a sale transaction rather than through continuing use.

They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets; assets arising from employee benefits; financial assets; and investment properties that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement. And plant and motor vehicles, which are turned over on a regular basis. Plant and motor vehicles are retained in non-current assets under the classification of infrastructure, property, plant and equipment – unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

(i) Investments and other financial assets

Classification

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; and held-to-maturity investments.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which that are classified as non-current assets.

Loans and receivables are included in other receivables (note 8) and receivables (note 7) in the Statement of Financial Position.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date: the date on which Council commits to purchase or sell the asset.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(i) Assets carried at amortised cost

For loans and receivables the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Council may measure impairment on

the basis of an instrument's fair value using an observable market price.

Collectability of receivables is reviewed on an on-going basis. Debts that are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

Investment Policy

Council has an approved investment policy complying with Section 625 of the Local Government Act 1993 (NSW) and Clause 212 of the Local Government (General) Regulation 2005 (NSW).

Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order. Council maintains an investment policy that complies with the Act and ensures that it, or its representatives, exercise the care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order (the Order) arising from the Cole Inquiry recommendations. Certain investments the Council holds are no longer prescribed; however, they have been retained under grandfathering provisions of the

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Order. These will be disposed of when most financially advantageous to Council.

(j) Fair value estimation – financial instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(k) Infrastructure, property, plant and equipment (I,PPE)

Council's assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Office of Local Government. At reporting date, the following classes of IPPE were stated at their fair value:

Externally valued:

- Operational land
- Buildings – specialised/non-specialised
- Other structures
- Water and wastewater networks
- Swimming pools

Internally valued:

- Community land
- Land improvements
- Roads assets including roads, bridges and footpaths
- Bulk earthworks
- Stormwater drainage

As approximated by depreciated historical cost:

- Plant and equipment

Non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. Council has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

Water and wastewater network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water Rates Reference Manual.

For all other asset classes, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalue the asset to that amount. Full revaluations are undertaken for all assets on a five-year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss.

Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

charged to the income statement during the financial period in which they are incurred.

Depreciation

Land is not depreciated.

Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment

- Office equipment	10 to 20 years
- Office furniture	10 to 20 years
- Computer equipment	3 to 8 years
- Vehicles	3 to 5 years
- Heavy plant/road making equipment	8 to 15 years
- Other plant and equipment	2 to 20 years

Other equipment

- Playground equipment	10 to 20 years
- Benches, seats etc.	10 to 20 years

Buildings

- Buildings: masonry	80 to 100 years
- Buildings: other	30 to 80 years

Water and sewer assets

- Dams and reservoirs	80 to 100 years
- Bores	30 to 40 years
- Reticulation pipes: PVC	80 years
- Reticulation pipes: other	60 to 100 years
- Pumps and telemetry	10 to 40 years

Stormwater assets

- Drains	80 to 100 years
- Culverts	60 to 80 years

Transportation assets

- Sealed roads: surface	10 to 30 years
- Sealed roads: structure	20 to 40 years
- Unsealed roads	100 to 1000 years
- Bridge: concrete	80 to 100 years
- Bridge: other	40 to 80 years
- Road pavements	60 to 100 years
- Kerb, gutter and footpaths	60 to 100 years

Useful lives in excess of 100 years represents the lower sub-base pavement of unsealed roads.

Other infrastructure assets

- Bulk earthworks	1000 years
- Swimming pools	40 to 60 years
- Other open space/ recreational assets	10 to 30 years

Bulk earthworks have been assigned a useful life of 1000 years, where alternatively it would have been infinite, on the basis that realignment may occur at some time.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

(l) Investment property

Investment property, principally comprising freehold office and retail buildings, is held for long-term rental yields and is not occupied by the Council.

Investment property is carried at fair value, representing an in-house valuation based on a discounted cash flow analysis.

Annual changes in the fair value of investment properties are recorded in the income statement as part of 'other income'.

The last full revaluation for Council's investment properties was dated 30 June 2017.

(m) Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(o) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(p) Provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure

required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(q) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Ballina Shire Council

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the Statement of Financial Position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments that arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the 'Local Government Superannuation Scheme – Pool B'.

This scheme has been deemed to be a 'multi-employer fund' for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The last valuation of the scheme was performed by Mr Richard Boyfield (FIAA) on 2 December 2016 and covers the period ended 30 June 2016.

However the position is monitored annually and the actuary has estimated that as at 30 June 2017 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense and disclosed as part of superannuation expenses at Note 4 (a) for the year ending 30 June 2017 was \$ 598,000.

Council's share of that deficiency cannot be accurately calculated as the scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the scheme require immediate payment to correct the deficiency.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(r) Provisions for close down, restoration and for environmental clean-up costs – including tips and quarries

Close down, restoration and remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations that are expected to arise from future disturbance.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, restoration and remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4 (b).

Other movements in the provisions for close down, restoration and remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the reporting date.

These costs are charged to the income statement.

Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwind of the discount, which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example, in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Specific information about Council's provisions relating to close down, restoration and remediation costs can be found at Note 26.

(s) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

(t) Self-insurance

Council does not self-insure.

(u) Intangible assets

Council has not classified any assets as intangible.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(v) Crown reserves

Crown Reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

(w) Rural fire service assets

Under section 119 of the Rural Fire Services Act 1997 (NSW), *"all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed"*.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to exclude the assets, their values and depreciation charges from these financial statements.

(x) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which that are recoverable from, or payable to the taxation authority are presented as operating cash flows.

(y) New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

Council's assessment of the impact of upcoming new standards and interpretations that are likely to have an effect on Council's future financial statements, financial position, financial performance or cash flows are set out below:

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107

This standard amends AASB 107 Statement of Cash Flows to require entities who are preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2017.

There will be no impact on reported financial position or performance, however councils will have to show the changes in liabilities arising from financing activities.

AASB 9 Financial Instruments and Associated Amending Standards

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and has an effective date for reporting periods beginning on or after 1 January 2018 (and must be applied retrospectively).

The overriding impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets and financial liabilities.

These requirements are designed to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories:

- fair value, and
- amortised cost (where financial assets will only be able to be measured at amortised cost when very specific conditions are met).

Council is yet to undertake a detailed assessment of the impact of AASB 9.

AASB16 – Leases

AASB 16 Leases replaces AASB 117 Leases and some associated lease-related Interpretations.

AASB 16 introduces a single lease accounting model (for lessees) that will require all leases to be accounted for on the balance sheet (ie. recognition of both a right-of-use asset and a corresponding lease) for all leases with a term of more than 12 months unless the underlying assets are determined to be of 'low value'. There will also be detailed disclosure requirements for all lessees.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2019.

Council is yet to undertake a detailed assessment of the accounting impacts from AASB 16. However, based on preliminary assessments, impacts from the first time adoption of the standard are likely to include:

- a significant increase in lease assets and financial liabilities recognised on the balance sheet,
- a reduction in reported equity as the carrying amount of lease assets will reduce more quickly than the carrying amount of lease liabilities,
- lower operating cash outflows and higher financing cash flows in the statement of cash flows as principal repayments on all lease liabilities will now be included in financing activities rather than operating activities.

AASB 15 – Revenue from Contracts with Customers and associated amending standards

AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

AASB 15 will introduce a 5-step process for revenue recognition with the core principle of the new standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements, as well as additional disclosures.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2019.

Council is yet to undertake a detailed assessment of the impact of AASB 15.

AASB 1058 Income of NFP Entities

AASB 1058 supersedes all the income recognition requirements relating to councils, previously in AASB 1004 Contribution. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

AASB 1058 applies when a council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the council's objective is principally to enable the asset to further the council's objectives". In cases where the council enters into other transactions, the council recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment). Upon initial recognition of the asset, this Standard requires Council to consider whether any other financial statement elements (called 'related amounts') should be recognised in

Ballina Shire Council

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

accordance with the applicable Accounting Standard, such as:

- (a) contributions by owners;
- (b) revenue, or a contract liability arising from a contract with a customer;
- (c) a lease liability;
- (d) a financial instrument; or
- (e) a provision.

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), the council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised.

Council will recognise income as it satisfies its obligations under the transfer similarly to income recognition in relation to performance obligations under AASB 15.

If the transaction does not enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2019.

Council is yet to undertake a detailed assessment of the impact of AASB 1058.

The changes in revenue recognition requirements in AASB15 may cause changes to the timing and amount of revenue recorded in the financial statements, as well as additional disclosures. All revenue streams, including grant agreements, are currently being reviewed to determine the impact of AASB 1058.

Apart from those listed above, there are no other released standards (with future effective dates) that are expected to have a material impact on Council.

(z) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(aa) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ab) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2(a). Council functions/activities – financial information

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).												
	Income from continuing operations			Expenses from continuing operations			Operating result from continuing operations			Grants included in income from continuing operations		Total assets held (current and non-current)	
	Original budget	Actual	Actual	Original budget	Actual	Actual	Original budget	Actual	Actual	Actual	Actual	Actual	Actual
	2017	2017	2016	2017	2017	2016	2017	2017	2016	2017	2016	2017	2016
Governance	–	–	–	1,613	1,414	1,030	(1,613)	(1,414)	(1,030)	–	–	–	–
Administration	1,443	3,869	3,196	5,431	3,574	2,822	(3,988)	295	374	94	28	37,167	29,131
Public order and safety	409	383	405	1,665	1,431	1,397	(1,256)	(1,048)	(992)	1,257	621	8,852	7,889
Health	281	273	262	822	1,530	1,402	(541)	(1,257)	(1,140)	–	–	1,324	788
Environment	10,056	10,865	11,140	11,001	10,846	12,184	(945)	19	(1,044)	242	211	88,064	87,659
Community services and education	684	244	225	861	1,653	1,625	(177)	(1,409)	(1,400)	7	1	8,383	8,381
Housing and community amenities	155	1,358	1,072	1,163	4,206	3,540	(1,008)	(2,848)	(2,468)	98	98	7,038	6,860
Water supplies	12,389	12,336	11,665	11,131	10,692	10,428	1,258	1,644	1,237	160	157	95,021	84,009
Wastewater services	19,572	18,132	18,215	17,287	17,300	16,669	2,285	832	1,546	159	157	222,049	214,938
Recreation and culture	2,013	2,434	2,290	7,923	9,670	7,792	(5,910)	(7,236)	(5,502)	158	172	175,646	172,475
Mining, manufacturing and construction	1,718	1,549	1,749	2,309	1,165	971	(591)	384	778	–	–	2,634	2,771
Transport and communication	23,307	32,805	15,136	16,445	18,792	18,355	6,862	14,013	(3,219)	871	3,156	568,255	539,223
Economic affairs	4,311	3,339	3,759	3,709	2,739	2,654	602	600	1,105	58	–	42,688	39,390
Total functions and activities	76,338	87,587	69,114	81,360	85,012	80,869	(5,022)	2,575	(11,755)	3,104	4,601	1,257,121	1,193,514
Share of gains/(losses) in associates and joint ventures (using the equity method)	–	–	–	–	34	–	–	(34)	–	–	–	20	–
General purpose income ¹	24,529	27,321	23,437	–	–	–	24,529	27,321	23,437	6,700	4,333	–	–
Operating result from continuing operations	100,867	114,908	92,551	81,360	85,046	80,869	19,507	29,862	11,682	9,804	8,934	1,257,141	1,193,514

1. Includes: rates and annual charges (incl. ex-gratia), untied general purpose grants and unrestricted interest and investment income.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2(b). Council functions/activities – component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance, together with related administration costs.

ADMINISTRATION

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

PUBLIC ORDER AND SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

HEALTH

Inspection, immunisations, food control, health centres, other, administration.

ENVIRONMENT

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

COMMUNITY SERVICES AND EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING AND COMMUNITY AMENITIES

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences, other community amenities.

WATER SUPPLIES

WASTEWATER SERVICES

RECREATION AND CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

MINING, MANUFACTURING AND CONSTRUCTION

Building control, quarries & pits, other.

TRANSPORT AND COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RMS works, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, real estate development, investment properties, private works, other business undertakings.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 3. Income from continuing operations

\$ '000	Notes	Actual 2017	Actual 2016
(a) Rates and annual charges			
Ordinary rates			
Residential		14,245	13,329
Farmland		1,505	1,445
Business		3,772	3,557
Total ordinary rates		19,522	18,331
Special rates			
Nil			
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic waste management services		6,107	5,877
Stormwater management services		375	370
Water supply services		3,370	3,224
Wastewater services		15,093	13,809
Waste management services (non-domestic)		1,791	1,727
Total annual charges		26,736	25,007
TOTAL RATES AND ANNUAL CHARGES		46,258	43,338
Council has used 2014 year valuations provided by the NSW Valuer General in calculating its rates.			
(b) User charges and fees			
Specific user charges (per s.502 – specific 'actual use' charges)			
Water supply services		7,374	6,330
Wastewater services		1,359	1,142
Waste management services (non-domestic)		1,220	1,505
Total user charges		9,953	8,977
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Planning and building regulation		2,425	2,090
Private works – section 67		238	728
Total fees and charges – statutory/regulatory		2,663	2,818
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Aerodrome		5,541	4,847
Cemeteries		453	398
Ferry tolls		484	453
Plant hire		300	352
Quarry revenues		17	253
Swimming centres		435	407
Other		1,773	1,438
Total fees and charges – other		9,003	8,148
TOTAL USER CHARGES AND FEES		21,619	19,943

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Interest and investment revenue (including losses)			
Interest			
– Interest on overdue rates and annual charges (incl. special purpose rates)		64	79
– Interest earned on investments (interest and coupon payment income)		2,046	2,195
Fair value adjustments			
– Fair valuation movements in investments (at fair value or held for trading)		150	(163)
TOTAL INTEREST AND INVESTMENT REVENUE		<u>2,260</u>	<u>2,111</u>
Interest revenue is attributable to:			
Unrestricted investments/financial assets:			
Overdue rates and annual charges (general fund)		64	79
General Council cash and investments		2,196	2,032
Total interest and investment revenue recognised		<u>2,260</u>	<u>2,111</u>
(d) Other revenues			
Rental income – investment properties	14	1,798	1,640
Rental income – other council properties		1,387	1,412
Fines – parking		136	161
Fines – other		136	92
Legal fees recovery – rates and charges (extra charges)		57	66
Commissions and agency fees		36	45
Insurance claim recoveries		308	115
Reassessment of provision for remediation		–	53
Recycling income (non-domestic)		82	40
Miscellaneous sales		73	120
Other		121	220
TOTAL OTHER REVENUE		<u>4,134</u>	<u>3,964</u>

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(e) Grants				
General purpose (untied)				
Financial assistance	4,087	3,831	–	–
Financial assistance grant received in advance	2,108	–	–	–
Pensioners' rates subsidies – general component	355	350	–	–
Total general purpose	6,550	4,181	–	–
Specific purpose				
Pensioners' rates subsidies:				
– Water	160	157	–	–
– Wastewater	159	157	–	–
– Domestic waste management	150	152	–	–
Airport	–	–	–	2,291
Bushfire and emergency services	96	107	–	–
Coastguard tower	–	–	1,017	448
Community centres	–	–	40	–
Library	118	112	–	–
LIRS subsidy	280	317	–	–
NSW rural fire services	104	66	–	–
Street lighting	98	98	–	–
Natural disaster funding	470	414	–	–
Shaws Bay management plan	–	–	95	–
Observation tower	–	–	40	–
Other	306	280	121	154
Total specific purpose	1,941	1,860	1,313	2,893
Total grants	8,491	6,041	1,313	2,893
Grant revenue is attributable to:				
– Commonwealth funding	6,195	3,836	637	–
– State funding	2,221	2,082	676	2,893
– Other funding	75	123	–	–
	8,491	6,041	1,313	2,893

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(f) Contributions				
Developer contributions:				
(s93 & s94 – EP&A Act, s64 of the LGA):				
S 94 – contributions towards amenities/services	–	–	2,420	2,226
S 64 – water supply contributions	–	–	469	838
S 64 – wastewater service contributions	–	–	737	1,724
Total developer contributions	–	–	3,626	4,788
Other contributions:				
Dedications (other than by S94)	–	–	1,443	2,869
Employment and training studies	313	345	–	–
Management plans and studies	227	84	–	–
Roadworks	1,563	1,713	–	6
RMS contributions (regional roads, block grant)	2,544	900	20,620	3,122
Wastewater (excl. section 64 contributions)	–	–	27	–
Other	470	434	–	–
Total other contributions	5,117	3,476	22,090	5,997
Total contributions	5,117	3,476	25,716	10,785
TOTAL GRANTS AND CONTRIBUTIONS	13,608	9,517	27,029	13,678

\$ '000	Actual 2017	Actual 2016
---------	----------------	----------------

(g) Unspent grants and contributions**Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:**

Unexpended at the close of the previous reporting period	20,789	20,350
Add: grants and contributions recognised in the current period but not yet spent:	4,381	7,105
Less: grants and contributions recognised in a previous reporting period now spent:	(4,260)	(6,666)
Net increase (decrease) in restricted assets during the period	121	439
Unexpended and held as restricted assets	20,910	20,789
Comprising:		
– Specific purpose unexpended grants	453	1,811
– Developer contributions	20,380	18,798
– Other contributions	77	180
	20,910	20,789

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 4. Expenses from continuing operations

\$ '000	Notes	Actual 2017	Actual 2016
(a) Employee benefits and on-costs			
Salaries and wages		18,057	17,023
Employee leave entitlements (ELE)		3,262	3,466
Superannuation – defined contribution plans		1,647	1,533
Superannuation – defined benefit plans		598	625
Workers' compensation insurance		390	485
Fringe benefit tax (FBT)		17	16
Payroll tax		286	272
Training costs (other than salaries and wages)		262	315
Other		78	78
Total employee costs		24,597	23,813
Less: capitalised costs		(2,289)	(2,123)
TOTAL EMPLOYEE COSTS EXPENSED		22,308	21,690
Number of 'full-time equivalent' employees (FTE) at year end		295	281
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on loans		5,121	5,457
Total interest bearing liability costs expensed		5,121	5,457
(ii) Other borrowing costs			
Unwinding of present value discounts and premiums		401	492
Total other borrowing costs		401	492
TOTAL BORROWING COSTS EXPENSED		5,522	5,949

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Materials and contracts			
Raw materials and consumables		24,249	24,217
Contractor and consultancy costs		226	221
Auditors remuneration ⁽¹⁾		134	139
Legal expenses:			
– Legal expenses: planning and development		327	49
– Legal expenses: other		446	162
Operating leases:			
– Operating lease rentals: minimum lease payments ⁽²⁾		447	452
TOTAL MATERIALS AND CONTRACTS		25,829	25,240
1. Auditor remuneration			
a. During the year, the following fees were incurred for services provided by the Auditor-General:			
(i) Audit and other assurance services			
– Audit and review of financial statements: Auditor-General		71	–
Remuneration for audit and other assurance services		71	–
Total Auditor-General remuneration		71	–
b. During the year, the following fees were incurred for services provided by the other Council's Auditors:			
(i) Audit and other assurance services			
– Audit and review of financial statements (TNR Chartered Accountants)		–	71
– Other services (TNR Chartered Accountants)		–	13
– Internal auditing (Grant Thornton Australia)		63	55
Remuneration for audit and other assurance services		63	139
Total remuneration of other Council's Auditors		63	139
Total Auditor remuneration		134	139
2. Operating lease payments are attributable to:			
Computers		180	186
Motor vehicles		267	266
		447	452

