

BUDGET 2017/18

2017/18 Budget

- Budget based on Year 2 of the Long Term Financial Plan of the combined former councils;
- Ensures we maintain all service levels of the former councils;
- Fully costed Service Unit Budgets;
- 10 Core Service Units reported (eg Waste, Children & Family Services, etc);
- Corporate Support Services (8) include Finance, ICT, HR, Legal, Facilities, Customer Service / Business Excellence, Governance & Procurement;
- All Corporate Support Services costs allocated to the 10 Core Service Units to ensure they are fully costed
- Absorbs (\$1.5m) deficit previously forecast

2017/18 Budget

IPART announced the annual rate peg limit for 2017/18 of 1.5%;

Special Rate variation increase continues for the former Ashfield LGA – 8.9% including the IPART rate peg;

No increase in Stormwater Levy;

Rebates maintained;

Fees and Charges harmonisation **to be** undertaken in 2017/18;

Review underway to align depreciation rates and asset valuations.

Income from Continuing Operations	
Rates & Annual Charges	153,381
User Fees & Charges	43,601
Interest Income	5,041
Other Income	24,095
Operating Grants & Contributions	12,666
Capital Grants & Contributions	16,573
Net Gain on Capital Sales	51
Total Income from Continuing Operations	255,408
Expenditure	
Employee Costs	126,563
Materials & Contracts	60,583
Borrowing costs	904
Other Expenses	27,550
Depreciation	26,130
Total Expenditure from Continuing Operations	241,730
Net Operating Result from Continuing Operations	13,678
Net Operating Result excluding Capital Grants and Contributions*	(2,946)

Award increases are expected at 2.5% (up to 3% for step increases);

Employee Costs include all staff with **NO** budgeted reductions.

Due to one off costs with licences for new IT platform

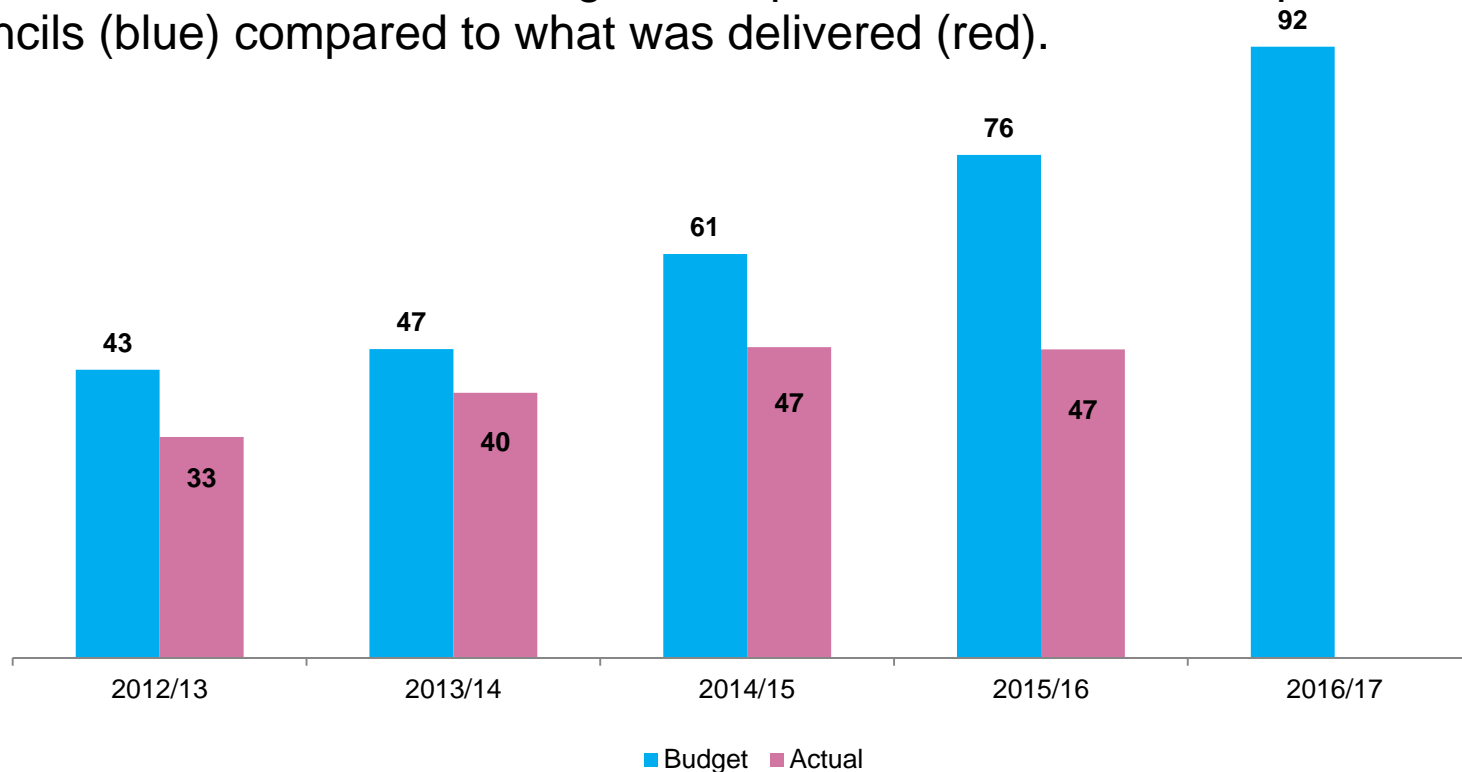
Example: Library and History Services P&L

- 10 Core Service Units add to Total Inner West Council Budget
- Overhead charges are reflective of Corporate Support Services allocations based on identified drivers
- The sum of each Service Unit adds to the total Inner West Council budget
- Reported monthly plus progress on capital projects via the internet

Library and History Services		2017/18 (\$000)
Income from Continuing Operations		
Rates and General Revenue		13,582
User Charges & Fees		137
Other Income		36
Transfer from Statutory Reserves		401
Total Income from Continuing Operations		14,155
Expenditure from Continuing Operations		
Employee Costs		6,626
Materials & Contractors		1,975
Other Expenses		268
Depreciation & Amortisation		471
Plant Hire Charges		41
Overhead Charges		4,775
Total Expenses from Continuing Operations		14,155
Surplus/(Deficit) from Continuing Operations		0
Surplus/(Deficit) from Excluding Capital Grants and Contributions		0

Historical Capital Works (\$m)

Below are recent combined budgeted Capital Works of the three previous Councils (blue) compared to what was delivered (red).



Four Year Capital Works Program

- Based on Asset Management Plans to ensure Inner West assets maintained in appropriate condition;
- \$31m backlog in infrastructure projects as at 12 May 2016;
- \$16m Capital Grants and \$26m Depreciation funds to spend on infrastructure backlog and invest in new Capital Projects; (\$42m)
- New CSP will have 10 year capital programme.

Funding Sources

- Surplus revenue (ie positive cashflow) can be reinvested in Capital Works or other initiatives;
- Monies held in investments will relate to s94/s94a, DWM, employee entitlements, restricted capital grants, restricted operating grants, stormwater levy etc. **Their use is restricted.** Total cash around \$200m (approx 55% of Council funds);
- New Affordable Housing Policy restricts Voluntary Planning Agreement funds to affordable housing use only (these funds will also be a restricted reserve).

Benefits of the 16/17 Budget

- Full transparency;
- Affordable and deliverable;
- Assets are maintained as a priority;
- Transparent use of rate payers funds for each service unit;
- Monthly progress communicated online driving accountability;
- Community & Councillors have complete facts to make informed decisions.