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(d) Depreciation, amortisation and impairment			
Plant and equipment		1,570	1,623
Office equipment		136	136
Furniture and fittings		5	5
Land improvements (depreciable)		771	868
Infrastructure:			
– Buildings		2,775	2,666
– Other structures		614	585
– Roads		5,536	5,859
– Bridges		606	619
– Footpaths		363	423
– Bulk earthworks		4	–
– Stormwater drainage		1,458	1,466
– Water supply network		1,399	1,433
– Sewerage network		3,574	3,375
– Swimming pools		17	16
Future reinstatement costs – tips		124	122
Future reinstatement costs – quarries		4	4
Total depreciation and amortisation costs		18,956	19,200
Impairment			
Other structures		–	636
Total impairment costs		–	636
TOTAL DEPRECIATION AND IMPAIRMENT COSTS EXPENSED		18,956	19,836

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(e) Other expenses			
Advertising		126	144
Bad and doubtful debts		80	20
Bank charges		113	110
– Department of planning levy		221	139
– Emergency services levy (includes FRNSW, SES, and RFS levies)		79	73
– Waste levy		94	375
– Other contributions/levies		209	172
Councillor expenses – mayoral fee		41	40
Councillor expenses – councillors' fees		184	184
Councillors' expenses (incl. mayor) – other (excluding fees above)		46	30
Donations, contributions and assistance to other organisations		2,352	2,543
Electricity and heating		1,470	1,568
Fair value decrements – investment properties	14	360	–
Insurance		1,336	1,331
Street lighting		574	448
Subscriptions and publications		69	67
Telephone and communications		246	210
Other		85	64
<u>TOTAL OTHER EXPENSES</u>		<u>7,685</u>	<u>7,518</u>

Note 5. Gains or losses from the disposal of assets

Property (excl. investment property)			
Proceeds from disposal – property		203	451
Less: carrying amount of property assets sold/written off		(764)	(303)
Net gain/(loss) on disposal		(561)	148
Plant and equipment			
Proceeds from disposal – plant and equipment		400	352
Less: carrying amount of plant and equipment assets sold/written off		(233)	(61)
Net gain/(loss) on disposal		167	291
Infrastructure			
Less: carrying amount of infrastructure assets sold/written off		(4,952)	(2,383)
Net gain/(loss) on disposal		(4,952)	(2,383)
Real estate assets held for sale			
Proceeds from disposal – real estate assets		1,107	1,836
Less: carrying amount of real estate assets sold/written off		(473)	(528)
Net gain/(loss) on disposal		634	1,308
<u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u>		<u>(4,712)</u>	<u>(636)</u>

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 6a. – Cash assets and Note 6b. – investments

\$ '000	Notes	2017	2017	2016	2016
		Actual Current	Actual Non-current	Actual Current	Actual Non-current
Cash and cash equivalents (Note 6a)					
Cash on hand and at bank		2,984	–	1,233	–
Cash-equivalent assets ¹					
– Deposits at call		3,005	–	513	–
– Short-term deposits		6,000	–	–	–
Total cash and cash equivalents		11,989	–	1,746	–
Investments (Note 6b)					
– Long term deposits		56,500	3,000	57,000	2,000
– NCD's, FRN's (with maturities > 3 months)		3,396	5,022	1,159	4,107
Total investments		59,896	8,022	58,159	6,107
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS		71,885	8,022	59,905	6,107

¹ Those investments where time to maturity (from date of purchase) is < 3 mths.

Cash, cash equivalents and investments were classified at year end in accordance with AASB 139 as follows:

a. 'At fair value through the profit and loss'	11,989	–	1,746	–
Investments				
a. 'At fair value through the profit and loss'				
– 'Designated at fair value on initial recognition'	3,396	5,022	1,159	4,107
b. 'Held to maturity'	56,500	3,000	57,000	2,000
Investments	59,896	8,022	58,159	6,107

Refer to Note 27. Fair value measurement for information regarding the fair value of investments held.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 6c. Restricted cash, cash equivalents and investments – details

\$ '000	2017	2017	2016	2016
	Actual Current	Actual Non-current	Actual Current	Actual Non-current
Total cash, cash equivalents and investments	71,885	8,022	59,905	6,107
attributable to:				
External restrictions (refer below)	31,275	8,022	31,667	6,000
Internal restrictions (refer below)	34,639	–	26,458	107
Unrestricted	5,971	–	1,780	–
	71,885	8,022	59,905	6,107

2017 \$ '000	Opening balance	Transfers to restrictions	Transfers from restrictions	Closing balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

Details of restrictions

External restrictions – included in liabilities

Deposits and retentions	1,992	165	–	2,157
Water and wastewater ELE's	660	44	(1)	703
External restrictions – included in liabilities	2,652	209	(1)	2,860

External restrictions – other

Developer contributions – general (A)	5,191	2,529	(1,336)	6,384
Developer contributions – water fund (A)	7,425	685	(509)	7,601
Developer contributions – wastewater fund (A)	6,182	920	(706)	6,395
RMS (formerly RTA) contributions (B)	180	–	(103)	77
Specific purpose unexpended grants (C)	1,811	247	(1,606)	453
Water supplies (D)	3,019	5,872	(733)	8,158
Wastewater services (D)	8,224	4,485	(8,631)	4,078
Domestic waste management (D)	1,384	479	–	1,863
Other	1,599	625	(796)	1,428
External restrictions – other	35,015	15,842	(14,420)	36,437
Total external restrictions	37,667	16,051	(14,421)	39,297

- A Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).
- B RMS contributions which are not yet expended for the provision of services and amenities in accordance with those contributions.
- C Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1 (b))
- D Water, wastewater, domestic waste management (DWM) and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 6c. Restricted cash, cash equivalents and investments – details (continued)

2017 \$ '000	Opening balance	Transfers to restrictions	Transfers from restrictions	Closing balance
Internal restrictions				
Plant and vehicle replacement	1,004	1,256	(1,381)	879
Employees leave entitlement	2,793	220	–	3,013
Carry over works	4,038	1,637	(2,805)	2,870
Bypass maintenance funding	2,324	1,721	(83)	3,962
Cemeteries	247	134	(50)	331
Crown land rentals	117	76	(58)	135
Financial assistance grant in advance	–	2,108	–	2,108
Land development	3,490	3,731	(4,533)	2,688
Landfill and resource management	3,526	878	(1,404)	3,000
Management plans and studies	375	476	(187)	664
Quarries	1,336	23	(321)	1,038
Rental properties refurbishment	1,503	277	(94)	1,686
Road works	870	2,119	(382)	2,607
Strategic studies	412	147	(100)	459
Sports centre	257	1,075	–	1,332
Swimming pools	490	6,059	(1,379)	5,170
Other	3,783	1,924	(3,010)	2,697
Total internal restrictions	26,565	23,861	(15,787)	34,639
TOTAL RESTRICTIONS	64,232	39,912	(30,208)	73,936

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 7. Receivables

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Purpose					
Rates and annual charges		1,460	77	1,660	87
Interest and extra charges		129	55	196	84
User charges and fees		2,559	135	2,400	126
Private works		99	–	365	–
Accrued revenues					
– Interest on investments		570	–	623	–
Airport charges		792	–	760	–
Deferred debtors		18	43	18	64
Government grants and subsidies		1,923	–	2,983	–
Net GST receivable		514	–	822	–
Waste centre fees		37	–	83	–
Other debtors		300	–	408	–
Total		8,401	310	10,318	361
Less: provision for impairment					
User charges and fees		(91)	–	(29)	–
Total provision for impairment – receivables		(91)	–	(29)	–
TOTAL NET RECEIVABLES		8,310	310	10,289	361
Externally restricted receivables					
Water supply					
– Specific purpose grants		6	–	6	–
– Rates and availability charges		300	16	312	17
– Other		1,902	129	1,843	102
Sewerage services					
– Specific purpose grants		6	–	6	–
– Rates and availability charges		390	21	429	23
– Other		892	106	869	117
Domestic waste management		221	12	269	14
Stormwater management		10	1	13	1
Total external restrictions		3,727	285	3,748	273
Internally restricted receivables					
Nil					
Unrestricted receivables		4,583	25	6,541	88
TOTAL NET RECEIVABLES		8,310	310	10,289	361

Notes on debtors above:

- (i) Rates and annual charges outstanding are secured against the property.
- (ii) Doubtful rates debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates and charges at 8.00% (2016 8.50%).
Generally all other receivables are non-interest bearing.
- (iv) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 8. Inventories and other assets

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
(a) Inventories					
(i) Inventories at cost					
Real estate for resale (refer below)		1,751	1,678	265	3,026
Stores and materials		650	–	522	–
Trading stock		19	–	21	–
Total inventories at cost		2,420	1,678	808	3,026
(ii) Inventories at net realisable value (NRV)					
Nil					
TOTAL INVENTORIES		2,420	1,678	808	3,026
(b) Other assets					
Prepayments		341	–	299	–
TOTAL OTHER ASSETS		341	–	299	–
Externally restricted assets					
There are no restrictions applicable to the above assets.					
Other disclosures					
Details for real estate development					
Residential		890	492	69	958
Industrial/commercial		861	1,186	196	2,068
Total real estate for resale		1,751	1,678	265	3,026
(Valued at the lower of cost and net realisable value)					
Represented by:					
Acquisition costs		–	202	–	202
Development costs		1,751	1,476	265	2,824
Total costs		1,751	1,678	265	3,026
Total real estate for resale		1,751	1,678	265	3,026
Movements:					
Real estate assets at beginning of the year		265	3,026	898	2,533
– Purchases and other costs		–	611	(105)	493
– WDV of sales (expense)	5	(265)	(208)	(528)	–
– Transfer between current/non-current		1,751	(1,751)	–	–
Total real estate for resale		1,751	1,678	265	3,026

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 9a. Infrastructure, property, plant and equipment

Asset class \$ '000	as at 30/6/2016			Asset movements during the reporting period								as at 30/6/2017		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Tfrs from/(to) 'held for sale' category	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	21,248	–	21,248	7,528	8,307	–	–	(12,600)	–	–	–	24,483	–	24,483
Plant and equipment	18,700	11,454	7,246	–	1,973	(233)	(1,570)	121	–	–	–	19,479	11,942	7,537
Office equipment	1,519	1,152	367	–	–	–	(136)	–	–	–	–	1,519	1,288	231
Furniture and fittings	423	389	34	–	–	–	(5)	–	–	–	–	423	394	29
Land:														
– Operational land	43,010	–	43,010	–	–	–	–	–	–	(1,410)	–	41,600	–	41,600
– Community land	110,326	–	110,326	–	–	–	–	–	–	–	–	110,326	–	110,326
– Land under roads (post 30/6/08)	13,247	–	13,247	–	2,055	–	–	–	–	–	–	15,302	–	15,302
Land improvements – non-depreciable	5,190	–	5,190	–	–	–	–	–	–	–	–	5,190	–	5,190
Land improvements – depreciable	15,903	10,805	5,098	–	–	–	(771)	–	–	–	–	15,903	11,576	4,327
Infrastructure:														
– Buildings	110,408	48,181	62,227	979	33	(764)	(2,775)	1,631	–	(210)	2,797	116,044	52,126	63,918
– Other structures	17,978	6,648	11,330	187	113	(114)	(614)	387	51	(216)	512	18,084	6,448	11,636
– Roads	510,669	86,291	424,378	3,732	17,209	(2,460)	(5,536)	6,904	360	–	6,972	546,305	94,746	451,559
– Bridges	48,841	16,737	32,104	40	–	(162)	(606)	–	–	–	516	49,362	17,470	31,892
– Footpaths	27,575	7,211	20,364	181	962	(151)	(363)	1,881	–	–	390	30,915	7,651	23,264
– Bulk earthworks	3,710	–	3,710	–	31	–	(4)	61	247	–	68	4,121	8	4,113
– Stormwater drainage	114,452	42,221	72,231	294	709	(40)	(1,458)	332	59	–	1,169	117,671	44,375	73,296
– Water supply network	111,820	44,693	67,127	319	141	(59)	(1,399)	140	(3,939)	–	9,320	111,388	39,738	71,650
– Wastewater network	245,590	56,024	189,566	501	218	(416)	(3,574)	1,143	3,222	–	9,278	266,410	66,472	199,938
– Swimming pools	1,597	34	1,563	–	–	(1,546)	(17)	–	–	–	–	–	–	–
Reinstatement, rehabilitation and restoration assets (refer Note 26):														
– Tip assets	1,697	1,329	368	–	24	–	(124)	–	–	–	–	1,720	1,452	268
– Quarry assets	835	827	8	–	167	–	(4)	–	–	–	–	1,002	831	171
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	1,424,738	333,996	1,090,742	13,761	31,942	(5,945)	(18,956)	–	–	(1,836)	31,022	1,497,247	356,517	1,140,730

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27. Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 9b. Externally restricted infrastructure, property, plant and equipment

\$ '000	Actual 2017			Actual 2016		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Water supply						
WIP	959	–	959	383	–	383
Plant and equipment	405	166	239	456	260	196
Land						
– Operational land	1,274	–	1,274	1,274	–	1,274
– Community land	1,297	–	1,297	1,297	–	1,297
Buildings and other structures	604	216	388	540	193	347
Other assets	112,760	40,135	72,625	112,718	45,058	67,660
Total water supply	117,299	40,517	76,782	116,668	45,511	71,157
Wastewater services						
WIP	2,994	–	2,994	2,635	–	2,635
Plant and equipment	577	319	258	507	292	215
Land						
– Operational land	2,931	–	2,931	2,931	–	2,931
– Community land	81	–	81	81	–	81
Buildings and other structures	4,407	2,108	2,299	4,189	1,919	2,270
Infrastructure	267,942	66,853	201,089	246,867	56,377	190,490
Total wastewater services	278,932	69,280	209,652	257,210	58,588	198,622
Domestic waste management						
Plant and equipment	2,193	1,667	526	2,193	1,489	704
Total DWM	2,193	1,667	526	2,193	1,489	704
TOTAL RESTRICTED I,PP&E	398,424	111,464	286,960	376,071	105,588	270,483

Note 9c. Infrastructure, property, plant and equipment – current year impairments

\$ '000	Notes	2017	2016
Impairment losses recognised in the Income Statement:			
Writeoff of costs previously capitalised for Biochar Facility		–	(635)
Other		–	(1)
IMPAIRMENT OF ASSETS – GAINS/(LOSSES) in P/L	4(d)	–	(636)

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 10a. Payables, borrowings and provisions

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Payables					
Goods and services		5,646	–	3,680	–
Accrued expenses:					
– Borrowings		224	–	234	–
– Salaries and wages		443	–	326	–
– Other expenditure accruals		68	–	68	–
Security bonds, deposits and retentions		2,157	–	1,992	–
Total payables		8,538	–	6,300	–
Income received in advance					
Payments received in advance		1,011	–	803	–
Total income received in advance		1,011	–	803	–
Borrowings					
Loans – secured ¹		6,219	76,078	6,654	75,244
Total borrowings		6,219	76,078	6,654	75,244
Provisions					
Employee benefits:					
Annual leave		2,234	–	2,060	–
Sick leave		2,265	–	2,233	–
Long service leave		3,592	313	3,258	770
Sub-total – aggregate employee benefits		8,091	313	7,551	770
Asset remediation/restoration (future works)	26	–	4,006	–	3,755
Total provisions		8,091	4,319	7,551	4,525
TOTAL PAYABLES, BORROWINGS AND PROVISIONS		23,859	80,397	21,308	79,769
(i) Liabilities relating to restricted assets					
		2017		2016	
		Current	Non-current	Current	Non-current
Externally restricted assets					
Water		138	13	133	14
Sewer		3,759	56,125	3,565	58,970
Domestic waste management		161	6	178	17
Other		2,860	–	2,652	–
Liabilities relating to externally restricted assets		6,918	56,144	6,528	59,001
Internally restricted assets					
Nil					
Total liabilities relating to restricted assets		6,918	56,144	6,528	59,001
Total liabilities relating to unrestricted assets		16,941	24,253	14,780	20,768
TOTAL PAYABLES, BORROWINGS AND PROVISIONS		23,859	80,397	21,308	79,769

¹ Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 10a. Payables, borrowings and provisions (continued)

\$ '000	Actual 2017	Actual 2016
(ii) Current liabilities not anticipated to be settled within the next twelve months		
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	5,361	5,197
Payables – security bonds, deposits and retentions	1,472	1,045
	<u>6,833</u>	<u>6,242</u>

Note 10b. Description of and movements in provisions

Class of provision	2016		2017			
	Opening balance as at 1/7/16	Additional provisions	Decrease due to payments	Remeasurement effects due to discounting	Unused amounts reversed	Closing balance as at 30/6/17
Annual leave	2,060	1,618	(1,444)	–	–	2,234
Sick leave	2,233	742	(710)	–	–	2,265
Long service leave	4,028	513	(636)	–	–	3,905
Asset remediation	3,755	–	–	251	–	4,006
TOTAL	12,076	2,873	(2,790)	251	–	12,410

- a. Employees leave entitlements and on-costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Asset remediation, reinstatement and restoration provisions represent the present value estimate of future costs Council will incur in order to remove, restore and remediate assets and/or activities as a result of past operations.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 11. Statement of cash flows – additional information

\$ '000	Notes	Actual 2017	Actual 2016
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	11,989	1,746
Balance as per the Statement of Cash Flows		11,989	1,746
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		29,862	11,682
Adjust for non-cash items:			
Depreciation and amortisation		18,956	19,200
Net losses/(gains) on disposal of assets		4,712	636
Non-cash capital grants and contributions		(18,987)	(2,869)
Impairment losses recognition – I,PP&E and assets held for sale		–	636
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Investments classified as ‘at fair value’ or ‘held for trading’		(150)	163
– Investment properties		360	–
– Other		(54)	–
Unwinding of discount rates on reinstatement provisions		251	81
Movement of associates/joint ventures		34	–
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		1,947	(3,185)
Increase/(decrease) in provision for doubtful debts		62	20
Decrease/(increase) in inventories		(126)	(34)
Decrease/(increase) in other assets		(42)	(111)
Increase/(decrease) in payables		576	770
Increase/(decrease) in accrued interest payable		(10)	(32)
Increase/(decrease) in other accrued expenses payable		117	(494)
Increase/(decrease) in other liabilities		373	448
Increase/(decrease) in employee leave entitlements		83	451
Increase/(decrease) in other provisions		–	(121)
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		37,964	27,241

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 11. Statement of cash flows – additional information (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Non-cash investing and financing activities			
Developer 'in kind' dedications		1,443	2,869
Other dedications		17,353	–
Estimated future reinstatement, etc costs		191	–
Total non-cash investing and financing activities		18,987	2,869
(d) Financing arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Loan Facilities		82,297	81,898
Credit cards/purchase cards		545	750
Total financing arrangements		82,842	82,648
Amounts utilised as at balance date:			
– Loan Facilities		82,297	81,898
– Credit cards/purchase cards		8	9
Total financing arrangements utilised		82,305	81,907

1. The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Interest rates on overdrafts are interest rates on loans and other payables are disclosed in Note 15.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Commitments for expenditure

\$ '000	Notes	Actual 2017	Actual 2016
(a) Capital commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Property, plant and equipment			
Buildings and other structures		10,568	2,446
Plant and equipment		490	406
Infrastructure		4,629	858
Inventory			
Real estate for resale		710	–
Investment property			
– Buildings		–	413
Total commitments		16,397	4,123
These expenditures are payable as follows:			
Within the next year		16,397	4,123
Total payable		16,397	4,123
Sources for funding of capital commitments:			
Unrestricted general funds		5,299	4,123
Internally restricted reserves		5,170	–
New loans (to be raised)		5,928	–
Total sources of funding		16,397	4,123

(b) Finance lease commitments

Nil

(c) Operating lease commitments (non-cancellable)**a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:**

Within the next year	439	477
Later than one year and not later than 5 years	699	740
Later than 5 years	18	68
Total non-cancellable operating lease commitments	1,156	1,285

b. Non-cancellable operating leases include the following assets:

Various items of information technology, Plant and equipment.