ASSETS & ENVIRONMENT

Overview of Services

- Trees, parks and sports fields
- Procurement and fleet
- Sustainability and environment
- Footpaths, roads traffic and stormwater
- Properties, major building projects and facilities
- Development assessment and regulatory services

DRAFT Capital Works Program

Capital Projects	Year 1 (\$)	Year 2 (\$)	Year 3 (\$)	Year 4 (\$)
Roads, Footpaths & Stormwater	\$23.6m	\$23.2m	\$22.7m	\$18.1m
Trees, Parks and Sports fields	\$12.9m	\$15.4m	\$8.8m	\$11.0m
Procurement and Fleet	\$6.8m	\$4.0m	\$6.8m	\$6.8m
Property, Buildings and Major Projects	\$18.4m	\$25.8m	\$11.1m	\$8.7m
Total Capital Works	\$66.0m*	\$70.9m	\$49.4m	\$44.6m

* includes IT spend

DRAFT Capital Works Program

	2017/18	2018/19	2019/20	2020/21
Roads, Footpaths, Traffic, Stormwater				
Regional Roads Renewal	970,000	595,000	420,000	600,000
Local Roads Renewal	4,804,000	6,459,000	7,515,000	6,767,000
Road Renewal Arthur St - Road Reconstruction (Holden St to Milton St)	650,000	250,000		
Footpaths Renewal	2,825,000	2,447,000	3,918,000	3,469,000
Footpaths Upgrade	254,000	112,000	398,000	268,000
Traffic and Parking Management	76,000	20,000	125,000	105,000
Traffic Capital - Renewal	1,753,000	1,454,000	656,000	323,000
Denman Ave Traffic Works	61,000	170,000	0	0
Stormwater Renewal	1,465,000	1,690,000	1,215,000	1,334,000
Stormwater Upgrade	801,000	873,000	914,000	1,110,000
Blackmore Oval Wetland Stormwater Upgrade	590,000	0	0	0
Mvle Valley FRMSP Works	0	100,000	405,000	600,000
Bridges - Capital	180,000	350,000	0	25,000
Booth Street Bridge - Investigation Design and Replacement	490,000	550,000	0	0
Cycleway Management	254,000	610,000	545,000	1,500,000
Lilyfield Road Cycleway	1,650,000	0	0	0
Bike Route RR (Longport St to Eliza St) Construction	0	3,000,000	3,600,000	0
Car Parks - Capital	185,000	260,000	215,000	165,000
Town Centres - Renewal	983,000	1,795,000	1,472,000	1,400,000
Ashfield Town Centre Upgrade	4,755,000	1,000,000	0	0
Marrickville Rd Centre Design and Implementation	220,000	600,000	600,000	0
Annandale Mainstreet outside Post Office	230,000	0	0	0
Darling Street Rozelle Oxford to Cambridge	235,000	0	0	0
Total Roads, Footpaths, Traffic, Stormwater	23,508,000	23,049,000	22,682,000	18,116,000

DRAFT Capital Works Program

	2017/18	2018/19	2019/20	2020/21
Trees, Parks and Sports fields				
Parks Capital and Assets Capital	4,449,000	6,474,000	4,592,000	7,513,000
Steel Park Priority 1 and 2, paths, lighting and landscaping	0	450,000	0	0
Cooks River Foreshore and Warren Park water and biodiversity	0	380,000	0	0
Petersham Park entry, path, seating and landscape upgrade	310,000	0	0	0
Camperdown Park picnic, play area, basketball court upgrade	280,000	0	0	0
Sydenham Green Stage 2 basketball court and lighting upgrade	700,000	0	0	0
Glover Street Playing Field - Field and baseball Cage upgrade	103,000	0	0	0
Illoura Reserve Upgrade	356,000	93,000	75,000	0
Mort Bay park Upgrade	215,000	130,000	0	0
Playground Upgrades and Improvements	200,000	0	140,000	960,000
Waterfront Drive Upgrade	400,000	1,560,000	0	0
Hammond Park - Fencing renewal/upgrade	30,000	0	90,000	103,000
Darrel Jackson Gardens - New Irrigation/drainage	170,000	0	0	0
Ashfield Park Lighting upgrade	50,000	540,000	0	0
Petersham Park staged upgrade	845,000	0	0	0
Greenway capital budget	2,821,000	3,900,000	3,200,000	1,800,000
Greenway Missing Links N, J, H and I	880,000	1,170,000	0	0
Skate Park in Callan Park - Construction	402,000	400,000	0	0
Way Finding through the Gadigal-Wangal	60,000	240,000	0	0
Camperdown Park seating terraces and bleacher renewal	315,000	0	0	0
Sea Walls Capital	65,000	69,000	614,000	554,000
Wharves Capital	74,000	0	96,000	87,000
Total Trees, Parks and Sports fields	12,764,000	15,406,000	8,806,000	11,017,000