Contingent rentals may be payable depending on the condition of items or usage during the lease term.

Conditions relating to operating leases:

– All operating lease agreements are secured only against the leased asset.

– No lease agreements impose any financial restrictions on Council regarding future debt etc.

Ballina Shire Council

Notes to the Financial Statements
for the year ended 30 June 2017

Note 13a. Statement of performance measurement – indicators (consolidated)

\$ '000	Amounts 2017	Indicator 2017	Prior periods		Benchmark
			2016	2015	
Local government industry indicators – consolidated					
1. Operating performance ratio					
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	<u>7,789</u>	8.88%	-1.51%	-4.85%	>0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	<u>87,729</u>				
2. Own source operating revenue ratio					
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	<u>74,121</u>	64.59%	74.98%	73.11%	>60.00%
Total continuing operating revenue ⁽¹⁾	<u>114,758</u>				
3. Unrestricted current ratio					
Current assets less all external restrictions ⁽²⁾	<u>49,354</u>	4.88x	4.20x	3.26x	>1.5x
Current liabilities less specific purpose liabilities ^(3, 4)	<u>10,108</u>				
4. Debt service cover ratio					
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	<u>32,267</u>	2.73x	2.03x	1.79x	>2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<u>11,835</u>				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	<u>1,721</u>	3.56%	4.45%	4.77%	<10% Rural
Rates, annual and extra charges collectible	<u>48,406</u>				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	<u>71,489</u>	12.01 mths	10.3 mths	9.7 mths	> 3 mths
Payments from cash flow of operating and financing activities	<u>5,954</u>				

Notes

- (1) Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.
- (2) Refer Notes 6-8 inclusive.
Also excludes any real estate and land for resale not expected to be sold in the next 12 months.
- (3) Refer to Note 10(a).
- (4) Refer to Note 10(a)(ii) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 13b. Statement of performance measurement – indicators (by fund)

\$ '000	General indicators ⁵		Water indicators		Wastewater indicators		Benchmark
	2017	2016	2017	2016	2017	2016	
Local government industry indicators – by fund							
1. Operating performance ratio							
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions							
less operating expenses							
<hr/>							
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	11.39%	-1.33%	10.03%	3.77%	-0.01%	-5.70%	>0.00%
2. Own source operating revenue ratio							
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions							
<hr/>							
Total continuing operating revenue ⁽¹⁾	53.04%	68.48%	95.12%	90.29%	95.05%	86.43%	>60.00%
3. Unrestricted current ratio							
Current assets less all external restrictions ⁽²⁾							
<hr/>							
Current liabilities less specific purpose liabilities ^(3, 4)	4.71x	4.02x	132.47x	78.58x	1.59x	2.85x	>1.5x

Notes

(1) - (4) Refer to Notes at Note 13a(i) above.

(5) General fund refers to all of Council's activities except for its water and wastewater activities which are listed separately.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 13b. Statement of performance measurement – indicators (by fund) (continued)

\$ '000	General indicators ⁵		Water indicators		Wastewater indicators		Benchmark
	2017	2016	2017	2016	2017	2016	
Local government industry indicators – by fund (continued)							
4. Debt service cover ratio							
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation							
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	4.97x	4.93x	0.00x	0.00x	1.02x	0.81x	>2x
5. Rates, annual charges, interest and extra charges outstanding percentage							
Rates, annual and extra charges outstanding	3.26%	4.22%	9.04%	10.10%	2.80%	3.48%	<10% Rural
Rates, annual and extra charges collectible							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits							
Payments from cash flow of operating and financing activities	11.98 months	9.70 months	19.62 months	13.67 months	7.75 months	9.89 months	> 3 months

Notes

(1) Refer to Notes at Note 13a(i) above.

(5) General fund refers to all of Council's activities except for its water and wastewater activities which are listed separately.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 14. Investment properties

\$ '000	Notes	Actual 2017	Actual 2016
(a) Investment properties at fair value			
<u>Investment properties on hand</u>		<u>22,025</u>	<u>21,977</u>
Reconciliation of annual movement:			
Opening balance		21,977	21,282
– Capitalised expenditure – this year		408	454
– Net gain/(loss) from fair value adjustments		(360)	–
– Transfers from/(to) owner occupied (Note 9)		–	241
CLOSING BALANCE – INVESTMENT PROPERTIES		<u>22,025</u>	<u>21,977</u>
(b) Valuation basis			
The basis of valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.			
The valuation was completed as at 30 June 2017 in-house by an experienced and qualified Council employee, Mr Paul Tsikleas, AAPI. The valuations are based on the capitalisation of estimated net rental returns.			
(c) Contractual obligations at reporting date			
Refer to Note 12 for disclosures relating to any capital and service obligations that have been contracted.			
(d) Leasing arrangements – Council as lessor			
Details of leased investment properties are as follows;			
Future minimum lease payments receivable under non-cancellable investment property operating leases not recognised in the financial statements are receivable as follows:			
Within 1 year		1,404	1,707
Later than 1 year but less than 5 years		1,708	2,906
Later than 5 years		–	3
Total minimum lease payments receivable		<u>3,112</u>	<u>4,616</u>
(e) Investment property income and expenditure – summary			
Rental income from investment properties:			
– Minimum lease payments		1,585	1,470
– Outgoings recouped		213	170
Direct operating expenses on investment properties:			
– that generated rental income		(251)	(262)
Net revenue contribution from investment properties		<u>1,547</u>	<u>1,378</u>
plus:			
Fair value movement for year		<u>(360)</u>	<u>–</u>
Total income attributable to investment properties		<u>1,187</u>	<u>1,378</u>

Refer to Note 27. Fair value measurement for information regarding the fair value of investment properties held.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 15. Financial risk management

\$ '000

Risk management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

	Carrying value		Fair value	
	2017	2016	2017	2016
Financial assets				
Cash and cash equivalents	11,989	1,746	11,989	1,746
Investments				
– 'Held for trading'	8,418	5,266	8,418	5,266
– 'Held to maturity'	59,500	59,000	59,500	59,000
Receivables	8,620	10,650	8,620	10,650
Total financial assets	88,527	76,662	88,527	76,662
Financial liabilities				
Payables	8,538	6,300	8,538	6,300
Loans/advances	82,297	81,898	109,548	101,372
Total financial liabilities	90,835	88,198	118,086	107,672

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27. Fair value measurement for information regarding the fair value of financial assets and liabilities.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with agreed parameters based on ratings and product type.

(a) Market risk – price risk and interest rate risk

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2017				
Possible impact of a 10% movement in market values	842	842	(842)	(842)
Possible impact of a 1% movement in interest rates	717	717	(717)	(717)
2016				
Possible impact of a 10% movement in market values	527	527	(527)	(527)
Possible impact of a 1% movement in interest rates	591	591	(591)	(591)

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council receives detailed reports where appropriate.

At reporting date, all amounts receivable were reviewed, and adequate allowance made for amounts considered doubtful.

A profile of Council's receivables credit risk at balance date follows:

	2017 Rates and annual charges	2017 Other receivables	2016 Rates and annual charges	2016 Other receivables
(i) Ageing of receivables – %				
Current (not yet overdue)	61%	87%	55%	96%
Overdue	39%	13%	45%	4%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

(ii) Ageing of receivables – %

Other receivables	Other receivables	Other receivables
Current	87	96
0 – 30 days overdue	5	3
31 – 60 days overdue	4	–
61 – 90 days overdue	1	–
> 91 days overdue	3	1
	<u>100</u>	<u>100</u>

(iii) Movement in provision for impairment of receivables

	2017	2016
Balance at the beginning of the year	29	9
+ new provisions recognised during the year	80	20
– previous impairment losses reversed	(18)	–
Balance at the end of the year	<u>91</u>	<u>29</u>

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity		payable in:		Total cash outflows	Actual carrying values
	≤ 1 Year	1-5 Yrs	> 5 Yrs			
2017						
Trade/other payables	2,157	6,381	–	–	8,538	8,538
Loans and advances	–	11,269	40,239	78,868	130,376	82,297
Total financial liabilities	2,157	17,650	40,239	78,868	138,914	90,835
2016						
Trade/other payables	1,992	4,308	–	–	6,300	6,300
Loans and advances	–	10,797	40,367	80,557	131,721	81,898
Total financial liabilities	1,992	15,105	40,367	80,557	138,021	88,198

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities and interest rate structures. Council also enters into fixed interest borrowings.

The following interest rates were applicable to Council's borrowings at balance date:

	2017		2016	
	Carrying value	Average interest rate	Carrying value	Average interest rate
Trade/other payables	8,538	0.00%	6,300	0.00%
Loans and advances – fixed interest rate	82,297	6.21%	81,898	6.33%
	<u>90,835</u>		<u>88,198</u>	

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 16. Material budget variations

\$ '000

Council's original financial budget for 2016/17 was adopted by the Council on 23 June 2016.

While the Income Statement included in this General Purpose Financial Report must disclose the original budget adopted by Council, the *Local Government Act 1993* requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure **and** more than 1% of total expenses from continuing operations.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2017 Budget	2017 Actual	2017 ----- Variance* -----	
REVENUES				
Rates and annual charges	46,395	46,258	(137)	(0%) U
User charges and fees	19,974	21,619	1,645	8% F
Interest and investment revenue	1,743	2,260	517	30% F
Income from interest on funds invested exceeded forecast primarily because capital expenditure did not occur (from Council funds) to the extent anticipated.				
Other revenues	4,230	4,134	(96)	(2%) U
Operating grants and contributions	9,695	13,608	3,913	40% F
The increase resulted from Council receiving \$2,108,000 (unbudgeted) of their financial assistance grant for 2017/18 in advance.				
Capital grants and contributions	17,574	27,029	9,455	54% F
The significant factor in the increase was the transfer of control of \$17,353,000 (unbudgeted) of highway to Council. This was offset with Council not receiving a \$4,500,000 airport grant, and capital projects not being completed thus the revenue was not able to be recognised in 2016/17.				
It is also the case that Council collected less S94 and S64 developer contributions than was forecast.				
Net gains from disposal of assets	1,256	-	(1,256)	(100%) U
Council budgeted for a net profit from sale of assets of \$1,256,000 from land sales and realised \$634,000 with a lower number of finalised sales than originally anticipated.				
Other profits of \$167,000 (unbudgeted) were realised for sale of plant and equipment.				
These gains were offset by the loss on disposal of \$4,952,000 for infrastructure, \$561,000 for other property and a net loss on disposal of \$4,712,000.				

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 16. Material budget variations (continued)

\$ '000	2017 Budget	2017 Actual	2017 ----- Variance* -----	
EXPENSES				
Employee benefits and on-costs	21,524	22,308	(784)	(4%) U
Borrowing costs	5,799	5,522	277	5% F
Materials and contracts	29,882	25,829	4,053	14% F
Materials and contract costs were significantly below budget. Comparing original budget to end year actuals showed that various expenditures did not occur in the year. Some of the larger projects that impacted this figure were grant funded works such as roads expenditure.				
Depreciation and amortisation	17,162	18,956	(1,794)	(10%) U
Increases in depreciation for assets resulted from capitalisation of infrastructure assets at 30 June 2016, with those assets being depreciated for the first time in 2017.				
Impairment expenses	-	-	-	0% F
Other expenses	6,993	7,685	(692)	(10%) U
Net losses from disposal of assets	-	4,712	(4,712)	0% U
Joint ventures and associates – net losses	-	34	(34)	0% U

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 17. Statement of developer contributions

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	2,859	1,070	–	97	(48)	–	3,978	–
Parking	228	17	–	–	(10)	–	235	–
Open space	549	313	–	25	(75)	(86)	726	2,110
Community facilities	553	311	–	20	(60)	(249)	575	4,839
Community facilities (old)	63	147	–	4	(214)	–	–	–
Heavy vehicles	710	451	–	23	(485)	–	699	–
Wollongbar expansion	229	44	–	7	–	(110)	170	2,226
S94 contributions – under a plan	5,191	2,353	–	176	(892)	(445)	6,383	9,175
Total S94 revenue under plans	5,191	2,353	–	176	(892)	(445)	6,383	9,175
S64 contributions	13,607	1,206	–	399	(1,215)	–	13,997	–
Total contributions	18,798	3,559	–	575	(2,107)	(445)	20,380	9,175

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 17. Statement of developer contributions (continued)

\$ '000

S94 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN – ROADS

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads (2002)	1,005	281	–	34	–	–	1,320	–
Roads (2010)	1,854	789	–	63	(48)	–	2,658	–
Total	2,859	1,070	–	97	(48)	–	3,978	–

CONTRIBUTION PLAN – OPEN SPACE

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Ballina District	432	24	–	15	(7)	–	464	–
Lennox District	57	16	–	2	–	–	75	–
Plateau District	(4)	21	–	–	–	(17)	–	1,178
Wardell District	18	1	–	1	(20)	–	–	–
Regional	–	51	–	–	–	(51)	–	932
West Ballina	46	59	–	7	–	–	112	–
OSR Other	–	141	–	–	(48)	(18)	75	–
	549	313	–	25	(75)	(86)	726	2,110

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 17. Statement of developer contributions (continued)

\$ '000

S94 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN – CAR PARKING

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Ballina	216	6	–	–	(10)	–	212	–
Lennox Head	–	11	–	–	–	–	11	–
Alstonville Village Centre	12	–	–	–	–	–	12	–
Total	228	17	–	–	(10)	–	235	–

CONTRIBUTION PLAN – COMMUNITY FACILITIES (OLD)

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Ballina	9	147	–	1	(157)	–	–	–
Alstonville/Wollongbar	1	–	–	–	(1)	–	–	–
Wardell	53	–	–	3	(56)	–	–	–
Total	63	147	–	4	(214)	–	–	–

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 17. Statement of developer contributions (continued)

\$ '000

S94 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN – COMMUNITY FACILITIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Ballina district	440	47	–	16	(60)	–	443	–
Lennox district	–	23	–	–	–	(23)	–	1,024
Plateau district	103	13	–	4	–	–	120	–
Wardell district	10	2	–	–	–	–	12	–
Regional	–	226	–	–	–	(226)	–	3,815
Total	553	311	–	20	(60)	(249)	575	4,839

CONTRIBUTION PLAN – HEAVY VEHICLES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Shire Wide	710	451	–	23	(485)	–	699	–
Total	710	451	–	23	(485)	–	699	–

CONTRIBUTION PLAN – WOLLONGBAR URBAN EXPANSION AREA

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Link road	117	39	–	4	–	(110)	50	2,226
Transport works	112	5	–	3	–	–	120	–
Total	229	44	–	7	–	(110)	170	2,226

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 17. Statement of developer contributions (continued)

\$ '000

S64 contributions

Section 64 – Water

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Shire Wide	7,425	469	–	216	(509)	–	7,601	–
Total	7,425	469	–	216	(509)	–	7,601	–

Section 64 – Sewer

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Shire Wide	6,182	737	–	183	(706)	–	6,396	–
Total	6,182	737	–	183	(706)	–	6,396	–

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2017 is:

Assets \$1,754.4 million.

Vesting Benefits \$1,775.9 million

The asset coverage of vested benefits is 98.8%

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return 6.5% per annum

Salary inflation plus promotional increases 3.5% p.a

Increase in CPI 2.5% per annum

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers.

LIABILITIES NOT RECOGNISED (continued):

(i) Defined benefit superannuation contribution plans (continued)

The implications are that additional contributions are estimated to remain in place until 30 June 2020 (ie \$840,000 additional contributions remaining).

It is estimated that Council's level of participation in the Scheme compared with other participating Pooled Employers is approximately 0.63%.

(ii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other liabilities (continued)

(ii) S94 plans

Council levies section 94/94A contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

(iii) Contract variation dispute

Contract variation costs totalling approximately \$525,000 are in dispute and have not been recognised as a liability in the financial statements, as the amount expected, if any to be paid, can not be quantified.

ASSETS NOT RECOGNISED:

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

ASSETS NOT RECOGNISED (continued):

(ii) Natural Disaster Claims

In March 2017, the Council experienced a flood event triggered by ex-Tropical Cyclone Debbie which damaged a portion of infrastructure and other

essential public assets. These assets continue to be functional with an immaterial value of assets being impaired.

Council has lodged a claim with the NSW Government for funding under the Natural Disaster Assistance Scheme for \$438,680 to assist with restoring services and damaged infrastructure and other assets. Council anticipates that this funding application will be approved and remaining repairs and remediation works will be conducted in the 2018 financial year.

OTHER CONTINGENCIES

Richmond-Tweed Regional Library

Council, together with other Local Government authorities, originally entered into an agreement to operate a regional library known as Richmond-Tweed Regional Library (RTRL). Annually the Council contributes to the library to fund its activities based upon a prescribed formula.

The RTRL is controlled and administered by the Lismore City Council. In the event that the Council wishes to withdraw from the arrangement, the assets and liabilities of the regional library attributable to Council will be determined either by the members or by the Library Board of New South Wales.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 19. Interests in other entities

\$ '000

Council's objectives can and in some cases are best met through the use of separate entities and operations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of council's (i) interest and (ii) control and the type (form) of entity/operation, as follows;

Controlled entities (subsidiaries)

Note 19(a)

Operational arrangements where Council's control (but not necessarily interest) exceeds 50%.

Joint ventures and associates

Note 19(b)

Joint ventures are operational arrangements where the parties that have joint control have rights to the net assets of the arrangement.

Associates are separate entities where Council has significant influence over the operations (but neither controls nor jointly controls them).

Joint operations

Note 19(c)

Operational arrangements where the parties that have joint control have rights to specific assets and obligations for specific liabilities relating to the arrangement rather than a right to the net assets of the arrangement.

Unconsolidated structured entities

Note 19(d)

Unconsolidated structured entities represent "special vehicles" that Council has an interest in but which are not controlled by Council and therefore not consolidated as a subsidiary, joint arrangement or associate. Attributes of structured entities include restricted activities, a narrow and well-defined objective and insufficient equity to finance its activities without financial support.

Subsidiaries, joint arrangements and associates not recognised

Note 19(e)

Accounting recognition:

(i) Subsidiaries disclosed under Note 19(a) and joint operations disclosed at Note 19(c) are accounted for on a 'line by line' consolidation basis within the Income Statement and Statement of Financial Position.

(ii) Joint ventures and associates as per Note 19(b) are accounted for using the equity accounting method and are disclosed as a 1 line entry in both the Income Statement and Statement of Financial Position.

	Council's share of net income		Council's share of net assets	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Joint ventures	(34)	(31)	20	24
Total	(34)	(31)	20	24

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 19. Interests in other entities (continued)

\$ '000

(a) Controlled entities (subsidiaries) – being entities and operations controlled by Council

Council has no interest in any controlled entities (subsidiaries).

(b) Joint ventures and associates

Council has incorporated the following joint ventures and associates into its consolidated financial statements.

(a) Net carrying amounts – Council's share

Name of entity	Nature of relationship	Measurement method	2017	2016
North East Weight of Loads Group (NEWLOG)	Joint venture	Equity	20	24
Total carrying amounts – material joint ventures and associates			20	24

(b) Details

Name of entity	Principal activity	Place of business
North East Weight of Loads Group (NEWLOG)	Enforcement of load weights carried by heavy vehicles.	Ballina

(c) Relevant interests and fair values

Name of entity	Quoted fair value		Interest in outputs		Interest in ownership		Proportion of voting power	
	2017	2016	2017	2016	2017	2016	2017	2016
North East Weight of Loads Group (NEWLOG)		n/a	13%	13%	13%	13%	13%	11%

(d) Summarised financial information for joint ventures and associates

	North East Weight of Loads Group (NEWLOG)	
	2017	2016
Statement of financial position		
Current assets		
Cash and cash equivalents	203	300
Other current assets	53	49
Non-current assets	113	27
Current liabilities		
Payables	11	4
Provisions	207	191
Net assets	151	181
Reconciliation of the carrying amount		
Opening net assets (1 July)	181	190
Profit/(loss) for the period	(259)	(232)
New Capital Contributions	231	223
Other adjustments to equity	(3)	–
Closing net assets	150	181
Council's share of net assets (%)	13.3%	13.2%
Council's share of net assets (\$)	20	24

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 19. Interests in other entities (continued)

\$ '000

(b) Joint ventures and associates (continued)

(d) Summarised financial information for joint ventures and associates (cont'd)

	North East Weight of Loads Group (NEWLOG)	
	2017	2016
Statement of comprehensive income		
Interest and investment revenue	8	8
Other revenue	40	54
Grants and contributions provided for operating purposes	184	181
Net loss from the disposal of assets	2	–
Employee benefits and on-costs	(358)	(352)
Materials and contracts	(36)	(32)
Depreciation and amortisation	(19)	(19)
Other expenses	(80)	(72)
Profit/(loss) for period	(259)	(232)
Total comprehensive income	(259)	(232)
Share of income – Council (%)	13.3%	13.2%
Profit/(loss) – Council (\$)	(34)	(31)
Total comprehensive income – Council (\$)	(34)	(31)

(c) Joint operations

Council has no interest in any joint operations.

(d) Unconsolidated structured entities

Council has no unconsolidated structured entities.

(e) Subsidiaries, joint arrangements and associates not recognised

All subsidiaries, joint arrangements and associates have been recognised in this financial report.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 20. Retained earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

\$ '000	Notes	Actual 2017	Actual 2016
(a) Retained earnings			
Movements in retained earnings were as follows:			
Balance at beginning of year (from previous years audited accounts)		646,084	634,402
a. Net operating result for the year		29,862	11,682
Balance at end of the reporting period		675,946	646,084
(b) Revaluation reserves			
(i) Reserves are represented by:			
– Infrastructure, property, plant and equipment revaluation reserve		476,939	446,353
Total		476,939	446,353
(ii) Reconciliation of movements in reserves:			
Infrastructure, property, plant and equipment revaluation reserve			
– Opening balance		446,353	437,133
– Revaluations for the year	9(a)	31,022	9,220
– (Impairment of revalued assets)/impairment reversals		(436)	–
– Balance at end of year		476,939	446,353
TOTAL VALUE OF RESERVES		476,939	446,353

(iii) Nature and purpose of reserves**Infrastructure, property, plant and equipment revaluation reserve**

– The infrastructure, property, plant and equipment revaluation reserve is used to record increments/decrements of non-current asset values due to their revaluation.

(c) Correction of error/s relating to a previous reporting period

Council made no correction of errors during the current reporting period.

(d) Voluntary changes in accounting policies

Council made no voluntary changes in any accounting policies during the year.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 21. Financial result and financial position by fund

Income Statement by fund \$ '000	Actual 2017	Actual 2017	Actual 2017
<u>Continuing operations</u>	Water	Wastewater	General ¹
Income from continuing operations			
Rates and annual charges	3,372	15,408	27,478
User charges and fees	8,499	1,338	11,782
Interest and investment revenue	344	493	1,423
Other revenues	–	476	3,658
Grants and contributions provided for operating purposes	160	159	13,289
Grants and contributions provided for capital purposes	469	764	25,796
Other income			
Net gains from disposal of assets	53	–	(53)
Total income from continuing operations	12,897	18,638	83,373
Expenses from continuing operations			
Employee benefits and on-costs	1,920	3,816	16,572
Borrowing costs	–	4,449	1,073
Materials and contracts	1,219	5,265	19,345
Depreciation and amortisation	1,460	3,731	13,765
Impairment	–	–	–
Other expenses	6,550	574	561
Net losses from the disposal of assets	61	402	4,249
Share of interests in joint ventures and associates using the equity method	–	–	34
Total expenses from continuing operations	11,210	18,237	55,599
Operating result from continuing operations	1,687	401	27,774
<u>Discontinued operations</u>			
Net profit/(loss) from discontinued operations	–	–	–
Net operating result for the year	1,687	401	27,774
Net operating result attributable to each council fund	1,687	401	27,774
Net operating result attributable to non-controlling interests	–	–	–
Net operating result for the year before grants and contributions provided for capital purposes	1,218	(363)	1,978

¹ General fund refers to all Council's activities other than Water and Wastewater.

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds.

Ballina Shire Council

Notes to the Financial Statements

as at 30 June 2017

Note 21. Financial result and financial position by fund (continued)

Statement of Financial Position by fund \$ '000	Actual 2017	Actual 2017	Actual 2017
	Water	Wastewater	General ¹
ASSETS			
Current assets			
Cash and cash equivalents	–	–	11,989
Investments	14,303	9,938	35,655
Receivables	2,130	1,288	4,892
Inventories	–	–	2,420
Other	111	–	230
Non-current assets classified as 'held for sale'	–	–	1,400
Total current assets	16,544	11,226	56,586
Non-current assets			
Investments	1,589	1,105	5,328
Receivables	112	127	71
Inventories	–	–	1,678
Infrastructure, property, plant and equipment	76,782	209,652	854,296
Investments accounted for using the equity method	–	–	20
Investment property	–	–	22,025
Total non-current assets	78,483	210,884	883,418
TOTAL ASSETS	95,027	222,110	940,004
LIABILITIES			
Current liabilities			
Payables	18	140	8,380
Income received in advance	–	–	1,011
Borrowings	–	3,096	3,123
Provisions	120	523	7,448
Total current liabilities	138	3,759	19,962
Non-current liabilities			
Payables	–	–	–
Borrowings	–	56,079	19,999
Provisions	13	46	4,260
Total non-current liabilities	13	56,125	24,259
TOTAL LIABILITIES	151	59,884	44,221
Net assets	94,876	162,226	895,783
EQUITY			
Retained earnings	42,124	98,522	535,300
Revaluation reserves	52,752	63,704	360,483
Total equity	94,876	162,226	895,783

¹ General Fund refers to all Council's activities other than Water and Wastewater.

NB. All amounts disclosed above are gross – that is, they include internal receivables and payables between the funds.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 22. 'Held for sale' non-current assets and disposal groups

\$ '000	2017		2016	
	Current	Non-current	Current	Non-current
(i) Non-current assets and disposal group assets				
Non-current assets 'held for sale'				
Land, buildings and other structures	1,400	–	–	–
Total non-current assets 'held for sale'	1,400	–	–	–
Disposal group assets 'held for sale'				
None				
<u>TOTAL NON-CURRENT ASSETS CLASSIFIED AS 'HELD FOR SALE'</u>	<u>1,400</u>	<u>–</u>	<u>–</u>	<u>–</u>

(ii) Details of assets and disposal groups

There is a contract in place for the sale of Russellton tennis courts, finalisation is pending sub-division approval, this should occur in 2018.

(iii) Disposal group liabilities

Nil

\$ '000	Assets 'held for sale'	
	2017	2016
(iv) Reconciliation of non-current assets 'held for sale'		
Opening balance	–	–
Plus new transfers in:		
– Assets 'held for sale'	1,836	–
Less impairment losses:		
– Assets 'held for sale' (losses on reclassification)	(436)	–
Closing balance of 'held for sale' non-current assets and operations	<u>1,400</u>	<u>–</u>

Refer to Note 27. Fair value measurement for fair value measurement information.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 23. Events occurring after the reporting date

\$ '000

Events that occur between the end of the reporting period (30 June 2017) and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements.

Accordingly, the 'authorised for issue' date is 26/10/17.

Events that occur after the reporting period represent one of two types:

(i) Events that provide evidence of conditions that existed at the reporting period

These financial statements (and the figures therein) incorporate all 'adjusting events' that provided evidence of conditions that existed at 30 June 2017.

(ii) Events that provide evidence of conditions that arose after the reporting period

These financial statements (and figures therein) do not incorporate any 'non-adjusting events' that have occurred after 30 June 2017 and which are only indicative of conditions that arose after 30 June 2017.

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

Note 24. Discontinued operations

Council has not classified any of its operations as 'discontinued'.

Note 25. Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Council is unaware of any control over intangible assets that warrant recognition in the financial statements, including either internally generated and developed assets or purchased assets.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 26. Reinstatement, rehabilitation and restoration liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/operation	Estimated year of restoration	NPV of provision	
		2017	2016
Tuckombil quarry remediation	2019	896	780
Stokers quarry remediation	2025	464	393
Southern Cross tip (Ballina) remediation	2020	2,646	2,582
Balance at end of the reporting period		10(a) 4,006	3,755

Under AASB 116 – Property, Plant and Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 – Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in provision for year:

Balance at beginning of year	3,755	3,795
Amounts capitalised to new or existing assets:		
Effect of a change in discount rates used in PV calculations	190	(106)
Effect of a change in other calculation estimates used	–	(15)
Amortisation of discount (expensed to borrowing costs)	61	81
Total – reinstatement, rehabilitation and restoration provision	4,006	3,755

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 26. Reinstatement, rehabilitation and restoration liabilities (continued)

\$ '000

Provisions for close down and restoration and for environmental clean up costs – tips and quarries

Restoration

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

Other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

During the reporting period, Council has also fair value measured the following assets on a non-recurring basis:

- Non-current assets classified as 'held for sale'

The carrying amount of the non-current assets held for sale was higher than its fair value and therefore the assets were written down to fair value.

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2017	Fair value measurement hierarchy			Total
	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Financial assets				
Investments				
– 'Held at fair value through profit or loss'	–	8,418	–	8,418
Total financial assets	–	8,418	–	8,418
Investment properties				
Land and buildings	–	22,025	–	22,025
Total investment properties	–	22,025	–	22,025

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

2017	Fair value measurement hierarchy			Total
	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Infrastructure, property, plant and equipment				
Plant and equipment	–	–	7,537	7,537
Office equipment	–	–	231	231
Furniture and fittings	–	–	29	29
Operational land	–	41,600	–	41,600
Community land	–	–	110,326	110,326
Land under roads	–	–	15,302	15,302
Land improvements – non-depreciable	–	–	5,190	5,190
Land Improvements – depreciable	–	–	4,327	4,327
Buildings – non-specialised	–	6,272	–	6,272
Buildings – specialised	–	–	57,646	57,646
Other structures	–	–	11,636	11,636
Roads	–	–	451,559	451,559
Bridges	–	–	31,892	31,892
Footpaths	–	–	23,264	23,264
Bulk earthworks	–	–	4,113	4,113
Stormwater drainage	–	–	73,296	73,296
Water supply network	–	–	71,650	71,650
Wastewater network	–	–	199,938	199,938
Tip remediation	–	–	268	268
Quarries remediation	–	–	171	171
Total infrastructure, property, plant and equipment	–	47,872	1,068,375	1,116,247
Non-recurring fair value measurements				
Non-current assets classified as ‘held for sale’				
Land, buildings and other structures	–	1,400	–	1,400
Total NCA’s classified as ‘held for sale’	–	1,400	–	1,400
2016				
Recurring fair value measurements				
Financial assets				
Investments				
– ‘Held at fair value through profit or loss’	–	5,266	–	5,266
Total financial assets	–	5,266	–	5,266
Investment properties				
Land and buildings	–	21,977	–	21,977
Total investment properties	–	21,977	–	21,977

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

2016	Fair value measurement hierarchy			Total
	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Infrastructure, property, plant and equipment				
Plant and equipment	–	–	7,246	7,246
Office equipment	–	–	367	367
Furniture and fittings	–	–	34	34
Operational land	–	43,010	–	43,010
Community land	–	–	110,326	110,326
Land under roads	–	–	13,247	13,247
Land improvements – non-depreciable	–	–	5,190	5,190
Land Improvements – depreciable	–	–	5,098	5,098
Buildings – non-specialised	–	6,306	–	6,306
Buildings – specialised	–	–	55,921	55,921
Other structures	–	–	11,330	11,330
Roads	–	–	424,378	424,378
Bridges	–	–	32,104	32,104
Footpaths	–	–	20,364	20,364
Bulk earthworks (non depreciable)	–	–	3,710	3,710
Stormwater drainage	–	–	72,231	72,231
Water supply network	–	–	67,127	67,127
Sewerage network	–	–	189,566	189,566
Swimming pools	–	–	1,563	1,563
Tip remediation	–	–	368	368
Quarries remediation	–	–	8	8
Total infrastructure, property, plant and equipment	–	49,316	1,020,178	1,069,494

(2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. Level 1 inputs) Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The fair valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Operational Land

This asset class comprises all of Council's land classified as Operational land under the NSW Local Government Act 1993.

Council obtains its fair values for operational land from an external valuer every 3 to 5 years (last valuation being 2014) using predominantly Level 2 inputs.

Level 1 and Level 2 inputs were used to value land held in freehold title and those with special use, which are restricted under the zoning objectives. Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration.

The key unobservable inputs to the valuation are the rate per square metre and the description of the land. There has been no change to the valuation process during the reporting period.

Buildings - Non-Specialised

Non-specialised buildings were valued by Scott Fullerton Valuations Pty Ltd in 2014 using the "Market approach" utilising Level 1 and 2 inputs.

The properties fair values have been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

There has been no change to the valuation process during the reporting period.

Investment Property

Council obtains valuations of its investment property on a bi-annual basis and reviews this at the end of each reporting period to ensure the financial statements reflect the most up-to-date valuation. The fair value of the investment property is determined by a qualified valuer who has experience in the location of the properties.

A valuation was completed as at 30 June 2017 in-house by an experienced and qualified Council employee, Mr Paul Tsikleas, AAPI.

The valuations are based on the capitalisation of estimated net rental returns. The key unobservable input to the valuation is the price per square metre and expected rates of return determined by the market.

Plant and Equipment, Office Equipment, Furniture and Fittings

Plant and equipment, office equipment and furniture and fittings are valued at cost but are disclosed at fair value in the notes.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

The carrying value of these assets is assumed to approximate fair value due to the nature of the items.

The key unobservable inputs to the valuation are the remaining useful life and residual value. There has been no change to the valuation process during the reporting period.

Community Land

Council's "Community" land (including owned by Council, the Crown and various other Government Agencies that is managed by Council) by definition is land intended for public access and use or where other restrictions applying to the land create some obligation to maintain public access (such as a trust deed, dedication under section 94 of the Environment Planning and Assessment Act 1979). This gives rise to the restrictions in the Act, intended to preserve the qualities of the land.

The Office of Local Government has determined that community land and controlled Crown land may be valued as follows: The NSW Valuer General's valuations may be used under the revaluation model to represent fair value for land under clause 31 of AASB 116.

Valuations of all Council's Community land and Council controlled land were based on either the land values provided by the Valuer-General or an average unit rate based on the land values for similar properties where the Valuer-General did not provide a land value having regard to the highest and best use for this land. As these rates were not considered to be observable market evidence they have been classified as Level 3.

There has been no change to the valuation process during the reporting period.

Land under Roads

Council has elected to recognise land under roads where the road was acquired on or after 1 July 2008. Land under roads have been valued using the square metre rates applicable for nearby or adjacent Community land having regard to the highest and best use for this land.

There has been no change to the valuation process during the reporting period.

Land Improvements- Depreciable and Non-Depreciable

This asset class comprises land improvements such as spectator mounds, mulched areas, streetscaping and landscaping.

These assets were valued in-house using the cost approach by experienced Council staff. The cost approach has been utilised whereby the replacement cost was estimated for each asset taking into account a range of factors including but not limited to construction rates and industry construction cost benchmarks such as Rawlinson's Australian Construction handbook.

The unobservable Level 3 inputs used include gross replacement cost, asset condition, residual value and remaining useful life.

There has been no change to the valuation process during the reporting period.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

Buildings - Specialised and Other Structures

Specialised buildings and other structures were valued by Scott Fullerton Valuations Pty Ltd in 2014 using the "Cost approach" utilising Level 1, 2 and 3 inputs.

The approach estimated the replacement cost of each building/other structure and componentising of significant parts with different useful lives and taking into account a range of factors. The unit rates could be supported by market evidence (Level 1 and 2 input), other inputs (such as estimates of residual value, useful life and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets have been valued using Level 3 inputs.

There has been no change to the valuation process during the reporting period.

Roads (including Bridges, Footpaths, Bulk Earthworks) and Stormwater Drainage

Roads are valued in-house by suitably qualified engineers and requires extensive professional judgement. All roads and stormwater assets are valued using Level 3 valuation inputs using the "Cost approach". Council staff completed the valuation of these assets internally using replacement cost approach and the last valuation was completed in 2015.