DRAFT Capital Works Program

	2017/18	2018/19	2019/20	2020/21
Procurement and Fleet				
Procurement Management	6,824,000	4,020,000	6,816,000	6,840,000
Total Procurement and Fleet	6,824,000	4,020,000	6,816,000	6,840,000
Properties, Major Projects and Buildings				
Property Buildings	5,660,000	7,182,265	2,549,430	2,861,600
Haberfield Library upgrade works	420,000	0	0	0
Leichhardt Park Aquatic Centre redevelopment works	0	50,000	250,000	2,808,400
Dawn Fraser Pool upgrade works	358,000	1,082,000	758,000	41,000
Marrickville Town Hall upgrade works	270,000	120,000	2,090,000	0
St Peters Town Hall upgrade works	495,000	0	0	1,460,000
Weston St Balmain - Fenwick Building	1,400,000	0	0	0
Parks Buildings	3,563,000	3,443,000	1,791,000	1,496,000
Yeo Park Baby Health Building upgrade works	208,000	0	0	0
Ashfield Aquatic Centre - Upgrade works	2,568,000	13,900,000	3,000,000	0
Steel Park CCC New facility	3,400,000	50,000	0	0
Tenant Buildings	129,000	50,000	662,000	79,000
Total Properties, Major Projects and Buildings	18,470,000	25,827,000	13,745,000	8,746,000

Major Projects

- Ashfield Aquatic Centre
- Marrickville Hospital Site
- Ashfield Town Centre
- New Steel Park Childcare Centre Marrickville
- Fenwick Building Weston Street East Balmain
- Greenway

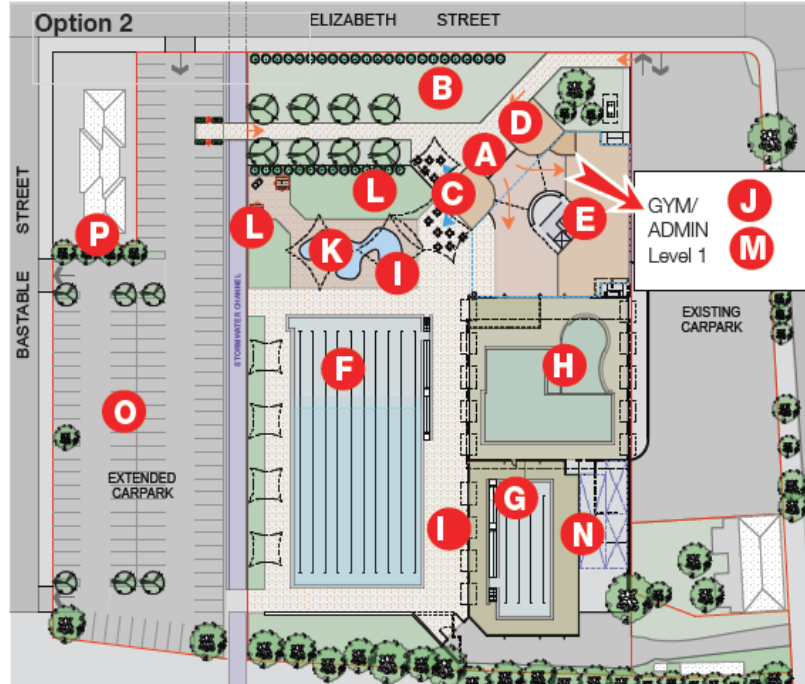
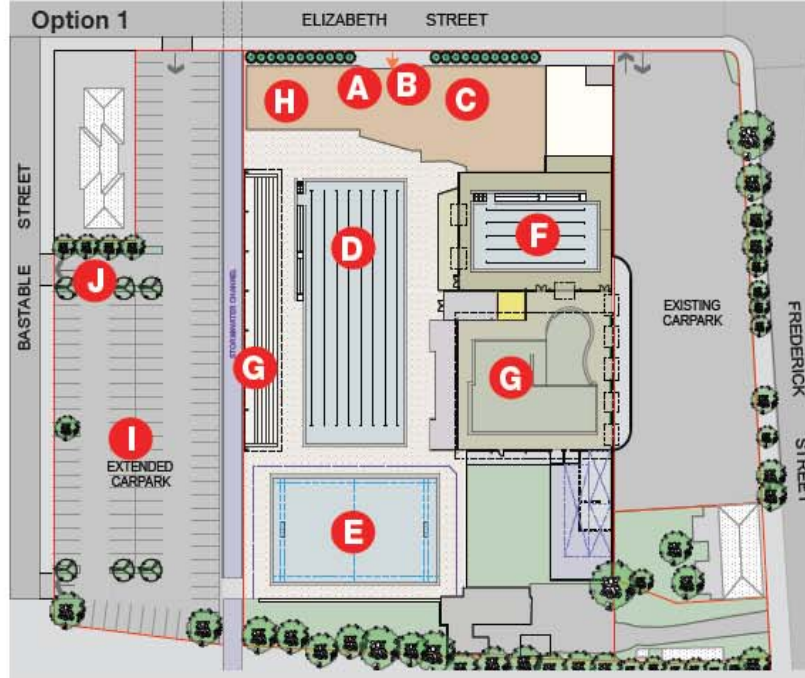
Ashfield Aquatic Centre