The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres or similar capacity could be supported from market evidence such as recently completed road constructions and industry construction cost data (Level 2), unobservable inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets were classified as having been valued using Level 3 valuation inputs.

During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at Level 2, given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would most likely be valued at Level 3, we have adopted a policy that all road and stormwater assets are deemed be valued at Level 3.

There has been no change to the valuation process during the reporting period.

Water Supply Network and Wastewater Network

Water and wastewater infrastructure assets were valued by APV Valuers & Asset Management in 2017 using the "Cost approach" utilising Level 2 and 3 inputs. The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres or similar capacity could be supported from market evidence such as recently completed constructions and industry construction cost data (Level 2), unobservable inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets were classified as having been valued using Level 3 valuation inputs.

During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at Level 2, given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would most likely be valued at Level 3, we have adopted a policy that all water and wastewater infrastructure assets are deemed be valued at Level 3.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

Tip and Quarries Remediation Assets

It has been recognised that there will be significant costs associated with the closure and post closure management of tip and quarries sites.

Evaluation of costs for tips and quarries closure and post closure management is prepared internally. The key unobservable inputs are the discount rate, cost escalation rate, actual timing of costs and future environmental management requirements.

There has been no change to the valuation process during the reporting period.

Assets Held For Sale

Assets held for sale have been valued based on the price per a conditional sales contract net of costs to sell. Given that the contract is conditional and costs to sell have been approximated it has been deemed to be valued at Level 2.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Plant and Equipment	Office equipment	Furniture and fittings	Community land	Total
Opening balance – 1/7/15	6,671	503	39	110,326	117,539
Transfers from/(to) another asset class	31	–	–	–	31
Purchases (GBV)	2,228	–	–	–	2,228
Disposals (WDV)	(61)	–	–	–	(61)
Depreciation and impairment	(1,623)	(136)	(5)	–	(1,764)
Closing balance – 30/6/16	7,246	367	34	110,326	117,973
Purchases (GBV)	2,094	–	–	–	2,094
Disposals (WDV)	(233)	–	–	–	(233)
Depreciation and impairment	(1,570)	(136)	(5)	–	(1,711)
Closing balance – 30/6/17	7,537	231	29	110,326	118,123

	Land under roads	Land improve- ments	Buildings – specialised	Other structures	Total
Opening balance – 1/7/15	13,085	11,067	55,660	11,064	90,876
Transfers from/(to) another asset class	–	–	–	171	171
Purchases (GBV)	162	88	848	386	1,484
Depreciation and impairment	–	(868)	(2,343)	(585)	(3,796)
Revaluation increments/ (decrements)	–	–	1,756	294	2,050
Closing balance – 30/6/16	13,247	10,287	55,921	11,330	90,785
Transfers from/(to) level 2 FV hierarchy ^{27 4(b)}	–	–	(210)	(216)	(426)
Transfers from/(to) another asset class	–	–	–	51	51
Purchases (GBV)	2,055	–	2,625	687	5,367
Disposals (WDV)	–	–	(764)	(114)	(878)
Depreciation and impairment	–	(771)	(2,438)	(614)	(3,823)
Revaluation increments/ (decrements)	–	–	2,512	512	3,024
Closing balance – 30/6/17	15,302	9,516	57,646	11,636	94,100

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Roads	Bridges	Footpaths	Bulk earthworks	Total
Opening balance – 1/7/15	425,884	32,086	19,855	1,653	479,478
Transfers from/(to) another asset class	(1,516)	433	588	1,952	1,457
Purchases (GBV)	5,321	–	279	84	5,684
Disposals (WDV)	(2,112)	–	(64)	–	(2,176)
Depreciation and impairment	(5,861)	(619)	(423)	–	(6,903)
FV gains – other comprehensive income	2,662	204	129	21	3,016
Closing balance – 30/6/16	424,378	32,104	20,364	3,710	480,556
Transfers from/(to) another asset class	360	–	–	247	607
Purchases (GBV)	27,845	40	3,024	92	31,001
Disposals (WDV)	(2,460)	(162)	(151)	–	(2,773)
Depreciation and impairment	(5,536)	(606)	(363)	(4)	(6,509)
FV gains – other comprehensive income	6,972	516	390	68	7,946
Closing balance – 30/6/17	451,559	31,892	23,264	4,113	510,828
	Stormwater drainage	Water supply network	Wastewater network	Swimming pools	Total
Opening balance – 1/7/15	70,956	64,411	188,549	1,535	325,451
Transfers from/(to) another asset class	1,336	1,949	871	1	4,157
Purchases (GBV)	1,069	1,289	775	–	3,133
Disposals (WDV)	(114)	(64)	(11)	–	(189)
Depreciation and impairment	(1,466)	(1,433)	(3,375)	(16)	(6,290)
FV gains – other comprehensive income	450	975	2,757	43	4,225
Closing balance – 30/6/16	72,231	67,127	189,566	1,563	330,487
Transfers from/(to) another asset class	59	(3,939)	3,222	–	(658)
Purchases (GBV)	1,335	600	1,862	–	3,797
Disposals (WDV)	(40)	(59)	(416)	(1,546)	(2,061)
Depreciation and impairment	(1,458)	(1,399)	(3,574)	(17)	(6,448)
FV gains – other comprehensive income	1,169	9,320	9,278	–	19,767
Closing balance – 30/6/17	73,296	71,650	199,938	–	344,884

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Tip and quarry remediation	Total
Opening balance – 1/7/15	501	501
Depreciation and impairment	(126)	(126)
Closing balance – 30/6/16	<u>375</u>	<u>375</u>
Purchases (GBV)	192	192
Depreciation and impairment	(128)	(128)
Closing balance – 30/6/17	<u>439</u>	<u>439</u>

b. Information relating to the transfers into and out of the level 3 fair valuation hierarchy (as disclosed in the table above) includes:

Transfer out of specialised buildings and other structures relates to the movement of the Russellton tennis courts to non-current assets classified as 'held for sale'. On transfer this asset's valuation methodology was changed, resulting in components of the asset transferring from level 3 to level 2.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs
I,PP&E			
Plant & equipment, office equipment and furniture & fittings	7,797	Cost used to approximate fair value	Gross replacement cost, useful lives and residual value
Community land	110,326	Land values obtained from the NSW Valuer-General	Land value, land area
Land under roads	15,302	Unimproved capital value provided by NSW Valuer-General	Land value, land area
Land improvements	9,517	Cost used to approximate fair value	Asset condition and remaining useful lives
Buildings – specialised	57,646	Cost used to approximate fair value	Asset condition and remaining useful lives
Other structures	11,636	Cost used to approximate fair value	Asset condition and remaining useful lives
Roads	451,559	Unit rates per m2 or length	Asset condition and remaining useful lives
Bridges	31,892	Unit rates per item, m2 or length	Asset condition and remaining useful lives
Footpaths	23,264	Unit rates per m2	Asset condition and remaining useful lives
Bulk earthworks	4,113	Unit rates per m3	Asset condition and remaining useful lives
Stormwater drainage	73,296	Unit rates per item, m2 or length	Asset condition and remaining useful lives
Water supply network	71,650	Unit rates per item, m2 or length	Asset condition and remaining useful lives
Wastewater network	199,938	Unit rates per item, m2 or length	Asset condition and remaining useful lives
Tip and quarries remediation	439	Discounted remediation cost	Discount rate, cost escalation rate and timing of costs

(5). Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Ballina Shire Council

Notes to the Financial Statements

for the year ended 30 June 2017

Note 28. Related party disclosures

\$ '000

a. Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

Compensation:	Actual 2017
Short-term benefits	1,119
Post-employment benefits	105
Other long-term benefits	41
Total	1,265

b. Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

There have been no other material transactions between KMP and Council during the year.

c. Other related party transactions

There have been no material transactions with other related parties and Council.



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Ballina Shire Council

To the Councillors of the Ballina Shire Council

Opinion

I have audited the accompanying financial statements of Ballina Shire Council (the Council), which comprise the statement of financial position as at 30 June 2017, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been presented, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Matter

The financial statements of the Council for the year ended 30 June 2016 were audited by another auditor who expressed an unmodified opinion on that financial statement on 27 October 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar3.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, Note 2(a) and Note 16 budget variation explanations
- on the attached Special Schedules
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in blue ink that reads "Karen Taylor". The signature is written in a cursive, flowing style.

Karen Taylor
Director, Financial Audit Services

26 October 2017
SYDNEY

Cr David Wright
Mayor
Ballina Shire Council
PO Box 450
BALLINA NSW 2478

Contact: Karen Taylor
Phone no: (02) 9275 7311
Our ref: D1727400/1686

26 October 2017

Dear Mr Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2017
Ballina Shire Council**

I have audited the general purpose financial statements of Ballina Shire Council (the Council) for the year ended 30 June 2017 as required by s415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2017 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under section 417(2) of the Act.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

I did not identify any significant audit issues or observations during my audit of the Council's financial statements.

INCOME STATEMENT

Operating result

	2017 \$'000	2016 \$'000	Variance %
Rates and annual charges revenue	46,258	43,338	6.7 ↑
Grants and contributions revenue	40,637	23,195	263.0 ↑
Operating result for the year	29,862	11,682	155.6 ↑
Net operating result before capital amounts	2,833	(1,996)	241.9 ↑

Council's consolidated operating result for the year has increased from \$11.7 million in 2016 to \$29.9 million in 2017. The operating result has increased due to sections of the Hinterland Way (previously the Pacific Highway) being transferred to Council's control when the Pacific Motorway construction was completed. This resulted in a transfer of approximately \$17.3 million of assets being recognised by Council as a capital contribution.

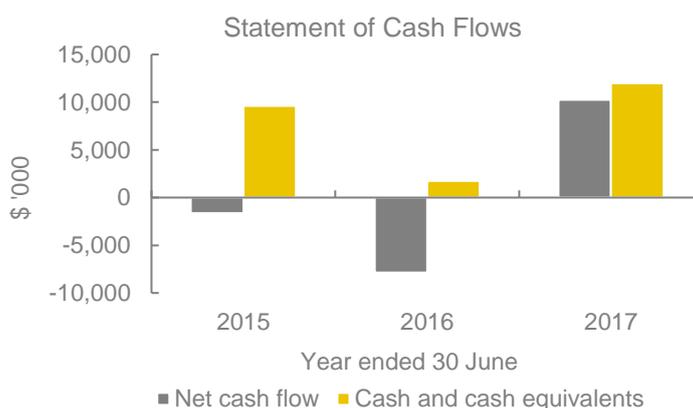
Net operating result before capital items was inflated by the advance payment of the financial assistance grant for 2017-18.

STATEMENT OF CASH FLOWS

The reasons for the increase in cash assets are:

- approximately \$4.6 million in additional grants in 2017 including advance payment of the financial assistance grant for 2017-18.
- special rate variation of 5.34 per cent.

The Statement of Cash Flows illustrates the inflows and outflows of cash during the financial year. The adjacent graph illustrates that cash and cash equivalent assets has increased when compared to prior years.



FINANCIAL POSITION

Cash and Investments

Restricted Cash and Investments	2017	2016	Commentary
	\$'000	\$'000	
External restrictions	39,297	37,667	Externally restricted balances include unexpended specific loans, developer contributions and domestic waste management charges.
Internal restrictions	34,639	26,565	Balances are Internally restricted due to Council policy or decisions for forward plans including works program.
Unrestricted	5,971	1,780	Unrestricted balances provide liquidity for day-to-day operations.
Cash and investments	71,885	59,905	

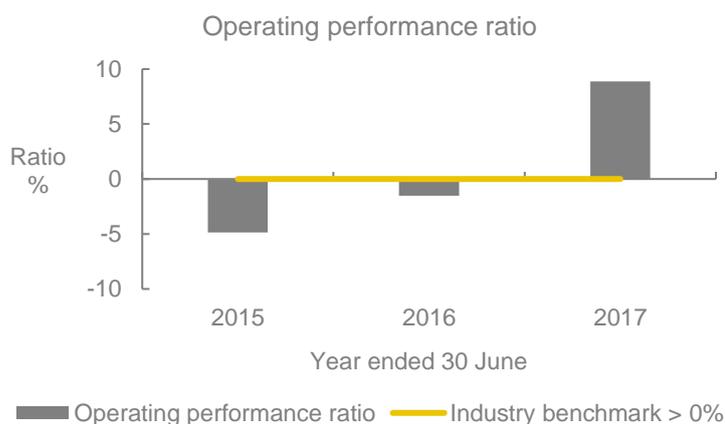
PERFORMANCE RATIOS

The definition of each ratio analysed below (except for the 'building and infrastructure renewals ratio') is included in Note 13 of the Council's audited general purpose financial statements. The 'building and infrastructure renewals ratio' is defined in Council's unaudited Special Schedule 7.

Operating performance ratio

Council's operating performance ratio exceeded the industry benchmark in 2017. This is largely attributable to the advance receipt of \$2.1 million financial assistance grant and an increase of rates and annual charges of \$2.9 million whilst operating expenses have remained comparable to the prior year.

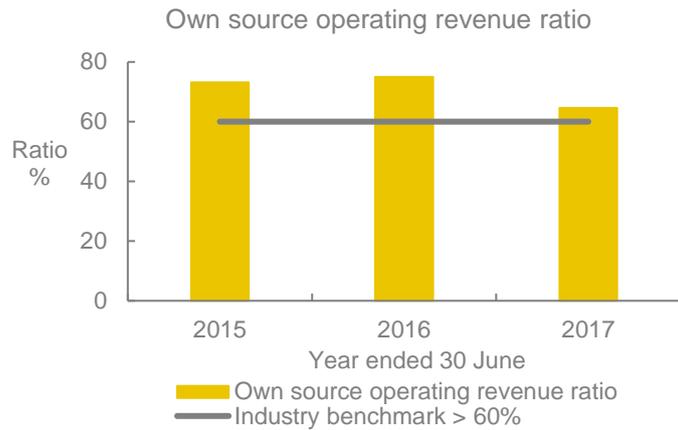
The 'operating performance ratio' measures how well Council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.



Own source operating revenue ratio

Council continues to exceed the industry benchmark showing that revenue streams, such as rental income from investment properties, reduce Council's reliance on government funding. The ratio for the current year has dipped due to recognising the Hinterland Way road infrastructure totalling \$17.3 million as a capital contribution.

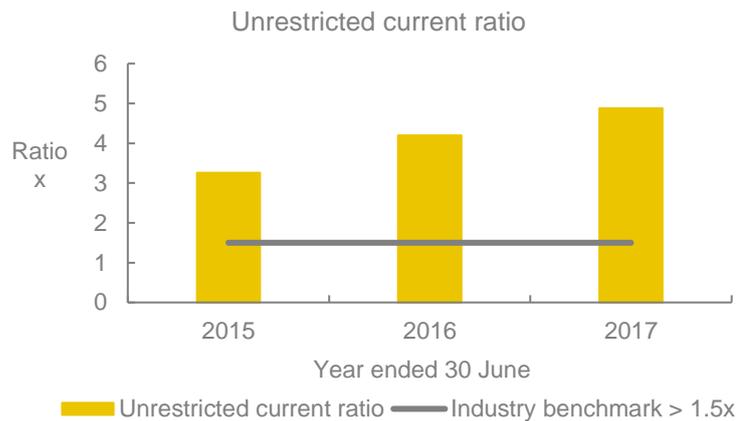
The 'own source operating revenue ratio' measures Council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by the OLG is greater than 60 per cent.



Unrestricted current ratio

Council's unrestricted current ratio continues to be well above the industry benchmark and largely reflects the amount of internally restricted reserves set aside for future works and other expenditure programs. The \$8 million increase is largely due to the advance receipt of the financial assistance grant and \$1.9 million received from the Roads and Maritime Services to fund maintenance on the Hinterland Way assets.

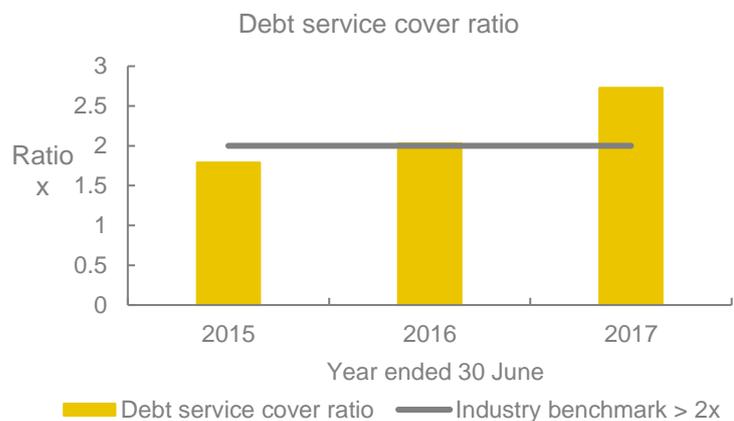
The 'unrestricted current ratio' is specific to local government and represents Council's ability to meet its short-term obligations as they fall due. The benchmark set by the OLG is greater than 1.5 times.



Debt service cover ratio

Council's debt service cover ratio exceeds the industry benchmark. The increase in the ratio is due to the improved operating result (as described above) in the current year whilst debt service levels have remained consistent with the previous year.

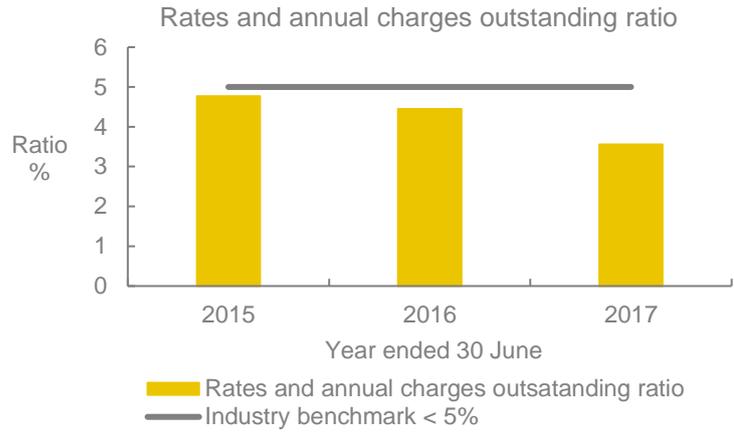
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by the OLG is greater than two times.



Rates and annual charges outstanding ratio

Council's rates and annual charge outstanding ratio continues to be better than the industry benchmark and reflects Council's ongoing debt recovery efforts.