What's the vision for the Centre?

Ashfield Aquatic Centre will provide a beautiful, designed experience for the whole community to enjoy. By providing a contemporary mix of spaces and facilities, the Centre will be the go-to place for the local community. From families relaxing and kids playing to dedicated athletes and locals improving their health and fitness, the Ashfield Aquatic Centre will be a place for wellbeing, belonging and community.

The project objectives are

- create a whole-of-community centre that supports a vibrant community life by providing spaces for social interaction, relaxation and health and fitness
- support diverse health and wellbeing needs from infancy to older years
- accessible / inclusive facility meeting the needs of locals with a range of abilities
- high quality design providing a wonderful architectural and landscape experience, connecting indoors through to outdoors
- well located amenities including family change rooms
- enhanced public domain and improved entrance for ease and efficiency on arrival
- integrated public art contributing to community pride and belonging
- designed with safety in mind
- innovative solutions promoting energy and water efficiency
- affordable for residents and financially sustainable for Council



Cost comparison of the three options:

	Option 1	Option 2	Option 3
Construction	\$26,113,000	\$26,190,000	\$21,763,000
Ongoing cost to Council	\$881,000 per year	\$375,000 per year	\$435,000 per year

Note: the current ongoing cost to Council is \$819,000 per year.

Option 1 features:

- A** Refurbished entrance building
- B** Refurbished cafe
- C** Refurbished change rooms
- D** New eight lane 50m pool replacing the existing 50m pool
- E** New water polo pool replacing the existing water polo pool
- F** New indoor 25m pool and pool hall, adjoining the existing pool hall
- G** Existing grandstand and indoor pool hall maintained in current condition
- H** Refurbished administration area
- I** Additional car parking included
- J** Activities in existing community hall transferred to the new crèche and meeting room.

Option 2 features:

- A** New entrance building setback from Elizabeth Street
- B** New landscaped public area on Elizabeth Street
- C** New café serving the Centre and new public area on Elizabeth Street
- D** New crèche and meeting room
- E** New amenities, including family change rooms
- F** Existing 50m and water polo pools replaced with a new 2m deep, 10 lane 50m pool with operable boom gate, suitable for water polo and swimming
- G** New indoor 25m pool and pool hall, adjoining the existing pool hall
- H** Existing indoor pool hall maintained in current condition
- I** Level decks between pools for accessibility
- J** New 1,000m2 health and fitness facility, including gym and studios, on level one of the new entrance building
- K** New splash pad with shade sails
- L** New outdoor green space with shade sails, BBQ area and seating
- M** New administration area
- N** New plant and equipment
- O** Additional car parking included
- P** Activities in existing community hall transferred to the new crèche and meeting room.

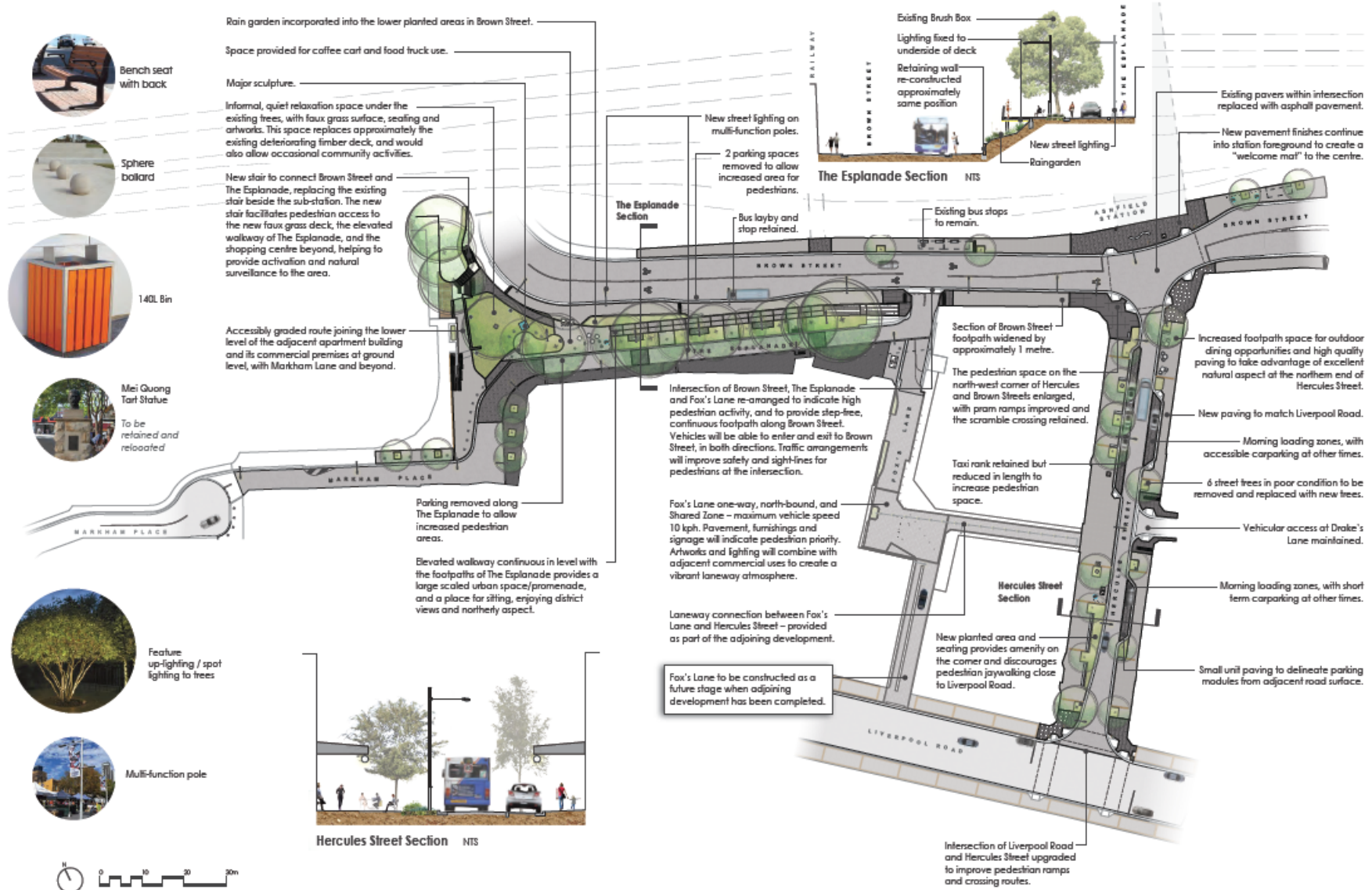
Option 3 features:

- A** New entrance building setback from Elizabeth Street
- B** New landscaped public area on Elizabeth Street
- C** New café serving the Centre and new public area on Elizabeth Street
- D** New crèche and meeting room
- E** New amenities, including family change rooms
- F** New 1,000m² health and fitness facilities, including gym and studios, on level one of the new entrance building
- G** New eight lane 50m pool replacing the existing 50m pool
- H** New water polo pool replacing the existing water polo pool
- I** Existing indoor pool hall maintained in current condition
- J** New administration area
- K** New plant and equipment
- L** Additional car parking included
- J** Activities in existing community hall transferred to the new crèche and meeting room.