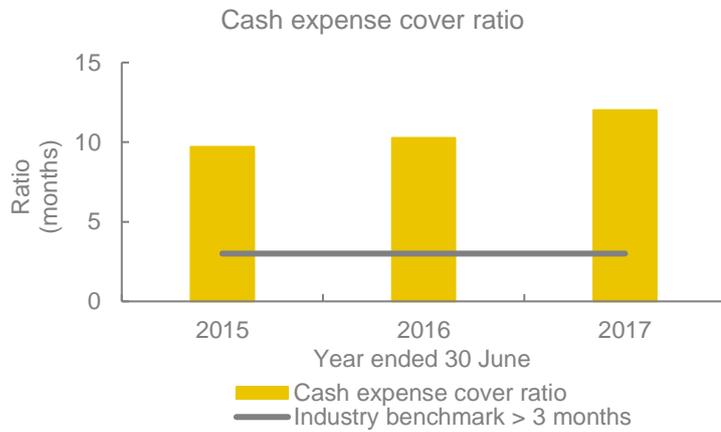
The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of debt recovery efforts. The benchmark set by the OLG is less than 5% for urban / metropolitan councils.



Cash expense cover ratio

This ratio has steadily increased over the past three years as Council increases cash reserves whilst maintaining expenditure levels.

This liquidity ratio indicates the number of months the Council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by the OLG is greater than three months.

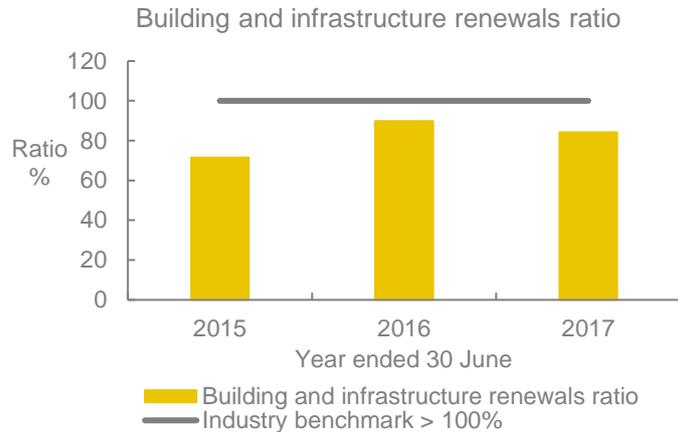


Building and infrastructure renewals ratio

The graph indicates that Council is currently not renewing and replacing its assets at a rate commensurate to its depreciation.

The 'building and infrastructure renewals ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by the OLG is greater than 100 per cent.

This ratio is sourced from Council's Special Schedule 7 which has not been audited.



OTHER MATTERS

New accounting standards implemented

AASB 124 'Related Party Disclosures'

Effective for annual reporting periods beginning on or 1 July 2016

AASB 2015-6 extended the scope of AASB 124 to not-for-profit public sector entities. Council's financial statements disclose the:

- compensation paid to key management personnel
- nature of related party relationships
- amount and nature of related party transactions, outstanding balances and commitments and outstanding balances (including commitments).

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial reports. The Council's:

- accounting records were maintained in a manner and form to allow the general purpose financial statements to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

Karen Taylor
Director, Financial Audit Services

Ballina Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Serving the community of today while
preparing for the challenges of tomorrow



Ballina Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2017

Contents	Page
1. Statement by Councillors and Management	2
2. Special Purpose Financial Statements:	
Income Statement – Water Supply Business Activity	3
Income Statement – Wastewater Business Activity	4
Income Statement – Other Business Activities	5
Statement of Financial Position – Water Supply Business Activity	8
Statement of Financial Position – Wastewater Business Activity	9
Statement of Financial Position – Other Business Activities	10
3. Notes to the Special Purpose Financial Statements	13
4. Auditor’s Report	22

Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
 - (ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
 - (iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).
 - (iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).
-

Ballina Shire Council

Special Purpose Financial Statements for the year ended 30 June 2017

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

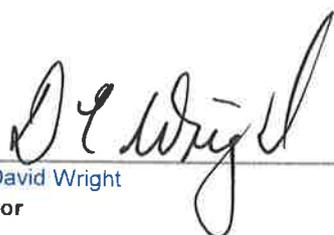
- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these financial statements:

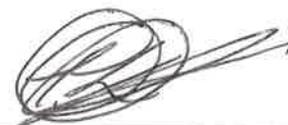
- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 26 October 2017.



Cr David Wright
Mayor



Councillor Keith Williams
Deputy mayor



Paul Hickey
General manager



Linda Coulter
Responsible accounting officer

Ballina Shire Council

Income Statement of Council's Water Supply Business Activity

for the year ended 30 June 2017

\$ '000	Actual 2017	Actual 2016
Income from continuing operations		
Access charges	3,372	3,226
User charges	7,771	6,654
Fees	728	797
Interest	344	339
Grants and contributions provided for non-capital purposes	160	157
Profit from the sale of assets	53	26
Other income	–	–
Total income from continuing operations	12,428	11,199
Expenses from continuing operations		
Employee benefits and on-costs	1,920	1,876
Borrowing costs	–	–
Materials and contracts	1,219	1,007
Depreciation, amortisation and impairment	1,460	1,498
Water purchase charges	5,887	5,703
Loss on sale of assets	61	64
Calculated taxation equivalents	32	32
Other expenses	663	661
Total expenses from continuing operations	11,242	10,841
Surplus (deficit) from continuing operations before capital amounts	1,186	358
Grants and contributions provided for capital purposes	469	1,031
Surplus (deficit) from continuing operations after capital amounts	1,655	1,389
Surplus (deficit) from discontinued operations	–	–
Surplus (deficit) from all operations before tax	1,655	1,389
Less: corporate taxation equivalent (30%) [based on result before capital]	(356)	(107)
SURPLUS (DEFICIT) AFTER TAX	1,299	1,282
Plus opening retained profits	40,469	39,088
Plus/less: prior period adjustments	–	–
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	32	32
– Debt guarantee fees	–	–
– Corporate taxation equivalent	356	107
Less:		
– Tax equivalent dividend paid	(32)	(40)
– Surplus dividend paid	–	–
Closing retained profits	42,124	40,469
Return on capital %	1.5%	0.5%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	1,299	1,282
Less: capital grants and contributions (excluding developer contributions)	–	–
Surplus for dividend calculation purposes	1,299	1,282
Potential dividend calculated from surplus	650	641

Ballina Shire Council

Income Statement of Council's Wastewater Business Activity

for the year ended 30 June 2017

\$ '000	Actual 2017	Actual 2016
Income from continuing operations		
Access charges	15,408	14,087
User charges	1,175	997
Liquid trade waste charges	163	135
Fees	–	–
Interest	493	497
Grants and contributions provided for non-capital purposes	159	157
Other income	476	483
Total income from continuing operations	17,874	16,356
Expenses from continuing operations		
Employee benefits and on-costs	3,816	3,676
Borrowing costs	4,449	4,647
Materials and contracts	5,265	5,044
Depreciation, amortisation and impairment	3,731	3,532
Loss on sale of assets	402	3
Calculated taxation equivalents	40	37
Debt guarantee fee (if applicable)	605	653
Other expenses	574	353
Total expenses from continuing operations	18,882	17,945
Surplus (deficit) from continuing operations before capital amounts	(1,008)	(1,589)
Grants and contributions provided for capital purposes	764	2,386
Surplus (deficit) from continuing operations after capital amounts	(244)	797
Surplus (deficit) from discontinued operations	–	–
Surplus (deficit) from all operations before tax	(244)	797
Less: corporate taxation equivalent (30%) [based on result before capital]	–	–
SURPLUS (DEFICIT) AFTER TAX	(244)	797
Plus opening retained profits	98,161	96,711
Plus/less: prior period adjustments	–	–
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	40	37
– Debt guarantee fees	605	653
– Corporate taxation equivalent	–	–
Less:		
– Tax equivalent dividend paid	(40)	(37)
– Surplus dividend paid	–	–
Closing retained profits	98,522	98,161
Return on capital %	1.6%	1.5%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	(244)	797
Less: capital grants and contributions (excluding developer contributions)	(27)	–
Surplus for dividend calculation purposes	–	797
Potential dividend calculated from surplus	–	399

Ballina Shire Council

Income Statement of Council's Other Business Activities

for the year ended 30 June 2017

\$ '000	Quarry		Airport	
	Category 2		Category 1	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Income from continuing operations				
Access charges	–	–	–	–
User charges	69	324	5,781	5,112
Fees	–	–	–	–
Interest	34	40	–	–
Grants and contributions provided for non-capital purposes	–	–	–	–
Profit from the sale of assets	–	–	–	–
Share of profit from equity accounted investment	–	–	–	–
Other income	–	53	–	–
Total income from continuing operations	103	417	5,781	5,112
Expenses from continuing operations				
Employee benefits and on-costs	–	–	698	641
Borrowing costs	20	28	423	472
Materials and contracts	102	91	3,037	2,579
Depreciation, amortisation and impairment	10	9	807	830
Loss on sale of assets	–	–	–	–
Calculated taxation equivalents	24	23	95	9
Debt guarantee fee (if applicable)	–	–	85	90
Other expenses	–	–	–	–
Total expenses from continuing operations	156	151	5,145	4,621
Surplus (deficit) from continuing operations before capital amounts	(53)	266	636	491
Grants and contributions provided for capital purposes	–	–	–	2,291
Surplus (deficit) from continuing operations after capital amounts	(53)	266	636	2,782
Surplus (deficit) from discontinued operations	–	–	–	–
Surplus (deficit) from all operations before tax	(53)	266	636	2,782
Less: corporate taxation equivalent (30%) [based on result before capital]	–	(80)	(191)	(147)
SURPLUS (DEFICIT) AFTER TAX	(53)	186	445	2,635
Plus opening retained profits	966	878	14,175	11,294
Plus/less: prior period adjustments	–	–	–	–
Plus adjustments for amounts unpaid:				
– Taxation equivalent payments	24	23	95	9
– Debt guarantee fees	–	–	85	90
– Corporate taxation equivalent	–	80	191	147
Add:				
– Subsidy paid/contribution to operations	–	–	–	–
Less:				
– TER dividend paid	–	–	–	–
– Dividend paid	(321)	(201)	–	–
Closing retained profits	616	966	14,991	14,175
Return on capital %	-2.3%	20.6%	2.6%	2.4%
Subsidy from Council	67	–	–	–

Ballina Shire Council

Income Statement of Council's Other Business Activities

for the year ended 30 June 2017

	Wigmore Arcade Category 2		Land development Category 1	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
\$ '000				
Income from continuing operations				
Access charges	–	–	–	–
User charges	584	465	1,581	2,588
Fees	–	–	–	–
Interest	–	3	55	87
Grants and contributions provided for non-capital purposes	–	–	–	–
Profit from the sale of assets	–	–	–	–
Share of profit from equity accounted investment	–	–	–	–
Other income	163	–	–	–
Total income from continuing operations	747	468	1,636	2,675
Expenses from continuing operations				
Employee benefits and on-costs	–	–	–	–
Borrowing costs	–	–	–	–
Materials and contracts	259	225	1,502	1,547
Depreciation, amortisation and impairment	–	–	–	–
Loss on sale of assets	–	–	–	–
Calculated taxation equivalents	124	105	159	163
Debt guarantee fee (if applicable)	–	–	–	–
Other expenses	–	–	–	–
Total expenses from continuing operations	383	330	1,661	1,710
Surplus (deficit) from continuing operations before capital amounts	364	138	(25)	965
Grants and contributions provided for capital purposes	378	439	–	–
Surplus (deficit) from continuing operations after capital amounts	742	577	(25)	965
Surplus (deficit) from discontinued operations	–	–	–	–
Surplus (deficit) from all operations before tax	742	577	(25)	965
Less: corporate taxation equivalent (30%) [based on result before capital]	(109)	(41)	–	(290)
SURPLUS (DEFICIT) AFTER TAX	633	536	(25)	676
Plus opening retained profits	6,323	5,828	14,218	14,393
Plus/less: prior period adjustments	–	–	–	–
Plus adjustments for amounts unpaid:				
– Taxation equivalent payments	124	105	159	163
– Debt guarantee fees	–	–	–	–
– Corporate taxation equivalent	109	41	–	290
Add:				
– Subsidy paid/contribution to operations	–	–	–	–
Less:				
– TER dividend paid	–	–	–	–
– Dividend paid	(273)	(187)	(648)	(1,303)
Closing retained profits	6,916	6,323	13,704	14,218
Return on capital %	5.0%	2.2%	n/a	n/a
Subsidy from Council	–	–	25	–

Ballina Shire Council

Income Statement of Council's Other Business Activities

for the year ended 30 June 2017

\$ '000	Landfill and resource recovery		Private works	
	Category 1		Category 2	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Income from continuing operations				
Access charges	–	–	–	–
User charges	6,448	6,599	238	728
Fees	–	–	–	–
Interest	108	106	–	–
Grants and contributions provided for non-capital purposes	125	326	–	–
Profit from the sale of assets	–	–	–	–
Share of profit from equity accounted investment	–	–	–	–
Other income	–	–	–	–
Total income from continuing operations	6,681	7,031	238	728
Expenses from continuing operations				
Employee benefits and on-costs	1,036	921	–	–
Borrowing costs	56	133	–	–
Materials and contracts	3,537	4,476	244	637
Depreciation, amortisation and impairment	898	1,072	–	–
Loss on sale of assets	–	–	–	–
Calculated taxation equivalents	37	27	–	–
Debt guarantee fee (if applicable)	7	10	–	–
Other expenses	163	108	–	–
Total expenses from continuing operations	5,734	6,747	244	637
Surplus (deficit) from continuing operations before capital amounts	947	284	(6)	91
Grants and contributions provided for capital purposes	–	–	–	–
Surplus (deficit) from continuing operations after capital amounts	947	284	(6)	91
Surplus (deficit) from discontinued operations	–	–	–	–
Surplus (deficit) from all operations before tax	947	284	(6)	91
Less: corporate taxation equivalent (30%) [based on result before capital]	(284)	(85)	–	(27)
SURPLUS (DEFICIT) AFTER TAX	663	199	(6)	64
Plus opening retained profits	2,494	2,173	–	–
Plus/less: prior period adjustments	–	–	–	–
Plus adjustments for amounts unpaid:				
– Taxation equivalent payments	37	27	–	–
– Debt guarantee fees	7	10	–	–
– Corporate taxation equivalent	284	85	–	27
Add:				
– Subsidy paid/contribution to operations	–	–	6	–
Less:				
– TER dividend paid	(1,404)	–	–	–
– Dividend paid	–	–	–	(91)
Closing retained profits	2,081	2,494	–	–
Return on capital %	13.9%	5.2%	n/a	n/a
Subsidy from Council	–	–	6	–

Ballina Shire Council

Statement of Financial Position – Council's Water Supply Business Activity
as at 30 June 2017

\$ '000	Actual 2017	Actual 2016
ASSETS		
Current assets		
Cash and cash equivalents	14,303	9,625
Investments	–	–
Receivables	2,130	2,043
Inventories	–	–
Other	111	118
Non-current assets classified as held for sale	–	–
Total current assets	16,544	11,786
Non-current assets		
Investments	1,589	952
Receivables	112	108
Inventories	–	11
Infrastructure, property, plant and equipment	76,782	71,157
Investments accounted for using equity method	–	–
Investment property	–	–
Intangible assets	–	–
Total non-current assets	78,483	72,228
TOTAL ASSETS	95,027	84,014
LIABILITIES		
Current liabilities		
Bank overdraft	–	–
Payables	18	–
Income received in advance	–	–
Borrowings	–	–
Provisions	120	133
Total current liabilities	138	133
Non-current liabilities		
Payables	–	–
Borrowings	–	–
Provisions	13	14
Total non-current liabilities	13	14
TOTAL LIABILITIES	151	147
NET ASSETS	94,876	83,867
EQUITY		
Retained earnings	42,124	40,469
Revaluation reserves	52,752	43,398
Other reserves	–	–
Council equity interest	94,876	83,867
Non-controlling equity interest	–	–
TOTAL EQUITY	94,876	83,867

Ballina Shire Council

Statement of Financial Position – Council's Wastewater Business Activity
as at 30 June 2017

\$ '000	Actual 2017	Actual 2016
ASSETS		
Current assets		
Cash and cash equivalents	9,938	13,588
Investments	–	–
Receivables	1,288	1,305
Inventories	–	–
Other	–	–
Non-current assets classified as held for sale	–	–
Total current Assets	11,226	14,893
Non-current assets		
Investments	1,105	1,344
Receivables	127	139
Inventories	–	–
Infrastructure, property, plant and equipment	209,652	198,622
Investments accounted for using equity method	–	–
Investment property	–	–
Intangible assets	–	–
Total non-current assets	210,884	200,105
TOTAL ASSETS	222,110	214,998
LIABILITIES		
Current liabilities		
Bank overdraft	–	–
Payables	140	125
Income received in advance	–	–
Borrowings	3,096	2,958
Provisions	523	482
Total current liabilities	3,759	3,565
Non-current liabilities		
Payables	–	–
Borrowings	56,079	58,925
Provisions	46	45
Total non-current liabilities	56,125	58,970
TOTAL LIABILITIES	59,884	62,535
NET ASSETS	162,226	152,463
EQUITY		
Retained earnings	98,522	98,161
Revaluation reserves	63,704	54,302
Other reserves	–	–
Council equity interest	162,226	152,463
Non-controlling equity interest	–	–
TOTAL EQUITY	162,226	152,463

Ballina Shire Council

Statement of Financial Position – Council's Other Business Activities

as at 30 June 2017

\$ '000	Quarry		Airport	
	Category 2		Category 1	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	1,015	1,336	–	–
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	–	–
Other	171	8	–	–
Non-current assets classified as held for sale	–	–	–	–
Total Current Assets	1,186	1,344	–	–
Non-current assets				
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	–	–
Infrastructure, property, plant and equipment	1,425	1,427	40,052	39,411
Investments accounted for using equity method	–	–	–	–
Investment property	–	–	–	–
Total non-current assets	1,425	1,427	40,052	39,411
TOTAL ASSETS	2,611	2,771	40,052	39,411
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Payables	–	–	–	–
Income received in advance	–	–	–	–
Borrowings	–	–	–	–
Provisions	1,360	1,173	178	166
Total current liabilities	1,360	1,173	178	166
Non-current liabilities				
Payables	–	–	–	–
Borrowings	–	–	7,997	8,927
Provisions	–	–	–	–
Other Liabilities	–	–	–	–
Total non-current liabilities	–	–	7,997	8,927
TOTAL LIABILITIES	1,360	1,173	8,175	9,093
NET ASSETS	1,251	1,598	31,877	30,318
EQUITY				
Retained earnings	616	966	14,991	14,175
Revaluation reserves	635	632	16,886	16,143
Council equity interest	1,251	1,598	31,877	30,318
Non-controlling equity interest	–	–	–	–
TOTAL EQUITY	1,251	1,598	31,877	30,318