Ashfield Town Centre





ASHFIELD TOWN CENTRE UPGRADE

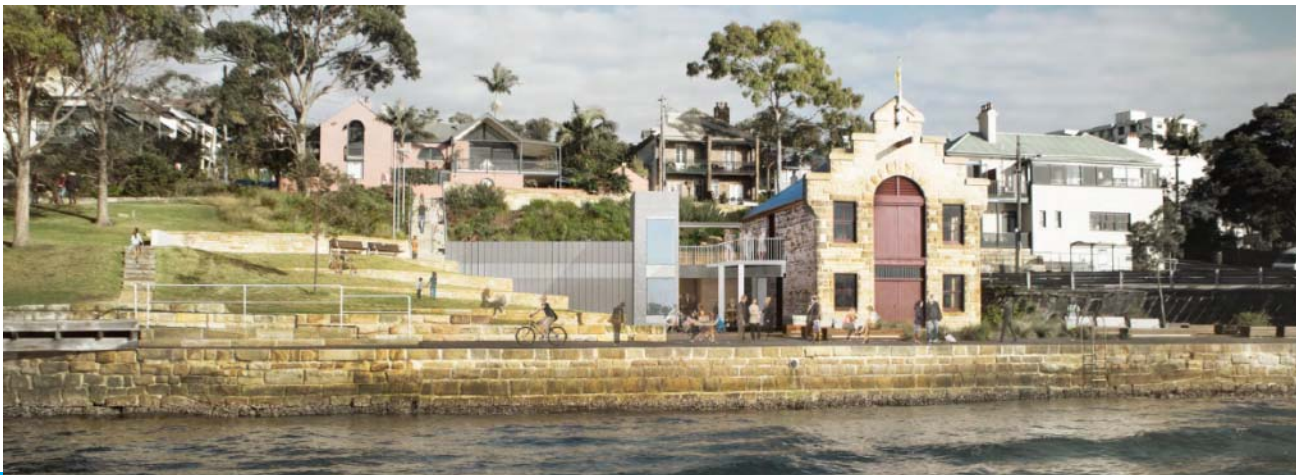
DESIGN DEVELOPMENT LAYOUT PLAN

Steel Park Childcare Centre



PERSPECTIVE VIEW FROM CORNER BETWEEN ILLAWARRA ROAD AND THORNLEY STREET

Fenwick Building





COMMUNITY & ENGAGEMENT

Overview of Services

- Children and family services
- Library and history services
- Aquatic and recreation facilities and services
- Community services and culture
- Communications, engagement and events
- Strategic planning

Priority: Transport

- Prepare a draft Inner West Integrated Transport Plan
- Advocate for and provide advice on a Parramatta Road Public Transport Opportunity Feasibility Study



Priority: Advocacy

- Advocacy and policy to support affordable housing for the inner west
- Advice and advocacy on WestConnex matters
- Partnerships to support family and domestic violence initiatives

Priority: Social vitality, creativity, quality of life

- Disability Inclusion Action Plan
- Healthy Ageing Plan for the inner west
- Partnerships to support family and domestic violence initiatives



Priority: Local business and industry

- Prepare an Inner West Council Economic Development Strategy
- Promote the local government area as a hub for small bars, live music and creative industry businesses to encourage a vibrant day and night time economy
- Promote tourism opportunities within the LGA

Priority: Local democracy

- Deliver information through a range of communication channels to make the community fully aware and engaged in decision making on major issues
- Support and implement best practice community engagement processes across the organisation



Priority: One council

- Develop a Community Strategic Plan for the inner west
- Drive continuous improvement to customer service systems and outcomes
- Establish a Business Excellence program to support innovation and continuous improvement across all council activities