Ballina Shire Council

Statement of Financial Position – Council's Other Business Activities

as at 30 June 2017

	Wigmore Arcade Category 2		Land development Category 1	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
\$ '000				
ASSETS				
Current assets				
Cash and cash equivalents	176	123	2,983	3,220
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	–	–
Non-current assets classified as held for sale	–	–	–	–
Total Current Assets	176	123	2,983	3,220
Non-current assets				
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	4,641	4,578
Infrastructure, property, plant and equipment	6,740	6,200	–	–
Investments accounted for using equity method	–	–	–	–
Investment property	–	–	–	–
Other	–	–	6,080	6,420
Total non-current assets	6,740	6,200	10,721	10,998
TOTAL ASSETS	6,916	6,323	13,704	14,218
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Payables	–	–	–	–
Income received in advance	–	–	–	–
Borrowings	–	–	–	–
Provisions	–	–	–	–
Total current liabilities	–	–	–	–
Non-current liabilities				
Payables	–	–	–	–
Borrowings	–	–	–	–
Provisions	–	–	–	–
Other Liabilities	–	–	–	–
Total non-current liabilities	–	–	–	–
TOTAL LIABILITIES	–	–	–	–
NET ASSETS	6,916	6,323	13,704	14,218
EQUITY				
Retained earnings	6,916	6,323	13,704	14,218
Revaluation reserves	–	–	–	–
Council equity interest	6,916	6,323	13,704	14,218
Non-controlling equity interest	–	–	–	–
TOTAL EQUITY	6,916	6,323	13,704	14,218

Ballina Shire Council

Statement of Financial Position – Council's Other Business Activities

as at 30 June 2017

\$ '000	Landfill and resource recovery Category 1		Private works Category 2	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	3,703	4,170	–	–
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	8	6	–	–
Other	269	367	–	–
Non-current assets classified as held for sale	–	–	–	–
Total Current Assets	3,980	4,543	–	–
Non-current assets				
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	–	–
Infrastructure, property, plant and equipment	7,197	7,973	–	–
Investments accounted for using equity method	–	–	–	–
Investment property	–	–	–	–
Total non-current assets	7,197	7,973	–	–
TOTAL ASSETS	11,177	12,516	–	–
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Payables	–	–	–	–
Income received in advance	–	–	–	–
Borrowings	182	1,294	–	–
Provisions	–	–	–	–
Total current liabilities	182	1,294	–	–
Non-current liabilities				
Payables	–	–	–	–
Borrowings	–	–	–	–
Provisions	2,646	2,582	–	–
Other Liabilities	–	–	–	–
Total non-current liabilities	2,646	2,582	–	–
TOTAL LIABILITIES	2,828	3,876	–	–
NET ASSETS	8,349	8,640	–	–
EQUITY				
Retained earnings	2,081	2,494	–	–
Revaluation reserves	6,268	6,146	–	–
Council equity interest	8,349	8,640	–	–
Non-controlling equity interest	–	–	–	–
TOTAL EQUITY	8,349	8,640	–	–

Ballina Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2017

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	14
2	Water Supply Business Best-Practice Management disclosure requirements	17
3	Sewerage Business Best-Practice Management disclosure requirements	19

Ballina Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 1993 (NSW), the Local Government (General) Regulation, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to

activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Water Supplies

The supply of water to households and businesses in Ballina Shire.

b. Wastewater Service

The collection and treatment of sewerage from households and businesses in Ballina Shire.

c. Landfill & Resource Recovery

The Waste Management Centre is located at Southern Cross Drive Ballina. The Waste Management Centre receives, disposes and recycles waste that is brought to the centre from private and commercial sources. It also includes the collection of commercial waste in the Ballina Shire by Council but does not include the collection of domestic waste in Ballina Shire by Council.

d. Airport

The provision of aerodrome infrastructure and facilities for commercial and private air traffic. The airport is situated at Southern Cross Drive Ballina.

e. Land Development

The construction of industrial and residential land estates. Council is progressively developing an industrial estate at Wollongbar and another in Ballina. Council also has residential land inventory at Wollongbar.

Ballina Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies (continued)

Category 2

(where gross operating turnover is less than \$2 million)

f. Quarries

Extraction and sale of sand, gravel and shale from Tuckombil Quarry, 'Airport Sandpit' and 'Stokers Shale Quarry'.

g. Wigmore Arcade

The provision of attractive and competitive shopping centre in central Ballina.

h. Private Works

Various works conducted on private land.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars, except for Note 2 (Water Supply Best Practice Management Disclosures) and Note 3 (Wastewater Best Practice Management Disclosures).

As required by the NSW Office of Water (Department of Primary Industries) the amounts shown in Note 2 and Note 3 are disclosed in whole dollars.

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – **30%**

Land tax – the first **\$549,000** of combined land values attracts **0%**. For the combined land values in excess of \$549,001 up to \$3,357,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$3,357,000 a premium marginal rate of **2.0%** applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$750,000.

In accordance with the Department of Primary Industries Water (DPIW), a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and wastewater business activities.

The payment of taxation equivalent charges, referred to in the NSW Office of Water Guidelines to as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the NSW Office of Water Guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

Ballina Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies (continued)

The rate applied of 30% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.38% at 30/6/17. The exception to this rule is the monopoly businesses of water and wastewater where Council's adopted rate of return is nil.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and wastewater businesses are permitted to pay an annual dividend from its water supply or wastewater business surplus.

Each dividend must be calculated and approved in accordance with the DPIW guidelines and must not exceed:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or wastewater assessments at 30 June 2017 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the DPIW guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the DPIW.

Ballina Shire Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 2. Water supply business best-practice management disclosure requirements

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2017

1. Calculation and payment of tax-equivalents

[all local government local water utilities must pay this dividend for tax equivalents]

(i)	Calculated tax equivalents	32,000
(ii)	Number of assessments multiplied by \$3/assessment	47,862
(iii)	Amounts payable for tax equivalents [lesser of (i) and (ii)]	32,000
(iv)	Amounts actually paid for tax equivalents	32,000

2. Dividend from surplus

(i)	50% of surplus before dividends [calculated in accordance with Best-Practice Management for Water Supply and Sewerage Guidelines]	649,600
(ii)	Number of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	446,620
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2017, less the cumulative dividends paid for the 2 years to 30 June 2016 and 30 June 2015	3,734,000

2017 Surplus	1,299,200	2016 Surplus	1,281,600	2015 Surplus	1,153,200
		2016 Dividend	–	2015 Dividend	–

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	446,620
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment criteria]	–
(vi)	Are the overhead reallocation charges to the water business fair and reasonable? ^a	YES

3. Required outcomes for 6 criteria

[to be eligible for the payment of a 'dividend from surplus', all the criteria below need a 'YES']

(i)	Completion of strategic business plan (including financial plan)	YES
(ii)	Full cost recovery, without significant cross subsidies [refer item 2 (a) in table 1 on page 22 of the Best-Practice Guidelines]	YES
	– Complying charges [item 2 (b) in table 1]	YES
	– DSP with commercial developer charges [item 2 (e) in table 1]	YES
	– If dual water supplies, complying charges [item 2 (g) in table 1]	YES
(iii)	Sound water conservation and demand management implemented	YES
(iv)	Sound drought management implemented	YES
(v)	Complete performance reporting form (by 15 September each year)	YES
(vi)	a. Integrated water cycle management evaluation	YES
	b. Complete and implement integrated water cycle management strategy	YES

Ballina Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2017Note 2. Water supply business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2017

National Water Initiative (NWI) financial performance indicators

NWI F1	Total revenue (water) Total income (w13) – grants for the acquisition of assets (w11a) – interest income (w9) – Aboriginal Communities W&S Program income (w10a)	\$'000	12,553
NWI F4	Revenue from residential usage charges (water) Income from residential usage charges (w6b) x 100 divided by the sum of [income from residential usage charges (w6a) + income from residential access charges (w6b)]	%	68.09%
NWI F9	Written down replacement cost of fixed assets (water) Written down current cost of system assets (w47)	\$'000	76,543
NWI F11	Operating cost (OMA) (water) Management expenses (w1) + operational and maintenance expenses (w2)	\$'000	9,678
NWI F14	Capital expenditure (water) Acquisition of fixed assets (w16)	\$'000	1,289
NWI F17	Economic real rate of return (water) [total income (w13) – interest income (w9) – grants for acquisition of assets (w11a) – operating costs (NWI F11) – current cost depreciation (w3)] x 100 divided by [written down current cost of system assets (w47) + plant and equipment (w33b)]	%	1.84%
NWI F26	Capital works grants (water) Grants for the acquisition of assets (w11a)	\$'000	–

- Notes:
- References to w (e.g. w12) refer to item numbers within Special Schedules 3 and 4 of Council's Annual Financial Statements.
 - The NWI performance indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators and Definitions.
 - refer to 3.2 (2) on page 15 of the Best-Practice Management of Water Supply and Sewerage Guidelines, 2007

Ballina Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2017Note 3. Sewerage business
best-practice management disclosure requirements

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2017

1. Calculation and payment of tax-equivalents

[all local government local water utilities must pay this dividend for tax equivalents]

(i)	Calculated tax equivalents	645,000
(ii)	Number of assessments multiplied by \$3/assessment	47,022
(iii)	Amounts payable for tax equivalents [lesser of (i) and (ii)]	47,022
(iv)	Amounts actually paid for tax equivalents	40,000

2. Dividend from surplus

(i)	50% of surplus before dividends [calculated in accordance with Best-Practice Management for Water Supply and Sewerage Guidelines]	–
(ii)	Number of assessments x (\$30 less tax equivalent charges per assessment)	423,198
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2017, less the cumulative dividends paid for the 2 years to 30 June 2016 and 30 June 2015	(11,415,000)

2017 Surplus	(271,000)	2016 Surplus	797,000	2015 Surplus	(11,941,000)
		2016 Dividend	–	2015 Dividend	–

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment criteria]	–
(vi)	Are the overhead reallocation charges to the sewer business fair and reasonable? ^a	YES

3. Required outcomes for 4 criteria

[to be eligible for the payment of a 'dividend from surplus', all the criteria below need a 'YES']

(i)	Completion of strategic business plan (including financial plan)	YES
(ii)	Pricing with full cost-recovery, without significant cross subsidies [refer item 2 (a) in table 1 on page 22 of the Best-Practice Guidelines]	YES
	Complying charges (a) Residential [item 2 (c) in table 1]	YES
	(b) Non-residential [item 2 (c) in table 1]	YES
	(c) Trade waste [item 2 (d) in table 1]	YES
	DSP with commercial developer charges [item 2 (e) in table 1]	YES
	Liquid trade waste approvals and policy [item 2 (f) in table 1]	YES
(iii)	Complete performance reporting form (by 15 September each year)	YES
(iv)	a. Integrated water cycle management evaluation	YES
	b. Complete and implement integrated water cycle management strategy	YES

Ballina Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2017Note 3. Sewerage business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated) 2017

National Water Initiative (NWI) financial performance indicators

NWI F2	Total revenue (wastewater) Total income (s14) – grants for acquisition of assets (s12a) – interest income (s10) – Aboriginal Communities W&S Program income (w10a)	\$'000	18,145
NWI F10	Written down replacement cost of fixed assets (wastewater) Written down current cost of system assets (s48)	\$'000	209,394
NWI F12	Operating cost (wastewater) Management expenses (s1) + operational and maintenance expenses (s2)	\$'000	9,313
NWI F15	Capital expenditure (wastewater) Acquisition of fixed assets (s17)	\$'000	2,330
NWI F18	Economic real rate of return (wastewater) [total income (s14) – interest income (s10) – grants for acquisition of assets (s12a) – operating cost (NWI F12) – current cost depreciation (s3)] x 100 divided by [written down current cost (i.e. WDCC) of system assets (s48) + plant and equipment (s34b)]	%	2.43%
NWI F27	Capital works grants (wastewater) Grants for the acquisition of assets (12a)	\$'000	–

**National Water Initiative (NWI) financial performance indicators
Water and sewer (combined)**

NWI F3	Total income (water and wastewater) Total income (w13 + s14) + gain/loss on disposal of assets (w14 + s15) minus grants for acquisition of assets (w11a + s12a) – interest income (w9 + s10)	\$'000	30,235
NWI F8	Revenue from community service obligations (water and wastewater) Community service obligations (NWI F25) x 100 divided by total income (NWI F3)	%	1.06%
NWI F16	Capital expenditure (water and wastewater) Acquisition of fixed assets (w16 + s17)	\$'000	3,619
NWI F19	Economic real rate of return (water and wastewater) [total income (w13 + s14) – interest income (w9 + s10) – grants for acquisition of assets (w11a + s12a) – operating cost (NWI F11 + NWI F12) – current cost depreciation (w3 + s3)] x 100 divided by [written down replacement cost of fixed assets (NWI F9 + NWI F10) + plant and equipment (w33b + s34b)]	%	2.27%
NWI F20	Dividend (water and wastewater) Dividend paid from surplus (2 (v) of Note 2 + 2 (v) of Note 3)	\$'000	–
NWI F21	Dividend payout ratio (water and wastewater) Dividend (NWI F20) x 100 divided by net profit after tax (NWI F24)	%	0.00%

Ballina Shire Council

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2017Note 3. Sewerage business
best-practice management disclosure requirements (continued)

Dollars amounts shown below are in whole dollars (unless otherwise indicated)

2017

National Water Initiative (NWI) financial performance indicators
Water and sewer (combined)

NWI F22	Net debt to equity (water and wastewater) Overdraft (w36 + s37) + borrowings (w38 + s39) – cash and investments (w30 + s31) x 100 divided by [total assets (w35 + s36) – total liabilities (w40 + s41)]	%	12.54%
NWI F23	Interest cover (water and wastewater) Earnings before interest and tax (EBIT) divided by net interest Earnings before interest and tax (EBIT): Operating result (w15a + s16a) + interest expense (w4a + s4a) – interest income (w9 + s10) – gain/loss on disposal of assets (w14 + s15) + miscellaneous expenses (w4b + w4c + s4b + s4c) Net interest: Interest expense (w4a + s4a) – interest income (w9 + s10)		2
NWI F24	Net profit after tax (water and wastewater) Surplus before dividends (w15a + s16a) – tax equivalents paid (Note 2-1 (iv) + Note 3-1 (iv))	\$'000	1,944
NWI F25	Community service obligations (water and wastewater) Grants for pensioner rebates (w11b + s12b)	\$'000	319

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules 5 and 6 of Council's Annual Financial Statements.
 - The NWI performance indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators and Definitions.
 - refer to 3.2 (2) on page 15 of the Best-Practice Management of Water Supply and Sewerage Guidelines, 2007



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statement
Ballina Shire Council

To the Councillors of the Ballina Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Ballina Shire Council's (the Council) Declared Business Activities, which comprise the statement of financial position of each Declared Business Activity as at 30 June 2017, the income statement of each Declared Business Activity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information for the Business Activities declared by Council, and the Statement by Councillors and Management.

The Declared Business Activities of the Council are:

- Water
- Wastewater
- Quarry
- Airport
- Wigmore Arcade
- Land development
- Landfill and resource recovery
- Private works.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2017, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting (LG Code).

My opinion should be read in conjunction with the rest of this report and in particular, the Emphasis of Matter referring to the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note (1) to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Matter

The financial statements of the Council for the year ended 30 June 2016 were audited by another auditor who expressed an unmodified opinion on that financial statement on 27 October 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting, as it affects the Council's Declared Business Activities.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the best practice management disclosures in Notes 2 and 3 of the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in green ink that reads "Karen Taylor". The signature is written in a cursive, flowing style.

Karen Taylor
Director, Financial Audit Services

26 October 2017
SYDNEY

Ballina Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2017

Serving the community of today while
preparing for the challenges of tomorrow



Ballina Shire Council

Special Schedules

for the year ended 30 June 2017

Contents

Page

Special Schedules¹

Special Schedule 1	Net Cost of Services	2
Special Schedule 2(a)	Statement of Long Term Debt (all purposes)	4
Special Schedule 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	n/a
Special Schedule 3	Water Supply Operations – incl. Income Statement	5
Special Schedule 4	Water Supply – Statement of Financial Position	8
Special Schedule 5	Wastewater Service Operations – incl. Income Statement	9
Special Schedule 6	Wastewater Service – Statement of Financial Position	12
Notes to Special Schedules 3 and 5		13
Special Schedule 7	Report on Infrastructure Assets	14
Special Schedule 8	Permissible Income Calculation	19

¹ Special Schedules are not audited (with the exception of Special Schedule 8).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Ballina Shire Council

Special Schedule 1 – Net Cost of Services
for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	1,414	–	–	(1,414)
Administration	3,574	1,415	2,454	295
Public order and safety				
Fire service levy, fire protection, emergency services	546	200	–	(346)
Beach control	315	–	–	(315)
Animal control	85	70	–	(15)
Other	485	113	–	(372)
Total public order and safety	1,431	383	–	(1,048)
Health	1,530	273	–	(1,257)
Environment				
Noxious plants and insect/vermin control	114	–	–	(114)
Other environmental protection	355	179	95	(81)
Solid waste management	8,309	9,621	–	1,312
Street cleaning	362	–	–	(362)
Drainage	1,706	375	595	(736)
Total environment	10,846	10,175	690	19
Community services and education				
Administration and education	1,334	244	–	(1,090)
Children's services	319	–	–	(319)
Total community services and education	1,653	244	–	(1,409)
Housing and community amenities				
Public cemeteries	338	453	–	115
Public conveniences	402	–	–	(402)
Street lighting	586	–	–	(586)
Town planning	2,773	905	–	(1,868)
Other community amenities	107	–	–	(107)
Total housing and community amenities	4,206	1,358	–	(2,848)
Water supplies	10,692	11,867	469	1,644
Wastewater services	17,300	17,368	764	832

Ballina Shire Council

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	1,628	118	–	(1,510)
Museums	12	–	–	(12)
Art galleries	341	99	40	(202)
Community centres and halls	1,154	179	–	(975)
Sporting grounds and venues	1,120	50	–	(1,070)
Swimming pools	665	435	–	(230)
Parks and gardens (lakes)	4,642	449	40	(4,153)
Other sport and recreation	108	7	1,017	916
Total recreation and culture	9,670	1,337	1,097	(7,236)
Mining, manufacturing and construction				
Building control	1,040	1,480	–	440
Other mining, manufacturing and construction	125	69	–	(56)
Total mining, manufacturing and const.	1,165	1,549	–	384
Transport and communication				
Urban roads (UR) – local	10,163	1,637	–	(8,526)
Urban roads – regional	181	2,105	21,431	23,355
Sealed rural roads (SRR) – local	644	–	–	(644)
Sealed rural roads (SRR) – regional	526	–	–	(526)
Unsealed rural roads (URR)	567	–	–	(567)
Bridges	105	–	–	(105)
Parking areas	41	–	–	(41)
Footpaths	750	–	3	(747)
Aerodromes	4,930	5,780	–	850
Other transport and communication	885	1,728	121	964
Total transport and communication	18,792	11,250	21,555	14,013
Economic affairs				
Camping areas and caravan parks	246	413	–	167
Other economic affairs	2,493	2,926	–	433
Total economic affairs	2,739	3,339	–	600
Totals – functions	85,012	60,558	27,029	2,575
General purpose revenues ⁽¹⁾		27,321		27,321
Share of interests – joint ventures and associates using the equity method	34	–		(34)
NET OPERATING RESULT ⁽²⁾	85,046	87,879	27,029	29,862

(1) Includes: rates and annual charges (including ex gratia, excluding water and wastewater), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges (2) As reported in the Income Statement

Ballina Shire Council

Special Schedule 2(a) – Statement of Long Term Debt (all purpose)

for the year ended 30 June 2017

\$'000

Classification of debt	Principal outstanding at beginning of the year			New loans raised during the year	Debt redemption during the year		Transfers to sinking funds	Interest applicable for year	Principal outstanding at the end of the year		
	Current	Non-current	Total		From revenue	Sinking funds			Current	Non-current	Total
Loans (by source)											
Treasury Corporation	1,335	4,055	5,390	6,712	1,335	–	–	–	1,570	9,197	10,767
Financial institutions	5,319	72,078	77,397	–	5,319	–	–	5,121	4,649	67,429	72,078
Total loans	6,654	76,133	82,787	6,712	6,654	–	–	5,121	6,219	76,626	82,845
Total debt	6,654	76,133	82,787	6,712	6,654	–	–	5,121	6,219	76,626	82,845

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.

This schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Ballina Shire Council

Special Schedule 3 – Water Supply Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	2,043	1,802
b. Engineering and supervision	346	379
2. Operation and maintenance expenses		
– dams and weirs		
a. Operation expenses	–	–
b. Maintenance expenses	–	–
– Mains		
c. Operation expenses	49	83
d. Maintenance expenses	397	364
– Reservoirs		
e. Operation expenses	29	22
f. Maintenance expenses	37	34
– Pumping stations		
g. Operation expenses (excluding energy costs)	12	11
h. Energy costs	38	34
i. Maintenance expenses	–	–
– Treatment		
j. Operation expenses (excluding chemical costs)	135	112
k. Chemical costs	–	–
l. Maintenance expenses	42	31
– Other		
m. Operation expenses	224	248
n. Maintenance expenses	439	413
o. Purchase of water	5,887	5,703
3. Depreciation expenses		
a. System assets	1,428	1,454
b. Plant and equipment	32	44
4. Miscellaneous expenses		
a. Interest expenses	–	–
b. Revaluation decrements	–	–
c. Other expenses	11	11
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	32	40
5. Total expenses	11,181	10,785

Ballina Shire Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
Income		
6. Residential charges		
a. Access (including rates)	2,662	2,540
b. Usage charges	5,680	4,809
7. Non-residential charges		
a. Access (including rates)	710	686
b. Usage charges	2,091	1,845
8. Extra charges	–	–
9. Interest income	344	339
10. Other income	781	823
10a. Aboriginal Communities Water and Sewerage Program	–	–
11. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	160	157
c. Other grants	–	–
12. Contributions		
a. Developer charges	469	838
b. Developer provided assets	–	193
c. Other contributions	–	–
13. Total income	12,897	12,230
14. Gain (or loss) on disposal of assets	(61)	(64)
15. Operating result	1,655	1,381
15a. Operating result (less grants for acquisition of assets)	1,655	1,381

Ballina Shire Council

Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
B Capital transactions		
Non-operating expenditures		
16. Acquisition of fixed assets		
a. New assets for improved standards	185	92
b. New assets for growth	615	226
c. Renewals	376	1,241
d. Plant and equipment	113	90
17. Repayment of debt	–	–
18. Totals	1,289	1,649
Non-operating funds employed		
19. Proceeds from disposal of assets	53	26
20. Borrowing utilised	–	–
21. Totals	53	26
C Rates and charges		
22. Number of assessments		
a. Residential (occupied)	14,180	13,794
b. Residential (unoccupied, ie. vacant lot)	223	335
c. Non-residential (occupied)	1,520	1,506
d. Non-residential (unoccupied, ie. vacant lot)	31	31
23. Number of ETs for which developer charges were received	146 ET	265 ET
24. Total amount of pensioner rebates (actual dollars)	\$ 290,829	\$ 286,133

Ballina Shire Council

Special Schedule 4 – Water Supply Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2017

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
25. Cash and investments			
a. Developer charges	6,841	760	7,601
b. Special purpose grants	–	–	–
c. Accrued leave	120	13	133
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	7,342	816	8,158
26. Receivables			
a. Specific purpose grants	6	–	6
b. Rates and availability charges	300	16	316
c. User charges	1,824	96	1,920
d. Other	78	33	111
27. Inventories	–	–	–
28. Property, plant and equipment			
a. System assets	–	76,543	76,543
b. Plant and equipment	–	239	239
29. Other assets	–	–	–
30. Total assets	16,511	78,516	95,027
LIABILITIES			
31. Bank overdraft	–	–	–
32. Creditors	18	–	18
33. Borrowings	–	–	–
34. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	120	13	133
35. Total liabilities	138	13	151
36. NET ASSETS COMMITTED	16,373	78,503	94,876
EQUITY			
37. Accumulated surplus			42,124
38. Asset revaluation reserve			52,752
40. TOTAL EQUITY			94,876
Note to system assets:			
41. Current replacement cost of system assets			116,894
42. Accumulated current cost depreciation of system assets			(40,351)
43. Written down current cost of system assets			76,543

Ballina Shire Council

Special Schedule 5 – Wastewater Service Income Statement

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	3,401	2,912
b. Engineering and supervision	411	384
2. Operation and maintenance expenses		
– mains		
a. Operation expenses	–	–
b. Maintenance expenses	313	655
– Pumping stations		
c. Operation expenses (excluding energy costs)	271	258
d. Energy costs	359	386
e. Maintenance expenses	1,010	932
– Treatment		
f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs)	1,169	1,364
g. Chemical costs	–	–
h. Energy costs	592	647
i. Effluent management	–	–
j. Biosolids management	67	99
k. Maintenance expenses	1,146	1,038
– Other		
l. Operation expenses	313	228
m. Maintenance expenses	261	125
3. Depreciation expenses		
a. System assets	3,680	3,479
b. Plant and equipment	51	53
4. Miscellaneous expenses		
a. Interest expenses	4,449	4,647
b. Revaluation decrements	–	–
c. Other expenses	342	45
d. Impairment – system assets	–	–
e. Impairment – plant and equipment	–	–
f. Aboriginal Communities Water and Sewerage Program	–	–
g. Tax equivalents dividends (actually paid)	40	37
5. Total expenses	17,875	17,289

Ballina Shire Council

Special Schedule 5 – Wastewater Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
Income		
6. Residential charges (including rates)	13,597	12,422
7. Non-residential charges		
a. Access (including rates)	1,811	1,665
b. Usage charges	1,175	997
8. Trade waste charges		
a. Annual fees	41	38
b. Usage charges	122	97
c. Excess mass charges	20	10
d. Re-inspection fees	–	–
9. Extra charges	–	–
10. Interest income	493	497
11. Other income	456	473
11a. Aboriginal Communities Water and Sewerage Program	–	–
12. Grants		
a. Grants for acquisition of assets	–	–
b. Grants for pensioner rebates	159	157
c. Other grants	–	–
13. Contributions		
a. Developer charges	737	1,724
b. Developer provided assets	–	662
c. Other contributions	27	–
14. Total income	18,638	18,742
15. Gain (or loss) on disposal of assets	(402)	(3)
16. Operating result	361	1,450
16a. Operating result (less grants for acquisition of assets)	361	1,450

Ballina Shire Council

Special Schedule 5 – Wastewater Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis
for the year ended 30 June 2017

\$'000	Actuals 2017	Actuals 2016
B Capital transactions		
Non-operating expenditures		
17. Acquisition of fixed assets		
a. New assets for improved standards	821	139
b. New assets for growth	841	828
c. Renewals	573	2,010
d. Plant and equipment	95	–
18. Repayment of debt	2,958	4,358
19. Totals	5,288	7,335
Non-operating funds employed		
20. Proceeds from disposal of assets	12	8
21. Borrowing utilised	–	–
22. Totals	12	8
C Rates and charges		
23. Number of assessments		
a. Residential (occupied)	13,814	13,489
b. Residential (unoccupied, ie. vacant lot)	404	452
c. Non-residential (occupied)	1,425	1,427
d. Non-residential (unoccupied, ie. vacant lot)	31	31
24. Number of ETs for which developer charges were received	150 ET	356 ET
25. Total amount of pensioner rebates (actual dollars)	\$ 289,234	\$ 284,709

Ballina Shire Council

Special Schedule 6 – Wastewater Service Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis
as at 30 June 2017

\$'000	Actuals Current	Actuals Non-current	Actuals Total
ASSETS			
26. Cash and investments			
a. Developer charges	5,755	640	6,395
b. Special purpose grants	–	–	–
c. Accrued leave	513	57	570
d. Unexpended loans	–	–	–
e. Sinking fund	–	–	–
f. Other	3,670	408	4,078
27. Receivables			
a. Specific purpose grants	6	–	6
b. Rates and availability charges	390	21	411
c. User charges	734	39	773
d. Other	158	67	225
28. Inventories	–	–	–
29. Property, plant and equipment			
a. System assets	–	209,394	209,394
b. Plant and equipment	–	258	258
30. Other assets	–	–	–
31. Total assets	11,226	210,884	222,110
LIABILITIES			
32. Bank overdraft	–	–	–
33. Creditors	140	–	140
34. Borrowings	3,096	56,079	59,175
35. Provisions			
a. Tax equivalents	–	–	–
b. Dividend	–	–	–
c. Other	523	46	569
36. Total liabilities	3,759	56,125	59,884
37. NET ASSETS COMMITTED	7,467	154,759	162,226
EQUITY			
38. Accumulated surplus			98,522
39. Asset revaluation reserve			63,704
41. TOTAL EQUITY			162,226
Note to system assets:			
42. Current replacement cost of system assets			278,355
43. Accumulated current cost depreciation of system assets			(68,961)
44. Written down current cost of system assets			209,394

Ballina Shire Council

Notes to Special Schedules 3 and 5 for the year ended 30 June 2017

Administration ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading
- Bad and doubtful debts
- Other administrative/corporate support services

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment losses (item 4d and 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and wastewater revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a access charges (including rates if applicable) and 6b usage charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a access charges (including rates if applicable) and 7b usage charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a annual fees, 8b usage charges and 8c excess mass charges and 8d re-inspection fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) including capital contributions for water supply or wastewater services received by Council under Section 565 of the *Local Government Act*.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for wastewater, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Ballina Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Council Offices	54	13	75	51	6,662	14,951	62%	35%	3%	1%	0%
	Works Depot	356	70	100	103	7,033	10,995	83%	10%	4%	0%	3%
	Halls	116	54	50	1	1,090	3,915	11%	29%	59%	0%	0%
	Dwellings	400	114	50	–	829	3,450	9%	43%	38%	0%	10%
	Airport	4	0	100	154	5,065	8,276	91%	8%	1%	0%	0%
	Shops/Offices	86	8	50	37	3,814	8,124	48%	39%	13%	0%	0%
	Library	–	1	30	–	3,916	6,581	96%	4%	0%	0%	0%
	Community Centres	–	1	300	284	15,096	21,308	86%	14%	0%	0%	0%
	Childcare Centres	58	5	20	–	2,048	6,162	16%	65%	19%	0%	0%
	Waste Centre	37	4	60	101	2,322	4,204	75%	22%	0%	2%	0%
	Amenities/Toilets	502	78	350	224	16,043	28,079	59%	28%	12%	0%	1%
	Sub-total	1,613	348	1,185	956	63,918	116,044	65.4%	24.7%	8.8%	0.3%	0.9%
Other structures	Other structures	858	300	45	34	11,636	18,084	60%	17%	15%	5%	3%
	Sub-total	858	300	45	34	11,636	18,084	59.9%	17.4%	14.8%	5.1%	2.7%
Roads	Sealed roads	651	536	1,570	1,006	379,995	455,918	74%	20%	5%	0%	0%
	Unsealed roads	216	58	618	540	33,183	36,219	38%	1%	0%	61%	0%
	Bridges	609	170	21	9	31,892	49,362	64%	14%	22%	0%	0%
	Footpaths/Cycleways	44	40	100	92	23,264	30,915	65%	33%	2%	0%	0%
	Kerb & Gutter	14	10	5	–	25,134	36,454	66%	33%	1%	0%	0%
	Road Furniture	140	50	5	58	17,360	21,836	74%	13%	13%	0%	0%
	Sub-total	1,674	863	2,318	1,705	510,828	630,703	70.3%	19.6%	6.1%	3.9%	0.1%

Ballina Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Water supply network	Treatment Plants	156	146	55	40	2,722	5,413	3%	19%	74%	3%	0%
	Pump Stations	51	45	55	8	1,672	2,058	78%	0%	15%	7%	0%
	Reservoirs	1,722	1,678	110	37	13,218	18,180	10%	0%	79%	0%	12%
	Water Connections	232	200	300	376	1,263	2,668	21%	20%	34%	15%	9%
	Pipelines	4,571	3,669	400	397	52,775	83,069	10%	44%	37%	8%	2%
	Sub-total	6,733	5,738	920	859	71,650	111,388	10.9%	33.9%	45.2%	6.5%	3.5%
Wastewater network	Treatment	2,874	906	1,133	1,146	60,944	85,778	50%	2%	45%	3%	1%
	Pumping Stations	3,832	2,020	1,040	1,010	30,722	51,280	13%	8%	67%	6%	6%
	Mains	572	453	465	275	97,672	117,394	17%	76%	7%	0%	1%
	Recycled Water	–	–	155	50	10,599	11,958	68%	32%	0%	0%	0%
	Sub-total	7,278	3,379	2,793	2,480	199,938	266,410	29.0%	36.9%	30.5%	2.1%	1.6%

Ballina Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Stormwater drainage	Pollution Control	–	–	25	23	1,495	1,736	67%	33%	0%	0%	0%
	Outfall Structures	4	5	10	–	171	333	34%	49%	16%	2%	0%
	Reticulation – Pipe	2	–	206	192	49,568	76,382	57%	43%	0%	0%	0%
	Reticulation – Pit	10	10	6	–	16,073	26,740	49%	51%	1%	0%	0%
	Culverts	189	170	6	–	5,989	12,481	20%	51%	29%	0%	0%
	Sub-total	205	185	253	214	73,296	117,671	51.4%	45.3%	3.3%	0.0%	0.0%
Open space/recreational assets	Swimming pools	–	–	50	22	–	–	0%	0%	0%	0%	0%
	Sub-total	–	–	50	22	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL – ALL ASSETS		18,360	10,813	7,564	6,271	931,266	1,260,300	53.9%	27.4%	14.8%	3.1%	0.8%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Ballina Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2017

\$ '000	Amounts	Indicator	Benchmark	Prior periods	
	2017	2017		2016	2015
Infrastructure asset performance indicators * consolidated					
1. Infrastructure renewals ratio					
Asset renewals ⁽¹⁾	<u>13,761</u>	84.19%	>= 100%	89.75%	71.48%
Depreciation, amortisation and impairment	<u>16,346</u>				
2. Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	<u>18,360</u>	1.98%	< 2%	0.91%	0.73%
Net carrying amount of infrastructure assets	<u>927,153</u>				
3. Asset maintenance ratio					
Actual asset maintenance	<u>6,271</u>	0.83	> 1.00	1.00	1.00
Required asset maintenance	<u>7,564</u>				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	<u>10,813</u>	0.86%		0.41%	n/a
Gross replacement cost	<u>1,260,300</u>				

Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Ballina Shire Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2017

\$ '000	Benchmark	Water 2017	Wastewater 2017	General ⁽¹⁾ 2017
Infrastructure asset performance indicators by fund				
1. Infrastructure renewals ratio				
Asset renewals ⁽²⁾		34.31%	31.79%	106.79%
Depreciation, amortisation and impairment	>= 100%			
	prior period:	85.35%	57.74%	99.45%
2. Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard		9.24%	3.60%	0.66%
Net carrying amount of infrastructure assets	< 2%			
	prior period:	3.42%	0.86%	0.65%
3. Asset maintenance ratio				
Actual asset maintenance		0.93	0.89	0.76
Required asset maintenance	> 1.00			
	prior period:	0.93	0.97	1.03
4. Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council		5.07%	1.25%	0.19%
Gross replacement cost				
	prior period:	1.88%	0.31%	0.25%

Notes

- (1) General fund refers to all of Council's activities except for its water and wastewater activities which are listed separately.
- (2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Ballina Shire Council

Special Schedule 8 – Permissible Income Calculation

for the year ended 30 June 2018

\$'000		Calculation 2016/17	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	19,183	20,329
Plus or minus adjustments ⁽²⁾	b	112	175
Notional general income	c = (a + b)	19,295	20,504
Permissible income calculation			
Special variation percentage ⁽³⁾	d	5.34%	4.90%
Or rate peg percentage	e	1.80%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	–	–
Plus special variation amount	h = d x (c – g)	1,030	1,005
Or plus rate peg amount	i = c x e	–	–
Or plus Crown land adjustment and rate peg amount	j = c x f	–	–
Sub-total	k = (c + g + h + i + j)	20,325	21,509
Plus (or minus) last year's carry forward total	l	–	0
Less valuation objections claimed in the previous year	m	(11)	(15)
Sub-total	n = (l + m)	(11)	(15)
Total permissible income	o = k + n	20,314	21,494
Less notional general income yield	p	20,329	21,510
Catch-up or (excess) result	q = o – p	(15)	(16)
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	15	2
Less unused catch-up ⁽⁵⁾	s	–	–
Carry forward to next year	t = q + r – s	0	(14)

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule No. 8

Ballina Shire Council

To the Councillors of Ballina Shire Council

Opinion

I have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 8) of Ballina Shire Council (the Council) for the year ending 30 June 2018.

In my opinion, Special Schedule No. 8 of Ballina Shire Council for 30 June 2018 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report, and in particular the Emphasis of Matter paragraph, which describes the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of Special Schedule No.8' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the notes and explanations in Special Schedule No. 8 that instruct councils in its preparation so it complies with OLG's requirements as described in the LG Code. As a result, Special Schedule No. 8 may not be suitable for another purpose.

Other Matter

Special Schedule No.8 of the Council for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on Special Schedule No. 8 on 27 October 2016.

Councillors' Responsibility for Special Schedule No. 8

The Councillors of the Council are responsible for the preparation of Special Schedule No. 8 in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of Special Schedule No. 8 that is free from material misstatement, whether due to fraud or error.

In preparing Special Schedule No.8, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of Special Schedule No. 8

My objectives are to:

- obtain reasonable assurance whether Special Schedule No. 8 as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on Special Schedule No.8.

A description of my responsibilities for the audit of Special Schedule No.8 is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Special Schedule No.8 on any website where they may be presented
- about any other information which may have been hyperlinked to/from Special Schedule No 8.



Karen Taylor
Director, Financial Audit Services

26 October 2017
SYDNEY

ballina
shire council

Ballina Shire Council
40 Cherry Street | PO Box 450 | Ballina NSW 2478
p: 1300 864 444 | e: council@ballina.nsw.gov.au
facebook.com/ballinashirecouncil

ballina.nsw.gov.au